Afghanistan shortlists 15 Indian firms for Hajigak bid

An estimated expenditure of about Rs 10,000 crore is required to develop the mine and its peripheral infrastructure for evacuation of the mineral.

In a letter on January 17, Afghan mines minister Wahidullah Shahrani said of the 22 firms shortlisted for the coming bidding process, 15 are Indian companies. They include big-ticket names like maharatna Steel Authority of India Limited (SAIL), navratna behemoths NMDC and Rashtriya Ispat Nigam limited, besides private sector giants like Tata, Essar, Jindal Steel and Power, Ispat, Monnet Ispat, JSW, Jindal.

NEW HORIZONS

- A total of 22 companies had confirmed their Expression of Interests (EoI) to the Afghan government for exploring the Hajigak mine.
- High grade iron ore reserves of the mine is estimated to be about 1.8 billion tonnes.
- Though the Indian firms have confirmed their EoIs, they are unlikely to go solo in Hajigak and are expected to bid as consortia.
- An estimated expenditure of about Rs 10,000 crore is required to develop the mine.

Saw among others. Interestingly, Iranian firms like Gol-e-Gohar Iron Ore and Behin Sanate Diba have also tendered their EoI.

In his letter, Shahrani said his ministry was in the process of finalising the bidder's package for all the phases of the process. "It is anticipated that the bidder's due diligence period will start around March 1, 2011 and extend at least through August 3, 2011. We appreciate your interest in the Hajigak project and look forward to receiving a competitive bid from you," the Afghan mines minister said.

Soviet era studies reveal that the said mine was amenable to open pit mining methods. In the EoI floated recently, the Afghanistan government said it would conduct a bidding process for multiple exploration concessions, and the selected bidder would be granted mineral concessions under the Afghan Mineral Law 2010.

The Afghan government is also keen that the Indian companies set up steel and other iron ore processing plants near Hajigak. The country is believed to be sitting on over $2.5 trillion worth of untapped mineral deposits. It has huge copper mines in Balkhab and Aynak areas.

Shahrani had met Indian mines ministry officials in November last and expressed his country's desire to enter into a Memorandum of Understanding (MoU) between both the nations to promote mining and end use industries back in Afghanistan.

The ministry of external affairs too has been asking the mines ministry to evaluate the response from the Indian companies.

Though the Indian firms have confirmed their EoIs, they are unlikely to go solo in Hajigak and are expected to bid as consortia.

A steel company official said they might have to begin from a scratch as there was virtually no infrastructure there and they would have to build it including a railway network, roads and power plants.
FDI flow needs to be boosted

MUMBAI, RBI on Tuesday, said efforts should be made to attract more Foreign Direct Investment (FDI) in the country, as they are more stable than portfolio investments.

During the April-November period, FDI fell to $19 billion year-on-year, from over $25 billion in the corresponding period last year.

In comparison, foreign institutional investors pumped in about $30 billion into the Indian economy during April-November period of the current fiscal compared to over $20 billion in the year-ago period. The Reserve Bank said the capital flows into India may be adversely affected on rebound into the global economy.

"Faster than expected global recovery may enhance the attractiveness of investment opportunities in advanced economies, which may impact capital flows to India. This may increase the vulnerability of our external sector," RBI said.

The bank had said on Monday that the moderation in FDI inflows to India during April-November 2010 was driven by sectors such as construction, mining and business services.

"A major reason for the decline in inward FDI is reported to have been the environment-sensitive policies pursued, as manifested in the recent episodes in the mining sector, integrated township projects and construction of ports, which appear to have affected the investors sentiments," it said in its Macroeconomic and Monetary Policy Development report. The report added that persistent procedural delays, land acquisition issues and availability of quality infrastructure have added to the environment related issues.
India, Indonesia sign extradition treaty

Several other pacts also inked
- 18 MoUs worth $15.1 billion signed
- $25-bn bilateral trade target set (by 2015)
- On-arrival visa for Indonesians

ASHOK TUTEJA/ TNS

NEW DELHI, JANUARY 25
India and Indonesia today signed nearly 30 agreements, including an extradition treaty and a mutual legal assistance treaty, and pledged to achieve a bilateral trade target of $25 billion by 2015 from about $11 billion last fiscal.

Eleven accords were signed after wide-ranging talks between Prime Minister Manmohan Singh and Indonesian President Susilo Bambang Yudhoyono, who will be the chief guest at the Republic Day parade tomorrow.

Eighteen MoUs worth $15.1 billion in sectors like mining, infrastructure and manufacturing were announced by the Indonesia President while addressing captains of the Indian industry late in the afternoon.

The main accords signed by the two sides were: MoU for cooperation in the field of education; MoU on the establishment of biennial trade ministers’ forum; protocol for extension of the MoU on cooperation in marine and fisheries; MoU for the development of urea manufacturing plant in Indonesia; air services agreement; MoU on cooperation in oil and gas; MoU on cooperation in the field of micro, small and medium enterprises; MoU on cooperation in science and technology; and MoU between the Press Council of India and the Press Council of Indonesia.

In a joint statement issued after the talks between the Prime Minister and the Indonesian President, the two countries unequivocally condemned terrorism in all its forms and manifestations and stressed that there could be no justification whatsoever for any act of terrorism. Recognising the common threats to national security from transnational crimes, including international terrorism, the two sides resolved to significantly enhance bilateral cooperation in combating terrorism.

The two leaders used the occasion to announce the commencement of negotiation on an India-Indonesia Comprehensive Economic Cooperation Agreement (CECA), building on what has already been achieved under the India-ASEAN Free Trade Agreement (FTA).

In the field of tourism, the two leaders recognised that a quantum leap in tourism between India and Indonesia was desirable to strengthen vibrant and long-standing people-to-people ties. As a step towards this objective, the Prime Minister announced a scheme of granting visa on arrival to the citizens of Indonesia.
एलुमिनियम एसोसिएशन के चुनाव

पहाडीनंद (बाबू)। चिंतित व्यापारी नेता सातीश गांधी को पुनः एलुमिनियम एसोसिएशन पॉर्ट दिशी का अध्यक्ष और अधिकारी गुरु के पात्रता नूतन गणा गया। जोकेक अद्वितीय
उपाध्यक्ष गंगा राजेश जैन के रिक्तशक्त बनाया गया। एलुमिनियम के
निविदित सम्मेलन द्वारा कुछ व्यापारियों का सत्त्व में करी गलत दंड युक्त, प्लास्टिक, प्रेसिंग आवाज, प्रेसिंग ग्राफिक, दिशी कपूर, स्वामी
नागपाल, भिक्षु पुष्कर, भिक्षु धर्म, भिक्षु रामराम और संभाषण कुमार गुप्ता को चुना गया। नीति है कि सातीश गांधी इसमें महले भी एलुमिनियम में इस
पद की नियंत्रण दिशा जुंटे हैं और कई दूसरे राज्य व राष्ट्रीय स्तर के
व्यापारिक संस्थाओं से जुड़े हुए हैं।
Extraction, taxation and operational issues clog mining sector

Ban flats, freezes and new levies are ensuring a drying up of operations and new investments, complain companies

By Shubhashish
Mumbai, 26 January

The boom in the mining industry in India dates as recently as 2003. But given the kind of developments that have taken place in the last few years, the cash cow is being killed slowly, for the greed of a few.

The advent of larger players like the Vedanta Group, government-owned NDMC, Aditya Birla, and others, including politicians such as the Reddy brothers of Karnataka, have got unwanted attention towards the sector.

S. B. Chauhan, advisor, Federation of Indian Mineral Industries (Fimi), says iron ore mining in India is only 10 per cent by the big players.

The rest is all with the misdeeds of a few politicians, he says. The lobby of big players is completely wrong and unjust. And, decisions like banning exports, super-taxation and clearance delays definitely won't do any good.

More, the stand of steel makers against the export of iron ore and their ability to lobby for their interests has put a question mark on the sector's growth.

With the government finally agreeing that exports cannot be banned, the sector has heaved a sigh of relief, albeit just for the time being.

A long-standing argument of the Indian metal sector has been that the raw material is a natural resource and should be used within the country, rather than exporting then importing finished goods.

"My question is, where was this argument when iron ore, coking coal, etc were available for throwaway prices? No one thought that one day they would have to pay astronomical sums for these raw materials and their profitability will get harder to come by," said an iron ore expert who wished not to be named.

"Moreover, Indian companies import most of their need for coking coal, as it is not available in India. If the same theory is applied by countries like Australia, how will Indian companies make steel?" he asks.

Karnataka, other bans

An export ban out of Karnataka, aimed at illegal mining, has already depressed production from the state. With talk that Orissa was tightening the leash on miners, small owners are the ones hit the most. Fimi, the association for small miners, has been actively pursuing the issue with the Union government. Chauhan of Fimi says, "Last year, India exported 117 million tonnes of iron ore and the figure for the current year is just close to 90 mt. The drop has come because of the export ban in Karnataka."

Orissa, too, is closing mines, citing violations of environmental laws and other issues. What is needed is a comprehensive policy and communication with the mining firms to sort the issues, rather than suddenly braking their activities.

Rana Som, chairman and managing director of NDMC, says the unorganised sector has taken a huge hit with the export ban and related issues in different states. He says the sector is sharply divided into two categories, organised and unorganised.

The latter has a large number of players and is run by small operators and have hit the most. NDMC, with a total capacity to produce 30 mt of iron ore, will be producing only about 25 mt this year, due to the host of issues.

Another expert says it is understandable that Goa has environmental issues. The state government has a large Union environment ministry not to sanction any clearances until the state government comes up with its own environmental policy. "This hangs a lot of projects in the middle. We want it is expedition of the policy," said a miner.

Sesa Goa, India's largest private sector iron ore miner, has been facing hurdles in ramping up its mining capacities, largely due to government apathy and the greed of small mine owners. While the company wanted to reach a target of 50 mt of iron ore mining annually, beginning 2013-14, these two factors have hampered the plan. After being in negotiations with Orissa mine owners for one and a half years, it abandoned mining in the state, as the owners started asking for much more than it was willing to pay. Sesa Goa, which worked as a contract miner in Orissa, decided it was better to exit the state rather than paying off a sizeable chunk of iron ore mining from its portfolio. The Karnataka issue has dented its plans further, apart from the cap on mining in Goa, the prime state where the company operates.

New 26% levy

Another major issue is the new 26 per cent profit sharing clause with local residents. Industry experts say revenue to the railways, ports and the government through royalties are already over 40 per cent. A 26 per cent profit sharing clause would be fatal. Chauhan says that there is no new investment coming in to the sector, as a result.

Rakesh Arora, managing director and head of research, Macquarie Capital Securities (India) Pvt Ltd, in an interview with Business Standard in December, said the profit sharing clause was an extreme step. It would mean 55-60 per cent taxation, bringing the sector to its knees.

"When the mining sector is just starting to pick up, the need of the hour is to get investments. I think this is a very retrograde step," he said.

Chauhan wants the government to remove the export duty of five per cent on iron ore fines and 15 per cent on lump ore.

"Investment is not coming in the sector, as government is not incentivising the miners to grow. More, with excessive taxation, the sector is being discouraged to grow," he says.

Anurag of Macquarie said, "Most of these guys (international miners) now have interest only in seeing if they can supply anything to India as a consumer, rather than developing mines here. These mining majors coming to India looks a remote possibility right now."
Sesa Goa has secured a stay order from the Delhi High Court against Industrial Financial Corporation of India’s (IFCI) decision on the Bellary Steel sell-off, in which JSW Steel was declared the highest bidder.

“Our dispute is against the process followed by IFCI in the bidding. We have already taken up the matter with the Delhi High Court, which stayed the sale (order) last week,” Sesa Goa Managing Director P K Mukherjee said.

Last month, a consortium of lenders led by IFCI had declared JSW Steel as the highest bidder for acquiring the assets of Bellary Steel and Alloys (BSAL). Sesa Goa was the only other qualified contender. IFCI officials could not be reached for their comments.

“Our dispute is with the process...We were the only qualified bidder initially, and declared successful bidder verbally. Our people were told to come after lunch to collect the allotment letter. When we came back after lunch, we were told that there is another bidder and that bid is only marginally higher than our price,” Mukherjee said.

While Sesa Goa’s bid stood at ₹206 crore, slightly more than the reserve price of ₹205.63 crore, JSW quoted ₹210 crore for the assets of the Karnataka-based company.

“The stay order came after we filed a petition and the next hearing will be in mid-February,” Mukherjee said, while clarifying that Sesa Goa did not have any issues against JSW Steel. “We have no problems with JSW at all...Our dispute is with the process which IFCI followed,” Mukherjee said.

According to the tender document, an inter-se bidding process was to be conducted among eligible bidders and the highest bidder was to be declared successful.
UAE firm to help India meet titanium self-sufficiency

SOUMIK DEY

New Delhi

INDIA is all set to become self-sufficient in meeting demand for precious metal, Titanium, which is widely used in paint and pigment industry over next three years.

UAE-based heavy mineral company Trimex group is ramping up its ilmenite mining and processing unit at Srikakulam in Andhra Pradesh with an investment of $480- $500 million. Once this is through, it will not only cater to local demand but also have surpluses for exports.

"Mining of titanium ores, available in abundance across Andhra Pradesh would comprise first phase of the plant and its infrastructure investments. Next phase will be processing plant that will process ores for pigments and manufacture titanium alloys to meet industrial needs," said Pradeep Koneru, executive director and CEO of Trimex Sands.

India requires about 150,000 tonnes of titanium pigment, but the country produces just about 50,000 tonnes and relies on imports for meeting the full demand. The company already has mining operations in Andhra Pradesh, and mines beach sand to extract 200,000 tonne of six different heavy minerals annually.

Titanium di-oxide pigments are also used for applications by the paint, pharma and plastic industry. Titanium instruments are also used for oil drilling, exploration, construction and aviation sectors.

The company’s existing heavy mineral mining and separation project facilities extend across 7.2 square kilometre across Srikakulam coastline. It is looking to achieve further mineral extraction rights in the adjacent Kalingapatnam-Bhavanapadu mineral deposits area, the company said.

In addition to its India facilities, the company is now looking to set up an integrated Titanium processing complex in Indonesia with an investment cost of $ 850 million over next 10 years.

"The complex will help meet 46,000 tonnes of Indonesia’s 50,000 tonne demanded by our industries, and we welcome it," MS Hidayat, Indonesia’s industries minister said while signing an MoU between his government and the company. Trimex Group Chairman Prasad Koneru said that with no mining rights yet allowed to them in Indonesia, the project would look to source raw material from its mining leases in Andhra Pradesh. Already, the company exports a significant amount of the 200,000 tonne ilmenite that it mines from here.

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मेत्री का मुकाम

इस चार गरमांगे दिवस का परदा के मुख्य अतिथि इंदिरेश्वरा री के राष्ट्रपति सुरेश बोम्बा मुझीमुमु थे। इसी के साथ इंदिरे का एक चकत पूरा होता है। उन्हें के देश के प्रथम राष्ट्रपति सुरेश बोम्बा भारत के पहले गरमांगे दिवस के मुख्य अतिथि थे। लेकिन भारत और इंदिरे की मेट्री का प्रभाव रहा यह संबंध नहीं है। आजाद होने के बाद दोनों देश गुरुनाथ सांस्तो अंदरों की दीवान खाने और उसे आगे चढ़ जाने में भी साथ-साथ रहे। बाद रहे, पहला गुरुनाथ सांस्तो इंदिरे शाही में ही हुआ था, उसके बांध गया था। भारत ने उद्योगकर्ता की सुरुआत के बाद दक्षिण-पूर्व शिखर से कारोबार बढ़ाने के विषय प्रारंभ शुरु किए और उन्हें इंदिरे की रूप में ती इंदिरे की महत्त्व को ऊपर उसके लिए और बढ़ गया। आत्मनिर्भर भारत का रिश्वत जुदा, तो इसमें इंदिरे की महत्त्वपूर्ण भूमिका थी। इंदिरे 2004 में अपने देश के छठे राष्ट्रपति चुने गए। तब से भारत और इंदिरे के बीच व्यापार तेज़ी से बढ़ा है। दोनों देशों के बीच कारोबार पंच साल पहले चार अवशेष था, जो अब बढ़ कर चौथे अवधारण पर पहुंच गया है।

इंदिरे की दो भारत यात्रा से आर्थिक लेन-देन के मिलानों को अगर बढ़ाया गया है। दोनों देशों ने अपने पंच सालों में आपसी व्यापार को दोगुना करने का लक्ष्य घोषित किया है। इस अवसर पर जो समझौते हुए उसकी व्यापक ताजा फ्रेंडली रेक्रिएशन, नये बाग, बुनियादी धारा, विज्ञान और प्रौद्योगिकी, लघु और मध्यम उद्योग, उर्जा निर्माण जैसे कई क्षेत्रों से संबंधित है। इसके अलावा प्रधानमंत्री मोदी और राष्ट्रपति इंदिरे ने सहयोग की एक दोस्तीकारी रोजना लेख रखी जाती है और भी सहयोग बढ़ाया है। इस मौके पर जानी साहित्य विशेष में कहा गया है कि दोनों देश के विभिन्न विभागों का एक समूह संयुक्त किया जाएगा, जो अपने पंच सालों के लिए भारत-इंदिरे के संबंधों का संयुक्त खाना रखने के साथ-साथ भविष्य की प्रतिष्ठा के दिशा-निर्देश देगा। मोदी से व्यापारी देश के बाद इंदिरे ने व्यापारिक विभाग समन्वय को भी संयुक्त किया, जो इस बात का संकेत दे रहा है कि नेता देशों के विवेक के लिए उसका संकेत है। भारत और इंदिरे के बीच साझेदारी को जो महत्वपूर्ण आकार ले रही है वह कारोबार के लिए संविधान कदम की जा रही है।
Gold holdings in ETPs plunge

GOLD held through exchange-traded products (ETP) tumbled by the most in more than two years amid speculation that improving prospects for the global economic recovery are undermining demand and hurting prices.

Assets in gold-backed ETPs fell 31 tonne on Tuesday to 2,043.09 tonne, the lowest level since August 10, according to data compiled by Bloomberg from 10 providers. That’s the biggest drop in percentage terms since October 2008, the data show. Holdings have shrunk 3.4% from the record 2,114.6 tonne on December 20.

Global economic growth may be 4.4% this year, the International Monetary Fund said Tuesday, boosting its outlook from 4.2%. More than half the respondents in a quarterly poll of 1,000 Bloomberg subscribers said that the gold market is a bubble, according to the survey taken January 20-24. Spot gold has lost 6.5% since setting a record last month. “Strong economic data has improved confidence about the global outlook and reduced the need to hold gold and silver as a safe haven against credit risk, event risk and currency weakness,” Standard Chartered said in a weekly report on January 25. “We expect further weakness in both markets.”

Spot gold traded at $1,337.82 an ounce at 5:02 pm in Singapore after tumbling to a three-month low on Tuesday. The price, which gained for a 10th straight year in 2010 and reached an all-time high of $1,431.25 an ounce on December 7, is set to drop in January for the first month since July. ETPs allow investors to hold assets such as precious or base metals without taking physical delivery and they trade like stocks on exchanges. Holdings in the 10 gold ETPs tracked by Bloomberg gained 17% in 2010 after rising 51% in 2009 as investors sought to protect their wealth.
Three-month low prices, weak $ spur gold demand

LONDON: Gold gained for the first time in five days in London on Wednesday after a fall to an almost three-month low and a weakening dollar spurred physical purchases and investment. Bullion on Tuesday tumbled to $1,322.75, the lowest price since October 27, as holdings in exchange-traded products plunged by the most since October 2008. The dollar was little changed at a nine-week low against the euro as President Barack Obama called for a freeze on non-security discretionary spending. The metal typically moves inversely to the US currency. “Gold hitting a three-month low makes it a bit attractive for bargain hunters, especially Asian jewellery buyers,” said Peter Ferg, owner of Quantitative Commodity Research Ltd. in Hainburg, Germany. “The weakness in the US dollar is also supporting gold.” Immediate-delivery bullion added $3.85, or 0.3%, to $1,336.18 an ounce at 12:03 pm in London. It reached a record $1,431.25 on December 7. The metal for February delivery was 0.2% higher at $1,335.30 on the Comex in New York.
Weakening dollar lifts copper

Reuters
London, Jan. 26
Copper rallied on Wednesday as the dollar weakened against the euro but the approach of a holiday in top consumer China and expectations of tighter monetary policy in the country checked investor enthusiasm.

Tin hit a record high of $28,698 a tonne as the market tried to price in scarcity of supplies from top exporter Indonesia. It has risen about 6 per cent so far this year after a gain of nearly 60 per cent in 2010.

Benchmark copper on the London Metal Exchange traded at $9,370 a tonne in official rings from $9,280 at the close on Tuesday, when the metal used in power and construction fell to a one-month low of $9,224.65 a tonne.

“The dollar is weaker,” said Mr Andrey Kryuchenkov, VTB Capital. “We are in a seasonal slowdown. There are public holidays in China and concerns over monetary tightening.”

Chinese Lunar New Year holidays start next week. China accounts for nearly 40 per cent of global copper consumption estimated at around 21 million tonnes this year.

OPEN INTEREST
Exchange open interest on copper futures at the LME stands at 305,551 lots or more than 7.64 million tonnes from 324,420 lots or more than 8.11 million tonnes on Jan. 14.

TIN GAINS
Three-month tin traded at $28,525 a tonne in the rings from $28,195 a tonne at the close on Tuesday.

“Market sentiment surrounding the LME’s smallest base metal has become increasingly bullish as supply-side news over recent weeks has simply added to what was already a tight outlook,” Barclays Capital said in a note.

Lead was untraded in the rings, but bid at $2,390 a tonne from a last bid at $2,336 a tonne on Tuesday when the battery material touched a low of $2,325 a tonne, its lowest since Dec 8. It has come under pressure from stocks in LME warehouses, which at 275,500 tonnes are their highest since May 1998.

However, LME data shows one company controlling 80-90 per cent of lead stock warrants and cash contracts, which has fuelled nervousness about nearby supplies.

That is why the premium for the cash contract over the three-month contract is around $50 a tonne, down from $60 on Tuesday, but still near highs seen in November 2007.

Zinc traded at $2,250 a tonne from $2,221 on Tuesday, nickel was bid at $26,125 from $25,900 and aluminium traded at $2,389 from $2,361.
Rain in producing area dries up Indonesian tin exports

Reuters
Jakarta, Jan. 26

Heavy rains are easing in Indonesia’s main producing area of Bangka island, although exports in January are still expected to be as much as 35 per cent lower than last month, industry sources said on Wednesday.

Analysts see little respite, with a lack of investment in Indonesia’s tin industry expected to push already soaring prices to fresh records in 2011, as demand rises for the metal, used in electronics, plating and lead-free solders.

Benchmark tin on the London Metal Exchange hit a record high at $28,698 a tonne on Wednesday, as persistent worries about supplies from Indonesia boosted prices.

Heavy rains and floods caused by the La Nina weather phenomenon have hit tin miners in Indonesia in recent months, squeezing supply from the world’s top exporter of the metal.

Indonesia’s tin exports in January are seen at a maximum of 5,000 tonnes compared with 7,722 tonnes in December, the Indonesian Tin Industry Association said.

“Exports would be around 5,000 tonnes maximum in January,” said Mr Rudi Irawan, vice chairman at the association and director at independent smelter CV Stania Prima. “Rains have eased but we still have high waves because of the monsoon.”

He added, “We have depleting onshore reserves and high waves offshore. There are only several smelters now fully-operational, mostly because either they have strong financing or have its own mines.”

INVESTMENT NEEDED

Production in Indonesia has also been hit by a police crackdown on illegal mining, stricter environmental and export rules, and the depletion of easily mined onshore reserves.

Indonesia, the world’s second-largest producer after China, has also struggled to lure foreign investment into mining, compounded by some politicians taking a nationalist line on resource exploitation and also because of uncertainty over regulations tied to a new mining law passed in 2008.

“Large investments are needed for Indonesia to sustain the production that they’ve had over the last couple of years,” the analyst said.

“A lot more has to come from off-shore – this is more expensive. You are looking at dredgers that go a lot deeper. If you look at the amount of investment needed, and the intrinsic value of the metal, then it will be a bit too risky for the Rio Tinto's of this world.”

Indonesia supplies nearly 30 per cent of the world’s tin consumption, and most of it comes from Bangka.

Tin production in Southeast Asia’s largest economy is estimated to be around 105,000 tonnes in 2010.

From Indonesia the metal is shipped to Malaysia via Singapore, where it is given London Metal Exchange branding, and then sold on the Kuala Lumpur Tin Market or directly to consumers in Europe. It is also exported to Thailand.

“You are going to see production fall to the tune of 10 per cent, even though higher prices will incentivize people to be a bit more risky with mining,” said the analyst, adding that he sees tin prices peaking at $35,000 a tonne in 2011.

Soaring demand will help send tin almost 38 per cent higher this year, a Reuters poll showed this week.

The survey of 51 analysts showed the cash tin price would average $27,000 a tonne this year, and rise to $27,419 next year.

LME tin is expected to rise to $34,455 a tonne over the next four weeks, going by its wave pattern and a Fibonacci projection analysis, Reuters technical analyst Mr Wang Tao said.
Uranium prices surge 3%

Uranium prices rose 3 per cent in the past week, bringing gains of the nuclear fuel to more than 70 per cent in the past seven months, according to Ux Consulting Co. Uranium-oxide concentrate for immediate delivery traded at $70 a pound in the week to Monday, UxC said, based on the most competitive offer the Roswell, Georgia-based company was aware of. That compares with $68 on Jan. 18, $66 on Jan. 11 and $62.50 on Jan. 4. Uranium prices, which reached a high of $136 in 2007 before falling to about $40, have surged since mid-2010 as China increased the use of nuclear power to curb emissions from burning coal. Spot prices may advance to $75 a pound by the second quarter after China's imports of the nuclear fuel in December gained 38 per cent over the previous month, Macquarie Group Ltd. said in a Jan. 22 report. — Bloomberg
Nickel prices may decline

Nickel may fall because metal deficit fears are overstated, Goldman Sachs Group Inc. said. Production disruptions haven't translated into supply shortages because of excess capacity of the alloy ferronickel and ample supplies of full-plate cathodes made from the metal, analyst Mr. Jeffrey Currie wrote in the report. Nickel will be at $19,500 a tonne in three months, he wrote. It was at $25,700 on Monday in London. We have not heard of any specific shortage or meaningful moves in delivery premiums to date, and therefore think the supply risks and metal deficit fears are overstated and believe price risk is heavily skewed to the downside at the day's levels, Mr. Currie wrote.
Trimex plans $850 million titanium unit in Indonesia.

Trimex Sands, a part of the Trimex group which has presence across India, UAE, Dubai and a leading international conglomerate with a focus on heavy minerals, has signed an MoU with the Indonesian government to set up a world-class integrated titanium project worth $850 million. Leveraging heavy mineral resources in Indonesia, the company will identify the project's site in accordance with the location of titanium resources in the country and will enable the authorities to advance lesser-developed regions of Indonesia. The company will invest in three phases over the next 10 years.
Indian cos to showcase solutions at EMO Hannover

Hannover Milano Fairs and Deutsche Messe unveiled the schedule for the sixth edition of the world’s largest forum for metalworking and machine tool industry, EMO Hannover 2011 that will primarily focus on sustainability and resource efficiency in industrial production. Leading Indian companies including ACE Designers, BFW, Forbes, Geometric, Jyoti CNC Automation, Micromatic Grinding and Pragati among others are expected to showcase solutions that address energy efficiency in production operations at this year’s EMO Hannover, to be held between September 19 and 24, 2011, at Hannover in Germany.
The neglected sectors of Indian economy

Over the years, a type of caste system has also made its way into the way the political (and bureaucratic) leadership looks at different sectors of the Indian economy and then allocates its attention. Most interest and attention are given to those sectors (and ministries) which are perceived as glamorous or pander to vote banks or have the potential to be "notable" for the incumbents. Cabinet formation after formation and reshuffles in between see this not only for ministries such as finance, home, defence, and external affairs but also for petroleum, railways, coal, mining, and civil aviation. There is hardly much visible political manoeuvring or hard bargaining on ministries such as HRD or health care, and then ministries such as tourism or culture or renewable energy that do not even exist the media.

However, if India has to achieve a steady inclusive growth year after year for several decades, it cannot afford to neglect any single sector of the economy. Surprisingly, and sadly, one of the most promising sectors for delivering the maximum immediate and sustained benefit to the largest number of Indians, spread all across the country, including some of the least developed regions, is one of the many that has failed to attract its due attention from our political leadership and others who are involved in giving some direction to the development of our economy.

This overshadowed sector is "tourism". With sustained growth in incomes, one of the fastest-growing areas of private consumption is leisure that includes tourism. Further, while the government ostensibly focuses more on foreign tourists, the real growth is in the number of domestic tourists which has steadily increased from about 525 million in 2007 to over 700 million in 2010. Further, while traditionally most of domestic tourism has been linked to travel for religious and social (e.g. weddings, bereavements) purposes, the recent trends indicate a faster growth in domestic tourism activity for leisure itself. Further, just about every state and Union Territory in India has something to offer for attracting tourists and hence, not so surprisingly, some of the otherwise less developed states of India such as Bihar, Uttar Pradesh, Rajasthan and Madhya Pradesh account for the largest chunk of domestic (and international) tourists.

With a contribution of almost 6 per cent to the GDP, the sector generates an economic output of more than $70 billion and an employment of more than 40 million. Yet, even in the tourism ministry’s own annual report (on its website) for 2009-10, there is hardly a mention of its tremendous impact on the country. Indeed, in its overview, it gives a brief mention to the number of foreign tourist arrivals and the foreign exchange earned by India but no data on the socioeconomic impact of this vibrant sector of Indian economy, and its incredible potential to create tens of millions of additional direct and indirect jobs all across India in the coming years. The jobs are created not only in hotels, food and beverage services, taxi and other transport and travel trade services but also on account of shopping and other spending done by tourists, providing a market for local craftsmen and other products and regional manufacturers of consumer products. Most of these jobs are created for local populations, and do not always require specialised skills or higher education. And finally, most of the spending by the tourists directly adds to the local economy rather than waiting for any trickle-down effect from the various populist schemes of central and state governments.

There are, of course, many piecemeal initiatives both at the central level and by different states. However, in most things in India, there is no holistic thinking or futuristic, bold, integrated planning. To give the requisite support and impetus to domestic tourism, many other ministries and departments have to work in close coordination. For instance, transport connectivity (rail, road, air, and sea/inland waterways) has to be aligned with the tourism potential of different parts of the country. Appropriate land use regulations have to be put in place and town planning done keeping in mind that many such towns will have a much larger proportion of floating population. Since most of the entities engaged in provision of tourism infrastructure at a local level will be very small and some medium enterprises, financing mechanisms have to be put in place to allow more of them to come up and grow. And finally, in addition to natural and existing tourist attractions, each state in India must think of creating some new ones that could include museums, aquariums, amusement parks, science and technology centres (like EPCOT in Florida) with some in public-private partnership. Indeed, the potential for transforming India through sectors such as tourism is far greater than many other sectors that undeservedly get more attention from politicians, and indeed, the business and other media. It would, indeed, be a wonderful day when a DMK or an NCP or a TMC will fight hard to get the tourism ministry.