

### **Canada invites Indian mining firms**

Canada on Friday urged Indian companies to explore its mineral rich province of British Columbia, which is the country's largest producer of copper and coal exporter. In a meeting with the Indian industry, Christy Clark, premier of British Columbia asked Indian companies to invest there and open up mines. He is leading a six-day trade mission to India.

**BS REPORTER**

# Uneasy calm prevails ahead of Shah commission's visit to Odisha

JAYAJIT DASH  
Bhubaneswar, 11 November

**RISING** cases of non-compliance with mining and environmental laws, the deepening nexus between lessees and raising contractors and ore production beyond what was approved in the mining plan are likely to land the state government in a quandary ahead of the M B Shah commission's visit.

The independent enquiry commission headed by Shah, retired judge of the Supreme Court, to investigate cases of illegal mining in several states, is scheduled to visit Orissa on November 15. The commission had recently completed inspection of some controversial mines in Goa.

The state steel & mines department, however, seems



unperturbed over the visit.

The spate of illegal mining had visibly added to the state government's discomfiture, even as it spurned persistent demands by the opposition for an enquiry by

**THE PANEL HAD recently inspected various controversial mines in Goa**

the Central Bureau of Investigation into the mining scam, saying the state vigi-

lance was equipped to handle the matter.

The controversial Ram Bahadur Thakur mines, at

the heart of the controversial scam, had recently spelt trouble for the state government. A central tribunal had recently set aside the order of the government on refusing a mining lease to the scam-tainted miner. Accusing the state government of failing to provide sufficient evidence on the matter, it had said the state's order was drawn under influence and was prejudged.

This apart, the alliance between miners in the Joda circle and raising contractor Thriveni Earthmovers had caught the government on the wrong foot. Three lessees — Indrani Patnaik, K J S Ahluwalia and T P Sao — had violated Rule 37 of the Mineral Concession Rules-1960 by forging dubious links with the raising contractor.

Opposition legislators, as well as the ruling party, had raised a storm over the issue, urging none other than Chief Minister Naveen Patnaik to initiate stringent action against the miners and the contractor. The legislators had alleged the mining mafia, led by Sanatana Mahakud and Thriveni Earthmovers, had forcibly taken control of ten mines in the Joda circle.

# JSPL TO INVEST \$600 MN IN BOLIVIA IN 6 MONTHS

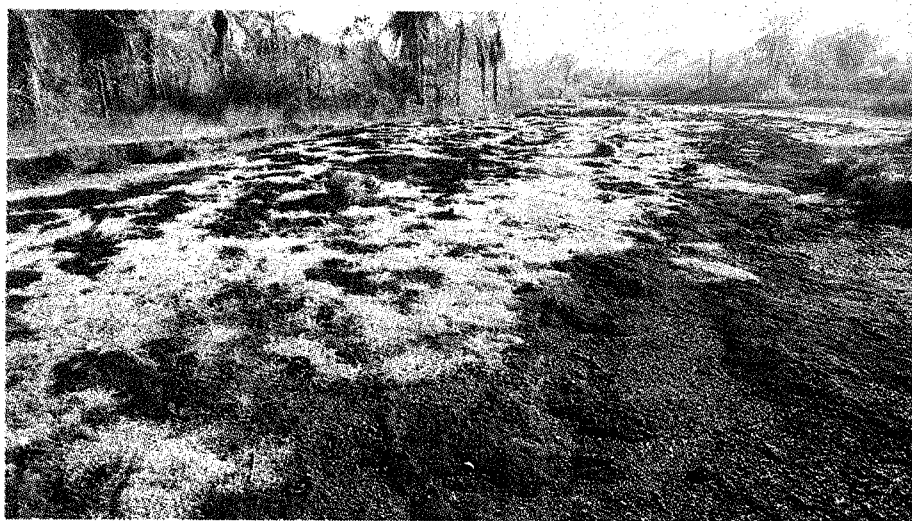
The company will set up steel and pellet plants and a 450-Mw power project in the country over the next eight years

SUDHEER PAL SINGH  
New Delhi, 11 November

**J**INDAL Steel & Power Ltd (JSPL) is planning to invest \$600 million in part-development of the El Mutun iron ore mines in the South American nation of Bolivia over the next six months. El Mutun is the world's largest iron ore deposit at a single location.

JSPL, the Delhi-based flagship company of industrialist and parliamentarian Naveen Jindal, had won rights of development for half the 40-billion tonne (bt) reserves of the mines for 40 years in 2007. Jindal Bolivia Ltd (JBL), a subsidiary of JSPL, is executing the project. Jindal's proposed outlay in Bolivia is by far the largest announced by an Indian company in South America and would also be the highest investment by a foreign company on a single project in that nation.

"The committed investment of \$600 million would be made by April 2012. It is part of the overall \$2.1-billion project to be fully commissioned over the next eight years," Vikrant Gujral, vice-chairman and head of global ventures, JSPL, told *Business Standard*. Apart from mining, the project also includes setting up a 1.7-million tonne per annum (mtpa) steel plant, a 6-mtpa sponge iron plant, a 10 mtpa pellet plant and a 450-megawatt power project. The steel plant is expected to com-



A view of the Mutun mountain near Puerto Suarez on the border with Brazil in Bolivia. Jindal Steel & Power will develop the El Mutun iron-ore deposit with an investment of \$2.1 billion.

PHOTO: REUTERS

mence production by end 2014.

The Bolivian government has committed itself to providing subsidised gas for the power and steel plants.

Reacting to media reports on the Bolivian government's alleged threats to take over JSPL's reserves owing to alleged delays in development, the company clarified its reserves and its development plans in the country were intact.

A news report had quoted Bolivian President Evo Morales as saying that if JSPL's work was not accelerated, the state will begin to exploit the ore. "In fact, JSPL has been shipping some quantities of iron ore even in the ongoing lean period that would end in

December. The exports would pick up beginning January, when water levels in the Tamango canal go up," he said. The ore is moved through barges on the Paraguay Parana river system.

JSPL had started dispatching iron ore from the El Mutun mines last month. "Already, 7,000 tonnes of ore has been exported under an overall 10,000 tonne order from Paraguay, bringing Bolivian ore in the global market for the first time," Gujral said, adding the company hoped to ramp up export volumes to a million tonnes by the end of next year.

Global iron ore benchmark prices, which had been hovering at \$175 a tonne until re-

cently, have come down to \$135 a tonne at present.

Apart from the Bolivian project, JSPL's other expansion plans abroad include increasing its steel production capacity in Oman from 1 mtpa at present to 5 mtpa by 2016. It had acquired Oman's Shadeed Iron & Steel Company last July for \$500 million.

JSPL registered a 40 per cent jump in net profit at ₹2,064 crore last financial year. Total income of the company rose 30 per cent to ₹9,717 crore during the financial year. The company's share price at the Bombay Stock Exchange today closed at ₹555.3, down two per cent as compared to the previous close.



## PRICE CARD

As on Nov 11	International		Domestic	
	Price	%Chg#	Price	%Chg#
<b>METALS (\$/tonne)</b>				
Aluminium	2,112.0	-10.8	2,533.9	-11.5
Copper	7,456.0	-15.3	9,317.6	-11.9
Nickel	18,150.0	-14.5	21,947.3	-15.9
Lead	1,921.5	-16.5	2,274.5	-12.5
Tin	21,285.0	-8.7	26,237.0	-9.8
Zinc	1,883.0	-11.4	2,434.2	-10.9
Steel-HRC	656.0	-5.6	878.0	-6.8
Gold (\$/ounce)	1,769.78*	0.3	1,775.8	-1.1
Silver (\$/ounce)	34.05*	-12.1	35.6	-13.6
<b>ENERGY</b>				
Crude Oil (\$/bbl)	113.80*	5.7	107.3	3.7
Natural Gas (\$/mmBtu)	3.60*	-12.4	3.7	-10.4
<b>AGRI COMMODITIES (\$/tonne)</b>				
Wheat	238.1	-10.2	229.2	-9.5
Maize	257.71*	-12.8	218.2	-19.5
Sugar	658.00*	-12.2	621.3	-1.9
Palm oil	1030.0	-8.9	1,148.3	-7.4
Rubber	3,282.93*	-28.6	3,741.0	-17.0
Coffee Robusta	1,780.00*	-18.7	1,955.3	-11.4
Cotton	2,200.2	2.1	2,162.9	1.8

Conversion rates: 1) 1 ounce = 31.1032316 gm 2) 1 US dollar = ₹50.12

\* As on Nov 11, 1800 hrs IST, # Change over 3 Months

Notes:

- 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 MCX near-month future.
- 4) International wheat, white sugar & coffee robusta are LIFFE future prices of near-month contract.
- 5) International maize is MATIF near month future, rubber is Tokyo-TOCOM near-month future and palm oil is Malaysia FOB 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 Kamataka robusta and sugar is M30 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 LIFFE and coffee Kamataka robusta pertains to previous days price.

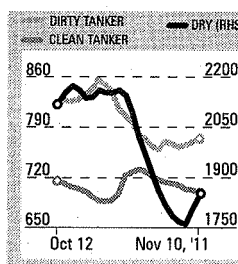
Source: Bloomberg

Compiled by BS Research Bureau

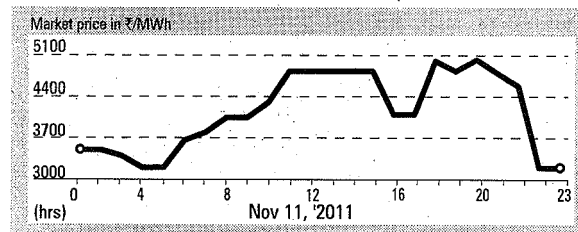
## BALTIC EXCHANGE INDICES

	Nov 10, 11	chg%*
Baltic Dry	1,840.00	2.11
Baltic Supramax	1,329.00	-0.52
Baltic Panamax	1,761.00	-0.51
Baltic Capesize	3,162.00	5.65
Baltic Handysize	683.00	-1.59
Baltic Clean Tanker	699.00	-0.43
Baltic Dirty Tanker	773.00	0.52

\* over previous close



## ELECTRICITY TRADING AT IEX



## Growth in first half dips to 5% from 8.2% in 2010

By Mail Today Bureau  
in New Delhi

DRAGGED down by a sluggish manufacturing sector and contraction in mining output, the country's industrial growth rate slowed to a two-year low of 1.9 per cent in September, official figures released on Thursday showed.

Industrial growth, measured in terms of the Index of Industrial Production (IIP), had been estimated at 6.1 per cent in September last year. During the April-September period of the current financial year the industrial growth works out to five per cent, down from 8.2 per cent in the same period last year.

To make matters worse the IIP growth figure for August this year has been revised downward to 3.59 per cent from the provisional estimate of 4.1 per cent released last month.

The output of the manufacturing sector, which constitutes over 75 per cent of the IIP, grew by a

**'I do see a pick up by the end of March'**

measly 2.1 per cent in September, compared to 6.9 per cent growth in the same period last year.

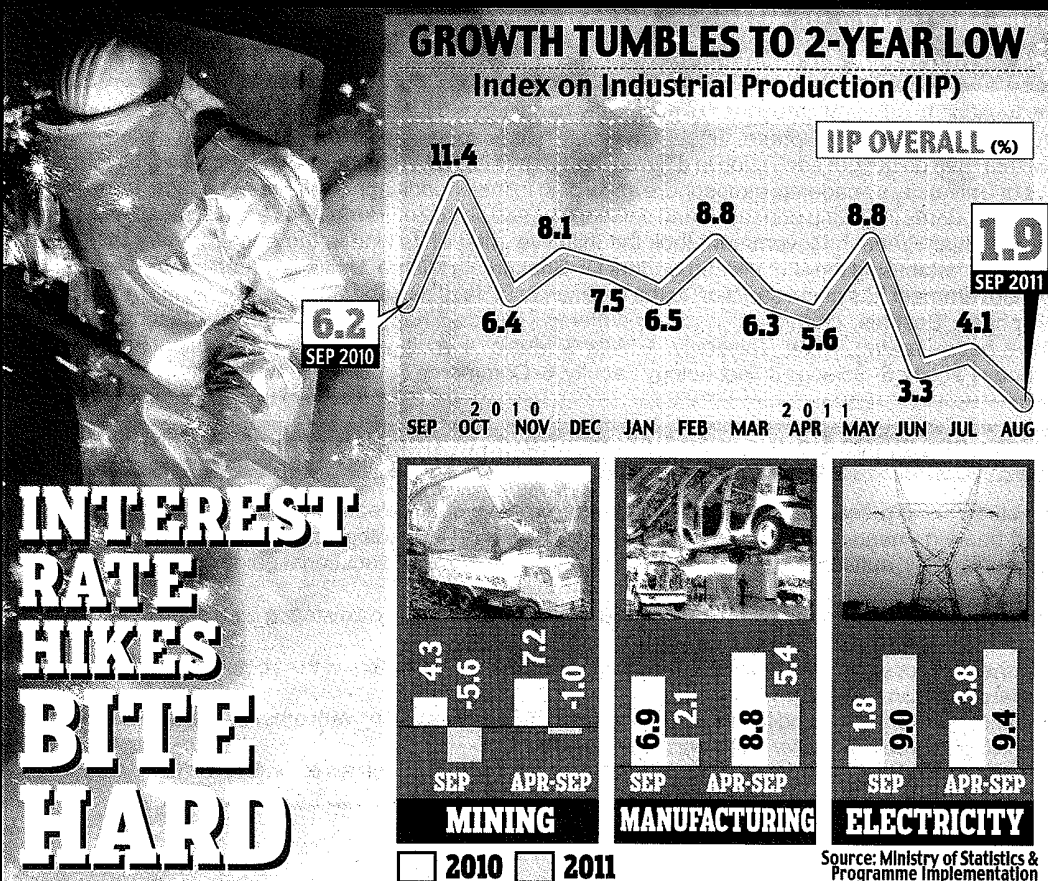
The sluggish growth of the manufacturing sector means that fewer jobs will be created in the economy. Mining output contracted by 5.6 per cent in September this year compared with a growth of 4.3 per cent in the same month last year. This has serious implications for the power sector, which requires increased supplies of coal.

The production of capital goods, which includes machines used in factories, also witnessed negative growth of (minus 6.8 per cent), which shows that the level of real investment in the economy is coming down.

This is a serious cause for concern as it could lead to a further decline in production in the coming months.

The production of consumer non-durables, such as soaps, cosmetics and processed foods also declined by 1.3 per cent during the month in comparison to a growth of 5.8 per cent in the

# Sept industrial growth crawls at a mere 1.9%



corresponding month of the previous year. However, electricity production improved, witnessing a growth of nine per cent in September this year, as against growth of a mere 1.8 per cent in September, 2010.

The fall in industrial output, as shown by the latest data, suggests continued sluggishness in the economy, experts said.

India's economy grew by 7.7 per cent in the April-June period, the slowest in six quarters.

Ficci secretary general Rajiv Kumar said, "The industrial growth outlook in the country has deteriorated over the last few months. Uncertainty in eco-

nomic environment has impacted business and consumer confidence. We need proactive reform measures from the government to reverse this trend and improve overall business sentiments."

India Inc had attributed the slowdown to rising interest rates, which have led to an increase in the cost of borrowing, which discourages consumers from going in for loans and hinders fresh investment.

"The sharp decline in growth reflects the impact of RBI's interest rate hikes together with the continuous rise in inflation. With the global economic sce-

nario also deteriorating, the RBI should not only pause but begin to reverse its interest rate hikes," said Chandrajit Banerjee, director general, CII.

However, planning commission deputy chairman Montek Singh Ahluwalia said, "I would not draw any connection between the rate hike and decline in industrial production. The rate today is roughly what it was when the economy was growing at nine per cent."

Prime Minister's economic advisory panel chief C. Rangarajan said, "IIP for September is bad, but I do see a pick up by the end of March."



## गोवा से आयरन ओर निर्यात 30% घटा

वैश्विक मूल्य घटने और  
लागत बढ़ने से निर्यात पर  
प्रतिकूल असर

रॉयटर्स • मुंबई/शंघाई

गोवा के मोरमुगोवा बंदरगाह से अक्टूबर के दौरान आयरन ओर का निर्यात एक तिहाई घटकर 28.3 लाख टन रह गया। लागत बढ़ने और वैश्विक मांग की सुस्ती से मूल्य घटने के कारण निर्यात फायदेमंद न रहने के कारण सका शिपमेंट कम हुआ है।

उधर चीन के प्रमुख बंदरगाहों पर आयरन ओर का स्टॉक लगाता बढ़ रहा है। इस सप्ताह के अंत में स्टॉक 1.5 फीसदी बढ़कर 963 लाख टन हो गया।

मोरमुगोवा पोर्ट ट्रस्ट के एक अधिकारी ने अपना नाम न बताते हुए जानकारी दी कि आंतरिक परिवहन समस्याओं के चलते आयरन ओर के निर्यात में कमी आई है। आयरन ओर खनन क्षेत्रों में स्थानीय लोग सप्लाई में बाधा पैदा कर रहे हैं।

इस बंदरगाह से चालू वित्त वर्ष के पहले सात महीनों (अप्रैल-अक्टूबर) में आयरन ओर 15.4 फीसदी घटकर 147.1 लाख टन रह गया। भारत में सबसे ज्यादा आयरन ओर का निर्यात इसी बंदरगाह से किया जाता है। भारत दुनिया का तीसरा सबसे बड़ा आयरन ओर निर्यातक देश है। फरवरी में गोवा राज्य सरकार ने नियम लागू किया था कि निर्यातकों को स्थानीय खनन विभाग से आयरन ओर निर्यात करने के लिए अनिवार्य रूप से अनापत्ति प्रमाणपत्र

हासिल करना होगा। चालू वित्त वर्ष में भारत से आयरन ओर का कुल निर्यात करीब 24.4 फीसदी गिरकर 280.02 लाख टन रह गया।

कर्नाटक ने आयरन ओर का निर्यात रोक रखा है। अप्रैल में सुप्रीम कोर्ट ने निर्यात पर प्रतिबंध हटाने का आदेश दिया था। इसके बावजूद राज्य सरकार ने निर्यात करने की अभी तक अनुमति नहीं दी है।

वैश्विक बाजार में पिछले सितंबर से आयरन ओर के मूल्य घटने और परिवहन खर्च समेत कुल लागत बढ़ने के कारण निर्यात प्रभावित हो रहा है। हालांकि हाल में आयरन ओर के मूल्य में सुधार दर्ज किया गया। अब उम्मीद दिख रही है कि आयरन ओर के निर्यात में सुधार होगा।

# Panna's pride: A 37-carat diamond

Biggest ever stone unearthed at legendary  
mines, estimated worth Rs 2.5-5 crore

**BHOPAL, NOVEMBER 11**

State-run mineral giant NMDC has struck it rich when it unearthed a 37.68 carat diamond, the biggest ever gem produced from the legendary diamond mines in Panna in Madhya Pradesh.

Experts have valued the gem recovered somewhere between Rs 2.5 and Rs 5 crore. "So far this 37.68 carat is the biggest ever diamond we have recovered from Panna's Majjhgavan mines," National Mineral Development Corporation (NMDC) Assistant General Manager Rajeev Wadhwa said here today.

NMDC officials said the white rough diamond of octahedron shape is of "good quality". The mining major's Mumbai-based valuers will arrive in Panna sometime next month to assess the commer-

cial value of the precious gem, Wadhwa said. The gem is expected to be auctioned later.

The previous big haul from Panna mines was in June 2010 when a 34.37-carat diamond was recovered.

Earlier, the mines, about 500 km from here, had produced a 32 carat diamond in 2005 and a 30.30 carat diamond in 2003, which were sold for about Rs 1 crore each.

The Panna mines at Majjh-gavan are Asia's biggest mechanised diamond mines and its diamonds are rated next only to those produced from South African mines.

NMDC, the only organised producer of diamonds in the country, began mining operations in Panna diamond mines in 1968 and since then it has unearthed a large number of diamonds. — PTI

## गोवा में इकट्ठा होंगे इस्पात क्षेत्र के दिग्गज

नई दिल्ली (एजेंसी)। कच्चे माल की किल्लत से जूझ रहे इस्पात उद्योग को कुछ नीतिगत बदलावों के जरिए राहत प्रदान करने के लिए गोवा में 17-18 नवम्बर को होने जा रहे सम्मेलन में इस्पात और कोयला मंत्रालय के चरिष्ठ अधिकारी खनन एवं इस्पात कंपनियों के अधिकारियों से चर्चा करेंगे।

चीन और ऑस्ट्रेलिया सहित विभिन्न देशों के अनुसंधानकर्ता और विश्लेषक भी सम्मेलन में हिस्सा ले रहे हैं जिसका आयोजन लौह अयस्क क्षेत्र की वैश्विक अनुसंधानकर्ता ओरटीम एक्जिम द्वारा इस्पात मंत्रालय की संयुक्त नियोजन समिति के सहयोग से किया जा रहा है। इस अंतरराष्ट्रीय सम्मेलन में लौह एवं

इस्पात उद्योग की समस्याओं और इसे उबारने के उपायों पर चर्चा की जाएगी। सरकारी नीतियों में बदलाव और खराब ढांचागत सुविधाओं के चलते लौह एवं इस्पात उद्योग पिछले डेढ़ साल से दिक्कतों का सामना कर रहा है। भारत ने 2009 में 10.5 करोड़ टन लौह अयस्क का निर्यात किया जो 2010 में घटकर 9.7 करोड़ टन पर आ गया और 2011 में इसके घटकर 7.5 करोड़ टन पर आने की आशंका है। कर्नाटक में खनन पर प्रतिबंध लगाए जाने से इस्पात उद्योग के समक्ष खड़ी हुई समस्याओं सहित अन्य राज्यों में इस्पात परियोजनाओं पर इसके अंसर पर विशेष चर्चा किए जाने की संभावना है।



## Copper firm, Europe debt crisis fears remain

Reuters

London, Nov. 11

Copper held steady on Friday, with signs of easing political tension in Italy prompting hopes the country will make progress in tackling its debt crisis, but worries about the impact of the European crisis on growth kept investors cautious.

Benchmark copper on the London Metal Exchange (LME) traded at \$7,455 a tonne in official rings. It was untraded at the close on Thursday, but bid at \$7,475 a tonne.

Copper, used in power and construction, is down 4 per cent so far this week in its second weekly fall, hit by fears of a financial catastrophe in the

euro zone after Italian borrowing costs hit unsustainable levels earlier this week.

Copper prices are down more than 21 per cent in the year to date on uncertainty about demand for metal as the economy slows.

Among other metals, aluminium traded at \$2,136 a tonne in official rings, from \$2,140 a tonne at the close on Thursday.

Zinc traded at \$1,880 from \$1,885 a tonne on Thursday, while lead was at \$1,969 from \$1,943.

Nickel was untraded in official rings, but bid at \$18,150 from Thursday's close of \$18,150 a tonne, while tin was untraded in official rings, but bid at \$21,650 a tonne.

# Actions, not Miracles, Bring About Big Change: Som

**"We want to be a sensitive company that stands on its values through both vertical and horizontal integration; whose existence is supported by people"**

**RANA SOM**  
CMD, NMDC

**RAKHI MAZUMDAR**  
KOLKATA

Rana Som, who scripted National Mineral Development Corp's transformation from an iron-ore miner to a minerals giant that is also getting into steel, is stepping down as chairman and managing director next month, marking the end of a four-year term in which he has raised the bar for his peers.

A post-graduate in economics and management, Som joined NMDC in 2007 after a stint at Hindustan Copper, another public sector undertaking. Under Som's leadership, NMDC's revenues more than doubled to ₹11,369 crore in 2011. NMDC, the lone supplier of raw material to large private steelmakers, recently stoked controversy by teaming up with Russian billionaire Alexey Mordashov to form a steel joint venture in India, which many view as an attempt by the Russian to take on industrialist LN Mittal in the country.

The mining company has also won government approval to set up a steel plant in Chhattisgarh, a move aimed at giving back to the community where it has been operating for a couple of decades now. "If you want to bring a big change, you must realise that no miracle works. You just have to keep working through a large number of small actions on a sustained basis," Som told ET. Som was known as a turnaround strategist at Hindustan

Copper, but that tag was of little use in NMDC, a company where finances were not a worry.

"NMDC had strong financial, operational and managerial foundation, labour relations, asset management and technology," he said. Inspired by economist John Kenneth Galbraith's book 'The Affluent Society', Som introduced three features — build a superstructure to sustain the company, get into vertical integration and create space for horizontal integration into other minerals. Horizontal integration and focus on food security saw the iron-ore producer get into coal mining and hunt for companies producing phosphatic fertilisers. Som has also spearheaded NMDC's plan to build a ₹15,000-crore steel plant in the mineral-rich Bastar district of Chhattisgarh, which is plagued by Maoist insurgency. When the mining company's plan to get into steelmaking raised eyebrows, Som is reported to have said, "Steel plants are made by experts, not steel companies." His gambit has paid off. NMDC, which is building the plant at Nagarjun on its own, now has a strong acceptance in the state.

Som has won over the Maoists with his plan to impart basic technical skills to the indigenous people and absorb them into the plant once it becomes operational. The strategy has ensured that Maoists don't hinder NMDC's operations in the region.

Under Som, NMDC has also expanded geographically, hedging its bets on different minerals. In September, NMDC bought 50% stake in Australia's Legacy Iron Ore.

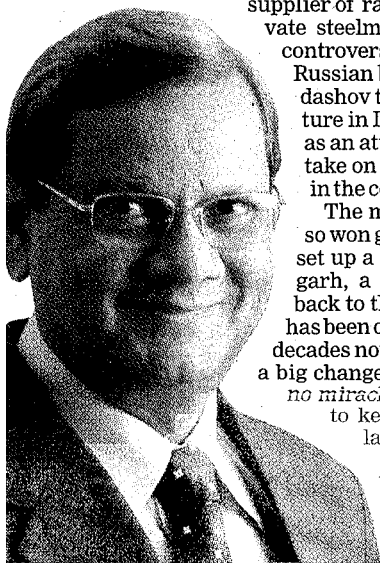
"Legacy is set to become NMDC's

Australian arm. We have plans to buy Wonarah and get a sizeable stake in a \$1.2-billion phosphate project that is being developed," Som said, adding that NMDC will also get a share of the prospects of Mount Bevan, a large iron ore property in Western Australia where the two companies will invest nearly \$1.3 billion.

The company is also scouting for opportunities in Russia, Mozambique, South Africa, Tanzania, US, Canada, Australia and Brazil. NMDC will also mine gold in Tanzania, where Som said the prospects match those in South Africa and Ghana. The mining lease for the venture is expected this month, he said. In Mozambique, NMDC has picked up 26% stake in Sunflag Iron & Steel's coal venture.

Strategic thinking is clearly another of Som's hallmarks. "In iron ore, we will get into the exploration side only, which requires less investment and gets ready in five to seven years," Som said. "But in coking coal we will be very aggressive. We are looking at prospects in Russia and in Alabama in the US. But coal is a more complex evaluation and hence requires more time." It is little wonder then that the Financial Times database says "he is recognised in the field of mergers and acquisitions, specially relating to mineral assets".

Outlining his vision for NMDC, he said, "We want to be a sensitive company that stands on its values through both vertical and horizontal integration; whose existence is supported by people." Som's successors now need to ensure this, a task that he has made considerably easier by doing the initial hard work.



## Biz captains urges government to put reforms on fast-track

**AGE CORRESPONDENT**  
MUMBAI, NOV. 11

Concerned over the serious slow down in the economy and lack of enough policy decisions to tackle the crisis, the industry captains on Friday urged the Centre to implement power sector reforms and tackle the issue of labour unrest. "The industry is seriously concerned about the deceleration in the economic growth for the past few months after seeing an acceleration in growth.

There are several issues to be addressed. We request the government to implement the power sector reforms by privatising the power distribution and

transmission and tackle the labour unrest more effectively" said, Mr B. Muthuraman, CII president and vice-chairman, Tata Steel.

Speaking on behalf of the industry after the National Council meeting of the CII, Mr Muthuraman also stressed the need for the government to speed up the implementation of much awaited reform measures like the Land Acquisition Bill, Mines and Mineral Development and Regulation Bill and a nationwide GST regime.

"There is a lack of enough policy decisions in the economy to revive growth," he said urging the Maharashtra government to

take the lead in addressing some of the concerns of the industry.

Echoing the sentiments of the industry Mr Rahul Bajaj, chairman, Bajaj Auto said, "The drop in IIP growth is a reflection of the reality. The Indian economy is substantially slowing down. If the government doesn't initiate urgent reform measures in areas of power sector and infrastructure among others, it will go from bad to worse."

In their interaction with the state Chief Minister, Mr Prithviraj Chavan, the CII president, Mr Muthuraman requested the state government to abolish the octroi tax being levied in some part of the state.





## **JAIRAM: MINES BILL IN WINTER SESSION**

**Raipur:** Union rural development minister Jairam Ramesh on Friday said the much-awaited Mines and Minerals Development Regulation Bill will be placed in the coming Winter Session of Parliament. The salient features of the proposed bill include creation of District Mines Fund (DMF) for each mineral bearing district in the country to pass on the royalties on the minerals, exploited from the region, to the account. Each DMF will get revenue of ₹180 per annum. The entire corpus of the fund would be utilised for the development of the district.

## गोवा में जुटेंगे इस्पात क्षेत्र के दिग्गज

नई दिल्ली, 11 नवंबर(भाषा)। लौह अयस्क जैसे कच्चे माल की किल्लत से जूझ रहे इस्पात उद्योगों को कुछ नीतिगत बदलावों के जरिए राहत प्रदान करने के लिए गोवा में 17-18 नवंबर को होने जा रहे सम्मेलन में इस्पात और कोयला मंत्रालय के वरिष्ठ अधिकारी खनन और इस्पात कंपनियों के अधिकारियों से चर्चा करेंगे। चीन और आस्ट्रेलिया सहित विभिन्न देशों के अनुसंधानकर्ता और विश्लेषक भी सम्मेलन में हिस्सा ले रहे हैं। जिसका आयोजन लौह अयस्क क्षेत्र की वैश्विक अनुसंधानकर्ता ओरटीएम एक्जिम की ओर से इस्पात मंत्रालय की साझा नियोजन समिति के सहयोग से किया जा रहा है। इस अंतरराष्ट्रीय सम्मेलन में लौह और इस्पात उद्योग की समस्याओं और इसे उबारने के उपायों पर चर्चा की जाएगी। सरकारी नीतियों में बार बार बदलाव किए जाने, परिवहन की अत्यधिक लागत और खराब ढांचागत सुविधाओं के चलते लौह और इस्पात उद्योग पिछले डेढ़ साल से दिक्कतों का सामना कर रहा है।

भारत ने 2009 में 10.5 करोड़ टन लौह अयस्क का निर्यात किया जो 2010 में घटकर 9.7 करोड़ टन पर आ गया और 2011 में इसके घटकर 7.5 करोड़ टन पर आने का अंदेशा है। कर्नाटक में खनन पर पाबंदी लगाए जाने से इस्पात उद्योग के समक्ष खड़ी हुई समस्याओं सहित अन्य राज्यों में इस्पात परियोजनाओं पर इसके असर पर विशेष चर्चा किए जाने की संभावना है।

## Industrial growth slows to 2-yr low of 1.9% in Sept

TIMES NEWS NETWORK

**New Delhi:** The country's industrial growth slowed to a two-year low in September as a sluggish manufacturing sector hit by rising interest rates and a decline in mining output hurt expansion, official data showed on Friday.

Data released by the Central Statistics Office (CSO) showed industrial growth slowed to 1.9% in September, compared to 6.1% in the same year-ago month. The CSO also revised downwards the August number to 3.6% from the previously reported 4.1%. In-

### ₹ lowest in 2.5 yrs at 50.42 to a dollar

The rupee fell to a two-and-a-half-year low of 50.42 to the US dollar on Friday following weak industrial production data and a sliding market. Analysts expect the currency to hover at 50.30 for a few weeks. **P 27**

### ► Further moderation, P 28

Industrial growth in the April-September period stood at 5%, lower than 8.2% recorded in the same year-ago period.

The mining sector fell 5.6% in September, compared to 4.3% growth in September 2010, while the key manufacturing sector slowed to a two-year low of 2.1% from 6.9% in 2010. In August, the sector had expanded 4.1%.

The capital goods sector, a barometer of industrial activity, fell 6.8% in September compared to 7.2% growth in September 2010. The sector has remained volatile prompting experts to question the data. Consumer non-durables declined 1.3% in September 2011 compared to 5.8% growth in 2010.





NMDC has unearthed a 37.68 carat diamond worth Rs 5 crore from Panna. It's considered to be the biggest stone from the reserve

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# Saving the Pearl of the Orient

Removing low-grade iron ore dumps from Goa in a scientific way would be in the interest of safe mining

J S SIBAL

The country's iron-ore mining industry has come under scrutiny, fuelled by the recent events in Karnataka and Goa. But a technical point of view has been lost in the debate that has focused mainly on the political and social fallout of illegal mining. This missing link is critical.

Traditionally, Goa has been home to low-grade ore. It has, therefore, commanded a far lower price in the international market for close to 50 years. Considering only the best quality of ore mined could be sold, there has been a growing stockpile of subgrade ores, laterite and clay overburden, extracted as a natural consequence, but with no takers. Mines stacked such waste generally outside leasehold areas and sometimes closer to the pits, with due approvals and consent, as it was operationally unwise, unsafe and unlawful to stack it on ore-bearing areas closer to pits.

As the world economic scenario changed and China emerged as the largest glob-

al consumer of iron ore, its demand also forced steelmakers there to find ways to use lower-grade iron ore. This brought a unique opportunity for Goa's mine owners. Low-grade haematite ores in Goa can be used best when they are blended with high-grade magnetite concentrate. But that is not available in India, whereas it is available in plenty in China. Naturally, mine owners in India scouted around to find buyers for the otherwise-unusable stockpiles in their areas.

And that is the reason behind the current hue and cry on low-grade ore sales from dumps. Financial benefits notwithstanding, removal of these dumps that have existed anywhere between 20 and 40 years can only have a positive impact.

Some of the benefits include reducing the extent of environmental damage, lowering the need for additional dumping areas, accessibility for safe mining operation, and furthering the vision of 'zero-waste mining'. The weak geological formations in Goa, coupled with heavy rainfall, have triggered several accidents. It would, therefore, be in the interest of safe mining operations to remove dumps.

As the mining industry grows, which is necessary for various economic reasons, the need for extracting ore and thereby overburden, the need to stack this ore and a place for dumping overburden will only grow. Given the nature of resources, industry growth and dumping area



needs will not be linear. In a small region like Goa, the need for dump management with proper dump geometry requires huge extra dumping areas. And that is a major concern.

The removal and economic use of old stockpiled waste or low-grade ore needs to be done till such time that the opportunity exists. Mining or extraction operations are governed by relevant safety laws and environmental clearance (EC) limits. These environmental clearance limits prescribe the repetitive extraction limits for a mine every year and, therefore, prescribe annual fresh mining limits, and do not refer to activity already performed in a previous period. Furthermore, they only stipulate ore to be mined, and do not specify overburden or waste, as stripping ratios differ at different stages

or places of a mine. Lease-holders are required to plan mining operations in a way so as to ensure safe mining with due regard to conservation of available national resource. However, it is necessary to ensure that there is no misappropriation and safe mining is carried out.

Statutes and regulations should be applied and monitored rightly, to facilitate safe mining, with the scope for ensuring appropriate economic use of such low-grade stockpiles, in the interest of the industry, state and its people. It is, therefore, necessary that existing low-grade ore dumps are rehandled, albeit with safety as an important parameter.

Stockpiles must be removed in a scientific and safe manner and it must be ensured that such stockpiles do not cause additional environmental damage. Adequate infrastructure must be available for safe mining, processing and evacuation of such material. Also, removal of such ore should be done by the same mining organisations that have stockpiled the material.

With a broader perspective, application of such regulations should only lead to clarity, transparency, proper and safe mining with regard to conservation, while ensuring that there is no impact on any aspect of the environment around, green and social.

*(The author is former director general of mines safety)*

# नुकसान पर सुप्रीमकोर्ट में हलफनामा

लौह अयस्क के  
खनन का मामला

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मुख्यमंत्री डीवी सदानंद गौड़ा ने कहा कि राज्य में लौह अयस्क के खनन के कारण पर्यावरण को हुए नुकसान तथा इस नुकसान रोकने की योजना के बारे में अगले दो सप्ताह में राज्य सरकार सुप्रीम कोर्ट में हलफनामा दायर करेगी।

गौड़ा ने गुरुवार के यहां कर्नाटक प्लांटर्स एसोसिएशन के वार्षिक सम्मेलन में भाग लेने के बाद संवाददाताओं से बातचीत में कहा कि सुप्रीम कोर्ट ने लौह अयस्क के खनन की वजह से पर्यावरण को पहुंचे

नुकसान की क्षतिपूर्ति करने की भावी योजना को स्पष्ट करने के लिए राज्य सरकार से हलफनामा पेश करने को कहा है। सरकार ने इसकी प्रक्रिया शुरू कर दी है और इस मामले पर उच्चस्तरीय अधिकारियों के साथ पहले चरण की बैठक की जा चुकी है। राज्य की ओर से पेश किए जाने वाले जवाब को अंतिम रूप देने से पहले दो से तीन बार बैठकें बुलाकर विचार विमर्श किया जाएगा।

गौरतलब है कि शीर्ष न्यायालय ने राज्य में हो रहे अवैध खनन को गंभीरता से लिया है और राज्य के बेल्लारी, चित्रदुर्गा व टुमकूर जिलों में बड़े पैमाने पर हुए अवैध खनन का अध्ययन करने व इसकी वजह से पर्यावरण को पहुंचे नुकसान का

जायजा लेने के लिए केन्द्रीय उच्चाधिकार समिति को नियुक्त किया है। समिति की सिफारिश पर न्यायालय ने राज्य में सभी प्रकार की खनन गतिविधियों पर प्रतिबंध लगा दिया है।

इसी मामले में सीबीआई ने पूर्व मंत्री व खनन व्यवसायी गौली जनार्दन रेड्डी को गिरफ्तार किया और वे फिलहाल हैदराबाद के चंचलगुड़ा केन्द्रीय कारागार में बंद हैं। राज्य में लौह अयस्क के खनन पर प्रतिबंध लगा दिए जाने से लाखों श्रमिकों को बेकारी की समस्या का सामना करना पड़ रहा है और राज्य सरकार करोड़ों रुपये की रायल्टी का नुकसान हो रहा है। इसके चलते प्रदेश का लौह व इस्पात उद्योग चौपट होने के कगार पर पहुंच गया है।

(का.सं.)