Par panel on Mining Bill may okay SteelMin’s proposal to reserve leases for PSUs

ANIMESH SINGH | NEW DELHI

A Parliamentary panel is understood to have taken a consideate view of the Steel Ministry’s request in response to a proposal in the Mining Bill, which suggests ending the prevailing practice of reservation in mine allocation for State-owned entities.

“According to official sources, the Parliamentary Standing Committee, which is currently preparing its report on the Mines and Minerals (Development and Regulation) Bill (or MMRDA Bill), has accepted the Steel Ministry’s request of not to discontinue with the norm wherein mining leases are reserved for public sector undertakings (PSUs).

The Bill suggests that once leases allotted to PSUs expire, they would be auctioned and secondly, there should be no reservation of mining leases for them. The proposals are aimed at providing a level playing field for both public as well as private companies which are interested in seeking mining leases. They added that the panel has taken a positive view of the ministry’s request, which earlier had written to it saying that if mining leases allotted to PSUs are auctioned once they expire, then this may result in them losing out on the country’s production share. PSUs account for around three-fourth of the total mineral production of the country, which comes to around 1,000 million tonnes. The ministry had informed the panel citing national interest that the reservation of leases for PSUs should continue.

Apparently, the panel is learnt to have taken a considerate view of the Steel Ministry’s request of not discontinuing with reservation of mining leases for PSUs, keeping in mind the significant role played by them in the country’s mineral production. Meanwhile, the Standing Committee is also understood to have finalised its report on the MMRDA Bill and the Government is fancying its chances of getting it cleared during the Monsoon session of Parliament, scheduled to begin late next month.

The Standing Committee’s report is likely to be finalised during the panel’s meeting scheduled on June 25, sources said. The Bill, widely discussed for its profit-sharing clause, seeks to introduce competitive bidding on known mineral resources.

It was sent to the Parliamentary panel in January 2012, after being introduced in Parliament by Mines Minister Dinsha Patel during the Winter session in December 2011.
MinesMin writes to Cabinet on Nalco CMD

PIT - New Delhi
The mines ministry has asked the appointments committee of the Cabinet to declare Nalco CMD's position as vacant so that a full-time chief can be appointed in place of A K Srivastava, who is under suspension.
Average aluminium price to reach $2,200 a tonne by 2012-end

REUTERS
Moscow, 20 June

Russia’s RUSAL, the world’s biggest aluminium producer, is prepared to cut output and costs this year to support prices, which could recover in 2013 if China also reduces production, a senior executive told Reuters.

“The market price is at a level where about 30 percent of producers are unprofitable. This means that people are forced to significantly reduce capital expenditures, which leads to stagnation of the industry,” Oleg Mukhamedshin, RUSAL’s head of equity and corporate development, said in an interview.

Aluminium prices ended last year near 18-month lows on concerns about weakening global demand for the metal, which is used in drink cans, car parts, planes and iPads, and prompted Alcoa and Norsk Hydro to cut capacity.

Since then aluminium prices have fallen another 5 percent and forced RUSAL to prepare to shut 250,000 to 300,000 tonnes of annual capacity this year to support global prices.

But RUSAL also expects China to support the global market.

“This has gone on for long enough, and all producers should take responsibility for decisions on production volumes and more actively cut unprofitable production,” Mukhamedshin said in remarks cleared for publication on Tuesday.

“This particularly suggests China.”

On Monday aluminium prices plunged their lowest level in nearly two years at $1,915.25 a tonne before ending down $3 at $1,930.

The metal, which is in chronic oversupply, is under pressure from reports that China’s top aluminium-producing province of Henan may subsidise electricity used by loss-making smelters in a bid to spur local growth.

Mukhamedshin criticised this policy, calling on China to cut unprofitable production. Global companies, excluding Chinese producers, have cut output by about 1.5 million tonnes of since December 2011.

Mukhamedshin estimated that 6 to 7 million tonnes of aluminium output in China are unprofitable now out of the 22 million that the country is expected to produce this year.

The rest of the world has about 5 million tonnes of loss-making capacity, he said.

“Our Chinese colleagues cut 1.7 million tonnes last year, and since January we do not see capacity shutting down in the country, which accounts for 45 percent of global aluminium output,” he said.

If producers take more responsibility, average aluminium prices can reach $2,500 to $2,600 per tonne in 2013, up from an expected average this year of $2,200 a tonne, he said.

RUSAL is cutting its own cash costs, which were at $1,980 per tonne in the first quarter. The company has slightly delayed its Taishet project, which was expected to produce the first metal in 2013 and move to a full annual capacity of 750,000 tonnes eventually.
Mines Min writes to Cabinet on Nalco CMD's post

The Mines Ministry has asked the Appointments Committee of the Cabinet (ACC) to declare Nalco CMD's position as vacant so that a full-time chief can be appointed in place of A K Srivastava, who is under suspension.

"We have written to the ACC to vacate the position. Then the procedure can start so that we can expedite the process of appointing a full-time chairman," Mines Secretary Vishwapathi Trivedi told reporters on the sidelines of an event.

Nalco has been without a regular chief since February, 2011 after CBI arrested Srivastava on charges of taking bribe. The Mines Ministry then suspended Srivastava and handed the charge on temporary basis over to the senior-most company official, B L Bagra.
बाल्को स्टेक की बिक्री जल्द संभव

श्रीमती नरेंद्रेन्द्र भार्गव

बाल्को दरोगा ने हिंदुस्तान जिंक में सरकार की रोपिए हिस्सेदारी बेचने तथा समूह की कंपनी स्टेल्लाइट इंडस्ट्रियल्स को बेचें जाने के तौर पर खनन मंडल को अधिकारदाता नाम है (ईजीओएम) को करेंज जल्द सुलाए जाने की मांग की है। इसके बाद अधिकारदाता नाम है (ईजीओएम) के सदस्य कंपनी फीसदी और भारत एल्यूमिनियम कंपनी (बाल्को) में 49 फीसदी के स्तर पर है।

खनन सरकार ने 31 जून 2012 को बाल्को दरोगा ने भारत एल्यूमिनियम लिमिटेड के प्रमुख कंपनी की नियुक्ति की जिसे प्रकरण में लिखा गया है और जो ज्यादा बुरा करने की तूफान की है। हालांकि, यह उनके अनुसार है कि यह इस लोकल कर्मचारी का कमांड नहीं लाया जाए और हस्ताक्षर जाने के पूर्व स्थान बना जाए। स्टेल्लाइट इंडस्ट्रियल्स के बाल्को में सरकार की 51 प्रतिशत हिस्सेदारी 2001 में खरीदी थी। इसके लिए कंपनी ने 551 करोड़ रुपए का निवेश किया था। हिंदुस्तान जिंक में स्टेल्लाइट अल्यूमिनियम एंड वैंडरल जिंक (ईजीओएम) ने जरूर 2002 में सरकार की 26 प्रतिशत हिस्सेदारी खरीदी थी। बाद में कंपनी ने इस कंपनी की 20 प्रतिशत शेयर्स को हासिल किया था। तथापि, 2003 में बाल्को ने इस कंपनी को सरकार से 18.92 प्रतिशत हिस्सेदारी और खरीदी थी। मौजूदा समय में हिंदुस्तान जिंक में एल्यूमिनियम की हिस्सेदारी 164 प्रतिशत देने पर है। सरकार ने स्टेल्लाइट इंडस्ट्रियल्स को इस दोनों कंपनियों में अपनी शेयर हिस्सेदारी कंपनी का प्रचार दिया था। इसके जवाब में स्टेल्लाइट इंडस्ट्रियल्स ने जननी, 2012 में इस हिस्सेदारी को 16,000 करोड़ रुपए में स्वीकार की जा रही है।
बाल्को में बिकेगी हिस्सेदारी
बाल्को ने हिंदुस्तान विज्ञाता में सरकार को देखा
हिस्सेदारी वैवाहिक समूह की कंपनी स्टरलाइट
इंडस्ट्रीज को बैंक जाने के मुद्दे पर खाने मराठव
ने अधिकार-प्राप्त मंत्री समूह (ईजीआई) की
मंजूरी लेने पर बैंक की मंजूरी की है। इस
ईजीआई के अध्यक्ष हिंदुस्तान विज्ञाता मंत्री
मुख्यमंत्री हैं।
मनोज साहब में हिंदुस्तान विज्ञाता में सरकार की
हिस्सेदारी 29.54 फीसदी और भारत एल्युमीनियम
कंपनी (बाल्को) में 49 फीसदी के स्तर पर है।
Securing supplies

India eyes Afghan coal after iron, copper, gold

By Ruchira Singh
ruchira.s@livemint.com

NEW DELHI

Indian government officials will visit Afghanistan to look at the possibility of exploring and mining coal after winning rights to mine iron ore last year and bidding for copper and gold this year, a risky venture being pushed to overcome the shortage of resources.

A delegation comprising Coal India Ltd (CIL) chairman S. Narasing Rao, Singareni Collieries Co. Ltd chairman Satirtha Bhattacharya and officials from the coal ministry will shortly visit Kabul, and following discussions and reviews of prospective coal basins, an agreement is likely to be signed for bilateral cooperation in developing coal assets, Mining Weekly said on its website, attributing the information to a coal ministry official.

An Afghanistan government official close to the process of mineral block auctions confirmed that an Indian delegation is scheduled to visit, but added it was too early to discuss concrete business plans. "They are coming for bilateral talks," said the official, who didn’t want to be named. "I don’t know if it will be for exploration of coal."

The Afghan official said the government will soon issue a tender to appoint a consultant to undertake a preliminary study of coal deposits in the mineral-rich country, following which coal blocks could be auctioned in a manner similar to the iron ore, copper and gold blocks. "There is some high-quality coal available in Afghanistan. After we do this study we will open this market as well," the official said. "The study may take one year."

A consortium of Indian companies led by state-run Steel Authority of India Ltd (SAIL), including NMDC Ltd, Rashtriya Ispat Nigam Ltd, JSW Steel Ltd, Jindal Steel and Power Ltd and Monnet Ispat and Energy Ltd won three iron ore deposits in Hajigak, about 100km from Kabul, in November, which is a $10.8 billion project. The group also intends to build a steel mill.

A second consortium, including National Aluminium Co. Ltd and Hindustan Copper Ltd, recently bid for copper and gold deposits in Shaida, Badakshan and Zarkhsashan and has been shortlisted to place financial bids. Behind the latest venture in the politically unstable nation is the foreign ministry’s push for geopolitical presence in Afghanistan on fears China may increase its influence in the neighbourhood by winning mineral assets.

"Afghanistan may be a very tough place to work in, particularly given the investment risks," CIL chairman Rao said, without confirming if he will go to Kabul.

CIL, the world’s largest coal mining firm, produced 435.84 million tonnes (mt) coal in 2011-12, up 1% over the previous year, but behind its target of 440 mt after flooding in east India and a labour strike.

This year, the state-owned miner is under added pressure to boost production, owing to the fuel-supply pacts it has been asked to sign with power producers, and it is looking at importing coal to meet its shortfall.

India produces about 530 mt coal, but needs 100 mt more because of rising industrialization.

The Planning Commission has recommended that CIL import 45 mt coal in 2012-13 to ensure 383 mt of supplies to thermal power producers, while the minimum supply target has been set at 347 mt, an 11% increase over CIL’s supplies to power plants in the previous year, Mining Weekly said. The official in Afghanistan said it may finalize copper and gold block bidders next month.
**HZL, Balco stake: eGoM meet sought**

**New Delhi:** The mines ministry has written to the empowered group of ministers (eGoM) seeking an early sitting of the panel to decide on diluting the government's stake in Hindustan Zinc Ltd (HZL) and Bharat Aluminium Company Ltd (Balco) to Sterlite Industries.

"We have written a letter to the eGoM chairman and sought an early sitting. However, it is up to them when it
will call the meeting. Our endeavour is to make it (sale) as fast as possible,” mines secretary Vishwapati Trivedi said on Wednesday. PTI
Diamond exports plunge 50% in May

Imposition of 2% import duty to blame, say traders

Shiv Kumar
Tribune News Service

Mumbai, June 20

India’s diamond exports crashed by more than 50 per cent in May this year compared to the year-ago period sparking off panic in the diamond cutting and polishing industry, which is one of the biggest employers in Western India.

According to data released by the Gems and Jewellery Export Promotion Council (GJEPC), exports of cut and polished diamonds fell from 51.22 lakh carats in May 2011 to 25.74 lakh carats in the corresponding period this year. In value terms, the fall in exports was 44 per cent - from $2,240 million to $1,245 million in the same period.

The decline in May was steeper than in April this year, which saw exports decline 35 per cent in terms of value as compared to April 2011.

Diamond merchants are blaming the fall in exports on the Indian government’s decision to impose two per cent import duty on polished diamonds from January 2012 as a measure to conserve foreign exchange.

The data indicates that import of cut and polished diamonds fell 88 per cent as a result. “Though margins were lower, cut and polished diamonds were imported for the purpose of value addition,” says Amanbhai Shah, who owns a diamond polishing unit in suburban Mumbai.

However, even the diamond cutting and polishing business at home has also been affected, according to the data. The Indian diamond industry imports rough stones which are cut and polished within the country before they are exported. However, even this part of the business took a major hit in May this year. According to the GJEPC data, imports of rough diamonds fell 20 per cent over May 2011.

Those in the diamond trade say the sharp fall in the Indian rupee has made it expensive for them to import rough stones. Often importers of rough stones trade these with other businessmen who specialise in cutting and polishing them who in turn trade their finished goods with the actual exporters. Since it takes several months for dues to be settled across the chain, traders are wary of taking positions in stock lest they be affected by volatility in the exchange rates, analysts said.
Punjab mining cartels eyeing mines of Himachal

LALIT MOHAN
TRIBUNE NEWS SERVICE

DHARAMSALA, JUNE 20

After the ban on mining in their state, mining cartels of Punjab are now eyeing the mines of border districts of Himachal, including Una and Kangra.

Sources available here said mining cartels of Punjab were now carrying raw material from rivulets of Una district in a big way.

As per the state’s mining laws, stone crushers set up in the state can just sell only the crushed material.

There is a total ban on carrying raw material, including big stones, out of the state.

However, sources here said a large number of trucks could be seen carrying stones and other types of raw material mined from the rivulets of the state.

Excise and Taxation officials were manning almost all the exit points on the borders of the state. Yet trucks with 35 to 50 tonnes of raw material have been easily passing through these barriers despite the fact that there was a total ban on shipping of raw material out of the state.

The sources said the mining mafia from the adjoining state had established a rapport with local politicians, who were facilitating this illegal trade.

The illegal trade was being carried out under the aegis of local political and illegal mining cartel nexus.

The mining officer in Una admitted that they had also received information regarding raw material mines from the district being taken out by certain unscrupulous elements.

He said they had conducted raids in coordination with the local police and impounded many trucks carrying raw material, including stones.

Fine had been imposed on trucks carrying raw material out of the state.

The mining officer also admitted that the raw material mined from rivulets of the state could not be taken out of the state as per the mining rules.

He said besides the Mining Department, 15 other government departments have also been authorised by the government to check illegal mining.

However, at present none of these departments was playing an active role in checking illegal mining, he said.

SP Una, Suneet Dahiya, said special teams had been formed to check the illegal trade of carrying raw material mined from the rivulets out of the state.

“In the past few days we have impounded several trucks and trolleys carrying raw material out of the state,” she said.

The ban on mining in Punjab has created a lot of pressure on mines in Himachal. While it has served as a boon for the mining and stone crusher industries of Himachal, it has also promoted illegal mining.

There is a strong demand of crushed material due to huge infrastructure projects being implemented in the private and the public sector.

Mining in the Nurpur area of Kangra district also saw a tug of war between Minister for Industries Kishan Kapoor and local Independent MLA Rakesh Pathania.
Odisha to hand over 1,500 acres to Posco

MUMBAI: After seven years of delay, the Posco steel project will finally be moving ahead. The work will begin once Odisha starts transferring around 1,500 acres to the Korean steel major to set up an 8-million tonne plant in the first phase, Odisha Steel and Mines Minister Raghunath Mohanty said on Wednesday.

However, the minister did not specify a time frame under which the land transfer will be completed. The state will take steps to revive the Memorandum of Understanding (MoU) with the Korean steel major, which had lapsed since June 2010.

"Transfer of around 1,500 acres is under way and we hope the tri-partite agreement with the steel company will be signed soon," Mohanty said.

Earlier, after consultations with the government, Posco had decided to reduce its land requirement to 2,700 acres from over 4,000 acres.

The state has already transferred 500 acres to the company for setting up the proposed plant, which has an original capacity target of 12 mega tonnes, involving an investment of Rs 57,000 crore, making it the single largest foreign direct investment in the country. In view of the land scarcity, the company has also decided to build an 8-mega tonne plant in the first phase and scale it up to 12 mt later.

"They have agreed to build an 8 mt steel plant in the first phase, which will be done in two tranches of 4 mt each," Mohanty said.

Mohanty said Posco has also agreed to three major conditions which include employing a certain percentage of local people in the proposed plant, setting up downstream industries near the project and exchange of iron ore within the country.

"The steel firm has agreed to swap the iron ore within the state or within the country," the minister said. Posco had earlier asked for swapping high alumina content iron ore found in Odisha's Khandadhar mines, which is amid a legal row, with better quality ore from abroad.

PTI
VEDANTA’S ALUMINIUM
SOLD AT $220/TONNE

New Delhi: London-listed mining
group Vedanta Resources on
Wednesday said it has sold 3,000
to 4 tonnes of aluminium ingots at a
premium of $220 a tonne over the London
Metal Exchange price in the Asian
market.

“Vedanta Group, India’s largest
Aluminium producer, has recently
sold 3,000 metric tonnes of Aluminium
Ingots 99.7 per cent through a tender
at a premium of $220 p/t over LME on
a cost, insurance and freight (CIF)
basis in the Asian market,” the com-
pany said in a filing to the BSE.

The metal will be shipped in three
lots from July, 2012 to September 2012,
it added.

— PTI
MINERAL PRODUCTION
During April 2012 (prov)
Total value: ₹17,084 crore

Growth rate (%)

INCREASE

10.4
Bauxite

7.2
Chromite

Change over April 2011 -3.1%

Source: Ministry of mines / PTI
Changes in FSA penalty clause to hit finances: CIL

Indranil Roychowdhury
Kolkata, June 20

Coal India chairman S Narsing Rao on Wednesday said the miner was unwilling to make changes in the penalty clause of fuel supply agreements (FSAs), since that would be detrimental to the company's financial interests. "CIL will not agree to something knowing that it will falter," Rao said, indicating that the company might fail to meet its supply commitments. Rao added, "It's a known fact that we will falter in meeting the 80% trigger level.

The new FSA lays down that CIL is liable to pay a penalty of 0.1% and the penalty clause will be triggered if CIL fails to supply less than 80% of the amount of coal contracted. In previous FSAs, the penalty was a much stiffer 10%.

"We cannot sign agreements for paying penalties. Whatever decision the board took regarding the FSA was for protecting our financial interests," Rao observed. The reduced penalty in the new FSAs has sparked off protests from power producers and the power ministry. In fact, Prime Minister Manmohan Singh is scheduled to hold a meeting on Friday to address the issue.

Rao said the CIL board had not yet deliberated on the issue though it had become an extremely contentious one. He was, however, clear that CIL would act according to its ministry's guidelines. "Let us see how the coal ministry reacts to the Prime Minister's meet and what we are asked to do. I have no authority today to make any changes in the clauses of the FSA and have to go along with whatever has been approved by the board," Rao said. He added, "If we all need to make any changes we would have to go back to the board to find a workable alternative."

The CIL chairman also observed that although the government had allowed for the import of 45 million tonnes of coal, not a single customer had so far asked the company to import coal on its behalf. So far CIL has signed 27 FSAs of a total clientele of 49 power producers, and most of the private sector companies, according to Rao, have signed up. "It is largely the public sector companies that have not signed the FSA," Rao said, adding that the crux of the problem lay in the 80% trigger level, which CIL needs to retain.

"This is a petty issue. We have our own prerogative in pricing and the government has its own interest in overlooking it," Rao said. He said CIL doesn't intend to take coal prices to international levels, since its pricing mechanism only involved cost of production and margins. CIL, unlike other coal companies in other countries, does not have to pay a price for reserves, which keeps its prices much below the international level. "The GCV (gross calorific value)-based pricing is only a shift in mechanism and has nothing to do with international parity pricing," Rao said.
Odisha begins land transfer to Posco

MUMBAI: Odisha has started transferring around 1,500 acres to the Korean steel major Posco to set up an 8-million-tonne plant in the first phase, State Steel and Mines Minister Raghunath Mohanty said on Wednesday.
Hindustan Steel enters contract mining business

To develop four opencast mines

Jayanta Mallick
Kolkata, June 20

Public sector engineering company Hindustan Steel Construction Ltd has entered the mine development and operation business. Mr Malay Chatterjee, CMD of HSCL, told Business Line that the Rs 1,200-crore company has obtained contracts for the development and operations of four opencast mines of three State-owned companies.

HSCL has also decided to collaborate with a private company for underground contract mining.

HSCL, through competitive bidding processes, secured long-term coal extraction contracts of two bags for an iron ore asset in Odisha from Orissa Mineral Development Corporation, a subsidiary of RINL.

Last month CIL subsidiary, Central Coalfield Ltd, appointed HSCL as the developer and operator for Kujju mine in Ramgarh district for 54 months, to extract a total 110 lakh cubic metres of coal at a consideration of Rs 81.91 crore.

HSCL is expected to begin removal of overburden next month.

It has already started work at CCL's other mine — Chari in Hazaribagh.

This contract also involves extraction of 110 lakh cubic metres of coal. The time-frame mentioned in the contract, however, is five years and the consideration involved is Rs 77 crore.

HSCL has also started work this year for the Ramnagar coal mine, a captive mine of SAIL's IISCO plant in West Bengal.

It will have to extract 6.3 lakh cubic metres of coal in 36 months for 52.21 crore.

In iron ore mining, HSCL took up extraction work in Thakurani and Royda mines of OMDC in Odisha.

The three-year contract mine work involved extraction of 1,650 cubic metres a day of ore for Rs 12.5 crore.

jayanta.mallick@thehindu.co.in
Spain’s debt trouble trips copper

Reuters
London, June 20

Copper fell on Wednesday as concerns about Spain's debt troubles kept investors cautious, although hopes the Federal Reserve could offer more stimulus for the US economy helped support the outlook for demand and limit falls in base metals.

Three-month copper on the London Metal Exchange traded at $7,565.50 in official rings, down from Tuesday's close of $7,609 a tonne.

The metal used in power and construction is down more than 10 per cent so far this quarter and is trading 0.3 percent lower for the year to date.

"The market is worried about the situation in Spain, and there is speculation that they might have to take full advantage of the bailout funds, not just for their banks," Mr Daniel Briese-mann, an analyst at Com-merzbank, said.

However, the euro steadying against the dollar today helped limit the fall in base metals.

In Shanghai, copper prices have climbed 5 per cent since hitting an eight-month low in June.

The recent drop in prices has encouraged some end-users to restock, in turn helping to draw down copper inventories held at exchange and bonded warehouses.

But analysts have cautioned that Chinese end-users are still buying on a hand-to-mouth basis amid an uncertain economic outlook and sluggish domestic demand.

CHINESE IMPORTS
Copper imports by China, the top consumer of the metal, could fall in the next few months even as the world’s second-largest economy gradually recovers, since easier credit will reduce demand for copper used for trade financing.

In other metals, zinc traded at $1,890 a tonne from Tuesday’s close of $1,899 while al-umium traded at $1,920 from $1,925.50. Nickel was at $17,125 from $17,095 a tonne.

Tin was untraded in official rings, but bid at $19,500 from Tuesday’s close of $19,530. Lead, also untraded in official rings, was bid at $1,994 from Tuesday’s close of $1,912.50.
Rio Tinto to invest $4.2 b in iron ore business

London, June 20

Global mining giant Rio Tinto said on Wednesday that it plans to invest $4.2 billion (£3.1 billion) to develop its iron ore business in Australia and Guinea to meet strong Chinese demand. The Anglo-Australian group said the investment covered $3.7 billion for expansion of the Pilbara iron ore operations in Western Australia and $501 million for infrastructure development at the Simandou iron ore project in Guinea. Rio Tinto Iron Ore Chief Executive Mr Sam Walsh said, “We continue to forecast that annual Chinese steel production will grow from its current level of around 700 million tonnes to around one billion tonnes a year out towards 2030.” — AFP
Odisha transfers 1,500 acres to Posco Steel
Lapsed tripartite agreement to be revived soon

Press Trust of India
Mumbai, June 20

After seven years of delay, the Posco steel project will start moving ahead soon, as Odisha has started transferring around 1,500 acre to the Korean steel major to set up an eight-million tonne plant in the first phase, Odisha Steel and Mines Minister Mr Raghunath Mohanty, said on Wednesday.

However, the Minister did not specify a timeframe under which the land transfer will be completed.

The State will also soon sign a tripartite agreement with Posco India and its parent to revive the Memorandum of Understanding (MoU) which had lapsed since June 2010, the Minister said.

"Transfer of around 1,500 acre is underway and we hope the tripartite agreement with the steel company will be signed soon," he said over phone from Bhubaneswar.

Earlier, after consultations with the Government, Posco had decided to reduce its land requirement to 2,700 acre from over 4,000 acre.

The State has already transferred 500 acre to the company for setting up the proposed plant, which has an original capacity target of 12 m.t, involving an investment of Rs 52,000 crore.

In view of land scarcity, Posco has decided to build an eight-m.t plant in the first phase and scale it up to 12 m.t later.

CONDITIONS APPROVED
Mr Mohanty said Posco has also agreed to three major conditions which include employing a certain percentage of local people in the proposed plant, setting up downstream industries near the project and swapping of iron ore within the country.

"The steel firm has agreed to swap the iron ore within the State or within the country," the Minister said.

Posco had earlier asked for swapping high alumina content iron ore found in Odisha's Khandadhar mines, which is amid a legal row, with better quality ore from abroad.

Mr Mohanty also said the boundary wall work has already started in the project site and full-fledged work will start soon.

The Rs 52,000-crore Posco project has been stuck for the past seven years, on the back of local opposition to land acquisition, coupled with pending environment approvals.

However, the Minister said "I think, after slashing of land requirement and iron ore swapping issue, local opposition to the project is fading."
ORISSA TRANSFERS 1,500 ACRES TO POSCO

Mumbai, June 20: After seven years of delay, the Posco steel project will start rolling soon as Orissa has started transferring around 1,500 acres to the Korean steel major to set up an 8-million tonne plant in the first phase. Orissa steel and mines minister Raghunath Mohanty said on Wednesday.

However, the minister did not specify a timeframe under which the land transfer will be completed. Meanwhile, the state will also soon sign a tripartite agreement with Posco India and Posco to revive the memorandum of understanding (MoU) with the Korean steel major, which had lapsed since June 2010, the minister said.

“Transfer of around 1,500 acres is underway and we hope the tripartite agreement with the steel company will be signed soon,” Mr. Mohanty said. — PTI
नालको का सीमांदी पद भरने के लिए कैबिनेट को पत्र

नई दिल्ली। खान मंत्रालय ने नालको के चेन्नै से हिंदी निर्देशक के पद पर एक पूर्वांकलिक नियुक्ति के लिए कैबिनेट की नियुक्ति सर्विस को पत्र लिखा है। यह जानकारी खान सचिव प्रेम शर्मा द्वारा दिया गया है।

नालको के एच मार्क भूस्वरुण का हिस्सा लेने के अलावा श्रीमान कूडू आई द्वारा अस्ट्रेलिया द्वारा नालको के लिए लिखा है। 2011 से संगठनीय पूर्वांकलिक प्रमुख के काम कर रही है।