In its Draft MMDR Bill, 2011, mines ministry mandates states to secure consent of gram sabhas before granting mining concessions

Govt for stringent laws to curb illegal mining

ENS ECONOMIC BUREAU
NEW DELHI, NOVEMBER 28

In an effort to wipe out illegal mining in the country, the Central government has introduced sweeping changes in the provisions of the Mining Bill. It has incorporated stringent penal provisions and has mandated mineral-rich states to secure consent of gram sabhas before granting mining concessions to any lessee.

Taking note of the grim situation emerging from Karnataka in the wake of illegal mining, the Union Mines Ministry in its Draft Mines and Minerals (Development & Regulation) Bill 2011 has said, “in cases where mining activity is related to organised crime or anti-national activities, the Central government can direct the states government to determine the mining lease.”

Further, according to the revised Bill, all mineral concessions can be cancelled on conviction for mining without a licence or for disobeying the direction of state governments. Under Section 30(4) of the Bill, any mining lease can be terminated on the directive of the Centre “for unlawful activities.”

Indicating the Centre’s resolve to combat the menace of illegal mining head on, the Bill envisages stringent penalties, including fines extending to ten times the value of the mineral mined or three years of imprisonment or both.

The Centre has also empowered states to debar erring parties from obtaining future concessions. The government can also cancel mineral concessions held by a person who has been convicted under Section 119 (2).

The legislation has empowered the Centre to impose restrictions on mining of strategic minerals. The Central government has been allowed to “prematurely determine” any lease in public interest with appropriate compensation.

The new Bill envisages increasing the lease size to 10 hectares for major minerals and five hectares for minor minerals to make it easier to detect illegal mining and demarcate the boundaries. The legislation has also authorised mineral-rich states to search for minerals if it has been raised in contravention of the provisions of the MMDR Act and initiate action under Section 100 of the Criminal Procedure Code 1973.

The Bill makes it necessary for the prospective miners to ensure the concurrence of gram sabhas forehand before securing mining leases. For concessions of minor minerals too, the consent of the panchayats have been made mandatory in view of Section 4 of the Panchayat Extension to Scheduled Areas Act in the legislation.
SAIL-LED GROUP BAGS MINING CONTRACTS IN AFGHANISTAN

Reuters

KABUL: The Afghan government has awarded the rights to develop three blocks of the huge Hajigak iron ore concession in central Afghanistan to a consortium led by the Steel Authority of India Ltd (SAIL), an official at the ministry of mines said on Monday. Policy director Abdul Jalili Jumriany said rights to a fourth block at the deposit had been won by Canada's Kilo Goldmines Ltd, which is chiefly active in Africa and has previously worked in joint venture with Rio Tinto Mining and Exploration. "B, C and D blocks have been awarded to the Indian consortium and block A has been awarded to the Canadians," Jumriany told Reuters. The APISCO consortium of Indian steel and mining firms led by SAIL announced in September it was bidding for the Hajigak concession which has the potential to be Afghanistan's single biggest foreign investment project. SAIL chairman CS Verma said he had heard from media reports the consortium had received three out of four blocks, but had no official confirmation of the news. He said the estimated iron ore reserves in A, B and C blocks were about 484.980 and 387 million tonnes respectively while D block had "small reserves." The Ministry of Mines said it was still finalising contract details with the chosen bidders. "The development of the Hajigak (project) by Kilo and APISCO is expected to bring billions of dollars in mining investment and thousands of new jobs to Afghanistan," it said in a statement. "The companies have also pledged substantial support for railway, power and other infrastructure development within the country as well as major support for education and training programs."
Economic Times, Delhi
Tuesday, 29th November 2011, Page: 7

SAIL-Led Consortium Bags Ore Mining Rights in Afghanistan

Indian companies to develop mines, build 7 MT steel plant, 800 mw power plant and lay a railroad

A seven-member consortium of Indian companies led by Steel Authority of India has bagged the rights to mine iron ore at Hajijak in Afghanistan, said to contain the world’s second-largest reserves of the mineral. The Indian firms outbid global majors, buoying security concerns to gain access to the deposits.

Afghanistan President Hamid Karzai’s Cabinet on Monday chose the Indian consortium as the preferred bidder for three of the four blocks in Hajijak that are estimated to hold more than 1.8 billion tonnes of iron ore, enough to feed a 6-million-tonne steel plant for four decades.

This is the first time an Indian consortium has successfully bid for a large mine, reversing a depressing trend for the past several years where Indian consortiums had failed to acquire overseas resources, losing out mainly to Chinese groups.

The Indian consortium, called AFTSCO for Afghan Iron and Steel Consortium, includes three state-run firms — SAIL, National Mineral Development Corporation and Rashtriya Ispat Nigam. It also includes four private steelmakers — JSW Steel, JSW Ispat, Jindal Steel and Power and Monnet Ispat. The consortium will develop the mines, build a 7 million tonne steel plant and an 800 mw power plant. The Indian syndicate will be allotted coking coal from Shabasha for steelmaking, according to Abdul Jallil Junami, policy director at Afghanistan’s mining ministry.

While SAIL is the largest stakeholder with a 20% holding in the consortium, RINL and NMDC hold 18% each. JSW Steel and Jindal Steel have 16% each. JSW Ispat owns 8% stake, while Monnet Ispat has 4%. SAIL didn’t comment on the issue.

The Hajijak deposits are estimated to hold 1.8 billion tonnes of high-grade iron ore, with 62% ferrous content. Typically, higher the ferrous content, the purer the ore. According to a statement by Afghanistan Mines Minister Wahidullah Shahriari, “AFTSCO brings a tremendous array of expertise, technical, financial and physical resources, mining and steel production experience developed over more than 100 years in India and internationally.”

The consortium has committed to build railway, power and other infrastructure for transporting the minerals. It has also extended social expenditure through education and training programmes. “As a part of the consortium, we are positive about the project, even if there are difficulties,” said Vikrant Gujral, head of global ventures at Jindal Steel.

Hajijak, like the Aynak copper mines that were allotted to the Chinese for an investment of nearly $4 billion, is a big-ticket mineral deposit that Afghanistan is counting on. It expects Hajijak to bring billions of dollars in mining investment and thousands of new jobs. The infrastructure around the Hajijak deposit can be connected to the rail being built by the Chinese for Aynak copper mines.

On security concerns, Monnet Ispat Managing Director Sandeep Jajodia said: “The resource is for long-term gain. It will supply iron ore for at least 23 decades. If the country has made up its mind on development, then it will take all steps to ensure security for the assets.”

The synergy of such large iron ore mines can be had by building a steel plant in Afghanistan and exporting the intermediate or finished steel to India. Benefits can also be had through the natural hedging in exporting ore from Afghanistan and buying ore for Indian operations. If logistics permit, the ore can also be shipped to India.

“From a geopolitical perspective, it’s a hedge against Chinese acquisition of iron ore assets. But at this stage it’s difficult to evaluate the financial upside of the concessions, given that exploration could take a few years,” said Kameswara Rao, executive director (energy, utilities & mining), PwC.
In a strategically significant development, Afghanistan on Monday awarded mining rights for three Hajigak blocks located at the central Bamyan province to an Indian consortium led by State-run SAIL. The Afghan Iron and Steel Consortium (AFISCO) which comprises SAIL, NMDC, Monnet Ispat & Energy, RINL, JSW Steel, Jindal Steel & Power, JSW Ispat has been awarded three blocks. The Afghan Ministry of Mines announced the Hajigak resources contain an estimated 1.8 billion tonnes of iron ore. PTI
DoD seeks ministries opinion on buy back of Govt equity by PSUs

With the Government struggling to meet its disinvestment target, the Department of Disinvestment (DoD) has moved a Cabinet note to seek the opinion of various ministries on a proposal to sell Government equity through buy-back mode in PSUs.

Secretary in the Ministry of Coal, Alok Peri said that his department has received a proposal from the DoD for buyback of Coal India Ltd’s shares.

"They (the Department of Disinvestment) have come up with some papers. We have to give a reaction to that. We have received a Cabinet note (on buy back of Coal India shares)," Coal Secretary Alok Peri said on the sidelines of an energy conference.

The Government is looking at innovative methods to sell its holding in public sector units to meet the disinvestment target of ₹40,000 crore in the current fiscal.

Under the buyback mode, the Government can raise money by selling its equity in the company to the PSU itself.

Coal India, world’s largest coal miner, is one of the several PSUs which have been identified by the DoD for buy back of equity.

"We will react (to the proposal) after seeking Coal India’s views," Peri said.

They (the Department of Disinvestment) have come up with some papers. We have to give a reaction to that. We have received a Cabinet note (on buy back of Coal India shares).

The Government is considering to raise funds through the buyback route as it has not been able to raise money through sale of equity in PSUs on account of uncertainty in the stock markets.

The department of disinvestment (DoD) has prepared a list of about two dozen PSUs having large surplus cash balance, including Coal India, Steel Authority of India (SAIL), NMDC, Oil and Natural Gas Corp (ONGC), NTPC, Oil India and MMTC.

Such companies may be asked to buy back about 5 per cent equity from the shareholders. Under the current regulations, market regulator Securities and Exchange Board of India (Sebi) allows companies to buy back their own equity from shareholders.

With only ₹1.145 crore in its kitty so far from disinvestment, there are apprehensions whether the mammoth target of ₹40,000 crore for this financial year would be met.

Due to volatile stock market conditions, several PSUs like SAIL, Neyveli Lignite Corporation and Hindustan Copper Ltd have indicated to the Government that they are not interested in divestment.

Even global equity markets have been on a downside on fears of a slow recovery in the Eurozone economies as well as the debt crisis in US.
SAIL-led group bags mining rights for three Afghan blocks

REUTERS
KABUL, NOVEMBER 28

A consortium led by Steel Authority of India Ltd (SAIL) has been awarded the rights to develop three blocks of the Hajigak iron ore concession in central Afghanistan, an Afghan mines ministry official said on Monday.

Policy director of the Afghan mines ministry Abdul Jalil Jumriany said rights to a fourth block at the deposit had been won by Canadain’s Kilo Goldmines Ltd, which is chiefly active in Africa and has previously worked in joint venture with Rio Tinto Mining and Exploration.

http://www.indianexpress.co.in

"B, C and D blocks have been awarded to the Indian consortium, and block A has been awarded to the Canadians," Jumriany said. The Afghan Iron and Steel Consortium (AFISCO) of Indian steel and mining firms led by SAIL announced in September it was bidding for the Hajigak concession, which has the potential to be Afghanistan's single biggest foreign investment project.

SAIL chairman CS Verma said he had heard from media reports the consortium had received three out of four blocks, but had no official confirmation of the news. He said the estimated iron ore reserves in A, B and C blocks were about 484,930 and 357 million tonnes, respectively, while D block had “small reserves.”

The Afghan Ministry of Mines said it was still finalising contract details with the chosen bidders.

"The development of the Hajigak (project) by Kilo and AFISCO is expected to bring billions of dollars in mining investment and thousands of new jobs to Afghanistan," it said in a statement. "The companies have also pledged substantial support for railway, power, and other infrastructure development within the country, as well as major support for education and training programmes."

The SAIL-led group could invest up to $6 billion in the mine, railroads and a steel plant, and the site could employ as many as 20,000 people. The Hajigak deposit contains an estimated 1.8 billion tonnes of iron ore, with an iron concentration of 64 per cent, the ministry said in a statement. The figures are based on a survey carried out in the 1960s.

Afghanistan has an estimated $3 trillion worth of mineral reserves, including iron ore, copper, precious stones, oil, gas and gold, but mining is a tough proposition given the perilous security situation and poor infrastructure.

The investment necessary to develop Hajigak will be welcomed by the cash-strapped Afghan government, but the deal could cause problems with Pakistan, which fears closer cooperation between India and Afghanistan.
Overseas mines are acquired to fulfill iron export commitments to China

Cos scout for foreign mines

AGE CORRESPONDENT
Mumbai, Nov. 28

Unable to meet their export commitment to Chinese steel companies due to a ban on iron ore mining at several locations, Indian iron ore exporters are now diversifying their operation by acquiring overseas mines to make shipments to China.

Further, domestic exporters are also scouting for newer markets to reduce their dependency on China as it accounts for over 90 per cent of the Indian iron ore exports.

Pisces Group, one of the largest iron ore exporters from the country have acquired an iron ore mine in Indonesia with a reserve of 80 million tonnes and are in advanced stages of negotiation with miners in Malaysia for joint ventures in new mines. Similarly, Maya Iron Ores, another domestic exporter is scouting for opportunities in South Africa and other Latin American countries like Peru and Chile.

“Around 80 per cent of the 40 odd iron ore exporters from Karnataka have turned bankrupt with the ban on iron ore exports from the state. Further there is a high level of uncertainty about our mining operations in Goa,” said Mr Soumit Jena, managing director, Pisces Group explaining the need for diversifying into newer geographies to survive.

“The export duty, which was hiked to 20 per cent from 5 per cent and 15 per cent respectively for iron ore fines and lumps has consumed a major share of the price advantage that Indian ores had in the market. Moreover, several mines across India are still non-operational and this has dried up the availability of the material considerably,” said Mr Praveen Kumar, chairman, Maya Iron Ores explaining the reason for venturing abroad.

This according to iron ore exporters have prompted Chinese steel companies to source iron ores from newer geographies like Iran, Ukraine, Congo, Zimbabwe, Indonesia and Venezuela among others. India, which accounted for almost 25-27 per cent of the total Chinese iron ore imports in 2009-10, has now dropped to less than 20 per cent because of the disruption in supply.

According to Mr Jena, since Chinese steel mills are looking for new suppliers, Pisces Group is also trying to find new markets. “Last year we exported 1.5 lakh tonnes of iron ore to the Middle East. This year we will be exporting 2.5 lakh tonnes of iron ore to the region and would like to increase our presence there,” added Mr Jena.
TODAY’S PICKS

NIFTY
CURRENT: 4,859 (NOV FUT: 4,873), TARGET NA

The index could see another big swing today between 4,750 and 4,975. Short future can be stop-lossed at 4,900 and long futures stop-lossed at 4,800. A wide range of long 4,700p (81) and long 5,000c (74) could gain a net 25-30 on a swing of 100 points.

Hindalco
CURRENT PRICE: ₹134
TARGET PRICE: ₹129.5

If the uptrend continues, resistance at ₹128-129 will be tested. On the downside, the stock has support at ₹118-119. Keep a stop at ₹121 and go long. Add to the position between ₹125.5 and ₹127. Book profits above ₹128.5. If the stock drops below ₹118, it will fall till ₹115.

DLF
CURRENT PRICE: ₹209.5
TARGET PRICE: ₹201.5

The stock could hit major resistance between ₹211 and ₹212 and revert to ₹201-202 in the next three sessions. Keep a stop at ₹213 and go short. Add to the position between ₹205 and ₹207. Book profits below ₹202.

Tata Steel
CURRENT PRICE: ₹387
TARGET PRICE: ₹400

There is resistance at ₹388-390. If that is overcome, the stock could climb till ₹400. Keep a stop at ₹382 and go long. Add to the position between ₹391 and ₹394. Book profits at ₹400. If ₹382 is broken, a fall till ₹377 is likely.

—Devangshu Datta

The target price and projected movements given above are in terms of the next one trading session, unless otherwise stated.
SAIL-led group bags 3 Afghan ore blocks

Kabul, Nov 28: The Afghan government has awarded the rights to develop three blocks of the huge Hajigak iron ore concession in central Afghanistan to a consortium led by the Steel Authority of India, an official at the ministry of mines said on Monday.

Policy director Abdul Jalil Jumriany said rights to a fourth block at the deposit had been won by Canada's Kilo Goldmines, which is chiefly active in Africa and has previously worked in joint venture with Rio Tinto Mining and Exploration.

B, C and D blocks have been awarded to the Indian consortium, and block A has been awarded to the Canadians, Jumriany told Reuters.

The Hajigak deposit contains an estimated 1.8 billion tonnes of iron ore, the ministry said in a statement.

The AFISCO consortium of Indian steel and mining firms led by SAIL had announced in September it was bidding for the Hajigak concession, which has the potential to be Afghanistan's single biggest foreign investment project.

The SAIL group could invest up to $6 billion in the mine, railroads and a steel plant.

The development of the Hajigak project by Kilo and AFISCO is expected to bring billions of dollars in mining investment and thousands of new jobs to Afghanistan, the ministry of mines said in a statement.

The companies have also pledged substantial support for railway, power and other infrastructure development within the country as well as major support for education and training programmes.

Afghanistan has an estimated $3 trillion worth of mineral reserves, including iron ore, copper, precious stones, oil, gas and gold, but mining is a tough proposition given the perilous security situation and poor infrastructure.

The United Nations said this year violence across Afghanistan is at its worst since the Taliban regime was toppled 10 years ago, although the NATO-led alliance of foreign troops says attacks on its forces by insurgents are now falling.

The huge investment necessary to develop Hajigak will be welcomed by the cash-strapped Afghan government, but the deal could cause problems with neighbouring Pakistan, which fears closer cooperation between India and Afghanistan.

India is Afghanistan's biggest regional aid donor and has already pledged $2 billion in infrastructure and development projects, including erecting a new Parliament building.
Aussie college inks deal to bridge skills gap

The burgeoning demand for skilled manpower and its paucity is an issue that keeps figuring as a matter of concern in education summits and conferences. The HRD Ministry pegs the demand for skilled workers across the country at nine million, but the number of institutes equipped to cater to the need can produce just two million trained students. This is why collaborations, such as the one that was recently sealed between Franchise India Holdings Limited and Southbank Institute of Technology (SBIT), Queensland (Australia), become important. The institute offers vocational training relevant to the retail, hair care and beauty sectors.

"We recognise that there is a huge demand for specialised training packages in a growing economy," SBIT director Robyn Tyler said after signing the deal at the Australian High Commission. As many as 123 students from India specialising in business, hospitality and tourism are enrolled at the institute.

The official blessing the deal made it clear that the Australian government doesn’t regard the institute to be a fake or “shonky” college, which is an apprehension many students have about such institutions offering vocational courses.

Tyler said SBIT had developed its industry expertise over 150 years by delivering training solutions and establishing partnerships and alliances with organisations across diverse sectors, from banking and finance to construction, health, hospitality, mining and government. Although the programme is designed for entry-level employment, the collaboration deal, an initiative of the Queensland government, will offer students a springboard to higher education in Australia.

“Our certificate and diploma programmes are designed with a pathway to university degrees,” Tyler said. “Nearly 80 per cent of the students move to universities for higher degrees,” she added. The programmes are of varying duration — from two months to two years. Vocational education is finally going places.

— Sangeeth Sebastian
Illegally mining scam: IAS officer arrested

HYDERABAD: Y Srilakshmi, an IAS officer of 1988 batch and a powerful bureaucrat during the regime of late YS Rajasekhar Reddy, was on Monday arrested by the CBI in connection with the illegal mining case involving former Karnataka Minister Gali Janardhan Reddy's Obulapuram Mining Company.
SAIL-led consortium wins 3 Afghan iron ore blocks

BY RUCHIRA SINGH & UTPAL BHASKAR

NEW DELHI

An Indian consortium led by state-owned Steel Authority of India Ltd (SAIL) has won the mining rights for three out of four iron ore blocks in Afghanistan.

The win will expand India’s commercial footprint in conflict-ravaged Afghanistan, where it has already invested $2 billion (₹10,400 crore today) in rebuilding the infrastructure. India views the country as key to its strategic interests, especially because it is situated between South Asia and energy-rich Central Asia.

“We will negotiate the actual terms and conditions of the contract now,” said C.S. Verma, chairman of SAIL.

“The win is very important not only from the economic and commercial perspective, but also from the strategic viewpoint. Since Afghanistan is on a negative list, we plan to get a sanction from our government for assistance for some portion of the investments,” he said, referring to problems in
SAIL-led consortium wins 3 Afghan blocks

raising capital for the project.
India recently signed a strategic partnership pact with Afghanistan that aims to deepen trade, security and cultural links, and under which it agreed to take on a bigger role in training Afghan troops and security forces.

"After this we will start the contract negotiations, which will have to be approved by the cabinet," Jalil Jumriany, director general for policy and promotion in Afghanistan's ministry of mines, said on the phone from Kabul, speaking about the next step regarding the iron ore mines.

The blocks B, C and D, for which the Indian consortium has won rights, have iron ore reserves of around 1.3 billion tonnes and are located in the Bamiyan province, 130km west of Kabul. The Indian consortium had also bid for the fourth block (block A), but lost it to Canada's Kilo Goldmines Ltd. Chinese firms did not bid for these blocks.

The other members of the Afghan Iron and Steel Consortium (Afsico) formed at the Indian government's behest are NMDC Ltd, Rashtriya Ispat Nigam Ltd, JSW Steel Ltd and Jindal Steel and Power Ltd. Tata Steel Ltd was initially a part of the consortium, but subsequently opted out of it.

"They (winning bidders) will build the infrastructure that they have committed for building in their bid. This includes an 800 megawatt power project and a seven million tonne steel plant. The plant will be built in two stages and it should be ready by 2020," Jumriany said.

Afghanistan hopes to generate substantial revenue from the mines that will fund its reconstruction efforts. Security concerns and the huge cost of getting the remote mines up and running, however, could pose a challenge, experts said.

Six companies and consortia, including the SAIL-led one, were in the race to develop the deposits. The other firms were: Corporate Ispat Alloys Ltd; Iran's largest iron ore firm Gol-e-Gohar Iron Ore Co; Iran's Behin Sanate Diba Co; Acateco LLC, a consortium of American and Afghan firms; and Canada's Kilo Goldmines.

"The development of Hajigak (deposits) by Kilo and Afsico is expected to bring billions of dollars in mining investment and thousands of new jobs to Afghanistan. The companies have also pledged substantial support for railway, power and other infrastructure development within the country, as well as major support for education and training programmes," said Afghanistan's mines ministry in a press statement.

Though Afghanistan is still battling insurgency, the deposits are attractive for Indian companies looking to grow overseas even as their local expansion plans face hurdles over land acquisition and environmental clearances. The US has discovered nearly $1 trillion of untapped mineral deposits in Afghanistan. The deposits contain iron, copper, cobalt, gold and lithium.

An expert said the Indian consortium would find the going tough. "It is going to be a very big logistical issue. To operationalize mines and even to build a steel plant in Afghanistan would be a very big challenge. There won't be an immediate upside to the companies who have won the bid. This can at best be a medium to long-term story," said Ashish Upadhyay, associate director at Fitch Ratings.

Afghanistan is keen to develop and promote its mining resources and will soon open tenders for four more blocks containing copper and gold deposits. It aims to generate a revenue of $2 billion annually by 2017-18 from the mining and exploration business, including oil and gas, from about $100 million now.
सेल को मिला अफगानिस्तान में माइन

प्रेट • नई विदेश

सार्वजनिक क्षेत्र की कंपनी सेल के नेतृत्व में एक सात सदस्यीय कैंपोडियम ने अफगानिस्तान के सेलटा बमियान प्रांत में हजारों में चार आमन और हिजब में से लीन के खनन के दौरान में फेकलमेंट का अधिकार हासिल कर लिया है। इस मदद के साथ सहित बुरानी ने यह जानकारी दी। बहुत हाल, संगठन ने जानाने पर शरीर अभियंता ऑफ देश (सेल) के चेतावनी दी थी। क्या यह काफी अफगानिस्तान सरकार से कोई आतंकी या सुरक्षा प्रांत का नहीं है?

सेल के अधिकारी ने बताया कि भारतीय कैंपोडियम को माइन की, सी. दी. के एक कंपनी को हासिल हुआ है। ये माइन बारिक और भेद्दन कार्य प्रांत के बीच हिजबदेशी प्रांत के बीच हिजबदेशी प्रांत हो और आमन और समुद्र संसारों के लिए जाने जाते हैं। आतंकवादी ने कहा कि इन चारों माइन का संयोग क्षेत्र 1.8 अरब टन से भी अधिक है।

सेल की स्थापना परिसंचरण (एसोसिएशन) में 20 फीसदी की बहुभाषी हिस्सेदारी होगी। एसोसिएशन की निर्माण भारत के देशवासकों के लिए है जो भारत की सार्वजनिक क्षेत्र का दूरदर्शी-राजनीति इनकार एवं एसोसिएशन की 18-18 फीसदी हिस्सेदारी होगी।

निती क्षेत्र की कंपनियों जेकेएसएस शरीफ और बाजार रेंजर्स एवं नायर की यह एसोसिएशन में 12-12 फीसदी की हिस्सेदारी होगी। शेष हिस्सेदारी जितने इस्तमाल जाँच एवं मालिक इस्तमाल के बीच शेल हिस्सेदारी होगी।
IAS officer held in Reddy mining case

SREENIVAS JANVALA
HYDERABAD, NOV 28

The arrest of senior IAS officer Y Srilakshmi in the Janardhana Reddy mining case on Monday shocked many in the Secretariat.

Srilakshmi, 50, was Industries Secretary from 2004 to 2007 and is accused of granting illegal favours to Reddy's Obulapuram Mining Company (OMC).

She was sacked as Commissioner of Family Welfare and Health Secretary last month after the CBI named her in the case. The CBI said she signed leases and allotted 68 acres of land to OMC in Anantapuram district, though there were other bidders. She is accused of allowing illegal mining by OMC to continue although it was brought to her notice. In its FIR, the CBI had named her as the fourth accused.

It is learnt to have said that former chief secretary M G V K Bhanu and former Mines minister and now Home Minister P Sabita Reddy put pressure on her to give the leases to OMC. The CBI has also questioned Bhanu, who is now Chairman of Tea Board, Kolkata.

Srilakshmi was produced in a special CBI court and would be produced again Tuesday morning.

Srilakshmi had appeared before the CBI for questioning four times and was asked to submit details of her bank accounts and lockers.
Afghanistan awards 3 blocks to Indian consortium

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The AFISCO consortium of Indian steel and mining firms led by SAIL announced in September it was bidding for the Hajigak concession, which has the potential to be the Afghanistan’s single biggest foreign investment project.

The SAIL group could invest up to $6 billion in the mine, railroads and a steel plant. "The development of the Hajigak (project) by Kilo and AFISCO is expected to bring billions of dollars in mining investment and thousands of new jobs to Afghanistan," the Ministry of Mines said in a statement. "The companies have also pledged substantial support for railway, power, and other infrastructure development within the country as well as major support for education and training programmes."

Afghanistan has an estimated $9-trillion worth of mineral reserves, including iron ore, copper, precious stones, oil, gas and gold. – Reuters
BHP Billiton names new CFO, Alex to retire in Feb

BHP Billiton announced the surprise retirement of its popular chief financial officer Alex Vanselow and expanded its top management committee on Monday, building on the team of potential successors to its young chief executive. Vanselow, 49, is quitting in February 2012 to pursue personal business interests, and will be replaced by Australian Graham Kerr, who is just 40 years old. Kerr, who joined BHP in 1994, was until recently president of the group's diamonds and specialty products division based in Vancouver.
Naidu approaches HC to stop CBI assets inquiry

**Pioneer, Delhi**
Tuesday, 29th November 2011, Page: 7

**Width: 12.24 cms Height: 15.03 cms, Ref: pmin.2011-11-29.36.76**

**PNS HYDERABAD**

Telugu Desam president and leader of Opposition in the Assembly N Chandrababu Naidu on Monday filed a vacation petition in the high court seeking to stop the CBI inquiry into his assets.

Naidu in his plea alleged that the petition filed in the court by honorary president of the YSR Congress party Vijayalakshmi demanding a probe into his assets was politically motivated. Pointing out that the high court had ordered the CBI inquiry against him without hearing his version, Naidu requested that the court should first hear him out before giving its nod to the CBI for the probe.

On November 14, the Andhra Pradesh High Court had asked the CBI and the Enforcement Directorate to conduct a preliminary inquiry into the assets of Chandrababu Naidu, his family and 13 other associates, including media mogul Ramoji Rao, industrialists and Telugu Desam leaders CM Ramesh, YB Choudhary and member of Parliament Nama Nageshwar Rao.

Of the other persons facing CBI inquiry, Ramoji Rao, CM Ramesh and Nama Nageshwara Rao have already filed a similar vacation petition against the CBI inquiry. The trio had earlier approached the Supreme Court seeking the stay on the probe into their assets. But the Supreme Court asked the petitioners to approach the high court, as there was no need for the apex court to intervene in the case at this juncture.

The high court was likely to take up the petition of Chandrababu Naidu in the next few days. Naidu has moved the high court at a time when the CBI and the Enforcement Directorate have already started the process of their preliminary inquiry.

After the ED, the CBI has also issued notices to Chandrababu, his wife Bhuvaneshwari and son N Lokesh.

In another setback to YSR Congress president and member of Parliament YS Jagan, the Andhra Pradesh High Court has rejected his petition to stop the CBI from providing the documents and other information gathered during the raids on his residence and companies to the I-T department.

The Income Tax department, Bengaluru division had approached the CBI court in Hyderabad seeking information from the CBI. The court accepted the request of the IT department and asked the CBI to provide the necessary information.

However, Jagan challenged it in the high court which was rejected today. The CBI informed the court that it had already provided the copies of the CD to the IT department, containing the information gathered during its search operations at the houses and offices of YS Jagan Mohan Reddy and his various companies.

Meanwhile, the judicial custody of former Karnataka Minister, and mining baron Gali Janardhan Reddy has been extended to December 7.
Afghanistan awards 3 iron ore blocks to SAIL-led group

Reuters
Kabul, Nov. 28
The Afghan Government has awarded the rights to develop three blocks of the huge Hajigak iron ore concession in central Afghanistan to a consortium led by the Steel Authority of India, an official at the Ministry of Mines said on Monday.

The Policy Director, Mr Abdul Jalili Jumiriany, said rights to a fourth block at the deposit had been won by Canada’s Kilo Goldmines Ltd, which is chiefly active in Africa and has previously worked in joint venture with Rio Tinto Mining and Exploration.

"B, C and D blocks have been awarded to the Indian consortium, and block A has been awarded to the Canadians," Mr Jumiriany told Reuters.

The Hajigak deposit contains an estimated 1.8 billion tonnes of iron ore, the Ministry said in a statement.

SAIL
Rs.5
return-90%

The AFISCO consortium of Indian steel and mining firms led by SAIL announced in September it was bidding for the Hajigak concession, which has the potential to be Afghanistan’s single biggest foreign investment project.

INVESTMENT
The SAIL group could invest up to $6 billion in the mine, railroads and a steel plant.

Afghanistan has an estimated $3 trillion worth of mineral reserves, including iron ore, copper, precious stones, oil, gas and gold, but mining is a tough proposition given the perilous security situation and poor infrastructure.

SAIL SAYS NO OFFICIAL CONFIRMATION
Our New Delhi Bureau reports: The SAIL Chairman, Mr C.S. Verma, said “We have come to know from media reports giving sources of international wire agencies that 3 out of 4 blocks at Hajigak iron ore mines, Afghanistan, have been allotted to consortium led by SAIL and one block has gone to a Canadian firm. We have not yet received official confirmation regarding the same after which specific details can be provided.”

"The Hajigak iron ore deposits consist of 4 blocks - A, B, C & D. The estimated iron ore reserves is approximately 484, 930 and 357 million tonnes in A, B & C blocks respectively while D block has small reserves," Mr. Verma said in a statement.
**Pioneer, Delhi**

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**Former mining dept officer held for graft**

_PNS HYDERABAD_

The CBI on Monday arrested senior IAS officer Srilakshmi in course of investigations in the illegal mining of iron ore by former Karnataka Minister Gali Janardhan Reddy's Obulapuram Mining Company (OMC).

Srilakshmi was the principal secretary (mining department) in the YS Rajasekhar Reddy Government, when OMC was allotted 68.5 hectares in Anantapur district of Andhra Pradesh for extracting ore.

The CBI has accused her of violating all rules and norms in allotting land to Gali's company while ignoring other applicants for mining licence. Later, the agency produced Srilakshmi in court in Nampally. She was remanded to judicial custody and sent to Chanchalguda Jail.

Srilakshmi, secretary (family welfare) at present, is the second senior Government official to be arrested by the CBI. Earlier, Rajagopal, the then director in the department of mining and geology was held and is lodged at Chanchalguda along with Gali and OMC managing director BV Srinivasulu Reddy.

One of the applicants for the mining licence, who was ignored by the State Government while allotting land, told sleuths that Srilakshmi and Rajagopal had demanded bribe. CBI had questioned Srilakshmi several times in recent weeks.

Srilakshmi was produced before the metropolitan magistrate who directed the agency to produce her before the special CBI court on Tuesday. The CBI has sought 15 days' custody for interrogation.
We will float own party: Sriramulu

KESTUR VASUKI  ||  BANGALORE

A head of the crucial Bellary bypoll, independent candidate and acolyte of Gali Janardhana Reddy, B. Srikantaiah, has indicated that they would announce their plans to float a regional party once Gali comes out of jail.

This indication follows a rumour that the regional party would be crucial in some parts of Karnataka and Rayalaseema region of Andhra Pradesh, where the Reddy brothers have MLA sympathisers.

At a rally in Bellary on Monday, Srikantaiah said, “I will form a new party in the State. Some of the (BJP) legislators will join the new outfit. The outlines of the new party will take concrete shape after Gali comes out of jail.”

The BJP has dumped the Reddy brothers and suspended four MLAs and two MPs for defying party directive and supporting rebel Srikantaiah in a bypoll. Srikantaiah’s latest initiative seems to be a desperate effort to divide votes. He had quit the BJP for not giving him a Cabinet birth and is seeking re-election as an independent.

On State unit BJP president K. S. Eshwarappa’s remarks that the party’s doors remained closed for the rebel leader, he said, “Let Eswarappa guard his party legislators from going to other parties.” Srikantaiah claimed he had backing of several legislators in north Karnataka and also the support of the people.

A Gali confidente told The Pioneer that the Reddy brothers were seeking a new political niche, adding, “Probably they are looking at Rayalaseema, where they have some support to piddle with Congress in Andhra Pradesh. It is, for them, a question of survival.”

A BJP source told The Pioneer that the Reddys may try to go with the Congress for Gali and work out some formula to get back their clout. However, both the Congress and the JD(S) are not in a position to support them directly as they have been tainted by the illegal mining spot themselves.
US holiday sales lift copper

Bloomberg
Nov 28

Copper rose the most in two weeks in London after record holiday sales in the US, the world's second biggest consumer of the metal, fuelled optimism demand will remain steady.

US retail sales during Thanksgiving weekend climbed 16 per cent to $52.4 billion, according to the National Retail Federation. Copper for three-month delivery climbed 3.1 per cent to $3,884 a tonne by 10:11 a.m. on the London Metal Exchange. Prices increased as much as 3.5 per cent, the most since Nov 14.

Copper for March delivery rose 3.1 per cent to $3,884 a pound on the Comex in New York.

LME copper stocks dropped 0.5 per cent to 392,775 tonnes, daily exchange figures showed today. Inventories in Asia, where top global copper user China is located, shrank for a 42nd straight session.

Nickel for three-month delivery on the LME advanced 2.4 per cent to $17,365 a tonne.

Aluminum rose 1.6 per cent to $2,024 and zinc gained 1.6 per cent to $1,940.

Tin climbed 0.2 per cent to $2,074 and lead advanced 1.7 per cent to $2,038 a tonne.
Woman IAS officer held in mining scam

Hyderabad: Verra Srilakshmi, a 1998 batch IAS officer, was on Monday arrested by the CBI in connection with an illegal mining case, making her the first woman administrative service officer from the state to be arrested. Sources said the officer was summoned by the CBI for some clarification but when she reached their office, she was taken into custody.

Srilakshmi was produced before the first additional metropolitan sessions judge and then taken to the CBI office in Kothi under protection of women cops.

The CBI has sought 15 days custody and court is to hear the case on Tuesday.
Ministry panels to discuss time allotted for green assessment

AVISHEK G DASTIDAR
NEW DELHI, NOVEMBER 28

WHILE deciding the fate of over 30 proposed coal mines, thermal power plants and industrial projects across the country on Tuesday, which have sought green clearance, the Environment Ministry’s expert appraisal panels will for the first time also discuss a crucial question: ‘whether the time taken to grant green nod is too less for thorough appraisal’.

A two-day meeting of the panels in the Capital ends on Tuesday.

The ministry’s panels will take into account an independent study, which alleges that unprecedented green clearances granted to mining and power projects in the past five years have compromised conservation. The committee on coal mining will discuss the question: ‘how fast is too fast for deciding on green nod’.

According to sources, on an average 30 minutes are given for each project before the expert appraisal committee. They said on Monday some of the members of the committees complained that the time allotted for the official appraisal should be more.

The projects in consideration in the current meetings are from Chhattisgarh, Jharkhand, West Bengal, Orissa, Maharashtra and Gujarat.
‘New Mullaperiyar dam only way out’

Our Bureau
Kozhikode, Nov. 29
A new dam is the only solution to the Mullaperiyar issue, and the State has earmarked a special fund in the budget for the construction, said the Kerala Finance Minister, Mr. K.M. Mani.

He said here on Monday that the Prime Minister should immediately intervene to settle the inter-State dispute and make the Tamil Nadu Government respond creatively to Kerala’s demand for construction of a new dam.

The issue involved the existence of over 40 lakh people and five districts in Kerala. The Minister made it clear that the State would not yield to any pressure from any quarters and withdraw from its demand for a new dam.
गंगा में खनन आमंत्रण के लिए जरूरी : मंत्री

वैश्वनाथ। गंगा में हो रहे खनन को जरूरी बताते हुए मंत्री नेता जी का निर्देशन भट्ट ने खनन का विषय करने वालों के दिशा-प्रदेश करना उठाए वहीं जनता की बात कहीं है।

भट्ट ने खनन का विषय कर रहे मार्गकर्ता पथसाधन स्वमित्व विषय पर गत 25 नवम्बर के अनुसार पर नैतिक हुए हैं। उनके अनुसार नौ श्री भट्ट ने सभी मान्य गलती बताया है।