Copper up after better China GDP data
Copper rose by about two per cent to hit its highest in almost three months on Tuesday as better-than-expected growth data from top metal consumer China lifted financial markets, boosted the euro and eased worries over weakening metals demand. Benchmark copper on the London Metal Exchange was at $8,244, a 1.9 per cent rise from a close of $8,089 on Monday. Earlier it hit a session high of $8,262 a tonne, its highest since the end of October. The Chinese economy grew by 8.9 per cent in the fourth quarter of 2011, compared with the same period one year earlier, beating a forecast of 8.7 per cent expansion by economists polled by Reuters, although growth was at the slowest pace in two-and-a-half years. China accounts for about 40 per cent of global copper consumption. Some players think that China will implement some monetary easing measures in the next future. Reuters
कोल इंडिया विदेशी माइंस की खरीद के लिए भर्ती करेगी कंसल्टेंट

सार्वजनिक क्षेत्र की कंपनी कोल इंडिया लिमिटेड (सीआईएल) ने कंसल्टेंट नियुक्त करने के लिए इसका पता (ईआईआई) आरंभिक लिखित है जो कोल इंडिया की विदेशी कोल संस्थानों को आधिकारिक करने में मदद करेगी।

कंपनी ने अपनी अभियान पर कहा कि विदेशी कोल संस्थानों को आधिकारिक करने के अन्य प्रभावों के लिए सीआईएल का इस्तेमाल अंतरराष्ट्रीय रूप से विकसित टेस्ट एवं अंतरराष्ट्रीय कंसल्टेंट के एक पैकेज को सुझाव देने का है जो सीआईएल की अपनी मिशन में मदद कर सके। कंपनी ने कहा कि इस उद्देश्य में सीआईएल के प्रभाव में खोले गए तथा अपनी महत्वपूर्ण रूप से विदेशी कंपनियों के अभियान के लिए 6,000 करोड़ रुपये का राशि निष्पादित कर दिया है।

विभिन्न संधियां के द्वारा सार्वजनिक क्षेत्र की महत्वपूर्ण कंपनी को जिन विदेशों में हैरानी लगाने वाले संस्थानों को खोजने के लिए समानांतर रूप से जाने के लिए कोल इंडिया ने यह कहा है।

सीआईएल के एक अधिकारी ने पालतू नहीं कि कंपनी ऑफिसिंग, इंडोनेशिया एवं अफ़्रीका में तीन अंशों पर विवाद पर विवाद कर दी।

कोल इंडिया मांग-आवृत्ति में बड़े अंश की पालतू के लिए विदेशों में मदम खरीदने की योजना बना रही है जिसके पालतू विवाद के पैराम 14.2 करोड़ टन तक प्राप्त होने के अनुसार है।

योजना आयोग के अनुसार, इस अंश के लिए वर्ष 2016-17 के पैराम 20 करोड़ टन तक प्राप्त होने की आशा है।
चीन में बेसमेटल्स की खपत बढ़गी

शंखाई • चीन का अनुमान है कि वर्ष 2015 तक बेसमेटल्स के उत्पादन और खपत में जोरदार बढ़त होगी।

चीन में 10 बेसमेटल्स का उत्पादन 2010 के 312.1 लाख टन से बढ़कर 2015 में 460 लाख टन के स्तर पर पहुंच जाएगा। इसी तरह उसकी खपत 34.3 लाख टन से बढ़कर 490 लाख टन हो जाएगी। यह दो शताब्दी में बड़ी उछल वह आयम ये पूरी करेगा।

जानते हैं बेसमेटल्स के लक्ष्य, बहुत उपयोगकर्ता देश चीन ने वर्ष 2011 से 2015 के बीच इस सेक्टर के विकास के लिए गोल्डन तैयार की है। सरकार ने इस उद्देश्य के पुर्नविभेद का स्थानीय प्रधानमंत्री गोविंदा है। उसकी कोशिश है कि अगले पांच साल में प्रदूषण और ऊजन की कोटियों में कम हो और नई तकनीक का उपयोग स्वस्थ बनाए रखेगा। चीन में कॉपर, अल्युमिनियम, लेड, जिंक, निक्कल, मेल्टेब्रिल, टिटूमियम, ज्विन, एंटीमोनी और मरकरी के उत्पाद पर खास जोर देने का फैसला किया है।
SAIL in no hurry to raise funds for Afghan mines

Consortium has already tied up capital for the first phase; team to visit Afghanistan soon to sign contract

BY RUCHIRA SINGH
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NEW DELHI

The Indian consortium that has won bids for iron ore deposits in Afghanistan expects it will have to wait two-three years for the $7.8-billion (₹39,700 crore) loan it has sought from the government, and isn’t in a hurry for the money.

“This would be for an outlay for 10 years. We are not in a tearing hurry to have it,” said C.S. Verma, chairman of Steel Authority of India Ltd (SAIL), the leader of the consortium. “We already have ₹75 million from our partners for Phase 1 that involves prospecting and geological exploration.”

The consortium comprises public sector companies NMDC Ltd and Rashtriya Ispat Nigam Ltd, holding 18% stakes each, and private players JSW Ltd and Jindal Steel and Power Ltd, holding 16% each. Other private firms JSW Ispat Steel Ltd and Monnet Ispat and Energy Ltd hold 8% and 4% stake, respectively. SAIL holds 20%.

Verma said the consortium has asked the government for financial assistance and sovereign guarantees.

The consortium won three iron ore blocks with high grade reserves in Afghanistan’s Balkh region in November and has plans to build a 6.12 million tonnes (mt) steel plant, an 800 megawatts power plant and 200km each of rail, road and transmission line network for the mine and steel projects over 8-12 years.

The project, estimated to cost the consortium $10.8 billion, will give the state-run SAIL, India’s largest steel producer, access to about 1.7 mt of high-grade iron ore.

The Indian consortium’s bids had the backing of the government, which wants a base in the mineral rich neighbour fearing its political and economic rival China also has an eye on Afghanistan’s resources.

A team representing SAIL’s consortium will visit Afghanistan soon to finalize and sign the contract.

A senior official in Afghanistan said teams from the two countries will decide on how to price the iron ore, the timeframe for the construction, the method of building the rail and road links and the locations.

“There are many other aspects in the proposal that need to be discussed,” said Julli Jumrianiy, director-general for policy and promotion in Afghanistan’s mines ministry, by phone from Kabul. “But the basic aspects of the proposal given to us will stay.”

Jumrianiy said one key component of the discussions will be on the construction of the rail and road links, which could either be funded by India or be built by Indian companies.

A metal analyst said SAIL and its partners may not find it difficult to raise loans as they will find investors interested in putting their money in Afghanistan, which is opening up to economic development after years of insurgency.

“Raising the loan will take two-three years. At this point we can say raising the loan should be relatively easy as investing in Afghanistan would only involve a country risk,” said Ravindra Deshpande, research analyst, Elara Securities Ltd. “In terms of the balance sheets of the consortium, their ability to repay the loans should not be a concern.”

Deshpande added that though SAIL has taken debts for its own expansion, after two-three years inflows from the expansion will flow in.

Elara is negative on SAIL with a target price of ₹80 a share—a fair value below which an investor can buy the stock. The negative outlook is owing to delays in expansion from 13 mt to 26 mt that was started by 2006-07 but will now be ready only by 2014.

Shares of SAIL ended Tuesday on the BSE at ₹94.40, up 3%, on a day the 30-share Sensex closed at 16,466.05 points, up 1.71%.
खनिज उत्खनन मामले में मांगा जवाब

जबलपुर। मध्यप्रदेश उच्च न्यायालय के न्यायमूर्ति अजित सिंह जी ने जांचीय संसद में खनिज उत्खनन की लीजिए जाने के लिए दिए गए व्यवस्थापकों को ये दिखाया कि या तो आज्ञा कर दी जाए या यह समाधान प्राप्त हो। इस दिशा में राज्य शासन, राज्य सप्तिष्ठ, संरक्षणकारी व कलेक्टर समर्पण, उपस्थित व तहसीलदार शासन वर्ग भी मध्यप्रदेश प्रदेश निर्माण मंडल के क्षेत्रीय कार्यालय सहित अन्य जरूरी कार्यों का जवाबदारी शुरू कर सकते हैं। इससे हिस्सा चाहे न कहा तो समय की माहौल ती समय है।
Let Coal India face competition

Coal India is crucial for India's future. To grow GDP at nine per cent, energy consumption has to grow by six per cent. Two-thirds of this energy demand is met by coal, and Coal India accounts for 70 per cent of total coal consumption. There are two major market imperfections in the sector. One, Coal India enjoys a virtual monopoly. Private mining of coal is allowed only for own use or captive consumption, merchant sale being reserved for the public sector. Within this space Coal India is the big daddy, accounting for 80 per cent of domestic output. Two, marketing of merchant sale of coal is severely circumscribed by state control. So Coal India ends up selling its output mainly to power-generating companies, at less than half the global price for comparable grades.

A beginning has been made in moving towards market-related pricing for all kinds of energy to promote energy efficiency. That is required for both a healthy balance of payments in an energy-deficient country, and for reducing carbon emissions to combat global warming. Subsidising the consumption of domestically produced energy reduces the demand for imports, but if you sell on FOB (free on board, that is the buyer pays the freight) basis, then that the saving is not yours. Most importantly, washed coal is less polluting. The environment ministry has laid down a maximum ash content of 34 per cent for coal carried longer than 1,000 km. Washing coal can reduce its ash content by seven or eight per cent from the current 38 to 38 per cent.

Going by publicly available figures, Coal India's coal washing numbers appear to have stagnated at 40 million tonnes for most of the last decade. Recently, major announcements have been made on taking coal washing capacity to 111 million tonnes and more, by building 20 new washeries at a cost of Rs 2,500 crore by the end of the 12th Plan. Subsequently, the investment figure has been raised to Rs 3,500 crore.

Another major way in which mining can be made relatively environmentally friendly at greater cost is to go in for more underground mining as opposed to open-cast mining. In India, the number of open-cast mines has been steadily increasing, compared to underground mines. While open-cast mines have lower gestation periods and high productivity, they involve severe environmental degradation. The top of the earth is literally shaved off, including all the vegetation. Naturally, forest dwellers staying on such land get displaced. The sharp rise in output and profitability of Coal India in recent decades is largely explained by extensive recourse to open-cast mining. Underground mining (sinking shafts and excavating gullies) is also polluting — but less so, and certainly less disruptive to life overground.

Matters can be eased by making the environment ministry do its job more efficiently — be tough where it matters, but don't stall things by simply sitting on them. But beyond that, the country has to decide what price to pay for preserving its environment. If you allow mining in areas that are only nominally forest (degraded forests) and be strict about not touching areas with deep forest cover, then the balance of energy requirement can be imported, as is being done now. The import cost may not be as high as it may seem, because India's much-touted coal reserves are mostly of inferior quality, with high ash content. After ensuring a minimum operating mining capacity needed for energy security, the trade-off is between forests and foreign exchange. What is not negotiable is creating a more competitive environment in which the sector can become more efficient.
RINL may soon get rights to mine iron ore in Rajasthan

Total magnetite deposit in project area is around 400 million tonnes

Jayanta Mallick
Kolkata, Jan. 17

Rashtriya Ispat Nigam Ltd (RINL) is poised to obtain its first iron ore mining lease in Rajasthan for relatively low-grade magnetite and may form an equity-linked joint venture with Andhra Pradesh Mineral Development Corporation (APMDC) in February for a high-grade haematite reserve in Andhra Pradesh.

The CMD of RINL, Mr A.P. Choudhary, confirmed the developments and said both were likely to take place next month.

RINL, a public enterprise in the midst of a near four-fold capacity expansion, does not have a captive mine for the key raw material and procure iron ore from various miners, including NMDC.

RINL’s applications for mining leases in Rajasthan’s Bhilwara district are at an advanced stage of clearance. According sources, the Rajasthan Government has consolidated RINL’s two area-specific applications and has decided to allow mining lease rights for 1,043 hectares, out of 5,252.3 hectares applied for.

AP MINING
Initial estimates suggest that the total magnetite deposit in the proposed Rajasthan project area, now under consideration, is around 400 million tonnes with an average Fe content of about 41 per cent.

In Andhra Pradesh, home state of RINL’s steel plant, the company is in the process of getting into a joint venture agreement for exploration and mining of iron ore over an area of 3,400 hectares of land in Anantapur district of the State.

The area, spread across Obulapuram and Kalyandurg range, is known to have two haematite deposit bands—one with 60 per cent plus Fe content and the other with 57 per cent plus.

RINL had filed application for prospecting licence for the area in October 2011.

As APMDC already possesses the right to prospect and explore in the area, it is now decided that a joint venture of the two will carry out the exercise.

Apart from this, RINL has made applications for six areas in Andhra Pradesh.

Sources said that the proposed Rajasthan mining project will require a magnetic separation and a pellet plant before the ore (finest) usage in the steel plant.

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Cairn-Vedanta deal comes under a cloud

Sujay Mehndia

NEW DELHI: The successfully concluded $8.48-billion Cairn-Vedanta deal has come "under cloud" following instances of serious human rights violations, default of payment, environmental damage in its mining and metal projects in India, as pointed out by the Internal Security section of the Home Ministry against Vedanta and its group of companies.

Following the serious issues raised by the Home Ministry, officials in the Petroleum and Natural Gas Ministry said the deal is likely to be put up before the Cabinet Committee on Economic Affairs (CCEA) for a review in light of these facts brought out in the official note.

In a communication to the Petroleum and Natural Gas Ministry through an office memorandum on November 25, 2011, the Home Ministry conveys its security no-objection certificate (NOC) to the Cairn-Vedanta deal. However, the note states: "Independent of the above security clearances, this company/group has come to notice of involvement in some cases of default of payment, human rights violations, environmental damage in its mining and metal projects in India and abroad. Following summary of adverse comments/facts with respect to the Vedanta (which as assessed does not have a direct bearing on the security NOC) are also brought to the notice of Ministry of Petroleum and Natural Gas."

Referring to instances of such wrongdoings, the Home Ministry note points out that Directorate of Revenue Intelligence (DRI) had booked a case against Hindustan Zinc Ltd (100 per cent EOU) Chitorgarh (indirect subsidiary of Vedanta Resources Plc). The said EOU defrauded the government exchequer to the tune of Rs.2 crore by exporting the goods manufactured in 100 per cent EOU under DEPB/drawback scheme and suppressed this very fact at the time of filling the shipping bills by mentioning the name of DTA unit as exporter. Investigations in the case are still in progress.

In another instance, it said in February 2010, the Church of England decided to disinvest from the company on ethical grounds alleging human rights violations. There are also a number of court cases filed against the group and its companies in Indian courts.

Apart from this, the note states that in 2007, Norway's Government Pension Fund - globally known as "Oil Fund" - had divested/sold Vedanta Resources from its $350 billion Sovereign Wealth Fund for ethical reasons, blaming it for environmental damage and human rights violations in India.

In March 2009, the note states, thousands of tribals protested against Vedanta Resources Alumina refinery being set up in the Lanjigarh area of Orissa and vowed to stop the $874 million project on account of environmental concerns.

Further more, it states Vedanta has been criticised by human rights and activist groups, including Survival International and Amnesty International, due to their operations in Niyamgiri Hills in Orissa which reportedly threaten the lives of the Dongria Kondhs populating the region. In January 2009, thousands of locals formed a human chain around the hill in protest against plans to start bauxite mining in the area.

It also points out that Sesa Goa Ltd. (link of Vedanta Resources Plc with other firms) had come to the adverse notice of DRI. A show cause notice was issued by DRI, Zonal unit, Bangalore demanding customs duty worth Rs. 95,48,171 being evaded by the said firm in its exports of "iron ore" through Mangalore Port.

All efforts to get a response from the Vedanta group to the alleged charges did not evoke any response.
Copper near 4-month high

Bloomberg
Jan 17

Copper neared a four-month high in New York as stronger-than-estimated economic growth in China bolstered demand prospects and Rio Tinto Group said its production of the metal fell, underlining threats to supply.

Copper for March delivery gained 2.9 per cent to $3,742 a pound by 7.16 a.m. on the Comex in New York. Copper for three-month delivery rose 1.7 per cent to $8,228 a tonne on the LME.

Aluminium for three-month delivery on the LME increased 2.6 per cent to $2,220 a tonne. Copper inventories declined for a 10th occasion to 353,425 tons, the lowest level since Dec. 14, 2010.
Supreme Court shows green light to Sterlite operations
Asks company to file fresh application before PCB

J. Venkatesan

NEW DELHI: The Supreme Court on Tuesday, while permitting Sterlite Industries at Tuticorin to continue the operations at its copper plant, directed the company to file a fresh application before the Tamil Nadu Pollution Control Board (TNPCB) for grant of consent to run the plant.

A Bench of Justice R.M. Lodha and Justice H.L. Gokhale, in its interim order, asked the company to file the application for renewal of the consent within 15 days and asked the Board to make an enquiry in accordance with law and pass orders within a month thereafter.

The Bench, while directing the matter to be listed for further hearing on March 28, said that the interim stay of the Madras High Court judgment ordering the closure of the industry would continue till then.

It passed this order after hearing arguments from MDMK general secretary Vaiko, senior counsel V. Prakash, appearing for the National Trust for Clean Environment, senior counsel Ariama Sundaram for Sterlite industries, counsel Vijay Panjwani for the Central Pollution Control Board and Additional Advocate General Guru Krishna Kumar for the TNPCB.

The Bench asked the company to file the application before the TNPCB to pass orders under the provisions of the Air (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Act, 1974.

Earlier, Mr. Vaiko opposed extending the stay order. He drew the court’s attention as to how the company’s plant caused environmental pollution. The imported copper concentrates contained not only copper but also toxic and radioactive substances.

When the Bench asked whether the company had complied with the directions of green belt, Mr. Sundaram said that it had complied with “green belt” and “health facilities” norms required for ensuring public safety.

The Bench recorded the submission and asked the TNPCB to verify this claim. It directed the matter to be listed for further hearing on March 28.
SAIL Upbeat on Mining Contract from Afghanistan

MEERA MOHANTY
DELHI

Steel Authority of India is confident that winning the iron-ore mining contract in Afghanistan will give the state-run company an edge over rivals in bids for exploring other minerals in the war-torn country.

“We are considering bidding for other assets in Afghanistan too, including copper and gold blocks. We have bid and won such a big iron ore project. Once we have a base in Afghanistan, we will be in a better position to exploit other minerals too,” SAIL chairman CS Verma said.

Mineral-rich Afghanistan has started opening up its mining sector in a bid to prop up its war-ravaged economy, but political instability and safety issues are keeping foreign investors wary.

National Aluminium Company, Hindustan Copper (HCL) and Mineral Exploration Corporation have already joined hands for the recently tendered copper and gold reserves in Badakshan, Herat, Ghazni and Sar-e-pol and Balkh districts.

“We have initiated talks with SAIL and it partners. There will be an Indian bid,” said Hindustan Copper chairman and managing director Shakeel Ahmed. The structure of the tender is such that only initial exploration commitment needs to be made.

The SAIL-led consortium of seven companies called Afghanistan Iron & Steel Consortium (AFISCO) was chosen preferred bidder for three blocks of iron ore mines totalling 1.3 billion tonnes at the Hajigak in the Bamiyan region.

AFISCO, which has JSW Steel, JSW Ispat, JSPL, RINL, NMDC and Monnet Ispat as the other members, plans to spend $75 million in initial exploration and is counting on financial aid from the government for the $11-billion project, which will eventually include a steel and power plant. The public-private consortium, Verma said, has been a “grand success” and will be replicated for other overseas mineral assets.
PRICE CARD

As on Jan 17

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ENERGY

Crude Oil ($/bbl) 112.0* -0.4 110.6 -0.1
Natural Gas ($/MMBtu) 2.5* -30.6 3.3 -12.4

AGRI COMMODITIES ($/tonne)
Wheat 239.1 3.0 294.5 10.3
Maize 257.6* 0.4 260.3 17.5
Sugar 527.2* -12.5 596.3 -1.9
Palm Oil 1,042.5 5.8 1,178.8 5.5
Rubber 3,587.2* -12.3 3,732.4 -15.3
Coffee-Robusta 1,883.0* -5.0 2,031.0 -3.5
Cotton 2,124.4 -4.0 2,083.7 -8.6

Notes:
1) International prices are UP$ spot prices and domestic current market rates.
2) Domestic prices are based on Bursa Malaysia Plc. futures.
3) International prices are based on the Singapore Plc. futures.
4) Domestic prices are based on Indian rupee futures.
5) Domestic and international futures are based on nearest futures contract.

BALTIC EXCHANGE INDICES

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*See previous day's price.

ELECTRICITY TRADING AT IEX

Market price in ₹/MWh
अर्धशीतिक खनन पर 32 लाख का जुर्माना

जिन बातों के बजाए भरी मृत्यु गंभीर से सीखी गई है, उन्हें दूर करने के लिए जरूरी है। एसडीएम ने सबका उद्योग के साथ जोड़ा, जो खनन करने पर कर्मचारियों को प्रभावित करने के लिए जरूरी है। कार्रवाई में पूर्व खनन या पूर्व प्रशिक्षण के नियमों का उल्लेख नहीं किया गया है। एसडीएम बांधने पर अर्धशीतिक खनन के आरोपों में उल्लेख नहीं किया गया है।