Green cause versus greenfield projects

India's green gladiators sure enjoy their moment in the sun when they shoot down big industry and infrastructure projects. A panel comprising retired forest officer Devendra Pandey, environmental researcher Umrao Pingle, and Madras high court lawyer V Suresh, appointed by the ministry of environment and forests, gave the thumbs down to the Posco integrated steel plant in Orissa. They want the project to be scrapped in its present form.

There was a lone note of dissent. The head of the panel, former environment secretary Meena Gupta, disagreed with the majority, but not wholly. She too favoured additional conditionalities and compliance on the part of the South Korean steel giant before the project was allowed to go ahead. So, what is the major difference between the three members and its head? It is over details, and details are indeed crucial.

The members made a clear observation that the environmental clearance process for the Posco project has been a farce. They said that Posco suppressed information, the Orissa government fabricated evidence and the ministry of environment and forests altered records to facilitate clearance. These are indeed serious allegations and indicative of the shortsightedness of both industry and its cheerleaders in government who want fast-paced development. By trying to circumvent the law, they have not done themselves any favour. They will have to learn to accept the green guidelines not under duress but in the long-term interests of all stakeholders. Industry will lose out, not just in terms of public goodwill, but in real economic terms, if it does not nurse the environment.

These are serious violations in the Posco project and it would not do to cover them up through general arguments about the need for ultra-mega projects like steel plants to pull the region and its people out of abysmal poverty. The either/or argument has to end. We need both the steel plant and a good environment. Needless friction is being created by industry and government, on the one hand, and environmental zealots, on the other. That development and environment cannot go together: The green warriors believe they are battling on behalf of poor tribals, but one doubts if the tribals are happy to wallow in poverty in the name of environment.

There is a strong, realistic case for protecting the environment. What we need is a set of transparent green protocols. Ecological factors need to be assessed non-ideologically, and tradeoffs need to be clearly stated upfront.
Vedanta refinery may hit hurdle

New Delhi, Oct. 10: The government is likely to halt this week London-listed miner Vedanta Resources’ plans to expand its alumina refinery in Orissa due to serious violation of environmental laws, government officials said on Wednesday.

If halted, the move — which comes two months after the government rejected the firm’s plans to mine bauxite in Orissa over environmental concerns — would be another blow to Vedanta, already facing hurdles to a planned $9.6 billion acquisition of a stake in Cairn India.

Vedanta operates a one million tonne-a-year alumina refinery in Orissa and wants to expand its capacity by six times. The company’s project in Orissa is valued at about $9.5 billion.

In August, the environment ministry asked the company to explain why the green clearance given to its refinery should not be revoked after a probe found it violating laws, including sourcing bauxite from mines that did not have green clearance.

The company said last week there were no regulatory violations of any kind at its refinery in Orissa’s Lanjigarh.

The officials said environment minister Mr. Jairam Ramesh was likely to take a final decision on Vedanta this week.

“There is procedural violation of the regulation in Vedanta refinery while there is serious and unambiguous violation in the expansion plan,” a senior environment ministry official said. — Reuters
Hindustan Zinc profit up 1.5%

India's largest zinc and lead producer and a subsidiary of Vedanta Resources Plc, Hindustan Zinc posted a mere 1.5 per cent rise in its net profit for the second quarter ended September 30. Its expansion plans are behind schedule by three months. The company's net profit for the quarter gone by stood at ₹949 crore, as against ₹935 crore for the corresponding quarter last year. Revenues at ₹2,163 crore were up by nearly 21 per cent, as against ₹1,780 crore for the second quarter last year. The company said the advantage of higher volumes and improved prices at the London Metal Exchange were offset due to the cost increase in coke and coal costs.

BS REPORTER
Copper signals red for bulls

GEORGE ALBERT

Copper, the leading indicator of the global economic health, has reached a key area of technical resistance along with other indicators, showing weakness.

The Dow Jones-UBS copper index entered an area of resistance after a long rally. The area of resistance is in the range of 410 to 450 and the index closed last Monday at 416. The price of copper is seen as a leading indicator of the global economy as the metal is a necessary input in manufacturing several goods. So, as prices of copper rise, the market predicts that manufacturers are buying the metal to increase production, resulting in a rally in the global equity markets.

This correlation may not work all the time, but has several times in the past. So as copper prices reach resistance from where they can turn, it’s important not only for copper bulls to be cautious, but for longs in other markets to ease off the accelerator.

Let us take a couple of examples that show copper leading the equity markets. The copper index hit a resistance area of 395 during the week ended April 9. A few weeks later on the week ended April 23, the S&P 500 saw a fall. The Sensex too fell along with copper in April. In 2009, between January and February, copper went into a consolidation phase, while the equity markets continued its negative trend. However, in March, copper broke out of its consolidation range, which resulted in the bottoming of both S&P 500 and the Sensex and subsequently a rally.

The resistance area of 410 to 450 that copper has entered is the area from where it fell in October 2008, to tank all the way down to the 150 area. It would be imprudent for bulls to ignore this resistance level. In addition, the technical indicator, commodity channel index (CCI), is showing negative divergence which signals upcoming weakness. A negative divergence happens when prices move to new highs but the CCI does not. A look at the chart will show that prices moved higher recently, but CCI did not.

On a fundamental level, too, copper seems overpriced now. For instance, the price of copper was in the resistance range of 410 to 450 in May 2007. The global economy was booming then, unlike now. Hence, for the price of copper to be at economic boom levels, when the global economy is still healing, seems incongruous.

There is however a note of caution in using copper to predict a fall in the equity markets. The prices of commodities are driven not only by economic demand but also by the value of the dollar. If the value of the dollar continues to fall copper will break out of resistance and continue to rally. It is, hence, prudent to look at the dollar as well, to gauge the direction of copper. Right now, the dollar is near some major support areas, while copper and the equity markets at resistance. This is a good confluence for copper bears.

The author is editor of www.capturertrends.com and is based in Chicago.
Base metals rise on China rate move

Base metals steadied in London on Wednesday, while Shanghai edged lower, after a sell-off in the international market in the previous session following China's first interest rate rise since 2007. Three-month copper on the LME reversed early losses, which saw the market dip to $8,170 a tonne after a 2.2 per cent fall on Tuesday. The 25-basis point rate rise by the People's Bank of China took markets by surprise and pushed the dollar to its biggest increase against a currency basket in two months.

Reuters
Tata Steel moves closer to getting Centre’s nod for Chhatisgarh plant

Govt panel recommends environmental clearance for proposed 5.5 MT plant

PRIYADARSHI SIDDHANTA
NEW DELHI, OCTOBER 20

PROVIDING a much-needed fillip to Tata Steel, a high-powered committee of the environment and forests ministry has recommended granting environmental clearance to the company’s proposed 5.5 MT integrated greenfield steel plant in Chhatisgarh, to be built at an expenditure of nearly Rs 20,000 crore. But, the clearance is not without riders.

In a recent meeting, the Expert Appraisal Committee (EAC) of the ministry recommended granting environmental clearance to the company’s proposed project at Lo-handiguda Block in Bastar. Along with the plant, the company also got the EAC’s nod for setting up a 625 MW partly-gas fired captive power plant. Noting that the steel maker had already acquired 1,565 hectares needed for the project, the panel asked the company to develop a green belt on at least 516 hectares (33 per cent of the area), “Tata Steel has been told to spend Rs 1,688 crore towards environmental pollution control measures, according to a ministry official. More importantly, the Ratan Tata-promoted company “has been categorically told to earmark at least 5 per cent of the total project cost towards CSR and submit a time-bound action plan to the ministry in this connection”.

Observing that the Chhatisgarh government has accorded prior approval to the company for drawing 35.8 MGD of water from the Sabri river, the EAC has mandated the company to treat all effluents by adopting a zero discharge policy and use the effluents for making fly ash. The company has already signed a memorandum with the state for sourcing iron ore and coal for the said plant.

The committee asked Tata Steel to execute a rehabilitation and resettlement plan for the project-affected populace in accordance with state policy. Affected populace including tribal, if any, in accordance with the state government’s policy. “Compensation paid should not be less than the norms prescribed under the National Resettlement and Rehabilitation Policy, 2007,” according to the minutes of the EAC meeting.

The project, for which the company had inked an MoU with the state government in June 2006, saw protests from landholders, mostly tillers, who refused to give up their land. The state thereafter sweetened the offer for their land by asking the company to offer an allowance and pledged to provide employment to the locals. The problems were sorted out in late 2009 and the project’s prospects brightened. Under the rehabilitation norms, the company deposited Rs 70 crore with the district administration for compensation, of which the administration disbursed about Rs 42 crore.
Iron ore exports fall

NEW DELHI, 20 OCT: Witnessing the steepest fall this fiscal, iron ore exports in September went down by 47.46 per cent to 3.02 million tons due to the ban imposed by mineral-rich Karnataka on iron ore shipments and extended monsoon in the country. "The decline, biggest this fiscal, is mainly due to the Karnataka ban and the prolonged monsoon season," Federation of Indian Mineral Industries (Fimi) secretary general Mr RK Sharma said. According to the data compiled by industry body Fimi, the country shipped 5.7 million tons of iron ore in the same period last year. pti
Vedanta serenades tribals with Kui songs

Press Trust of India

Bhubaneswar: In a bid to clear its ‘anti-tribal image’ created over an unsuccessful move to start mining on the Niyamgiri hills in Kalahandi district, Vedanta Resources has released a music album in ‘Kui’, a dialect used by the Dongriya Kondh tribes.

The music album titled — Niyamgiri ti Rani produced by Krishna Movie Association with help of the Vedanta Aluminium Limited (VAL), contains eight songs, the voice for which were lent by tribal artists.

“Diwani.. Diwani…”, a music number sung by Jitu Jakasika, a Dangaria Kandha youth who recently turned pro-Vedanta after opposing it for a long time, said that the theme of his song was based on the emotional feelings of the people of his community.

Orissa’s tribal development minister Bijay Ranjan Singh Bariha released the album in presence of former Oriya cinestar and BJD MP Siddhant Mohapatra, former minister Balabhadra Majhi and VAL’s COO Mukesh Kumar.

Kumar rejected allegations that the music album is the company’s bid to appease tribals, particularly Dangaria Kondhs who opposed its mining project at Niyamgiri hills. “It is part of the company’s social corporate responsibility (CSR),” Kumar claimed.

Members of the Dongriya Kondh tribe gather on top of the Niyamgiri mountain, to protest the Vedanta project. The company is now trying to undo its anti-tribal image.  FILE PHOTO
Iron ore exports see sharpest fall in 2 yrs

NEW DELHI/SINGAPORE: Iron ore exports fell 47 per cent in September to 3.08 million tonnes—the sharpest monthly drop in nearly two years—due to a ban on shipments from a key state and slower demand from China. In terms of volume, it was the lowest since April 2007, data from Federation of Indian Mineral Industries showed.

REUTERS
ओडीशा सरकार और पौस्को ने जनता को गुमसह किया : रिपोर्ट

दूसरी नई विदेश

यह अंतरराष्ट्रीय योग समूह 'भारतीय जोन पीप्स सलाहकारी दूः' ने पौस्को परिषदेण्य सारांश ने लेने वाले एक रिपोर्ट के आधार पर कहा है कि इस परिषदेण्य के पत्रकारों के बारे में ओडीशा सरकार और खुद पौस्को कंपनी ने लोगों को गुमसह किया।

यहाँ 'आपरेंट एंड स्टोर-अप' पौस्को 'लैडीज रेडियो' नामक रिपोर्ट जाने करते हुए इस समूह ने कहा कि ओडीशा सरकार, पौस्को कंपनी और नेताओं की काजीन्द्रिक रूप से इस परिषदेण्य से वैध होने वाले वेतनार्के के अवसरों के बारे में काफी बहस-बदल कर दावे पेश किए।

रिपोर्ट के अनुसार परिषदेण्य के बारे में कहा गया कि इससे दावों की सज्जा में वेतनार्क से रूपांतर में अवसर पैदा होगा, लेकिन सरकार यह कहा है कि जब परिषदेण्य जयपूर के लाल नहीं होता है तो अपने पार्टी के साथ साथ में हमारे नाम सहेल होगा लोगों को जी संभव वेतनार्क दिनें होंगी।

यह अंतरराष्ट्रीय ओडीशा सरकार के दावे का साथ एक प्रकोभता है। इस रिपोर्ट को कैदिवालों द्वारा दृष्टि उसके अंतराल से वेतनार्क सभी के अनु में उपरांत दिनें, रहन जूनियरमिनिस्टर एंड मनोरंजन प्रोफेसर लालू मैत्री, कैदिवालों वेतनार्क विभाजन निदेशक उदित कुमार ने सिलेंडर और उन्नतियाँ निदेश आवाज तथा कई अन्य मिशनों ने मिलकर तैयार किया है।
नियमिति में अब वेदांता का संगीत

...
Tribals sue Lafarge in SC

New Delhi, Oct.19: Meghalaya’s Shella Action Committee, the tribal group opposed to mining of limestone by Lafarge Umiam Mining Ltd, has filed a fresh application before the Supreme Court and has sought revocation of new environmental clearance that was given for mining in April. The application is likely to be heard by the forest bench of the apex court on Friday.

The apex court had banned mining of limestone in the East Khasi District Hills area of the state in February on application of the committee.

Lafarge was mining limestone for Lafarge Surma Cement Ltd, which runs the cement plant at Chatak in Bangladesh. It transports the limestone on a 17 km-long conveyor belt across the India-Bangladesh border. Earlier, the action committee had alleged that the mining project in the area was given clearance in 2007 on the basis of a false certificate by a forest officer.

— NW18
CIL IPO Subscribed Nearly 12 Times On Day Three, Issue To Close Today

Govt to up selloff target by ₹8k cr to ₹48k cr in FY11

Prabhakar Sinha | TNN

New Delhi: The bull run in the stock market will help government improve fiscal health of the country. The government is likely to exceed its target of Rs 40,000 crore revenue generation through disinvestment of its holdings in public sector companies.

The government, it is learnt, has also finalized plan to divest 5% of its stake in ONGC to raise around Rs 8,000 crore. With this, the total proceeds in the current financial year through disinvestment would be over Rs 48,000 crore.

With the success of Coal India IPO, the government has already raised over Rs 17,000 crore, which is highest ever in a single financial year. In 2003-05, the government had raised Rs 15,641 crore. It has completed divestment in Sutlej Jal Vidyut Nigam and Engineers India.

The disinvestment process of CIL is still going on and the issue is oversubscribed by more than two times on Wednesday. The issue will close on Thursday for retail investors. Disinvestment secretary Sumit Mitra said that after CIL, the government will divest in Power Grid Corporation India (PGCIL) in the first week of January. Under this, the government will divest 10% of its holding, while the company will issue fresh shares, 10% of paid-up capital. A senior merchant banker said PGCIL issue can raise around Rs 8,000 crore, of which Rs 4,000 crore will go to the Centre.

In December, three offers will be launched—MOIL, Shipping Corporation of India and Hindustan Copper (HCL). In MOIL, the Centre will divest 10% stake to raise around Rs 1,500 crore. In Shipping Corporation, also, besides 10% selloff by government, there will be fresh issue of shares of 10% of paid up capital. The government expects to raise Rs 1,000 crore from SCI offer.

In December, the divestment of HCL will be a big issue. The company is already listed with 3% float. At present, its market capitalization is Rs 40,348 crore. The government will divest 20% stake in the company. But, it is likely to be priced at discount. According to a merchant banker, the issue will be priced at around half of the current price of Rs 436 per share.

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Gold falls to year's low on global cues

New Delhi: Volatile conditions in the bullion market on Wednesday had gold prices plummeted by Rs 425 to Rs 19,660 per ten gram, in line with weak global trend and reduced offtake by retailers at existing higher levels. Silver prices, too, followed suit and slid by Rs 900 to Rs 36,100 per kg on stockists selling and industrial units refraining from buying at prevailing high levels.

Weak trend routed the bullion market at home after gold in international markets tumbled by nearly $36 to $1,633.79 an ounce, as a firming dollar eroded demand for the precious metals as an alternate investment. Market analysts said heavy selling by stockists in tandem with a steep fall in its prices in overseas market and reduced offtake at existing higher levels pulled down both silver and gold prices.

The gold of 99.9 and 99.5% purity plunged by Rs 425 each to Rs 19,660 and Rs 18,550 per ten gram respectively. In a similar fashion, silver ready dropped by Rs 900 to Rs 36,100 per kg on poor offtake by industrial units and coin makers. It had surged to a record high of Rs 37,000 per kg in the previous trading. Silver weekly-based delivery also plummeted by Rs 650 to Rs 35,540 per kg on lack of sizable speculators support.
Iron ore exports fall most in Sep; down 47% at 3 mt

Witnessing the steepest fall this fiscal, iron ore exports in September went down by 47.46% to 3.02 million tonne due to the ban imposed by mineral-rich Karnataka on iron ore shipments and extended monsoon in the country. "The decline, biggest this fiscal, is mainly due to the Karnataka ban and the prolonged monsoon season," Federation of Indian Mineral Industries (FIMI) secretary-general RK Sharma said. According to the data compiled by industry body FIMI, the country shipped 5.7 million tonne iron ore in the same period last year. India, the world's third largest iron ore exporter, had produced 218 million tonne iron ore in the last fiscal and exported almost half of it.
Maharashtra okays sand mining policy

Mumbai, Oct. 20

The Maharashtra Government on Wednesday approved a new sand mining policy, which makes it compulsory for contractors to obtain permission from the Gramsabha, (the elected body of villagers) for sand mining and extraction. The policy says the Revenue Department should give sand mining licences only through a bidding process. Even in the districts of Ratnagiri, Thane and Raigad where many small fishermen extract sand manually, bids have to be submitted by local fishermen’s organisations. The policy has given direct control to the local bodies over the sand mining activities and has placed severe restrictions to protect river beds from damage. Sand mining in Maharashtra is a contentious issue, many activists have pointed out the environmental hazards of rampant mining. Currently, there is Bombay High Court ban on sand mining in the State. The real estate lobby has sought lifting of the ban as they claim that their projects are getting delayed. Last month, the court had banned sand mining in the State due to absence of a comprehensive policy and also due to the threat to environment. It had directed the Government to formulate a policy in four weeks. – Our Bureau
Put mining companies through environmental audit

An environmental audit would entail checklists that will assist in smoothening regulatory inspections.

It is said that "in an underdeveloped country, don't drink the water, in a developed country, don't breathe the air". The mining industry — which invariably has environmental connections — has been in the news for varied reasons over the past few months.

The storm of illegal mining in Karnataka whittled down thanks to even more scandalous happenings in the State. The trapping and subsequent rescue of 33 miners in Chile gave rise to emotional moments. And the successful IPO of one of the largest coal miners, Coal India Ltd, has proved the interest that the industry continues to generate.

A good portion of Australia’s top companies are in the minerals and metallic business. Though a lot has been written about the illegal mining network and their powerful linkages, the Government must think of mandating environmental audits for all mining companies that need environmental permissions. The loss due to illegal mining — estimated to be around Rs 25,000 crore a few years ago — is alarming enough to require further regulation of the sector.

ENVIRONMENTAL AUDIT
An environmental audit would be similar to a compliance audit and encompasses the entire gamut of an entity’s environmental operations. One of the world’s leading miners, Rio Tinto, details the following risks in the business they are in: “The Group is subject to extensive governmental regulations in all jurisdictions in which it operates. Operations are subject to general and specific regulations governing mining and processing, land tenure and use, environmental requirements (including site-specific environmental licences, permits and statutory authorisations), workplace health and safety, social impacts, trade and export, corporations, competition, access to infrastructure, foreign investment and taxation.

“Some operations are conducted under specific agreements with respective governments and associated acts of parliament but unilateral variations could diminish or even remove such rights”.

Annual environmental audits must be made mandatory for entities operating in environmentally sensitive sectors.

THE AUDITORS
The Government is contemplating consulting the Institute of Chartered Accountants of India (ICAI) on the 26 per cent compensation to be paid to displaced miners. Years ago, they mandated maintenance of cost accounting records for select companies. Similarly, the Ministry of Environment and Forests can make annual Environmental Audits compulsory for entities that operate in environmentally sensitive sectors.

Just like the Insurance Regulatory and Development Authority (IRDA), the Ministry can use its present infrastructure and resources to create a regulator that would evolve sector-specific environmental regulations and requirements. With clear-cut norms laid out, these audits can be conducted by accounting firms and consultants and can be made a part of the annual report.

As is some people’s wont, there will be attempts to get around this, but comfort can be taken from the fact that at least there is an attempt to earn one’s bread instead of enjoying a free lunch.

(The author is a Bangalore-based chartered accountant.)
Raj govt gives 40 mine leases near Sariska

CAT-ASTROPHE? The new quarries could pose a serious threat to the tiger rehabilitation project in the Sariska reserve

Rachna Singh | 7PM

Jaipur: The beauty of the Aravali-flanked Sariska Reserve may soon be a thing of the past with the Rajasthan government granting 40 new mining leases in the eco-sensitive zone, something that'll leave the area pock-marked with quarries and pose a threat to an ambitious tiger rehabilitation project.

The government sanctioned the leases on Tuesday on the plea that the Aravali range, where stone mining had been sanctioned, is less than 100m in height, which is not considered a hill as per state government norms.

Earlier this year, the Supreme Court banned quarrying for stone in the Aravalis of neighbouring Haryana, holding mining companies guilty of violating zoning laws and not filling up excavated craters. Later it said some mining may be allowed but only when the Haryana government adopts a mining policy based on an SC-appointed panel’s guidelines.

While Rajasthan authorities have interpreted norms to their convenience to sanction fresh leases, mining could damage the ecology of the region and jeopardise survival of the big cats. Five tigers have already been relocated to Sariska from Ranthambore and forest officials plan to shift more in the coming months.

Related report, P 15
Hindustan Zinc profit up by 1.47%
Hindustan Zinc net rise limited to 1.5% on high raw material costs

HINDUSTAN Zinc, the most profitable unit of Vedanta Resources, on Wednesday said its second quarter net profit grew by only 1.5% due to high costs related to prices of coal and coke and increased royalty charges. The Anil Agarwal-controlled company, which was bought from the government via the disinvestment programme in 2004, posted a profit of Rs 949 crore in the July-September period, compared to Rs 935 crore last year. Revenue in the same period grew 21% to Rs 2,163 crore.

This despite a sharp increase in volumes and metal prices. In a statement issued on Wednesday, Hindustan Zinc said that during the second quarter, the company achieved its highest ever zinc and lead unified metal production at 204,836 tonnes, which was up 6% compared with the corresponding prior quarter.

Average zinc and lead prices on the London Metal Exchange were $2,013 per tonne and $2,032 per tonne respectively, up 15% and 6% over the previous year.

Coal and coke prices and royalty charges rose 21% in the fiscal second quarter, eating into the margins. Increase in commodity prices and higher stripping cost at mines during the quarter took net zinc cost with royalty during the quarter to Rs 45,000 per tonne, said Hindustan Zinc.

Royalty is the charge that companies pay to state government to return for mining minerals. According to Hindustan Zinc, it pays royalty of 8.6% of the price of the metal.
Gold rises on demand for alternative assets  

LONDON: Gold gained in New York on Wednesday as a weaker dollar boosted demand for an alternative asset and as some investors bought bullion after China's interest-rate increase spurred the metal's biggest drop in more than three months. Gold slid 2.6% on Tuesday after China raised borrowing costs for the first time since 2007, spurring gains for the dollar. The greenback on Wednesday slipped against the euro on speculation that Federal Reserve officials will signal further credit-easing measures to support economic growth. Gold futures, which usually move inversely to the US currency, reached a record $1,388.10 an ounce on October 14. “Bargain hunters have given the complex a boost,” said James Moore, an analyst at TheBullionDesk.com in London.
Copper may rebound from biggest decline since July

LONDON: Copper may gain in New York and London, rebounding from the biggest drop in three months, as the dollar weakens. The US Dollar Index, a six-currency gauge of the greenback’s strength, fell as much as 0.7%. December-delivery copper slid 2.5% Tuesday on the Comex in New York, the most since July 16, after China, the world’s biggest consumer of the metal, raised interest rates. The increase will have scant effect on metals, traders and analysts said on Wednesday. “It looks like the knee-jerk reaction to the China rate hike is over and the market has had time to absorb the implications,” said Alex Heath, head of industrial-metals trading at Royal Bank of Canada Europe in London.
Leases cornered by Haryana cos

Rachna Singh | JTN
Jaipur: Reports suggest the new mining leases issued in the the Aravalli-flanked Sariska Reserve have gone to a few Haryana-based companies at villages like Jaisinghpura, Malana, Goverdhanpura, Paipura and Jamwa Ramgarh, in the vicinity of Sariska sanctuary. On October 12, TOI had carried a report about illegal mining in these areas.

“This shows how powerful and manipulative the mining lobby is. Even if the justification the department of mines and geology and forests is giving is that the hills are less than 100m in height, they should know that there is no such classification by the Supreme Court. This is the department's own creation and a gross violation of Forest (Conservation) Act 1980,” said V K Singh Chauhan, conservator of forests, ministry of environment and forests. However, V S Singh, principal secretary, forests and environment, who heads the special committee on Aravalli notification in Alwar, says, “These are all fresh cases in Ramgarh area screened by a committee and don’t have the Aravalli hills portion. Based on the state government 100 meter yardstick and complying with the Supreme Court and MoEF guidelines, these leases will have to follow environmental norms.” He claimed new leases will not disturb forest areas and are not near any water body.
Meghalaya tribals back Lafarge mining

Dhananjay Mahapatra | TNN

New Delhi: At a time when local opposition has put question marks over mega projects like Posco and Vedanta, tribals in Nongtrai village in Meghalaya have come out in support of Lafarge Umium and requested the Supreme Court to allow it to resume mining of limestone.

It was on a petition by Shella Action Committee (SAC), a grouping of villages in the area, that the SC had on February 5 stayed mining of limestone in Nongtrai village within Shella Confederacy in Meghalaya, thereby stopping supply of raw material to Lafarge Surma’s $2.5 billion cement plant at Chhatak in Bangladesh’s Sunamganj.

Though the environment ministry conducted a rapid assessment and gave clearance in April under the Forest Conservation Act asking Lafarge Umium to pay over Rs 100 crore towards afforestation and environment conservation, the matter was not effectively taken up by the apex court given the strong opposition from amicus curiae Harish Salve and the SAC to resumption of mining without a proper environment management plan. What could help the Centre, which had been feverishly arguing for permission to resume mining as it hurt India’s ties with Bangladesh, to renew its plea was the recent affidavit filed by Nongtrai Village Durbar (NVD), Shella Confederacy, opposing the SAC claim.
Govt likely to halt Vedanta expansion

NEW DELHI: The government is likely to halt this week London-listed miner Vedanta Resources' plans to expand its alumina refinery in Orissa due to serious violation of environmental laws, government officials said on Wednesday. If halted, the move -- which comes two months after the government rejected the firm's plans to mine bauxite in Orissa over environmental concerns -- would be another blow to Vedanta, already facing hurdles to a planned $9.6 billion acquisition of a stake in Cairn India. -- Reuters