Mahan, Chhatrasal mines get green nod

feBureau

New Delhi, May 30: The group of ministers (GoM) on coal has approved conditional environment clearances to the Mahan and Chhatrasal coal mines projects. The projects would now go to the cabinet for final clearance.

The decision came after the GoM in its meeting in March had asked the environment ministry to form an expert panel to evaluate the impact of mining in the two mines on environment.

The Mahan coal block was jointly allocated to Essar and Hindalco for thermal power plant in April 2006, while the Chhatrasal block was given to Anil Ambani group firm Reliance Power to feed its 4,000 MW ultra-mega power project at Sasan, in Madhya Pradesh in October 2006. At its peak production, Chhatrasal coal block would produce 5 million tonnes per year.
Siemens Metal Technologies focuses on India

dipankar bose

MEXICO CITY, 30 MAY: Though both India and China are focus destinations for Siemens Metal Technologies, a global leader offering technological and modernisation programmes and solutions to the metallurgical industry, it is eyeing the Indian steel industry with its futuristic “lifecycle packages” for improving plant performance.

The company, however, is worried over procedural delays in India. “The biggest worry in India is that it takes a very long time in decision making and then executing those decisions, particularly in the public sector.”

This has to be changed soon at any cost. Otherwise this is bound to hit the industry”, CEO of Siemens Metals Technologies Mr Werner Auer told visiting journalists in a recent global media summit in Mexico City.

“India accounts for around 12 per cent of Siemens Metal Technologies global business. So, we have already tried expanding our engineering network with an additional one lakh engineering hours in both India and China. Since the Indian steel industry has embarked upon a major expansion and modernisation drive both in the public and private sector, Siemens hopes to play a major role in the process.

“We have an engineering centre of Siemens Metal Technologies based in Kolkata with around 100 professionals working and we plan to hire more engineers. There is a growing shortage of good engineers in both the mining as well as metals sectors, but there is a steady drift of quality professionals towards the software industry. We have to address it with competitive packages and increase our engineering hours in India”, said Mr Auer.

“All major public and private steel companies in India are working with Siemens Metal Technologies and India is a major market for us. Moreover, we are now focusing on the Bric nations and including Mexico as a major manufacturing and energy sector market. New plans are also in place for our growth in the US market.

The new competence centres in Minhang, China and Innsbruck in Austria are being added as technological supports. The market has changed rapidly in the last five years and has brought with it new challenges”, Mr Auer said.

While the current installed capacity in India is 90 tons a year, the projected capacity addition envisaged by the steel ministry is 200 tons a year.

“Lifecycle management is more of an asset management in the steel industry, and if there is no immediate modernisation of Indian steel plants, things will become difficult. To sustain the prevailing demand, execution of modernisation programmes is extremely necessary,” added Mr Auer.
E-tendering to keep UP mining mafia at bay

BS REPORTER ■ Lucknow

The Uttar Pradesh government on Wednesday implemented with immediate effect, e-tendering for allotting state mining leases to check illegal mining and ushering transparency in the process.
GoM gives conditional clearance to RPower, Essar-Hindalco coal projects

PRIYADARSHI SIDDHANTA
NEW DELHI, MAY 30

A GROUP of Ministers (GoM) set up to streamline the system of granting clearances for stranded coal projects on Wednesday decided against granting alternative blocks in lieu of blocks classified as ‘no-go’ areas.

The GoM also gave conditional clearance to two mega projects Mahaan and Chhatrasal in Madhya Pradesh.

The GoM headed by finance minister Pranab Mukherjee reiterated that the ‘go’, ‘no-go’ system has to be dismantled for all practical purposes. But it is learnt to have endorsed the environment ministry’s contention that certain areas will have to remain out of bounds due to their sensitive eco-system.

These “inviolate” areas would not only be restricted to national parks, tiger reserves, and wildlife sanctuaries but also include other areas endowed with dense forest cover or are rich in biodiversity.

The inter-ministerial group while according conditional clearance to Reliance Power’s Chhatrasal coal block, and the Mahan mine to be jointly developed by Essar and Hindalco has asked the companies to mandatorily spend 5 per cent of their total project cost towards corporate social responsibility activities.

Reliance Power was allotted Chhatrasal mine for its 4,000-MW ultra-mega power project at Sasan and the Mahan coal block has been allocated jointly to Essar and Hindalco for their thermal power plant, for which the consortium has invested Rs 15,000 crore.

The GoM remained undecided on the environment ministry’s review of its circular requiring firm linkage of coal from a specific mine for clearing for coal-based power projects. The GoM, sources said, would soon decide on relaxing the norms under Forest Rights Act for facilitating power transmission lines in the wake of certain reservations expressed by the tribal affairs ministry.
Govt Switches on, Lifts Coal Mining Hurdles

GoM seeks forest clearance for Mahan & Chhatrasal blocks, subject to conditions

PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA

Economic Times, Delhi
Thursday, 31st May 2012, Page: 1

Our Bureau
NEW DELHI

The government has removed roadblocks to coal mining by leading business houses and taken the first step to relax scrutiny of corporate expenditure on oil and gas fields, in a burst of action that has cheered investors and industrialists in the languishing energy sector.

A group of ministers recommended to the cabinet on Wednesday that Reliance Power's Chhatrasal block, which is attached to the 4,000 mw Sasan Ultra Mega Power Project, and Mahan block for captive use by Hindalco and Essar should be given forest clearance, subject to some conditions. The projects have been mired in controversy after the Comptroller and Auditor General of India said in a leaked draft report that the government had given undue benefits to private companies by handing out coal blocks, a charge vehemently denied by the coal ministry and Prime Minister Manmohan Singh.

Separately, the oil ministry announced it had set up a panel under C Rangarajan, chairman of the Prime Minister's Economic Advisory Council, to review the production-sharing contracts (PSC) with oil companies and suggest ways to minimise the government’s monitoring of expenditure by oil companies. ET first reported this on Monday.

The ministry also wants the panel to recommend guidelines on gas pricing and suggest a new mechanism for contract implementation instead of the current system in which nominees of the government and the regulator are nominated to the management committee of each block.

The current system effectively involves the bureaucracy in micromanagement of commercial operations, and has triggered disputes with companies such as Reliance Industries Ltd (RIL), which discovered a large gas field in the Bay of Bengal.

The long-pending decisions in the energy sector, coming barely a week after state oil firms announced the biggest-ever increase in petrol prices despite concerns of inflation, has cheered investors fretting over policy inaction by the government.

Oil Industry Experts hail move >> 26
Ministerial panel okays mining of Chhatrasal, Mahan blocks, refers to Cabinet with riders

Giving a shot in the arm to Essar Power, Hindalco and Reliance Power, a ministerial panel on mining in densely forested areas on Wednesday okayed the exploitation of Mahan and Chhatrasal coal blocks by these entities and referred the matter to the Cabinet for final clearance, though with certain riders.

If the Cabinet clears the panel’s proposal, then the entities would be able to mine the blocks for their respective power projects.

The Group of Ministers (GoM) headed by Finance Minister Pranab Mukherjee, which deliberated on the matter for almost two hours, decided to allow Essar Power and Hindalco Industries to mine the Mahan block, and simultaneously okayed the mining of Chhatrasal coal block by Reliance Power.

Sources close to the development said that the panel decided to refer both the blocks to the Cabinet for final approval, however it has added certain riders like the entities would have to modify their mining plan by excluding around 100 hectares of good quality forest area from the mining lease.

Apart from this, the panel is said to have decided that the companies would have to compensate for the loss of good quality forests, and would have to do compulsory afforestation in the mining area. Also, according to sources, the companies would have to shell out funds for restoring degraded forests.

In addition to this, the entities would have to spend 5 per cent of their estimated project outlay for corporation social responsibility activities.

A sub-committee set up by the ministerial panel in March had been mandated to chart out conditions for mining of the two blocks, which have been hanging fire since quite some time as they are situated in densely forested areas and had been red-flagged by the Environment Ministry.

The aforementioned riders have been drafted by the sub-committee and according to sources, the ministerial panel approved these before okaying the mining of the two blocks. Mahan Coal Limited, which is a 50:50 joint venture (JV) firm of Aditya Birla Group flagship Hindalco Industries and Essar Power, has to mine the Mahan block, which is situated in Singrauli district of Madhya Pradesh.

While Essar Power has plans to start a 1,000 MW power project in Madhya Pradesh, Hindalco proposes to set up a 750 MW captive power plant. Both the plants were to start production from last year but the inordinate delay in clearance of the block had messed up their plans.

The Chhatrasal block, situated in Sidhi (Madhya Pradesh) belongs to Anil Ambani-led Reliance Power and is essential for its Sasan ultra mega power project.
Copper falls on weak euro, China stimulus in focus

REUTERS
London, 30 May

Copper fell today as the euro dropped to its lowest in nearly two years on worries about the region's debt crisis and troubled banking system, while uncertainty about the scale of economic stimulus measures by China kept investors cautious.

Benchmark copper on the London Metal Exchange slipped to $7,568.50 a tonne at 0858 GMT, down 1.3 per cent from a close of $7,670 yesterday. The metal used in power and construction is down a little more than 10 percent so far this month, heading for its biggest monthly fall since September 2011.

The euro fell to its lowest in nearly two years against the dollar, hurt by worries about Spain's soaring borrowing costs and expectations that more spending may be needed to support its ailing banks.

A strong dollar makes commodities priced in the US unit more expensive for holders of other currencies.

"There are some real concerns in the market about the health of the Spanish banking system and that is potentially a real threat to the situation in Europe. That is the driving theme to price action today," said Gayle Berry, analyst at Barclays Capital.

The latest drop in the euro comes as the 10-year Spanish government bond yield continued to inch towards seven per cent. That was the level when other peripheral euro zone countries had to seek an international bailout.

Adding to the concerns, data showed euro zone economic sentiment fell more than expected in May, as pessimism among manufacturers and retailers in particular worsened, although consumers became slightly less downbeat about the economy for the year ahead.
Tin, copper rise on demand

Press Trust of India
Mumbai, May 30
In limited activity, tin and select copper prices rose on the non-ferrous metal market on Wednesday on good stockist offtake amidst industrial demand.
Nickel fell due to subdued demand from alloy industries.
Tin spurted by Rs 5 a kg to Rs 1,345 and copper utensils moved up by Rs 2 a kg to Rs 448.
Copper scrap heavy and copper sheet cutting both inched up by Rs 1 a kg each to Rs 481 and Rs 467. However, nickel dropped by Rs 5 a kg to Rs 1,100.
Copper drops on worries over Euro debt crisis

Bloomberg
May 30
Copper, priced for the biggest monthly drop since September, fell in New York as a reduction of Spain’s credit rating fuelled concern the euro-region debt crisis may threaten demand.

Concerns over Spain have taken centre stage. Mr William Adams, an analyst at Bauswein-schum in London, said in a note: Greece is in limbo, and China’s stimulus seems less likely to be a big-enough white knight for the global economy.

Copper for July delivery declined 1.2 per cent to $4,315 a pound by 7:46 a.m. on the COMEX in New York. Prices are down 3.1 per cent this month. The three-month contract fell 3.4 per cent to $7,564 a tonne on the London Metal Exchange.

The euro weakened for a sixth session in seven against the dollar, making metals priced in greenbacks more expensive for users of the single European currency. Yields on 10-year Spanish government bonds reached the highest level since November.

Copper stockpiles in LME warehouses rose 0.6 per cent to 227,100 tonnes on deliveries into Burma in South Korea, narrowing this year’s drop to 29 per cent, daily exchange figures showed. Orders to draw the metal from inventories climbed 0.9 per cent to 4,128 tonnes.

Nickel for three-month delivery on the LME declined 0.4 per cent to $16,080 a tonne.

In other metals, zinc slipped to $3,861 a tonne from Tuesday’s close of $3,894 while tin fell to $10,850 from $10,920 a tonne. Reflecting tightness in immediate supply, the premium for cash tin to three-month’s material jumped to $12 from a discount earlier this week.

Lead dropped to $4,990 from Tuesday’s close of $5,044 while nickel dropped to $16,400 from its Tuesday’s close of $16,650, hitting its lowest price since $16,378 seen in December 2009.

Aluminium slipped to $1,990 a tonne in London. It was intraday at the close on Tuesday, but was bid at $2,010.
Coal India arms set to hike prices this week

Sumit Moitra @ KOLKATA

Coal India will increase prices of coal produced by two of its subsidiaries following an impact analysis of the system of grading coal based on gross calorific value, or GCV, implemented in January.

The two subsidiaries are Western Coalfields (WCL) and Eastern Coalfields (ECL).

"The decision to rationalise prices of ECL and WCL has gone to the board, and it has authorised me to do that," Narsing Rao, chairman-cum-managing director, Coal India, told a select gathering of analysts.

The state-owned monopoly has long been exploring ways to compensate the two subsidiaries.

The move will push up prices, and add to revenues.

"There could be some increase. We would be rationalising that and will result in better revenues," said Rao.

Coal India

Share price on BSE in ₹

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"We need to work out the details. But overall there would be increase as decreasing (prices) is not an option."

The Coal India chief, however, refused to comment on the exact quantum of the price hike on the anvil. "I haven't looked at the numbers—what they will be post revision. Unless I look at them, I can't comment," he said.

ECL is likely to see an increase in the prices of coal being supplied from its Rajmahal mines, said a Coal India official present at the meet.

"While ECL has made significant profit of ₹900 crore, its Rajmahal mines operations are losing money."

Overall, Coal India's prices have not gone up by more than 3-4% on an average across its mining subsidiaries following implementation of GCV-based pricing mechanism, said Rao.

On e-auctions, the chairman said Coal India would try not to cut down on the high-margin business. "We plan to maintain the same level of quantity for e-auction this year, by offering more and more out of the unliquidated stock, particularly those available at points where coal is not easily loadable."

As such, a cut-back on the e-auction quantity in a bid to adhere to any government directive to accommodate power plants' requirements is not a major concern in terms of revenues, he said, adding that Coal India could always effect minor revisions in prices.

The Prime Minister's Office had earlier directed Coal India to reduce e-auction quantities from the normal 10% to 7% of its total production to meet the power sector's demand.
नाल्को का अल्यूमीनियम बिक्री सौदा

भूवनेश्वर में सर्वजनिक क्षेत्र की कंपनी नाल्को ने 10,000 टन अल्यूमीनियम ईंगट की बिक्री के लिए विभिन्न बाजारों के एक भाग में एक बाजार का काम किया है। यह बिक्री फुलकाई के संकट भाव पर 166 दिनों पर प्रबंधित (सीआईएस) पर भी थी है।

नाल्को के कार्यालय में दानरक्षक अनुमान दान ने कहा कि जुलूस के जनसंख्या में अल्यूमीनियम को बिक्री 1,250-1,250 टन की आड़ खानों में भी की जाएगी। नाल्को का यह एक बाल्क बाजार देश में वैश्विक बाजारों में सूचना की तरह माना जाता है।

नाल्को ने इससे पहले '12,000 टन अल्यूमीनियम ईंगट की बिक्री 162 प्रतिशत पर की थी। यह वैश्विक बाजार के एक खाने का काम इसी गठ में हुआ था। (एप्नसेवी)