

अवैध खनन में फंसे गोवा के मुख्यमंत्री कामत को फ्री हैंड नहीं

अजय तिवारी/एसएनबी

नई दिल्ली। अवैध खनन के आरोपों से घिर गए गोवा मुख्यमंत्री दिगंबर कामत को लेकर कांग्रेस अध्यक्ष सोनिया गांधी कड़ा फैसला ले सकती हैं। अगर नजदीक आ रहे विधानसभा चुनाव की वजह से कामत बच भी गए तो उन्हें फ्री हैंड हरगिज नहीं रहने दिया जाएगा। विपक्षी दल भाजपा ही नहीं सरकार की सहयोगी राकांपा, महाराष्ट्र गोमांतक पार्टी और कांग्रेस के भीतर से भी मुख्यमंत्री पर दबाव पड़ रहा है।

कांग्रेस के भीतर से कहा जा रहा है कि जब पार्टी अवैध खनन पर भाजपा कर्नाटक के मुख्यमंत्री बीएस येदियुरप्पा का इस्तीफा ले सकती है तो गोवा के मुख्यमंत्री दिगंबर कामत को किस तरह से बचाया जा सकता है। कामत को मुश्किल में देखकर पूर्व मुख्यमंत्री प्रताप सिंह राणे का खेमा सक्रिय हो गया है। गोवा में जल्दी-जल्दी सरकारें बदलने का इतिहास रहा है और अवैध खनन मामले में

भी कहीं ऐसा न हो जाए इसलिए कांग्रेस अध्यक्ष सोनिया गांधी गोवा के मामले में बेहद सावधानी बरत रही हैं। इसीलिए गोवा के प्रभारी जगमीत बरार को कुछ दिन पणजी रुक कर राजनीतिक हालत को समझने को कहा गया है। गोवा के प्रभारी को कहा गया है कि वे कांग्रेसी विधायकों के साथ सहयोगी दलों के विधायकों को भी मनाएं क्योंकि अगले साल राज्य में विधानसभा का चुनाव होना है।

ऐसे में सोनिया गांधी यह हरगिज नहीं चाहती हैं कि चुनाव में भ्रष्टाचार का मुद्दा उभरे

और कांग्रेस को अपने ही मुख्यमंत्री का बचाव करना पड़े।

कांग्रेस के लिए चिंता का विषय यह है कि शाह आयोग ने खनन घोटाले को सैकड़ों करोड़ रुपए का बताया है। पर भाजपा इसे और बढ़ा-चढ़ाकर बता रही है और कह रही है कि यह हजारों करोड़ रुपए का है। कामत पर अंगुलियां इसलिए उठ रही हैं क्योंकि एक दशक से अधिक समय तक खनन मंत्रालय उनके ही पास रहा है। जगमीत बरार ने पणजी से राष्ट्रीय सहारा को बताया कि मंत्रियों और विधायकों से उनकी बातचीत चल रही है। उन्होंने कहा कि यह अभी दो-तीन दिन और चल सकती है। वह सहयोगी दलों के नेताओं से

भी बात करेंगे और गोवा की राजनीतिक स्थिति को समझने की कोशिश करेंगे। पूछे जाने पर उन्होंने कहा कि विधायकों से बातचीत नेतृत्व परिवर्तन के लिए हरगिज नहीं की जा रही है।

बरार ने बताया कि वह शुक्रवार को दिल्ली लौट आएंगे और उसके बाद

कांग्रेस अध्यक्ष को राज्य की स्थिति से अवगत कराएंगे। प्रभारी अभी ज्यादा नहीं बोल रहे हैं पर कांग्रेस हाईकमान गोवा के मुख्यमंत्री से बहुत खुश नहीं है। बताया जाता कि मुख्यमंत्री के जल्द चुनाव कराए जाने के आग्रह को हाईकमान ने ठुकरा दिया है। कहा तो यह भी जा रहा है कि प्रभारी बरार की रिपोर्ट भी कामत के बहुत अधिक पक्ष में नहीं रहने वाली। रिपोर्ट प्रतिकूल होने पर कांग्रेस अध्यक्ष सोनिया गांधी को गोवा के बारे में कड़े फैसले लेने पड़ सकते हैं।

► प्रभारी बरार की प्रतिकूल रिपोर्ट के बाद सोनिया उठाएंगी कड़ा कदम
► अंदर से भी पड़ रहा है कामत पर जबरदस्त दबाव

Tata Metaliks' divestment

The Board of Tata Metaliks has decided to divest its 300,000 tonne pig iron making facility at Redi in Maharashtra to Fomento Resources group for ₹180 crore, as part of a strategic review of portfolio. Increased raw material prices had severely affected the competitiveness of the facility. Moreover, commercial mining of the Dongarpal mines in Maharashtra was still a long way off. The Redi facility was acquired in 2006 by Tata Metaliks through an auction. The proceeds from the divestment would be utilised for reshaping the balance sheet and future strategic investments.

BS REPORTER

Goa ban on dumps may hit iron ore supply

DILIP KUMAR JHA
Mumbai, 28 September

IN a blow to independent steel mills in India, the Goa government has restricted sale and of dumps from minesites and public places.

The Directorate of Mines & Geology has asked miners not to work, handle or sell the dumps till a system is put in place to supervise, monitor and move any such quantity removed, handled or transported.

This will be a major blow to both miners and steel mills which procure iron ore from the state, as the restriction would reduce beneficiation of sub-grade ore (less than 35 per cent of iron content), said Haresh Melwani, CEO of H L

Nathurmal & Co, a miner and exporter.

Around 90 miners in Goa produce around 40 million tonnes per annum of iron ore. Since most of the ore mined in the state is of below 55 per cent of iron content (which until recently was not procured by domestic steel mills), the overall quantity was exported to China. But, the recent ban of iron ore mining and exports by the Karnataka government opened doors for steel mills to procure it from Goa. The plan, however, would fail with the latest decision by the state government.

Independent steel producers without support of iron ore mining leases generally procure steelmaking raw materials from small miners in the area. The

Indian Bureau of Mines, under the Union mines ministry, has set 35 per cent of iron content as the minimum cut-off for use in steel mills. Below 35 per cent iron content ore is dumped either in mine sites or public places for beneficiation later. These are converted to higher grade for either export or use in local steel mills.

The notice further said, "It has been brought to the notice of the government by various agencies that there is handling of mining dumps by the lease holders/traders on a large scale. Therefore, it has become necessary to inquire into the source of the extraction vis-a-vis the payment of royalty, since there is a possibility leading to illegal extraction/non-payment of roy-

alties on such extractions in certain cases."

The government had earlier directed the mining leaseholders in the state to furnish details of dumps, including origin, sale and purchase, alongwith furnishing the undertaking for payment of royalty as and when these dumps are removed for sale or exported.

Meanwhile, 400 traders across the state have been trading in dumps. Generally, they buy it at an average \$9 a tonne to beneficiate and sale it at 12-15 times higher.

Around 100 of them operate on short-term basis. Since the investigation started a couple of weeks ago, such operators have already shut shops. Consequently, the state government

has withdrawn mandatory registration of dumps in the state, a miner said.

A majority of steel mills led by Jindal Steel's Vijaynagar plant, has already announced an increased cut in steel production due to lack of iron ore. Iron ore output in the country is estimated at 225 million tonnes annually, of which around 100 million tonnes is exported. But, 50 per cent of the mining output has been hampered due to the recent SC order on closure due to illegal mining.

The M B Shah Commission, probing illegal mining in Goa, will not restrict the inquiry to 90 operational mines, but will also probe whether the non-operative mines are being used to extract the ore illegally.

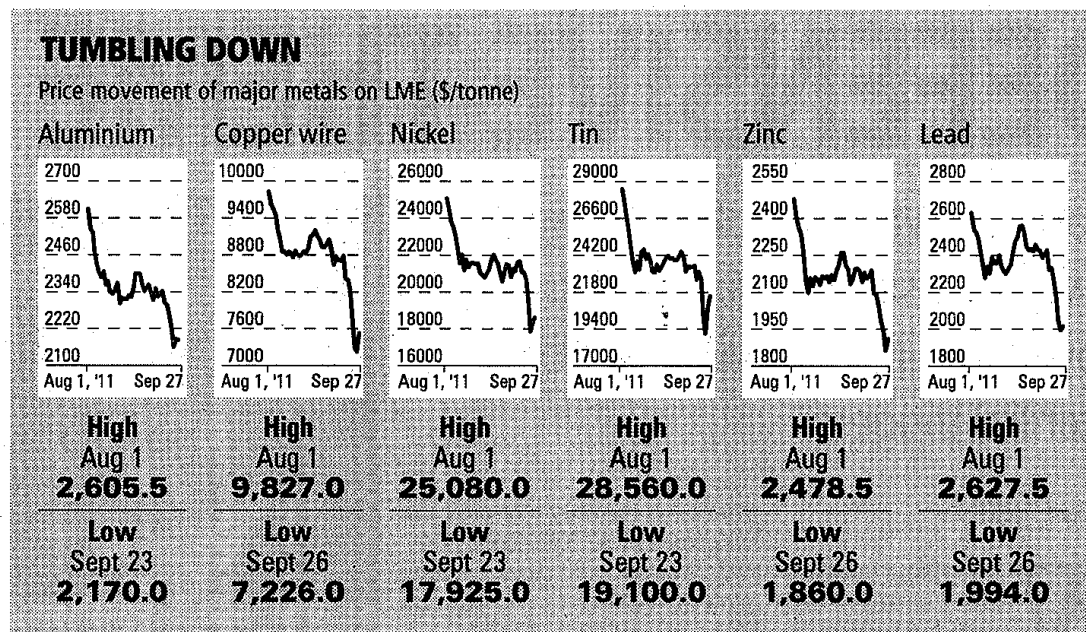
BASE METALS FALL 15-25% IN 2 MONTHS

DILIP KUMAR JHA
Mumbai, 28 September

Mounting concerns over the global economic growth, coupled with mixed sentiments in the world markets, have led base metals to trade lower in the past two months.

Nickel led the pack with a decline of 25.56 per cent since August, to trade at \$18,670 a tonne. Copper and aluminium, however, fell by 23.39 per cent and 15.79 per cent, respectively. Copper, the leader of the base metals quartet, declined mainly on the back of demand concerns for the metal in the Western world.

According to reports, Americans are worried about their incomes, as they struggled to find work in September, holding consumer confidence at a near-30-month low and pointing to weak spending in the coming months. Falling economic sentiment in the euro zone continues to remain a cause of concern for base met-



als, as the growth in Western economies tracks base metal prices proportionately.

The metal used in power and construction plunged to a 14-month low of \$6,800 a tonne on Monday, as panic selling on fears of Greek default and the euro zone crisis accelerated.

Pushing through a crucial reform of the euro zone rescue

might cause German Chancellor Angela Merkel to lose a majority in her own coalition, a test vote showed. Such an outcome could weaken her ability to push through future rescues.

Markets focused on international auditors heading for Athens, to inspect the Greek government's austerity plan, while a German suggestion

that a new bailout might be renegotiated caused much consternation. Greece's ruling party forced through a deeply unpopular property tax to lure international lending inspectors back to Athens to release vital aid.

Euro zone money supply and loans to the private sector grew at a faster pace in August

than in the previous month, weakening the case for an interest rate cut next month.

Meanwhile, China's growing economy has risen hopes for base metals to recover in future. According to Nick Moore, head of commodities research at RBS, "Fundamentals continue to remain favourable, one has to be encouraged by increasing net refined Chinese copper imports, which have risen for four consecutive months."

China which accounts for about 40 per cent of copper demand, imported 235,509 tonnes of the red metal, a rise of 21.2 per cent from August to reach their highest level since January. China accounts for about 40 per cent of the global demand estimated at around 19 million tonnes this year, western Europe consumes about 15 per cent and the US 10 per cent.

Copper has declined nearly 30 per cent since hitting a record high of \$10,190 a tonne on February 15, as investors piled into the metal on expectations of a supply shortage this year and next.

PRICE CARD

| As on Sep 28 | International | Domestic |
|------------------------------------|---------------|-----------|
| METALS (\$/tonne) | | |
| Aluminium | 2,194.00 | 2,687.18 |
| Copper | 7,528.00 | 9,374.36 |
| Nickel | 18,670.00 | 23,179.49 |
| Lead | 2,015.00 | 2,338.46 |
| Tin | 21,550.00 | 25,846.15 |
| Zinc | 1,906.00 | 2,502.56 |
| Steel-HRC | 711.00 | 876.88 |
| Gold (\$/ounce) | 1,644.88* | 1,671.28 |
| Silver (\$/ounce) | 31.11* | 33.56 |
| ENERGY | | |
| Crude Oil (\$/bbl) | 108.08* | 105.59 |
| Natural Gas (\$/mmBtu) | 3.79* | 3.94 |
| AGRI COMMODITIES (\$/tonne) | | |
| Wheat | 246.95 | 231.79 |
| Maize | 267.57* | 216.21 |
| Sugar | 648.00* | 594.56 |
| Palm oil | 1,005.00 | 1,163.18 |
| Rubber | 3,930.48* | 4,334.36 |
| Coffee Robusta | 1,956.00* | 2,107.58 |
| Cotton | 2,179.27 | 2,282.30 |

Conversion rates: 1) 1 ounce = 31.1032316 gm
2) 1 US dollar = ₹48.75 *As on Sep 28, 1800 hrs IST

Notes: 1) International metal are LME spot prices and domestic metal are Mumbai local spot prices except for steel.
2) International crude oil is Brent crude and domestic crude oil is Indian basket.
3) International natural gas is Nymex near month future & domestic natural gas is MCX near-month future.
4) International wheat, white sugar & coffee robusta are LIFFE future prices of near-month contract.
5) International maize is MATIF near month future, rubber is Tokyo-TOCOM near-month future and palm oil is Malaysia FoB spot price.
6) Domestic wheat & maize are NCDEX future prices of near-month contract, palm oil & rubber are NCDEX spot prices.
7) Domestic coffee is Kamataka robusta and sugar is M30 Mumbai local spot price.
8) International cotton is cotton no.2-NYBOT near-month future & domestic cotton is NCDEX spot prices.
9) International metals, Indian basket crude, Malaysia palm oil, wheat LIFFE and coffee Kamataka robusta pertains to previous days price.

Source: Bloomberg Compiled by BS Research Bureau

Red signal for Sesa Goa mine

ht FOLLOW-UP

LOCAL RESISTANCE

Snehal Rebello

snehal.rebello@hindustantimes.com

MUMBAI: The union environment ministry has cancelled the environment clearance given to Pirna Iron Ore Mines owned by Sesa Goa, a subsidiary of the Vedanta Group, for concealing information in the environment impact assessment (EIA) report.

The EIA report is the basis for appraising projects for green clearance.

In August 2009, the ministry had given the nod to the mine spread over 43 hectares across the Pirna and Nadora villages in north Goa, with an extraction limit of 2 lakh tonnes.

On Wednesday, the ministry informed the National Green Tribunal — where the matter has been challenged — that it has cancelled the clearance on grounds of deliberate concealment of information through an order dated August 29, 2009. Sesa Goa is among the four major mining companies in Goa.

Sanjay Choudhry, spokesperson for Vedanta, said, "The cancellation of the environment clearance for the Pirna lease, which is a very small mine, is an old issue, where Sesa Goa had voluntarily withdrawn its clearance application when it was discovered that our application was deficient on some counts."

"No mining has occurred at

■ Locals had challenged the green clearance to the Pirna Iron Ore Mines before the National Environment Appellate Authority, which has been replaced by the National Green Tribunal

■ The appellate authority stayed the clearance on the grounds that the environment ministry had failed to take into account local opposition

■ A sub-committee of forest and agriculture department officials stated that river Chaopra, a major river in north Goa, would get silted due to excavation in the mines, resulting in disastrous floods

the mine even though clearance was granted. Mining at the Pirna lease was never considered part of our business plans."

The cancellation comes at a time when the Goa government is facing criticism for illegal mining. HT has, in a series of reports, shown how illegal mining has cost Goa at least ₹3,000 crore, and how A Raja as union environment minister issued 169 mining clearances. HT has also revealed how mines have been operating in forest areas without necessary clearances.

The EIA report for the Pirna mine concealed that it was within the 10-km buffer zone of a reserved forest.

NMDC, Severstal JV for steel plant by Dec

press trust of india

NEW DELHI, 28 SEPT: State-run iron ore miner NMDC today said it will ink by December an agreement with Russia's Severstal for a three-million-ton steel plant in Karnataka under 50:50 joint venture, and hoped of acquiring 26 per cent stake in a coking coal mine in Mozambique.

"By December, we will sign a joint venture (JV) agreement with Severstal of Russia to set up a 3-MT (per annum) steel unit. It will be a 50:50 joint venture," NMDC chairman, Mr Rana Som told reporters here. He also said the company is likely to sign an agreement for 26 per cent stake in a coking coal mine of Sunflag Iron & Steel in Mozambique. NMDC is doing due diligence for three-four other mines acquisition overseas, Mr Som said.

The Navratna company had signed an MoU with Severstal for setting up a three-million-ton steel, expandable to five mtpa, plant in Karnataka entailing an investment of about Rs 25,000 crore.

The joint venture, the first such partnership between the two countries, would produce auto grade and electrical steel to meet the rising demand for specialised steel products in the country.

As per the MoU, the JV company will have two subsidiaries ~ a captive coking coal mining subsidiary in Russia and an iron ore mining subsidiary in India ~ to ensure long-term supply of the iron ore to the proposed plant.

"We have made advance payment for 2,880 acres of land to the Karnataka government for the project. The source of water is also being identified for the mill with the Karnataka government," Mr Som said.

The Karnataka plant will be NMDC's second steel unit in India. It has already started work on a 3-MTPA project in Chhattisgarh which entails an estimated investment of about Rs 15,000 crore.

As far as the pact with Sunflag is concerned, it is a part of NMDC's plan to invest in coking coal and iron ore assets overseas to ensure raw material security for its upcoming steel projects.

The pact with Sunflag forms part of NMDC's plan to invest in coking coal and iron ore assets overseas to propel its iron ore and upcoming steel projects.

Meanwhile, NMDC today said it will sell about two lakh tons of ore from Karnataka mines through e-auction, but the announcement failed to cheer steel producers in the state who said this ad-hoc system of supply may not work to sustain units for long-term.

**MoEF cancels nod to
Sesa Goa mine**

New Delhi: The environment ministry

has cancelled the green nod given to Pirna mines of Sesa Goa mines for deliberately concealing data for getting nod to mine iron ore in 43 ha in north Goa.

The Sesa Goa mines, owned by billionaire Anil Agarwal-headed Vedanta Group, had applied for environmental nod to extract 0.20 million tonnes (mt) iron ore per annum in Pirna and Nadora villages. The firm had submitted a "deficient" environmental impact assessment (EIA) report during personal hearing held on 29 July, according to the ministry's recent order. **PTI**

PSUs may pitch in to help Centre

■ Finmin explores buy back option

New Delhi, Sept. 28: Amid volatility in the stock markets, the Union finance ministry on Wednesday said that it is exploring other options such as asking PSUs to buy back equity, to help the government achieve the ₹40,000-crore disinvestment target in the current fiscal.

"There are other options. There can be equity shrinkage. Many, many possibilities are still there. Our aim is to achieve ₹40,000 crore (disinvestment target). You can buy back equities, you can go for public offers. We are not going to revise our target as on date," the economic affairs secretary, Mr R. Gopalan, told reporters here.

Under the current regulations, market regulator Sebi allows companies, which want to reduce share capital, to buy back

slowdown affects divestment plans

■ Mr Gopalan did not disclose the names of the state-owned firms that would come up with public offers.

■ It has approved disinvestment in several PSUs such as ONGC, SAIL, HindCopper

their own equity from shareholders.

Mr Gopalan, however, did not disclose the names of the state-owned companies that would come up with public offers.

The government has so far been able to raise only ₹1,100 crore by offloading its stake in the Power Finance Company and in the backdrop of volatility in the stock markets,

doubts are being expressed whether the ₹40,000-crore disinvestment target for the fiscal would be achieved.

The stock markets all over the world, including India, have been going through a rough patch on account of the global economic downturn.

In the last financial year, the government raised ₹22,763 crore from sale of equity in public sector enterprises, as against the target of ₹40,000 crore.

The government has already approved disinvestment in several PSUs, including ONGC, SAIL, Hindustan Copper (HCL) and National Building and Construction Corp.

However, volatile stock markets have forced it to delay the formal process of selling stake in the PSUs.

— PTI

Eco-okay for Sesa Goa's Pirna Project Cancelled

We had voluntarily withdrawn, mining at Pirna was never part our plans: Co

OUR POLITICAL BUREAU
NEW DELHI | MUMBAI

The government has cancelled environmental clearance granted to Vedanta-owned Sesa Goa for the Pirna iron ore mine, accusing it of suppressing information in its environment impact assessment study. The ministry's decision to revoke the clearance is the outcome of an appeal by Pirna-Nadora Nagrik Kruti Samiti and Umesh Naik before the National Green Tribunal.

The Vedanta-owned Sesa Goa had applied for environmental clearance to extract 0.20 million tonnes per annum in 43 hectares in Pirna and Nadora of Goa. The environmental clearance had been granted in June 2009, after examining documents and details provided by the project proponent and also on the recommendation of the expert appraisal committee

(EAC) constituted under provisions of EIA notification 2006.

"The cancellation of the environment clearance by the Ministry of Environment and Forests for the Pirna lease, which is a very small mine with only 0.20 mtpa capacity, is an old issue, where Sesa Goa had voluntarily withdrawn its application for EC when it was discovered that our application was defi-

cient on some counts. No mining has occurred at the said mine even though the environment clearance was granted more than 3 years back. Mining at Pirna lease was never considered as part of our business plans," a company spokesperson said. The ministry in its order revoking the clearance said that Sesa Goa had submitted a deficient EIA report.

The ministry said that a case "deliberate concealment and/or submission of false or misleading information or data" in the application of could be made against

the company on the basis of the findings of a sub-committee during its site visit.

The EIA notification 2006 makes it clear that concealment or submission of false information can lead to rejection or cancellation of prior environmental clearance. At a personal hearing in late July, the company accepted that there were deficiencies in the EIA study it had submitted.

The Pirna-Nadora Nagrik Kruti Samiti and Umesh Naik appeal before the National Environment Appellate Authority, later subsumed into the National Green Tribunal, alleged that Sesa Goa had misrepresented facts regarding the location of the proposed mine near residential areas and Chapora river.

The tribunal had directed the ministry to constitute a sub-committee to undertake a site visit and examine the reasons for wholesale public opposition to the mining and to re-examine its impact on agriculture, horticulture, school children, health, habitation, river and groundwater.

The subcommittee's report was considered by the expert appraisal committee in late June last year.

कोयला खनन का मुद्दा सुलझाने के आसार

वरिष्ठ संवाददाता ॥ नई दिल्ली

पर्यावरण और कोयला मंत्रालय के बीच चल रही जंग खत्म होने के आसार बन रहे हैं। समझा जाता है कि कोयला खनन के मुद्दे को सुलझाने के लिए बनाए गए मंत्री समूह ने इस सिफारिश को मान लिया है कि

पर्यावरण के
लिहाज से

संवेदनशील क्षेत्रों में
परियोजनाओं के

गुण-दोष पर एक-

एक कर विचार किया जाए।

यह सिफारिश बी. के. चतुर्वेदी समिति ने मंत्री समूह को दी गई अपनी रिपोर्ट में की है। समिति का मानना है कि संवेदनशील क्षेत्रों को खनन के लिहाज से निषिद्ध या गैर निषिद्ध की श्रेणी में बांटने की बजाय वहां प्रस्तावित परियोजनाओं पर एक-एक कर विचार किया जाए। उसका मानना है कि बिना परियोजनाओं की पुख्ता समीक्षा के किसी क्षेत्र को

निषिद्ध या गैर निषिद्ध घोषित करने का कोई तुक नहीं है। पर्यावरण एवं वन मंत्रालय ने 2009 में देश के 203 कोयला ब्लॉकों को निषिद्ध यानी 'नो गो' क्षेत्र घोषित कर दिया था।

कार्बन से मुकाबले
के लिए वर्कशॉप

केंद्र सरकार ने कहा है कि बिजली बनाने के लिए अब ऐसी तकनीकों पर खास जोर दिया

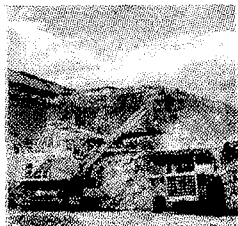
जाएगा, जो कार्बनडाईऑक्साइड का उत्सर्जन कम से कम कर सकें। कार्बन से निपटने के उपाय सुझाने के लिए एनटीपीसी द्वारा आयोजित राष्ट्रीय वर्कशॉप में केंद्रीय ऊर्जा सचिव ने पी. उमाशंकर ने कहा कि अपने पावर प्लांट्स में नई से नई तकनीक का प्रयोग करने के साथ ही नवीकरणीय ऊर्जा का प्रयोग कर प्रदूषण पर काफी हद तक लगाम लगाई जा सकती है।

गुण-दोष के आधार
पर होगा परियोजनाओं
का फैसला

Commercial coal mining set to make covert entry

Subhash Narayan & Parul Chhaparia
New Delhi, Sept 28

STUMPED by political opposition to letting private companies in to commercial coal mining,



BHP BILLITON, RIO TINTO & SESA GOA AMONG COS TO BE ABLE TO ACCESS CAPTIVE COAL BLOCKS RESERVED FOR CEMENT, STEEL & POWER SECTORS

the government has found a way to achieve almost the same without having to face Parliament. It is planning to allot captive coal blocks to private miners like BHP Billiton, Rio Tinto and Sesa Goa on the condition that these firms have tied up with approved end users for supply.

Currently, captive blocks are allotted only to end-

users like cement, steel and power companies. The move is expected to bridge the widening demand-supply mismatch for coal, leading to a surge in imports which are expensive.

Commercial coal mining was nationalised in the early 1970s and is not open to private firms. State-owned Coal India, which went public early this year, produces over 80% of the country's coal output (433 million tonnes in 2010-11). A few public sector entities like state power companies command over 10% and private end users the rest.

Under the captive mining policy, which has received a recent push, coal blocks are offered to private players in approved end-user segments like cement, power, steel, syngas and liquefaction. These firms, in turn, are free to form joint ventures in mining. Even under the auction route, only these sectors are eligible to participate.

"We have agreed to get fresh legal opinion on allowing independent mining firms to take part in auctions for captive blocks," said a coal ministry official.

■ **Continued on Page 2**

■ **In relief to steel companies, NMDC may start e-auction of 2-lakh tonne of iron ore from Karnataka this week, P7**

"Once we get clarity from the law ministry, modalities to let independent mining firms bid for captive coal blocks would be included in the guidelines on auction of coal blocks," said the official. An earlier opinion from the attorney general had encouraged government to include mining firms in auction of captive coal blocks.

The proposal aims to end shortage of domestic coal with larger private sector participation. As per an assessment by the Planning Commission, India will need to import 200 million tonne of coal by 2017 as domestic production won't be able to meet industry demand.

The proposal has already been endorsed by the committee on allocation of natural resources headed by former finance secretary Ashok Chawla and approved by the finance ministry and a committee headed by the secretary, department of economic affairs. There is wide approval that independent miners could be allowed in captive blocks without interfering with the provisions of the Coal Mines (Nationalisation), Act, 1973.

"Coal should be treated as an industry and companies given full access, not a conditional nod. It would be difficult to participate in an auction without doing a self-assessment of coal blocks," said an official of a multinational mining company who did not want to be identified.

The government has earlier considered liberalising the coal sector by opening it for commercial mining, but is fearful of a possible backlash from workers and opposition from

Commercial...

political parties. "The move will provide yet another avenue for private sector involved in mining activity. It will help bring new mining technologies and step up investment," said an expert in the sector.

Changes in captive block allotments will let independent miners

about 40 million tonnes of coal against the potential of over 200 million tonnes.

Planning Commission estimates that domestic coal production will grow to 770 million tonnes by 2017 on the basis of projected annual growth of around 7%; but by then, demand would soar to 1,000 million tonnes, requiring companies to import 200 million tonnes. For the current Plan

SHORT SUPPLY

Coal demand-supply data (as per annual report of coal ministry 2010-11)

| Source | 2008-09 actual | 2009-10 actual | 2010-11 RE | 2010-11 RE | Xi Plan projection |
|-------------------------|-------------------|-------------------|---------------|---------------|-----------------------|
| CIL | 401.44 | 415.88 | 460.5 | 433.5 | 486.5 |
| SCCL | 44.54 | 49.37 | 47.05 | 50.5 | 47 |
| Others | 44.03 | 49.25 | 65.87 | 52.05 | 96.41 |
| Total indigenous supply | 490.01 | 514.5 | 573.42 | 536.05 | 629.91 |
| Demand | 550 | 597.98 | 656.31 | 624.78 | 713.24 |
| To come through imports | 59.98 | 83.48 | 82.89 | 88.73 | 83.33 |
| Total import | 59 | 73.25 | 82.89 | 88.73 | 83.33 |

Figures in million tonne (mt); Note: As per revised estimate for 2011-12, total coal production is expected to be 554 mt, CIL's production - 452 mt and required imports 142 mt

strike supply contracts with more than one approved user. They will also have the freedom to charge market rates for their coal. As 100% FDI is allowed in captive coal mining in specified sectors, it will apply even if the block is operated by a mining company and user companies.

Since 1993, over 208 coal blocks holding around 50 billion tonnes reserves have been allocated for captive users. However, only about 30 blocks have started production, mining just

(2007-12), the Commission had earlier estimated that coal production will reach 680 million tonnes by 2011-12, but the estimate was later scaled down to 630 million tonnes in a mid-term appraisal. Later, it was revised further down to 554 million tonnes.

Production shortfall in the current fiscal, the final year of the 11th Five-Year Plan (2007-12), is projected at 142 million tonnes, with domestic output likely to touch 554 million tonnes.

Joint venture with Severstal by Dec

NMDC expects to finalise a joint venture with Russian steel maker Severstal by December this year. The proposed 50:50 joint venture will set up a three million tonnes per annum (mtpa) steel plant near Bellary that will produce specialised grade auto and electrical products.

"By December, we will sign the joint venture agreement," Mr Som said.

NMDC has already paid Rs 60 crore as security deposit to the Karnataka Government to help acquire the required 2,800 acres. The location for the steel plant is close to the proposed 6 mtpa plant of Arcelor Mittal.

NMDC's proposed plant with Severstal is expandable up to 5 mtpa and entails an investment of Rs 25,000 crore.

Copper slips on concerns over demand growth

Reuters

London, Sept. 28

Copper fell on Wednesday in volatile trade as concern about economic and demand growth in the western world dominated the agenda, but prices gleaned support from expectations of stronger demand from top consumer China.

Benchmark copper on the London Metal Exchange was untraded in official rings, but bid at \$7,445 a tonne, from \$7,594 a tonne at the close on Tuesday. The metal used in power and construction plunged to a 14-month low of \$6,800 a tonne on Monday.

China's imports of refined copper surged 21.2 per cent to 235,509 tonnes in August compared with the previous

month to reach their highest level since January.

China accounts for about 40 per cent of global demand estimated at around 19 million tonnes this year, western Europe consumes about 15 per cent and the US 10 per cent.

Copper is down some 30 per cent since hitting a record high of \$10,190 a tonne on February 15, as investors piled into the metal on expectations of a supply shortage this year and next. But that now looks unlikely.

Three-month aluminium traded at \$2,243 a tonne from \$2,245 on Tuesday, zinc at \$1,940 from \$1,972 and lead at \$2,015 from \$2,025.

Tin at \$21,200 a tonne from \$21,795 and nickel at \$18,630 a tonne from \$18,955.

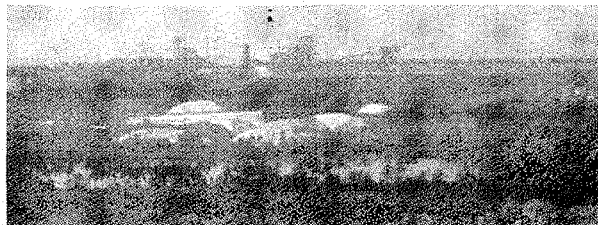
Green nod to Goa mining firm scrapped for concealing info

PIONEER NEWS SERVICE ■
NEW DELHI

The Ministry of Environment and Forest has cancelled with immediate effect the nod for the Pirna Iron ore Mines of Sesa Goa (a part of Vedanta Group) located in Pirna and Nadora Villages, North Goa, on grounds of deliberate concealment of information in the Environment Impact Assessment Report.

The MoEF order is a rare instance where it has invoked Clause 8 of the EIA Notification, 2006 which stipulates that 'deliberate concealment and/ or submission of false and misleading data which is material to screening and scoping shall make the application liable for rejection'.

This information was also given by the MoEF to the



National Green Tribunal (NGT) on the basis of whose order the decision has been taken.

Sesa Goa Ltd had stated before the NGT that they want to withdraw the application seeking Environment Clearance in view of some deficiency in the EIA Report.

Henceforth, the NGT on 10-8-2011 had directed that the MoEF should take a decision on the course of action in view of the acceptance by SESA Goa of deficiency in the EIA report.

In view of the order of the

NGT, the MoEF considered the issue of deficiency in the EIA report and decided to cancel the clearance.

The Environment clearance granted to the mine was earlier challenged before the National Environment Appellate Authority in 2009 by local group called Pirna Naroda Nagrik Kruti Samiti. The NEAA in 2009 stayed the Environment Clearance on the ground that MoEF had failed to take into account the total opposition of the local people

against the proposed mine.

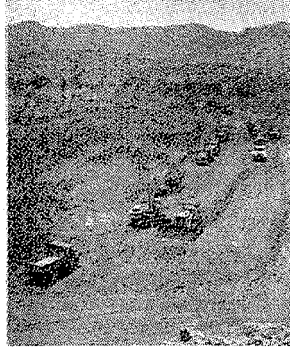
The NEAA directed that the MoEF should constitute a Sub Committee to visit the site and examine the reason for the large scale opposition. During the site visit, in addition to local people, the Forest Department as well as the Agriculture Department raised its objection to the adverse impact due to the proposed mine.

The Expert Appraisal Committee of the Ministry of Environment while reappraising the project did not look into the objections of the Forest and agriculture Department and recommended for approval.

The NEAA thereafter directed the MoEF to once again reconsider the approval based on objections of the two departments. Subsequently, the case was transferred to the newly set up National Green Tribunal.

Pristine Goa ravaged

Congress hand in mammoth mining scam



Given that this is the season of corruption scandals, news of rampant illegal mining in Goa, reportedly carried out under the auspices of the State Government, has understandably evoked little more than a sense of casual amusement from the public. The PAC report that indicts Goa Chief Minister Digambar Kamat for his role in the mining scam, after all, comes only weeks after the CBI arrested Karnataka's Tourism Minister and mining baron, G Janardhan Reddy for running a similar mining scam in his State. Reddy's arrest was preceded by the resignation of his boss, former Karnataka Chief

Minister BS Yeddyurappa, on similar grounds. Nevertheless, the dirty details of how Goa's Chief Minister allegedly presided over a lucrative illegal mining scam must engender a sense of popular outrage. While Mr Kamat, expectedly, has spent much of this week trying to wriggle his way out of the scam, his desperate efforts have done little to explain how mining companies had managed to perpetuate a scam on such a large scale without his knowledge. Given that he has been the Minister for Mines in Goa for more than a decade — he became the State's Chief Minister only 2007 — it is hard to imagine that Mr Kamat had no idea that of the 90 active iron ore mines in the State, at least 48 of them were routinely extracting more than what their environmental clearances permitted. Moreover, it takes a stretch of imagination to believe that a scam estimated to have cost a whopping 800 crores (in the past four years only!) could have been carried on without the blessings of his Government.

If anything, there is good reason to believe that Mr Kamat himself played a pivotal role in perpetuating the mining scam even further. Even though the State has only five per cent of the country's iron ore reserves, it holds about 40 percent of country's total export share; and almost all of it is picked up by one country: China. Earlier, Goan ore was bought by several other countries such as Japan, South Korea, the UAE, Pakistan, Netherlands, Romania and Italy. However, soon after Mr Kamat took over as Mines Minister, China — which at the time was preparing for the Beijing Olympics — became the State's biggest importer. In fact, between 2009 and 2010, China bought some 31.5 million tonnes of Goan ore. That Mr Kamat's scam reached its full potential sometime around 2005 when he defected from the BJP and moved to the Congress which had then just come to power at the Centre is a telling comment in itself.

CBI arrests six for 167-crore loss

Staff Reporter

NEW DELHI: The Central Bureau of Investigation has arrested six persons in three cases of financial irregularities pertaining to iron-ore mines causing a loss of over Rs.167 crore to the national exchequer.

Among those arrested is Homi Rajvansh, a former Additional Managing Director (AMD) of the National Agri-

cultural Cooperative Marketing Federation of India (NAFED).

In 2005, during his tenure as AMD, Rajvansh is alleged to have conspired with private firms, issued them post-dated cheques and loans without any collaterals. He now holds the post of Commissioner of Income Tax in Agra.

The others arrested are: Lalit Mohan, proprietor of

Roshal Lal Lalit Mohan; Nazam Ahmed, chairman-cum-managing director of Zenith Mining Private Ltd. (ZMPL); Vinod Gupta, joint MD of ZMPL; S.K. Jain, chairman-cum-managing director of Reliance Polycrete Limited; and Daulat Singh Chauhan, Chief Executive Officer of ITM Impex Private Ltd.

The cases were transferred to the CBI from the Delhi Police by a court.