Final draft of Mines Bill ready

THE MINES ministry on Friday said it is ready with the final draft of the new Mines Bill and a Group of Ministers will meet soon to review the proposed law amid protests by the industry over provisions mandating 26 per cent profit-sharing with project-affected persons. The MMDR Act will be introduced in the ongoing Winter Session of Parliament, mines minister, Mr B. K. Handique, said. “The draft has been finalised, but changes will be introduced in the Winter Session,” Mr Handique said. Asked about changes in the final draft, he said there were modifications, but said the clause for 26 per cent profit sharing by miners with affected people was retained in the final draft.
Hindustan Copper FPO this month: Handique

State-owned Hindustan Copper's follow-on public offer will take place this month and not in December, as earlier planned, mines minister BK Handique said on Friday. While the government has not officially announced a date for the FPO, Hindustan Copper CMD Shakeel Ahmed had earlier told the media it would take place in December. "Compared to Coal India, it will have a limited response. Coal is known to everybody," Handique said.
Hindustan Copper's FPO this month

NEW DELHI: State-owned Hindustan Copper's follow-on public offer will take place this month and not in December, as earlier planned, mines minister B K Handique said on Friday. "(Hindustan Copper) FPO will be very soon. It will be in this month," Handique said. While the government has not officially announced a date for the FPO, Hindustan Copper CMD Shakeel Ahmed had earlier told the media it would take place in December.
NEW DELHI, 12 NOV: Hindustan Copper's follow-on public offer will take place this month, and not in December as earlier planned, mines minister Mr BK Handique said today. While the government has not officially announced a date for the FPO, Hindustan Copper CMD Mr Shakeel Ahmed had earlier told the media that it would take place in December. pti
Govt panel to have final meet on new mines Bill

A government panel is set to hold a final meeting on the draft of a new mining Bill that will be introduced in the ongoing session of Parliament, mines minister BK Handique said on Friday. India, the third-biggest exporter of iron ore in the world, is shaping a new mining Bill, under which it wants miners to share 26% of their profits with displaced local residents or give them equity. "Any day, final sitting will be held," Handique said. "We have been asked by the group of ministers to submit the final draft." "There are some changes. 26% (profit sharing plan) is there so far," the minister said.

Handique said state-run Hindustan Copper, set to launch a share offer this month, will be a part of a team that will go to Afghanistan in April to look at the possibility of mining copper ores. The offer will be for 1.84 million shares, or 18.08% of post-issue equity.
Novellis to up production by 20%

Hindalco's overseas acquisition, Novellis, will increase its production by 20 per cent by 2014, Hindalco Managing Director D Bhattacharya said. The company will restart its copper mine at Mount Gordon in Australia in the current quarter.
Hindalco may restart Oz ops by year-end

MUMBAI: Aditya Birla Group company, Hindalco, on Friday said it hopes to restart operations at its copper mine in Mount Gordon, Australia, by end-this calendar year. “The Australia mine which is now under maintenance will be restarted on account of higher international prices,” Hindalco managing director Debashish Bhattacharya said. The company’s Atlanta-based unit Novelis will increase its capacity by 20 per cent by 2014. Novelis is a global producer of aluminium products.
AFGHANISTAN, INDIA TO SIGN MINING PACT

India and Afghanistan are set to sign a pact for collaboration in mining and geology. The two have been jointly working on mining projects since June. A proposal to further build up the partnership through signing of a formal pact came during a meeting of the two sides held on Friday.
Petitions in favour of Vedanta

Eight tribal organisations in Orissa's Kalahandi district have petitioned the Chief Justice of the high court, opposing the decision of the environment and forest ministry to decline permission for expansion of the alumina refinery of Vedanta Aluminium.
Vedanta: Tribals move high court

AGE CORRESPONDENT

BHUBANESWAR

Nov. 12: At least eight leading tribal organisations from Kalahandi and Rayagada districts on Friday moved the Orissa high court against the recent verdict of Union ministry of environment and forest for denying permission to the expansion proposal of the Vedanta Aluminium Limited's refinery project in Kalahandi district.

In a PIL, the organisations said the denial of permission was going to affect the livelihood of the local people who are directly or indirectly dependent on the project for their survival.
हिंदुस्तान कॉपर का एफपीओ इसी माह

सारांशिक: भारतीय हिंदुस्तान कॉपर ने फोनोटॉक्यूप को इस माह में चर्चा में आया। कंपनी के एफपीओ की महत्वपूर्ण भूमिका है।

खेतन गंगा श्रीकृष्ण ने कहा कि हिंदुस्तान कॉपर के एफपीओ को इस माह में चर्चा में आया। फोनोटॉक्यूप के आईएसपीओ के साथ उन्होंने पूरी जानकारी दी।

उपरोक्त कंपनी के एफपीओ के आईएसपीओ के साथ यह चर्चा करीब जून, 2010 में हो गई थी।

उपरोक्त कंपनी के एफपीओ के आईएसपीओ के साथ यह चर्चा करीब 6 दिसम्बर की तारीख होगी।
Tribal groups plea against stalling of Vedanta

BHURANESWAR: Eight tribal organisations from Kalahandi and Rayagada districts on Friday submitted a writ petition to the Orissa High Court against the stalling of expansion of a refinery project of Vedanta Aluminium Ltd at Lanijgarh in Kalahandi district. The organisations said in their petition that the refinery at the foothill of the Nyamgiri Hill has transformed the lives of locals for the better with employment, healthcare and education initiatives. They said the expansion would usher in all-round development.
दिन के पैकेजिंग उपादों
को बढ़ाने का प्रयास - 6

नई दिल्ली, (अवला): दिन पैकेजिंग उपाद बनाने वालों प्रमुख कंपनी हिन्दुस्तान टिकन अन्तर्राष्ट्रीय फैशन प्रोडक्ट्स ने 17 नवंबर को, दिन के पैकेजिंग उपादों के विश्वास को बढ़ाने के लिए 'केबिनेटरेंट' कार्यक्रम शुरू किया था। दिन कंपनी ने आज कहा था कि इस कार्यक्रम में वाहन और विभिन्न सामग्री के बाहर दिन के पैकेजिंग उपादों के प्रति ध्यान दिखाया जाएगा।
Novelis to raise capacity by 20%

Mumbai, Nov 12: Hindalco Industries, an Aditya Birla Group company, on Friday said its Atlanta-based unit, Novelis, a leading global producer of aluminium products, will increase its production capacity by 20% by 2014, up from the current capacity of three million tonnes.

Hindalco's managing director Debu Bhattacharya said, “Novelis will increase its capacity through brownfield expansions of plants in emerging markets, such as Brazil.”

Novelis will invest about $300 million in one of its Brazilian factories to meet the growing demand for its products in South America. According to Paresh Jain, an analyst with Angel Broking, “While the capacity at its Pinda operations in Brazil is being increased by 2.2 lakh tonnes, the balance will be through debottlenecking. Out of the $300 million capex planned for Pinda expansion, 25% and 40% is expected to be incurred in FY2011 and FY2012, respectively.”

The capex for debottlenecking would be less than $80mn and will generate higher returns for the company,” Jain said in his report. Novelis operates four recycling and manufacturing plants and nine hydroelectric facilities throughout Brazil.

Meanwhile, Bhattacharya also revealed that the company expects to restart operations at its copper mine in Mount Gordon, Australia, by December, 2010.
Vedanta eyes Konkola IPO as profit falls

Zambian copper mine may raise £500 million for London-listed metals player

**Eric Onstad, London**

Vedanta Resources is working on possible listings of its energy and Zambian copper units to crystallise billions of dollars of hidden value.

“We think there is the potential to unlock substantial shareholder value through these IPOs,” chief executive Mahendra Mehta told a presentation on Thursday after the company posted a weaker than expected jump in first-half profits.

He declined to peg a value, but a media last month said a flotation of Konkola Copper Mines (KCM) in Zambia could value the unit at 4 billion pounds ($6.46 billion) and raise 500 million pounds.

“We’re looking at a timetable (for KCM) of possibly during the current year,” Mehta added.

The London-listed group filed an application last year for a $1.1 billion initial public offering of Sterlite Energy but it has been on hold since then.

Liberum Capital said Vedanta’s renewed work on IPOs was an effort to cut its market discount following several setbacks with growth projects.

“The KCM listing is a large step in the right direction, in our view, given the realisation of value which should become apparent through an independent listing,” a note said.

Vedanta shares, which have underperformed the British mining index by 25 percent this year, gained 2.1% by 0925 GMT, compared to a 1.9% rise in the mining index.

First half earnings per share jumped 81% to 123.8 cents, driven by higher prices and output, but this was below an analyst consensus forecast compiled by the firm of 130 cents.

Mehta said Vedanta was not worried about finalising its plan to buy a stake of up to 51% in Cairn Energy’s India unit in a deal worth up to $9.6 billion.

Vedanta is also working to conclude its agreed $3.34 billion purchase of the zinc assets of Anglo American announced in May. Both takeovers were expected to be finalised by the end of March next year, Mehta said.

Zinc and iron ore are Vedanta’s most profitable products, accounting for 94% and 82% of first-half core earnings, respectively. Reuters
इस महीने आएगा हिंदुस्तान कॉपर्ट का एफकीओ

राजन प्रतिमेलि: सरकारी कंपनी हिंदुस्तान कॉपर्ट (एचसीएल) का प्रमुख-अध्यक्ष इस महीने आएगा। पहले इस राजनीतिक में लीजिया करने की योजना थी। खबर गई थी के हांगकाँक ने शुक्रवार को कहा, "हिंदुस्तान कॉपर्ट का इस महीने आयोजित होगा।" राजन प्रतिमेलि ने एफकीओ को तिथि की आवश्यकता के लिए नहीं दी थी जल्द किसीसे आयोजित होगा। हिंदुस्तान कॉपर्ट के सीएचएल शहीद आहमद ने पहले कहा था कि एफकीओ दिनांक में पेश किया जाएगा। शनिवार ने जुन में एचसीएल में विभिन्न क्षेत्र में संबंधित कॉंसिल की मंजूरी दी थी। सरकार एफकीओ के जरिए कंपनी में अभ्यास 10 प्रतिशत हस्ताक्षर बैठकों में कंपनी इसी अनुपात में जानबूझ में जारी किया। एचसीएल किसी नामित या अन्य आयोजनों में खनन संगठनें को तत्काल में नहीं है। इसके विकल्पों प्रोजेक्ट के लिए एक अन्य सरकारी कंपनी नहीं के साथ करेगा किया है।
Mining the seafloor for rare-earth minerals

By William J Broad

For decades, entrepreneurs have tried to strike it rich by gathering up ugly potato-size rocks that carpet the global seabed. Known as manganese nodules, the rocks are plentiful in nickel, copper and cobalt, as well as manganese and other elements, but lie miles down in inky darkness. Building giant machines to vacuum them up, despite much study and investment, has never proved to be economic.

Now, the frustrated visionaries are talking excitedly about the possibility of belated success, and perhaps even profits. The nodules turn out to contain so-called rare-earth minerals—elements that have wide commercial and military application but have hit a production roadblock. China, which controls some 95 per cent of the world’s supply, had blocked shipments, sounding political alarms around the globe and a rush for alternatives. China ended its embargo late last month, but the hunt for other options continues.

So are seabed miners smiling at last?

In October, James R Hein, US Geological Survey, and five colleagues from Germany presented a paper on harvesting the nodules for their “rare and valuable metals”. They did so at the annual meeting of the Underwater Mining Institute, a professional group based at the University of Hawaii. The paper prompted visions of a fresh start.

Caution

Charles L Morgan, chairman of the institute, said he was considering whether to start analysing a collection he oversees of 5,000 nodule samples from around the globe so as to ascertain their rare-earth content. But he cautioned that the field of seabed mining has a history of ups and downs.

The elements known as rare earths number 17 in all and range from cerium and dysprosium to thulium and yttrium.

Their unique properties have resulted in their growing use in many technologies of modern life. Applications include magnets, lasers, fibre optics, computer disk drives, fluorescent lamps, rechargeable batteries, catalytic converters, computer memory chips, X-ray tubes, high-temperature superconductors and the liquid-crystal displays of televisions and computer monitors.

The US Geological Survey calls the rare elements “essential for hundreds of applications” and likely candidates in the near future for an “expanding array” of high-tech products. Supply shortages that go on for a long time, the agency warns in a fact sheet, “would force significant changes in many technological aspects of American society.”

Secretary of State Hillary Rodham Clinton recently called China’s export embargo a “wake-up call” for the world to find new resources.

Despite their name, most rare earths are not particularly rare. But their geochemical properties mean they seldom concentrate into economically exploitable ore pockets. During the last two decades, most production has shifted to China because of lower costs there and the country’s record of lax regulation of environmental hazards.

Scientists have known about rare earths in seabed rocks for decades, seeing them as a curiosity. In 1968, Alan M Ehrlich, a chemist at the Massachusetts Institute of Technology, wrote a PhD dissertation titled ‘Rare Earth Abundances in Manganese Nodules’.

In an interview, he expressed surprise at the interest of the seabed miners, saying the concentrations were too low to power a nodule renaissance.

The would-be miners agree. But they say rising global prices for the more common metals found in the seabed rocks are increasing the allure. Investors, they add, see the presence of the exotic elements as icing on the cake.

Hein said dwindling supplies of terrestrial copper—a key ingredient of industrialisation used in everything from wires and switches to pipes and roofs—have forced miners on land to go after increasingly low grades of ore and have raised interest in seabed resources.

The upshot is a new wave of global interest in vacuuming up the seabed nodules—rare earths and all. “It’s getting more active,” said Morgan.

NYT
Centre keen to start mining of uranium in Meghalaya

RAJU DAS

SHILLONG, Nov 10 – Energy-starved India is desperately looking for Uranium discovered in Meghalaya and wants to mine it despite protests.

The Uranium Corporation of India Limited (UCIL), the public sector company which wants to mine the ore, said that there is no plan to abandon the Rs 1,100 crore uranium mining project in Meghalaya’s West Khasi Hills district.

“We are eager to start the Kylleng Pyndengohsiong Mawthabah project in Meghalaya. There is no question of us giving up on the project and we will never give up this project,” SK Malhotra, Head of Public Awareness Division of the Department of Atomic Energy said.

The project is being opposed by NGOs citing health hazard, although the UCIL has assured that Uranium would be mined scientifically unlike the coal mining being done by the local population here.

“The project will be good for Meghalaya and there is no scientific reason to oppose uranium mining,” Malhotra, who was leading a team of officials of UCIL and Atomic Mineral Division said.

The team briefed Chief Minister Mukul Sangma and his Cabinet colleagues about the project. The team will also meet the anti-mining groups.

The UCIL proposed to set up an open-cast uranium mining and processing plant in the State. The State is estimated to have 9.22 million tonnes of uranium ore deposits. It has also plans to produce 3,75,000 tonnes of uranium ore a year and process 1,500 tonnes a day.
Restrictions put small miners in a fix

G Rajasekaran | ENS
Salem, November 10

SMALL-SCALE mine owners are in a fix as the Madras High Court has dismissed a case against the State government's restriction on mining limestone and related minerals.

New guidelines issued by the Central Bureau of Mines have also hit the small-scale sector badly. Minerals such as limestone, quartz and feldspar have a versatile application in a wide variety of products.

In Salem, about 100 small and medium-sized mines employ about 5,000 families. As the sector is labour-intensive, the workers are the immediate victims, say mine owners.

Sankagiri taluk in the district has the maximum number of limestone, quartz and feldspar mines.

According to M Shenbagaraman, president, Tamil Nadu Small Mine Owners Association, the State government, in 1998 had banned mining of limestone and related minerals within a 20-km radius of a cement factory. The restriction was clamped with a view to protecting the captive mines of large cement factories (normally located in limestone-rich areas).

However, the government did not even pass a GO on the restriction and the Department of Mines and Geology continued to extend the permit till 2000. When the restriction was revoked and the renewal of permit denied for mines falling within the 20-km radius, small-scale miners filed a case in the Madras High Court. The case was dismissed on October 29.

The association members met in Salem on Wednesday to take stock of the situation arising out of the court order. According to them, the restriction will squeeze supply of limestone, quartz and feldspar to a considerable extent. The fertilizer industry, manufacturers of soap, cleaning powder, tile, pipe, glass, cattle and poultry feed, silicon chips and electronic spare manufacturers will face a shortage of raw material if the mining of minerals is reduced.
Hindalco arm to invest $300 m in Brazil plant

Novelis Q2 net profit down at $62 million

Our Bureau
Mumbai, Nov 12

Novelis Inc., the Canadian subsidiary of Hindalco Industries, plans to increase its flat-rolled aluminium capacity in Brazil by 20 per cent to 2.5 lakh tonnes by 2014 on the back of strong demand in the Asian region.

It will invest $300 million (Rs 1,300 crore) in a brownfield expansion project at its Pinda unit in Brazil.

Mr D. Bhattacharya, Managing Director, Hindalco, said the company had managed to sustain the growth in Novelis in the second quarter by focusing on high-margin products and stiff cost control.

"Novelis has launched specific projects, including debottlenecking initiatives in September, to accelerate profitable growth. It recorded $1.2 billion, including cash of $512 million this quarter. Shipments were up six per cent at 7.37 lakh tonnes," he said.

PERFORMANCE

The company registered a 45 per cent jump in adjusted EBITDA at $290 million against $200 million in the same period last year.

Net profit was, however, lower at $62 million in the quarter under review against $195 million due to unrealised derivative gain of $137 million ($50 million).

Novelis enters into forward metal purchases in tandem with sales contracts that contain fixed metal prices.

These purchases directly hedge the economic risk of future metal price fluctuations associated with these contracts.

The timing difference between the recognition of unrealised gains and losses on metal derivatives/revenue recognition impacts income before income taxes and net income.

Gains and losses on metal derivative contracts are not recognised in segment income until realised, the company said.

"We settle derivative contracts in advance of billing and collecting from our customers, which temporarily impacts our liquidity position. The lag between derivative settlement and customer collection typically ranges from 30 to 60 days," Novelis said.

"Novelis would become value-accrue for Hindalco investors over the long-term as it enhances production across the country. On the domestic front, there could be cost pressure due to a sharp spike in power and fuel bills," said Mr Bhattacharya.

The company has provided Rs 22 crore as VRS package for about 300 workers at its foil plant in Kalwa, Thane.

"We have decided to modernise and shift the 40-year-old plant to our existing units as the current set up is highly inefficient due to high production costs," he said.

More reports on Page 10
Bid to promote metal can recycling

Staff Reporter

NEW DELHI: In a new initiative to promote recycling of metal cans, can manufacturers and consumer goods brands in Delhi have joined together to celebrate Canvironment Week that ends this coming Wednesday.

The initiative is led by Hindustan Tin Works Limited (HTWL) and has the support of MNCs.

As part of the effort, 10 “can-banks” have been set up across Delhi and the National Capital Region where people can deposit metal cans. HTWL will sell the collected cans to scrap dealers for recycling and the proceeds will be used to help the rag-picker community – an important link in the recycling of metal cans.

HTWL along with an NGO Chintan organised a free medical camp and distributed medical insurance policies to 200 rag-pickers at Nizamuddin, Ghazipur and Seemapuri on Friday.

HTWL senior vice-president Atit Bhatia said the company decided that conducting medical check-ups and providing health insurance coverage was an ideal way of helping the rag-picker community.

Addressing the beneficiaries at Nizam Basti, Mr. Bhatia said that rag-pickers undertook a job which ensured clean surroundings for the rest of society, but in the process put their own health at risk.

Health facility

With the policy in hand, they can avail of a maximum annual coverage of Rs.30,000 and the one-time hospital admission limit of Rs.15,000 at nearby hospitals, he added.

A painting contest for the children of rag-pickers was also held as part of the week-long celebration. HTWL will offer a sum of Rs.10,000 to the winners of the contest which will be utilised for their education expenses.
Hind Copper issue may draw limited success: Minister

The sale can't be like Coal India, Mr Handique told reporters. The two companies mine two different commodities and coal is more in demand, he said. Hindustan Coppers shares fell as much as 11.4 per cent, the most since October 6, 2008, to Rs 590 in Mumbai. They closed at Rs 407.2, down 7.7 per cent.

Investors bid for at least $48.7 billion worth of shares of Coal India after the economy grew at the fastest pace in more than two years in the second quarter, spurring energy demand.

The Government's asset sale programme aims to raise Rs 40,000 crore from seven planned stock sales by March to rein in the budget deficit. Indian companies have raised a record Rs 35,000 crore in IPOs this year, according to data compiled by Bloomberg.

BOOK BUILDING
Hindustan Copper and the Government will each sell 10 per cent, or 92.5 million shares, according to a statement on September 27. Institutional buyers may bid for as much as half the shares on offer, which will be conducted through a book-building process.

UBS Securities India Private Ltd, ICICI Securities Ltd, Edelweiss Securities Private Ltd, Kotak Mahindra Capital Co and SBI Capital Markets Ltd will manage the sale.

The pricing will be decided by a group of ministers in November, Mr Ahmed said in an October 28 interview. The stock doesn't accurately reflect the value of the company as only a small number of shares are available, he said.

Hindustan Copper's profit in the second quarter ended Sept. 30 quadrupled to Rs 56.21 crore. The company expects to improve its profitability this fiscal year as copper prices gain on the London Metal Exchange and it earns an estimated Rs 6,000 crore selling waste rock.

Copper for three-month delivery on the London Metal Exchange reached a record $8,966 a tonne on Thursday. The price today fell as much as 2.9 per cent to $8,575 a tonne and traded at $8,579 as of 4:09 p.m.
Hindalco (Buy)

**CMP:** Rs 223  
**Target:** Rs 260

Hindalco's subsidiary Novelis reported strong 2QFY11 adjusted EBITDA of $290m against estimates of $250m. Total shipments increased 6 per cent y-o-y to 767,000 tonnes. Shipments were slightly lower by 2 per cent QoQ due to lower shipments in Asia. EBITDA pcr tonne continued to increase for the 6th consecutive quarter to $378/tonne due to continued strong demand, product portfolio optimisation. Stock trades at an EV/EBITDA of 6.9x FY11 and 6.4x FY12. We are raising our target price from Rs230/share to Rs260/share based on 7x FY12 EV/EBITDA. We have toned down target EV/EBITDA multiple from 7.5x to 7x due to upgrade in LME assumption and best ever performance of Novelis. 

Maintain 'Buy.'
CBI files charge sheet against Koda

RANCHI: The Central Bureau of Investigation on Friday filed a charge sheet against former Jharkhand Chief Minister Madhu Koda and two of his aides for allegedly receiving Rs.13 crore as bribe for showing favour and recommending allotment of land to a private company for mining iron ore.

The charge sheet was filed against Koda and his two aides, Binod Sinha and Sanjay Chaudhary, in the court of a Special Judge here under Section 120-B (criminal conspiracy) of IPC and provisions of the Prevention of Corruption Act.

According to a release issued by the CBI spokesman, the investigation showed that the former Chief Minister had shown favour to a company by obtaining illegal gratification to the tune of Rs.13 crore in the matter of recommending it for allotment of land for mining iron ore. Koda and Sinha are presently in judicial custody while Chaudhary is absconding, the spokesman said. “Investigation on other aspects of the FIR is continuing”, he said.

The CBI had carried out searches in Ranchi in connection with the multi-crore scam involving Koda following questioning of Sinha. He was arrested by the CBI on September 16, this year.

Sinha was wanted by vigilance and enforcement agencies in a hawala case involving Koda, two State Ministers - Enos Ekka and Harinarain Rai - and others. He had been evading arrest since February 2007, a CBI official said.

Jharkhand Vigilance Bureau had registered an FIR on July 2, 2009 in a case of disproportionate assets involving Koda and some former State Ministers. The case was later transferred to CBI by the Jharkhand High Court and, accordingly, a case was registered on August 11, 2010, alleging that Sinha earned crores of rupees by engineering allotment of mining leases to his own companies or his associates for commission during the regime of Koda, the official said. PTI
Copper declines on speculation

Bloomberg
Nov. 12
Copper fell from a record in London as speculation that China, the world's biggest consumer of the metal, is preparing to raise interest rates fuelled concern prices climbed too high to reflect demand.

Copper for delivery in three months fell $186, or 2.1 per cent, to $8,644 a tonne at 11:37 a.m. on the LME after sliding as much as 2.9 per cent.

Copper for December delivery declined 2.1 per cent to $8,936.5 a pound on the COMEX in New York after reaching a 30-month high on Thursday.

Zinc for three-month delivery on the LME shed 3.5 per cent to $2,445 a tonne. Tin dropped 2 per cent to $26,450 a tonne. Prices reached a record $27,500 on Nov. 9.

Aluminium fell 0.5 per cent to $2,442 a tonne, nickel lost 2.1 per cent to $23,500 a tonne and lead declined 2.5 per cent to $2,546 a tonne.
Kalahandi tribals move Odisha HC

Eight leading tribal organisations from Kalahandi and Rayagada districts on Friday proactively submitted writ petitions to the Odisha High Court against the recent verdict of the Union Ministry of Environment and Forests (MoEF) stalling expansion of the refinery project of Vedanta Aluminium Ltd (VAL) at Lanjigarh in Kalahandi district.

Hundreds of tribals and other inhabitants of the Lanjigah area came all the way from their native villages to appeal to the High Court against the move of the MoEF.

In their writ petition, the organisations stated that because of VAL’s refinery initiative at Lanjigarh, hundreds of locals are being engaged directly and indirectly for the livelihood. In fact, the company has taken steps to ensure that the residents of Lanjigarh have some form of a dignified lifestyle and has been able to integrate them into the mainstream.

They further submitted that all-round development has been initiated in the villages, resulting in raising the standard of education, medical facilities and infrastructure facilities, thereby giving confidence and assurance to the locals of Lanjigarh. Owing to the stoppage of plant construction activities, the petitioners would be faced with the prospect of dishonouring of the loans they have taken to purchase their vehicles to come to the plant site.

The tribal organisations jointly submitted the petition to the chief justice of the HC.
CBI files chargesheet against Koda, associates

The Central Bureau of Investigation (CBI) on Friday filed a chargesheet at a designated court in Ranchi against former Jharkhand Chief Minister Madhu Koda and two of his associates for alleged criminal conspiracy and under the provisions of the Prevention of Corruption Act (PCA), 1988.

Koda and his associates including Vinod Sinha and Sanjay Chaudhary have been chargesheeted under Section 120 (B) (Criminal Conspiracy) of the Indian Penal Code and different sections of the PCA, official sources said.

"The investigation revealed that the accused had shown favour to a company by obtaining illegal gratification to the tune of 13 crore in the matter of recommending the company for allotment of land for mining of Iron Ore," a CBI spokesperson said here.

Investigation on other aspects of the case is continuing, the spokesperson added. Earlier, the Vigilance Department of Jharkhand had registered a case bearing number 09/2009 under various sections of the IPC, including criminal conspiracy and cheating besides provisions of PCA against Koda and three Ministers of his Cabinet.

The CBI took up the investigation of the case on the directions of Jharkhand High Court to that effect on August 4 this year and the investigating agency reregistered the case on August 11.

While Koda and his associate Sinha are undergoing judicial custody, the other accused associate Chaudhary is absconding.
Hind Copper roadshow for FPO next week

KOLKATA: The five-nation international roadshow for the proposed ₹4,000-crore FPO of Hindustan Copper (HCL) will begin next week. HCL's CMD Shakeel Ahmed told PTI that the roadshow starting next week would take place in the US, UK, Australia, Hong Kong and Singapore. The pre-issue roadshow was held in the UK, Singapore, Australia, Hong Kong and Mumbai. The FPO is scheduled to open on December 6 and close on December 9. In the 20% equity share sale, the government is offloading 10% of its stake while the company would issue fresh equity in the same proportion.
COST BURDEN

Hindalco to shut Kalwa facility

Firm to shift plant to a new location, draw up modernization plan to make it more efficient and cost effective

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Hindalco Industries Ltd, the flagship metals company of the $30 billion (around ₹1.34 trillion) Aditya Birla Group, is shutting its 6,000 tonnes per annum aluminium foil manufacturing plant in Kalwa, a suburb of Mumbai. The closure was due to “high power cost and because of inefficiencies as the plant is over 40 years old”, Debashish Bhattacharya, managing director, Hindalco, told reporters in Mumbai. The company is in the process of retiring 300 employees working at the plant, Bhattacharya said. “We will modernize the plant and make it more efficient and cost effective. The plant will move to one of our factories. The modalities are being worked out,” he said, while declining to say how much it will cost to lay off employees or where the plant will be moved.

Commissioned in 1965, the Kalwa plant makes aluminium for products catering to pharmaceutical companies and processed food makers besides manufacturers of personal healthcare products and confectionery, according to the Hindalco website. The location also houses staff residences and a club for employees.

“For example,” said Bhattacharya, when pressed on the company’s plans.

Ashish Kejriwal, analyst at Alchemy Shares and Stock Brokers Pvt Ltd said the Kalwa plant was too insignificant to make any difference to Hindalco. “The company is focusing on high margin business. Going forward, Novelis’s volume will increase by 2-3% per year (before brown-field expansion takes place in South America), however, profitability will improve due to its focus on high margin business (product portfolio will tilt towards beverage cans, automotive, electrical appliances etc., which provide high margins). In domestic operation, aluminium volumes will double in FY13,” Kejriwal said. Hindalco bought US-based flat-rolled aluminium maker Novelis Inc. for $6 billion in 2007. Novelis is primarily a beverage and food can maker. The company will spend ₹4,000 crore to increase capacity between now and 2014, including a $300 million plan to increase Novelis’ capacity in Brazil.

Bhattacharya said, however, that the company will face pressure going forward owing to increases in the price of alumina and power, which constitute 38% and 32%, respectively, of aluminium-making costs.

“The costs will go up substantially as alumina is decoupled from aluminium. Some marginal companies will have to close as a result,” he said.

“The Hindalco stock has rallied 40% in the last three months and now all the positives have been factored in the price. I think it is consolidation time for the company,” said an analyst with a private brokeragel who didn’t want to be named.

The company is in the process of retiring 300 employees working at the plant.