Karnataka shows mining spots

K.M. RAKESH

Bangalore, July 26: Karnataka today struck a double blow to conservation plans, rejecting a tiger reserve proposal from the Centre and a Unesco world heritage tag given to 10 spots in the Western Ghats in the state.

Spurning a central proposal to convert the Kudremukh National Park into a tiger reserve, state forest minister C.P. Yogeswara told the Assembly that Karnataka had enough tigers and reserves.

As for the Ghats, the Assembly passed a unanimous resolution asking Unesco to withdraw its "unilateral" heritage tag, announced on its website.

The tiger reserve status could have helped increase Kudremukh's big cat population from the current 15-20 with better conservation. But Yogeswara said: "The tiger population has increased in the state; we don't want yet another reserve."

Karnataka is home to more tigers — 300 in all — than any other, and has five tiger reserves in Bandipur, Nagarhole, Anshi-Dandeli, Biligiri Ranganatheshwaram Temple and the Bhadra wildlife sanctuary.

While opposing the Western Ghats proposal earlier, Yogeswara had claimed that heritage status would help Maoists settle in the region by stopping fresh development projects and thus reducing government presence.

A state forest department source said if the two proposals were accepted, there would be less opportunity to award infrastructure, tourism and mining contracts in Kudremukh and the Ghats. The 600-sq-km Kudremukh park in southern Karnataka includes a 37-sq-km iron-ore mining area.

BJP member M. Raghupathy had raised the issue, saying over 1,500 tribal families would be displaced if the tiger reserve materialised. He did not mention that tiger reserve status would bring in more relocation funds from the Centre.

Karnataka's tiger population had overtaken Madhya Pradesh in April 2011, earning it the tag of "tiger state". The recognition came a year after the state was dubbed the country's "poaching capital" because of its recorded 19 poaching cases in two years.

Conservationists have been pushing for more tiger reserves to keep up the momentum achieved in the animal's conservation.

The state's principal chief conservator of forests, Deepak Sharma, declined comment on the minister's statement.

Assembly Speaker K.G. Bopish today threatened to quit if the government allowed the heritage tag on the Ghats, where his home district of Kodagu is located.

The 1,600-km-long Western Ghats are spread over 140,000 sq km, 60 per cent of it located in Karnataka. A central advisory committee had said roads, railway lines, plantations and tourism resorts were threatening wildlife and plans in the region.

ADDITIONAL REPORTING BY PTI
SC throws out steel cos’ J’khand mining plea

Monnet Ispat, JSW Ispat among six whose pleas have been dismissed

Rakesh Bhatnagar © NEW DELHI

Six steel makers were in for a huge jolt on Thursday after the Supreme Court dismissed their lawsuits challenging the Centre’s decision to reserve at least 6,400 acre iron ore bearing area in Ghatkuri in Jharkhand for excavation by public sector undertakings, or PSUs.

The companies included listed players Monnet Ispat & Energy and Ispat Industries (now JSW Ispat Steel).

Monnet Ispat shares fell over 15% on the news, on BSE. Shares of JSW Ispat, however, recouped losses to close up nearly 2%.

The other companies are Adhunik Alloys and Power, Prakash Ispat, Jharkhand Ispat and Abhijet Infrastructure.

As per the facts of the case, the Union government had in 1969 reserved the 2,590 hectare (6,400 acre) patch estimated to contain as much as 610 mt iron ore reserves for mining exclusively by PSUs.

However, in 2006, the Shibu Soren-led Jharkhand government assured nine companies — bypassing five PSUs which were among around 150 applicants — that they could undertake mining in the area and sent its recommendations to the Centre.

The Centre stuck to its decision that the area was reserved for PSUs.

Six of the nine companies then challenged the government’s decision in the Jharkhand High Court.

However, in 2009, the high court upheld the government’s decision and rejected their appeals. The State is not only the owner of all mines and minerals but had the inherent right to reserve any area for the use of PSUs alone, it ruled.

The companies then moved the Supreme Court, challenging the high court order claiming the Centre could not withdraw assurances given by the State. They also sought to know from the top court whether a government could reserve mining rights in a particular region for PSUs only and whether leases granted to private companies could be withdrawn by a successive government.

On Thursday, a two-judge panel of the Supreme Court, comprising Justices R M Lodha and Justice H L Gokhale, upheld the high court order and the Centre’s decision.

“We are waiting to see the order and will abide by the ruling,” Manoj Agarwal, managing director of Adhunik Metaliks, told Bloomberg. He pointed out, however, that Adhunik Metaliks does not have any holding in Adhunik Alloys.

According to Bloomberg, Neetal Narang, a spokeswoman for Monnet Ispat, did not respond to two calls on her mobile phone. The company’s managing director Sandeep Jajodia, too, could not be reached for a comment. R Jayaraman, spokesman at JSW Group, couldn’t immediately comment on the order.

The decision was a big blow for private miners, said analysts.

“It appears to be an order that could affect the sentiments of the private metal companies,” said Jatin Y Damania, an analyst at SBI Capital Markets. Damania said he is awaiting details of the court ruling to assess the impact. (With Agencies)
Copper improves as euro edges higher

Reuters
London, July 27
Copper rose on Friday, adding to the previous day's gains after comments by the European Central Bank about its commitment to protect the euro, and as investors hope further stimulus measures from the Federal Reserve could be on the cards.

Three-month copper on the London Metal Exchange traded at $7,800 a tonne in official rings, from Thursday's close of $7,747 a tonne.

The metal used in power and construction, which hit a one-month low of $7,544.25 a tonne hit on Wednesday, was on track to close the month of July down more than 2 per cent.

The euro edged higher against the dollar, after rallying in the previous session on ECB chief Mr Mario Draghi's pledge to do "whatever it takes to preserve the euro", sending a strong signal that the bank could take steps to rein in souring Spanish and Italian borrowing costs.

Investors worry that demand from top consumer China, which accounts for 40 per cent of global copper demand, has been slow to pick-up so far this year, dragging prices 9 per cent lower in the second quarter.

Benchmark aluminium traded in official rings at $1,894 from Thursday's close of $1,878.50.

Battery material lead was at $1,917 a tonne from Thursday's close of $1,888.50.

Zinc, used in galvanizing, traded at $1,845 from $1,815 on Thursday.

Stainless-steel ingredient nickel traded at $15,905 from $15,890.

Soldering metal tin was untraded in rings, but bid at $18,175 from Thursday's close of $17,750.
‘Claim for mining lease not fundamental right’

Dhananjay Mahapatra | TNN

New Delhi: The Supreme Court has ruled that no private company can claim a right for mining leases and upheld the 2005 decision of the Jharkhand government and the Centre cancelling nine such leases.

Among those whose mining leases were cancelled included Monnet Ispat and Energy Ltd, which had signed an MoU with the state government in 2003 to set up an integrated steel plant in Hazaribagh district with a proposed investment of Rs1,400 crore.

A bench of Justices R M Lodha and H L Gokhale said, “In view of the fact that the area is reserved for exploitation of mineral in public sector, it cannot be said that the discretion exercised by the state government suffers from any legal flaw. The area is not available for grant of mining lease in the private sector.” It added, “If the state government makes reservation in public interest with respect to minerals which vest in it for exploitation in public sector, we fail to see how such reservation can be seen as impairing the obligation cast upon the central government... No person has any fundamental right to claim that he should be granted mining lease or prospecting licence or be permitted reconnaissance operation in any land belonging to the government.”