Did Governors’ ignorance fan Maoists?

shiv karan singh

BHOPAL, 18 OCT: Governors of states with scheduled tribal areas had been largely ignorant of their powers under the Fifth Schedule of the Constitution and may through this ignorance have helped perpetuate tribal unrest, leading to the Maoist insurgency and the country’s greatest internal security problem.

Documents accessed by The Statesman show that those appointed to uphold the Constitution may until recently have had no idea about their constitutional role. The cumulative result of neglect over decades has been widespread exploitation and tribal unrest.

Last June, home minister Mr P Chidambaram wrote to selected Governors about their powers in areas defined by the Fifth Schedule and enclosed a 15-page legal opinion from Attorney General Mr GE Vahnavit.

Mr Vahnavit’s opinion re-affirms the discretionary powers of the Governor and the executive power of the Union in Fifth Schedule areas as per the Constitution. The opinion differentiates between clause 5(1), where the Governor has powers to amend or repeal any State or Central Act in a Fifth Schedule area, with clause 5(2), where the Governor needs to consult the Tribal Advisory Council and obtain the assent of the President in order to pass a regulation.

Referring to the legal opinion, the home minister wrote: “We hope ambiguity over power of Governors under 5th Schedule read with Article 244 of the Constitution of India is put to rest. This provision may be leveraged for improving governance and ensuring more effective targeting of tribal development projects.”

The last time an Attorney-General’s legal opinion was sought for Fifth Schedule areas was during the NDA regime, when, stung by the Samata judgement, where the Supreme Court struck down the transfer of land in scheduled areas for mining in Andhra Pradesh, the Union ministry of mines tried to give fillip to mining by pushing for amendments to the schedule. But, what, in the present case, was the confusion about the most basic Fifth Schedule powers of the Governor six decades after the Constitution’s adoption?

By 2008, it appears, the Union had begun to register the administrative oversight behind tribal unrest. It was around this time that the Planning Commission Mungekar Committee report on ‘Standards and Administration in the Scheduled Areas’ was being finalised, which exposed the ways in which Governors and the Union have for decades failed central Indian tribes. “There is no realisation that a great damage has been done when general laws first flooded tribal areas in 1950 with no mechanism for their review. It is a continuing problem, which is not even acknowledged. There is a need to stop this practice and to consciously adapt the laws to the scheduled areas,” stated the Mungekar Committee report.

Matters came to a head in the September 2008 conference of Governors, where ex-President Abdul Kalam suggested that legal opinion be sought. Dr Kalam noted that “in view of the provisions under Fifth Schedule there is a feeling in certain quarters that the Governor should play a pro-active role. On the other hand, it is understood that court judgements and debates in the Constituent Assembly provide that the Governor is bound by the advice of the Council of Ministers in the exercise of his powers under the Fifth Schedule. This causes considerable uncertainty.”

The Attorney General has stated that even Article 163 (1) & (2) of the Constitution confers certain discretionary powers to Governors, and these are not imposition of prohibition or restriction on the transfer of land by members of the Scheduled Tribes, and regulation of the business of money-lending in such areas, for which purpose he may repeal or amend any existing law with respect to such areas. All such regulations require the assent of the President.

The only known instance since Independence where the Governor’s Fifth Schedule discretionary powers were invoked was in Andhra Pradesh three decades ago, and was for reserving posts of forest guards and teachers in certain tribal areas for tribals.
instance since independence where the Governor's Fifth Schedule discretionary powers were invoked was in Andhra Pradesh three decades ago, and was to reserve posts of forest guards and teachers in certain tribal areas for tribals.

Presidents and the Union have also had their part to play. Even while tribal unrest has been brewing for decades, Presidents have not bothered to ask for regular and meaningful Governors' reports, and have continued to accept reports that are, in the words of the Mungar Committee, "insipid narration of departmental activities" in scheduled areas. Furthermore, the Mungar Committee has noted that, "for more than half a century now, there has not been a single case where the Union may have deemed it necessary to issue a direction on any crucial point raised in a Governor's report."

Recent communication between the home ministry and certain Raj Bhavans shows that the Union is now aware of its executive powers to direct state governments with regard to the administration of scheduled areas and that Governors have at least begun taking the Fifth Schedule and thereby administration of tribes in central India somewhat seriously. What kind of regulatory and legislative changes result remains to be seen. It is telling that, through their violence, Maoists, denounced for having no regard for the Constitution, have jump-started adherence to a schedule of the Constitution meant for "peace and good government" that 60 years of business as usual could not achieve.
LIVING IT UP: EQUITY, BOND MARKETS BUZZING WITH ACTIVITY
Big-bang IndianOil & SAIL offerings to set Dalal Street on fire in the New Year as Coal India & SBI promise to light up debt & equity markets this Diwali

IndianOil may hit Street in Jan with ₹19,000-crore offer

Arun Kumar & Rajeev Jayaswal
NEW DELHI

STATE-run Indian Oil Corp (IOC) will start shortlisting merchant bankers next week for its public issue that is likely to raise around ₹19,000 crore, making it the largest-ever equity offer in the country, three government officials and a company executive said. Half the proceeds would go to the government, which will offload 10% of IOC shares to help it meet its disinvestment target of ₹40,000 crore this fiscal. In addition, the company will issue new shares amounting to another 10% of its equity capital to help the country's largest state refiner build new units.

The ₹19,000-crore public offer, which would top Coal India's ₹15,000-crore offering, may hit the market by January, adding to the rush of equity and debt issues aggregating to an estimated ₹80,000 crore in the next six months.

Coal India managed to sell about a third of its shares offered in the IPO on Monday, the first day of the issue.

“The Cabinet note is under circulation. After views of relevant departments are incorporated, the Cabinet’s approval will be sought,” an oil ministry official said, requesting anonymity.

Confirming the development, a senior IOC executive said the company was in the process of appointing a merchant banker.

“If things move as per the present plan, the company may enter the market in January 2011,” a government official directly involved in the stake sale said. “The company has planned to issue expressions of interest for the appointment of merchant bankers some time this week,” he said.

As per the official, IOC is already working on the draft red herring prospectus internally and once the bankers are appointed, they will finalise the prospectus and file it with market regulator Sebi.

“Subsequently, the company will enter the market shortly as it qualifies under the fast-track norms,” he said, referring to Sebi’s rules that allow some companies to enter the market immediately after filing the prospectus.

There are chances that the IOC issue will enter the market even before the ₹8,000-crore issue of SAIL, scheduled for January, the official said.

The government will give priority to the IOC issue, as it would fetch the exchequer over ₹5,000 crore while in case of SAIL, the government’s share would be ₹4,000 crore, he added.

► Stake sale has raised ₹2,090 cr: P 21
Govt stake sale has raised ₹2,090 crore

OP THE disinvestment target of ₹40,000 crore in the current fiscal, the government has already raised ₹2,090 crore by selling stakes in Suzlon Jal Vidyut Nigam and Engineers India.

After issues of Coal India and Power Grid, the government would have mopped up about ₹22,000 crore. After IOC, Hindustan Copper and Manganese Ore, the total proceeds will cross ₹35,000 crore. And with the SAIL issue, the government will achieve its disinvestment target. At the last closing price of ₹405.50 per share on Monday, the market capitalisation of IOC is ₹48,455 crore. At this price, the offer size will be ₹19,690 crore.

“Since the issue is a follow-on public offer (FPO), it may be priced at a marginal discount of 5-10%, resulting in an offer size of ₹17,700-18,700 crore,” said another official involved in the sale of government stakes.

Following the issue, the government’s stake will come down to 62.65% from 78.92% at present. Of the current float of 21.08%, ONGC owns 8.77% and another 2.42% is owned by the two trusts created after the merger of BRPL and IBE. In order to issue 24.27-crore fresh shares, the IOC board has already approved the increase in authorised capital to ₹6,000 crore—comprising 600-crore equity shares of ₹10 each—from the current authorised capital of ₹2,500 crore. After the issue, the paid-up capital of the company will increase to ₹2,670 crore from the current level of ₹2,427.90 crore.
DISINVESTMENT DRIVE

IOC, SAIL, ONGC stake sale in Jan-March: Bose

CIL IPO to be followed by PowerGrid; Shipping Corp, Manganese Ore, Hindustan Copper in the pipeline till Dec

By Manish Basu
manish.bg@livemint.com

KOLKATA

C

onfident that there’s enough liquidity in the market to absorb one big public issue a month, the Indian government is planning to sell shares of three large public sector companies—Indian Oil Corp. Ltd (IOC), Steel Authority of India Ltd (SAIL) and Oil and Natural Gas Corp. Ltd (ONGC)—between January and March, disinvestment secretary Sumit Bose said.

Earlier in the year, the government had said it would raise ₹40,000 crore in the fiscal year to March 2011 from sale of shares of public sector companies.

It could mop up around ₹30,000 crore from the proposed public issues of these three companies alone, and revenues of the disinvestment ministry this fiscal could exceed the initial target.

The government has till now raked in ₹2,000 crore from the share sale of SIVN Ltd and Engineers India Ltd, and is currently selling a 10% stake in Coal India Ltd (CIL), from which it is looking to raise up to ₹15,500 crore.

Till March, it proposes to sell shares in seven more companies. Unveiling the disinvestment calendar for the next six months, Bose said the public issue of Power Grid Corp. of India Ltd would follow CIL’s initial public offering. It would be launched after Diwali.

Public issues of three more companies—Manganese Ore (India) Ltd, Shipping Corp. of India Ltd and Hindustan Copper Ltd (HCL)—are in the pipeline till December, he added.

The government has already begun the disinvestment process in these four companies, and has filed offer documents with capital market regulator Securities and Exchange Board of India. HCL’s public issue is to be the last in the current quarter, and the government is planning to launch it in early December, according to Bose.

The forthcoming public issues of state-controlled companies are to be timed in a manner that will allow the issuers “to return the oversubscription to all investors before the next one is launched,” he said. “From our meetings with different classes of investors, we have understood that liquidity wouldn’t be a problem.”

Bose said.

IOC’s public issue, under which the government is to sell 10% stake and the company is to issue new shares equivalent to 10% of its post-issue capital, could be the biggest till March. At current prices, the issue size could be around ₹20,000 crore.

That apart, the government is looking to divest a 5% stake in ONGC, and at current market prices, it could raise around ₹14,500 crore. In SAIL, too, it is planning to sell a 5% stake, while the company will issue as many new shares as the government sells. The issue size could be around ₹5,100 crore at current market prices.

Though analysts agree with Bose that liquidity wouldn’t come in the way of the government’s fulfilling its disinvestment target, participation of retail investors remains a potential problem.

“The key concern is that there may not be much retail participation,” said S.P. Tulsiyan, a Mumbai-based equity analyst. “Even in Coal India’s IPO, I don’t expect employees to participate in a big way, which would send wrong signals to the market. Getting institutional investors to buy shares isn’t the ideal thing to do for the government.”

Bose said the government would strive for “dispersed ownership” of shares and would push for greater retail participation.

The rush of papers from state-owned companies would make India’s secondary market “extremely vulnerable to foreign institutions,” said Ajit Day, a Kolkata-based stockbroker and former president of the Calcutta Stock Exchange.

“I think the government should think how to create strength in the secondary market,” Day said.

Some analysts such as Sarabjit Kaur Nagra of Angel Broking Ltd said the rush of papers from public sector companies could force some private issuers to de-lay capital raising plans.

“There would be some impact on private issuers, but it may not be significant,” said Arvind Mahajan, executive director at consulting and audit firm KPMG. Bose said the government would make sure that private firms were not inconvenienced.
BHP, RIO SCRAP
$116-BN JV

MELBOURNE: BHP Billiton and Rio Tinto called off plans on Monday to form the world’s biggest iron-ore joint venture, in a move that could prompt both to step up competing expansion plans. The JV, expected to save more than $10 billion, ran into regulatory hurdles.
सोना आयात 200 टन संभव

नई दिल्ली: सार्वजनिक क्षेत्र की दृष्टि से कंपनी प्रकाशस्तीली चालू किया गया है 200 टन सोने का आयात करने वाली। इसके तुल्य, अब तक कंपनी 110 रु. 20 टन सोने का आयात कर चुकी है। कंपनी के चेयरमैन एच. एस. माधव ने कहा कि सोने की यात्रा बढ़ने के नामांकन सोने राशि बढ़ गई है। यह तात्कालिक सूचना में 25 टन सोना आयत किया गया। माधव ने कहा कि कंपनी के पास बड़े क्षेत्रों के बाल्वू इकाईयों में कोई कटौती नहीं आई है। वर्ष 2009-10 में कंपनी ने 185 टन सोने का आयात किया था। भारत विदेश में सोने का सबसे बड़ा उपभोक्ता है। नई दिल्ली सन्यास 15 अब्जुडा को सोने के दाम 20,120 रु. प्रति 10 ग्राम के रिकॉर्ड तह पर पहुंच गए थे। उसपर कंपनी ने वर्ष 2009-2010 के अनुसार राशि का 44.70 करोड़ रुपये का जैक वाणिज्य वंशी आदेश तर्क के लिए भेज दिया है। (एजेंसी)
परमिट के लिए ईट भट्टों पर सख्ती

26 अक्टूबर को हाईकोर्ट ने खाता पर सख्ती जताई है।

बात पते की

पंजाब पोस्टूडियन केंटर का आयोग ने अक्टूबर में इतने भट्टों को अपने काम से उड़ान नहीं दिया। हाईकोर्ट ने उन्हें उड़ान पर रोक नहीं की। हालांकि, राज्य के ईट भट्टों को अपने काम से उड़ान नहीं दिया जा रहा है। जो अपने काम से उड़ान नहीं दिया जा रहा है, उन्हें अपनी जीवन रूपक के लिए बचाना है।

बार ही तर होगा कि अगर खाता जाना चाहिए तो भरा। अगर पंजाब के महानगर बिजली के रूप में भट्टों पर सख्ती जताई जाए तो उन्हें उड़ान नहीं दिया जा रहा है।

हाईकोर्ट ने इस प्रकार का आदेश दिया है। हाईकोर्ट ने इस प्रकार का आदेश दिया है, जो भयानक विरोध के साथ रोक रहा है। यह माग विरोध के अभी जुड़ा है।
स्टर्लाइट को मिली दिसंबर तक राहत

प्रेम • नई दिल्ली

बेवाकूर सुनहरा की स्टर्लाइट इंडस्ट्रीज की तैनाती का सूचना में सिरित कॉन्सर्ट रोइलर लॉट नं 1 है निर्देशन के बजाय तक सुधीम कोट्स से राहत मिला गई है। इस पाठ को बंद करने के भाग्य उद्योग न्यायालय के आदेश को सुधीम कोट्स ने फिलाहत स्वीकार कर दिया है। नया ही, सुधीम कोट्स ने केंद्र व सरकार से प्रश्न सिंचाईवनक अधिकारियों से ज्ञान राखा किया है कि कंपनी के इस्तिफाद कार्यक्रम को पहुँचा।

आर्टिकल अर्थवाती, रजिस्ट्री व एच.एब. नेटवर्क को पहुँच के संबंधित पैकेज को अपने व्यवसाय दाखिल करने के लिए ही स्वतंत्र दिन रहेगा। यदि नया ही, संयुक्त रूप से इस नये स्थान का संयुक्त रूप से होगा।

अपने आदेश में सुधीम कोट्स ने केंद्र व सरकार से प्रश्न सिंचाईवनक अधिकारियों से ज्ञान राखा किया है कि कंपनी के इस्तिफाद कार्यक्रम को पहुँचा।

नेटवर्क के व्यवस्था व्यावसायिक के लिए ही स्वतंत्र दिन रहेगा। भविष्य के लिए यह नया ही संस्थान का होगा।

नया ही, संयुक्त रूप से इस नये स्थान का संयुक्त रूप से होगा।

अपने आदेश में सुधीम कोट्स ने केंद्र व सरकार से प्रश्न सिंचाईवनक अधिकारियों से ज्ञान राखा किया है कि कंपनी के इस्तिफाद कार्यक्रम को पहुँचा।

नेटवर्क के व्यवस्था व्यावसायिक के लिए ही स्वतंत्र दिन रहेगा। भविष्य के लिए यह नया ही संस्थान का होगा।
Fraught iron

Rio Tinto/BHP: Rio Tinto's tie-up with rival BHP Billiton has finally crumpled — to the surprise of almost no-one. The deal, which would have combined the two biggest iron producers in Western Australia's Pilbara region, fell foul of regulators. After more than a year of uncertainty, chief executive Tom Albanese may be relieved. But, the story has not done his credibility any favours.

Albanese first agreed to enter a tie-up with BHP, which had long coveted Rio's Australian ore, when the company was laden with heavy debts in June 2009. Rio was on the back foot, and the terms of the deal showed that Rio, which had previously rejected a merger proposal from BHP, even gave its rival the right to nominate the venture's first chief executive.

While the company publicly stood by the joint venture, shareholders clearly lost faith a while ago. Even so, in the hours after the deal was formally axed, Rio and BHP's combined market capitalisation fell by around $4 billion. That is far less than the $10 billion of savings the companies expected to make — a figure analysts deemed conservative.

Worse, the implied value wiped off BHP's market capitalisation by investors in Australia following the news was five times greater than the loss suffered by Rio — suggesting that investors felt the terms of the joint venture were far from equal.

A bigger blow is the fact that antitrust watchdogs flatly rejected Rio's claims that the tie-up would not harm competition. Albanese argued the structure meant the two sides would be unable to collude on the price of iron ore. Regulators in Korea, Europe, Japan and even Australia disagreed.

Shareholders have plenty to give them solace. Rio's organic growth looks strong, and the company hopes to increase its iron ore capacity by 50 per cent by 2015. Question marks remain over projects in Mongolia, and the Simandou iron ore deposit in Guinea, in which Rio has already lost half its rights. Still, if these projects materialise, Rio will have even more momentum.

Continued on Section II, Page 4
Fraught iron

That should be enough to keep Albanese in his role. But having fluffed three big deals since his tenure began — an overpriced merger with Canada's Alcan, an abortive attempt to sell shares to Chinese miner Chinalco, and now the failed joint venture — he might do well to stick to his knitting for a while.
HINDALCO

CURRENT PRICE: ₹711,
TARGET PRICE: ₹201
The stock saw a lot of selling in the range between ₹217 and ₹223. It is likely to drop further, and find support between ₹201 and ₹204 today. Keep a stop at ₹214 and go short. Increase the position between ₹205 and ₹207. Start booking profits below ₹203 and clear the position between ₹201 and ₹202.

—Devangshu Datta
(The target price and projected movements given above are in terms of the next one trading session)
BHP and Rio Tinto Scrap $116-Bn Joint Venture

Reuters
Melbourne, 18 October

BHP Billiton and Rio Tinto ditched plans to form the world’s biggest iron-ore joint venture, in a victory for steel makers and a move that could prompt both miners to step up competing expansion plans.

The deal’s long-awaited demise marks the second failed attempt in three years by BHP CEO Marius Kloppers to buy into Rio’s superior iron ore assets and strengthens the hand of steel mills, which had feared the pair would gain too much pricing control.

Monday’s announcement also leaves BHP focusing squarely on a $39-billion hostile bid for fertilizer group Potash Corp, no longer distracted by the complex $116-billion marriage of the two miners’ mammoth Australian iron ore operations.

“The failure of the joint venture will be slightly more positive for Rio than BHP, but it’s important to remember it’s actually a negative for both companies,” said Ben Lyons, an analyst at ATI Asset Management.

A joint venture between Rio and BHP, the world’s second and third largest iron ore miners, would have eclipsed Vale’s Vale, the world’s largest supplier, and would have reaped more than $10 billion in savings from combining rail and port operations.

BHP and Rio Tinto had a fall-back option to share some iron ore infrastructure in the event the full joint venture failed, but this “Plan B” is also in doubt, given the opposition that has emerged among competition regulators to the venture.

Analysts had estimated Plan B could yield at least half of the savings envisaged in the joint venture plan.

Now, BHP and Rio Tinto will have to review regulators’ objections to their joint venture plan to gauge whether even a more modest collaboration would be allowed, a source close to the process said.

The decision to call off the deal was widely expected after European regulators indicated they would block the deal, so the share price reaction was muted: BHP shares fell 1.1 per cent and Rio Tinto lost 0.3 per cent in a broader market down 0.8 per cent.

“The full value of the synergies on offer from a 50:50 joint venture was a prize well worth pursuing,” Rio Tinto Chief Executive Tom Albanese said in a statement on Monday, describing the joint venture as pro-competitive. “I am disappointed that ultimately the regulators did not agree with us,” he added.

Investment banks: Another one gets away

Goldman Sachs, Gresham Partners and Lazard will miss out on advisory fees from BHP, while Morgan Stanley, Credit Suisse and Macquarie will miss out on fees from Rio Tinto, in what ranked as the biggest deal in Asia and Europe last year, Thomson Reuters data shows.

Rio Tinto and BHP were recently advised that their proposal would not be approved by competition watchdogs in the European Union, Australian, Japan, South Korea and Germany.

“Extensive discussions with the European Commission indicated the companies would not be able to go ahead with the joint venture without large divestments, which would have destroyed the synergies and eroded long-term growth options,” the source said. “Both parties didn’t think that was acceptable.”

Steel makers cheered the outcome on Monday which would leave 30 per cent of global iron ore seaborne trade in the hands of Vale, 25 per cent with Rio Tinto and 15 per cent with BHP “We were concerned about the monopoly of a proposed joint venture of Rio and BHP. We are relieved that the deal is not going to happen,” said a spokesman at South Korea’s Posco.
VEDANTA DIPS ON HSBC DOWNGRADE

Vedanta Resources Plc, the mining company controlled by Indian billionaire Anil Agarwal, fell in London trading after HSBC Holdings Plc downgraded the stock. Vedanta retreated 1.8 per cent to 2,253 pence at close, after earlier dropping as much as 4.1 per cent, the biggest intraday decline since September 20. HSBC cut the shares to “neutral” from “overweight” in a note to investors.
CURBING ILLEGAL MINING MENACE

GOVT MULLS POLICING POWER FOR REGULATOR

SUDHEER PAL SINGH
New Delhi, 18 October

In what could mean a clash of Centre-state powers, the Centre is considering giving policing powers to the proposed central mining regulator for checking illegal mining.

The proposal forms a part of the revised draft mining Bill and could become another sticky issue. The provision concerning 26 per cent profit sharing by miners with project-affected people is already facing opposition from the industry.

A final meeting of the Group of Ministers is likely to approve the Bill after which it is going to be placed for the Cabinet approval. Section 61 of the finalised draft of the Mines and Minerals (Development and Regulation) Bill, 2010, states: “An investigation officer of the National Mining Regulatory Authority (NMRA), subject to any orders which the central government may make in this behalf, may exercise any of the powers of the officer-in-charge of a police station in the area in which he is for the time being. He would be deemed to be an officer-in-charge of a police station ‘discharging the functions of such an officer within the limits of his station’.

The provision is being opposed vehemently by state governments as they fear the proposal, when finalised, would encroach their jurisdiction, as law and order is a state subject, mentioned in the seventh schedule in the Constitution of India. “This issue was raised by state governments in our discussions with the Centre. We, too, did oppose this idea. We had mentioned clearly that state governments’ powers should not be curtailed as far as provisions related to law-and-order in the new mining Bill to check illegal mining are concerned,” said a senior official from the Andhra Pradesh government, who did not wish to be identified.

The Centre’s presumption is that state governments have done nothing to check illegal mining. “This is not correct. We have taken prompt steps to check illegal practices. There have been activities undertaken by us, for instance to make accurate assessments of mineral demand,” the official added.

The official also said the Centre’s model of curbing states’ powers is misplaced as even after all the investigations into illegal mining practices are over, “the follow-up will have to be done only by the state government concerned.”

Another point of contention is a “prosecution clause” mentioned in the same section 61 of the draft Bill. It states that after conclusion of investigations, NMRA shall launch prosecution in the appropriate court against the accused person. “How do you define and identify the accused persons? In fact, we also objected to the prosecution clause, saying that it needed to be looked into before finalising the Bill,” the official said.

Andhra Pradesh tops the list, with the highest number of registered illegal mining cases in the country. There has been a 110 per cent increase in the number of cases of illegal mining in the state from 5,385 in 2006 to over 11,590 last year. To make matters worse, Andhra Pradesh is the largest contributor to the total value of mineral production of roughly ₹1,28,000 crore in India. The growth in the value of nationwide mineral production dipped to 10 per cent last financial year from 17 per cent in 2005-06.

Overall, the country registered over 182,000 cases of illegal mining in the last five years ended March 2010. And this, only in 17 states for which data are available with the government, including resource-rich states like Andhra Pradesh, Chhattisgarh, Jharkhand, Karnataka, Maharashtra, Orissa and West Bengal. Insiders believe the actual numbers regarding illegal mining are higher than the “registered” ones kept by the government.

Within the Union government, too, there are doubts over the proposal. “Illegal mining is a law and order issue, which is a state subject. How can a regulator sitting at the Centre check it?” asked a senior central government official.

Some experts, too, believe that the move is rational. “In principle, it appears that the proposal will encroach upon states’ powers. But, normally such powers are to be exercised in extreme circumstances, not in normal duty, for example when the locals are not cooperating,” saidColumnist

THE PROPOSAL FORMS a part of the revised draft mining Bill and could become another sticky issue. The provision concerning 26% profit sharing by miners with project-affected people is already facing opposition from the industry.
Sterlite gets
SC reprieve

BS REPORTER
New Delhi, 18 October

The Supreme Court today extended the stay on closure of Sterlite Industries' copper smelting unit at Tuticorin in Tamil Nadu till the second week of December. Late last month, the high court at Chennai had ordered the unit's closure for various violations of ecological norms over a prolonged passage of time.

The SC had, on Sterlite's appeal, first ordered a stay on October 1. Today, it told the company - a part of the UK-based Vedanta group - to explain within a month what steps it had taken to comply with the HC's various interim orders over the years.

The bench, chaired by R V Raveendran, also asked the Tamil Nadu Pollution Control Board to state at the next hearing the latest position on the company's activities and their environmental impact.

At one point, they explained to one of the petitioners for closure that, "You cannot throw (out) a running mill just like that".
STERLITE WINS SC REPRIEVE IN TN SMELTER SHUTDOWN

NEW DELHI: Sterlite Industries on Monday won a reprieve till mid-December on closure of its copper smelting plant, with the Supreme Court putting on hold the Madras High Court’s closure order till mid-December.

A Bench headed by Justice R.V. Raveendran issued notices to the Centre, Tamil Nadu government and the state pollution control board asking them to explain within two weeks the reasons behind the action.

Sterlite, a part of Anil Aggarwal-led Vedanta Resources, has challenged the high court’s order on the ground that the plant was being closed despite complying with green norms.

The court said its October 1 interim order, staying the high court directions would continue till second week of December, when the case would be taken up for further hearing.

The apex court has asked Sterlite to produce certain reports of National Environmental Research Institute by the next date of hearing.
स्टरलाइट को मिली राहत, स्थगन आदेश की अवधि बढ़ी

स्टरलाइट को मिली राहत, स्थगन आदेश की अवधि बढ़ी

पत्रिका नाम: स्टरलाइट
संपाती: इंडस्ट्रीज के द्वारका
पत्रिका के अन्य वस्त्रों: स्टरलाइट संस्थान को बंद करने के आदेश के विशेष उपयुक्त न्यायालय से विस्फोट समय के अन्दर विस्फोट के विविध कारणों के कारण बंद करने का निर्देश दिया गया था।

इस आदेश के खिलाफ कंपनी की माफी का प्रयास करता है उच्च न्यायालय ने एक अयोध्या की स्थायी न्यायालय के कल्पनासिद्धांत से अनुचित कहने के कारण बंद करने का निर्देश दिया गया था।

उच्च न्यायालय के अन्य वस्त्रों: स्टरलाइट संस्थान को बंद करने के कारण बंद करने का निर्देश दिया गया था। उच्च न्यायालय के अन्य वस्त्रों: स्टरलाइट संस्थान को बंद करने के कारण बंद करने का निर्देश दिया गया था।
GREEN TROUBLE

Panel’s report puts Posco plant in peril

Majority view favours quashing environmental clearances; state government violated forest laws, report says

By Asit Ranjan Mishra & Aman Malik

The majority view of a high-level government panel has, claiming violations of forest laws, recommended cancellation of the environment clearances for Posco’s 1.6 million tonne steel project located in coastal Orissa.

If the environment ministry goes along with the panel’s view, then it could potentially jeopardise the project that entails a foreign direct investment (FDI) of $12 billion (Rs 53,140 crore), the single largest in the country.

I have not taken any view on the matter and will wait for the findings of the committee (forestry advisory committee), environment minister Jairam Ramesh said. The forestry advisory committee is scheduled to meet on 25 October.

“The matter is now with the environment ministry and we will wait for their decision,” said Vishakha Sharan, vice-president (corporate affairs), Posco.

Three out of a four-member committee set up by the environment ministry recommended on Monday the ministry cancel environment clearances as the state government had violated implementation of the Forest Rights Act. Five years after Posco and Orissa government signed a deal, the committee wanted the entire environmental clearance exercise to be done afresh.

Monday’s report came at a time when FDI into India has begun to shrink. In the April-July period, FDI shrank 28% on-year to record $7.59 billion.

The head of the committee, Meena Gupta, who disagreed with the other three members, recommended extra conditions could be imposed to mitigate the environmental impact of the project, but said that assessing compliance at this moment was premature as Posco has not yet been given the land to start construction.

The Posco Pratirodh Sangram Samiti, the activist group opposing the project, welcomed the majority view of the panel and maintained that it was “completely illegal”. We were expecting Mrs Gupta to have a different point of view as the project got clearance in 2007 when she was the secretary at the environment ministry,” Prashant Pathak, spokesperson for the group, said.

The news

A majority on a government committee wants environment clearance for the Posco steel plant in Orissa scrapped.

The background

The Orissa government has cleared the environment clearance process and the Centre gave its approval last December. A four-member committee was set up to verify the clearance process.

The implication

India’s single largest foreign direct investment project is in jeopardy.

Mint could not reach Gupta for a comment.

“The tussle is between the state and the Central government on procedural issues. We are getting impacted due to this, but what can we do?” a Posco official based in Orissa said on condition of anonymity.

The four-member committee was formed by the environment ministry on 28 July to check the state of implementation of forest laws around the proposed project site. In December 2009, the environment ministry had cleared the project’s forest clearance with an extra condition that rights of forest dwellers should be settled before the project started.

Posco requires 4,004 acres of land. Out of that, 3,568 acres belong to the state government, of which 2,954 acres is forest land. The majority view of the panel said that the environmental impact study was not carried out for the entire 16-million-tonne steel project, which includes a port and a township.

Posco planned to develop the project in three phases, with the first phase of four million tonnes to start running by end-2011. The rest of the project was to be ready by 2016.

Unlike the case of Vedanta Aluminium Ltd, where the environment ministry rejected bauxite mining rights in Orissa, the Posco project has not yet started. The construction of the Vedanta project was almost complete.

asit.m@livemint.com

FTI contributed to this story.
आस्ट्रेलिया में 30 हजार करोड़ निवेश करेगी अदानी

नई दिल्ली (पीटी)। आस्ट्रेलिया में प्रायोगिक खबर के बिकास के साथ-साथ 30,000 करोड़ रुपए का निवेश करेगी।

कंपनी ने भीमसेन को भर एक बार दिखाई, 'आस्ट्रेलिया की राष्ट्रीय आर्थिक अदालों के भरोसे विभिन्न कंपनियों के अन्य मैत्रीदार बिझनेस कोर्पोरेशन चलाना चाहता है।'

इस सीबीसी अनुसार अदाली समग्र 2,100 करोड़ रुपए की संगीती तथा अपने 20 साल में राजनीति के रूप में कमी 10,500 करोड़ रुपए की राजी रही। इस खबर की समग्र 780 करोड़ रुपए का कोर्पोरेट भंडार है।

अदाली समग्र के कार्यकारी अध्यक्ष एवं एंटरप्राइज गौरव अदाली ने कहा, 'हमारा लक्ष्य है कि वहाँ से साल 2014 के अंत तक कोर्पोरेट उद्यमण खुश हो जाए, और 2022 तक हम उद्यमण क्षेत्र को 5 से 6 करोड़ रुपए तक लगात रहे जाएंगे। हमारा यह निश्चित आस्ट्रेलिया में किसी विदेशी कंपनी का हुआ अन्य सबसे बड़ा निवेश और यह बांग्लादेश एसोसिएशन में एक आम लोकतंत्रीकरण होगा। यह एक सैलैन्ट है कि पांडेय लाइटस्टैक कंपनियों की बनाई से आदर्श की गई है।'

कंपनी ने भीमसेन को ही आस्ट्रेलिया के बिकास में अपना अभिव्यक्ति खोला है।
SC extends stay on Sterlite plant shutdown

NEW DELHI, 18 OCT: The Supreme Court today further extended till the second week of December, the interim stay on the Madras High Court order closing down Sterlite Industries’ copper smelter plant at Tuticorin in Tamil Nadu.

The SC extended the stay granted earlier on a special leave petition (SLP) filed by Sterlite and asked the company to file all the reports that were placed before the High Court. Sterlite Industries, part of the Anil Agarwal-led Vedanta Resources, had filed the SLP claiming that the High Court did not give it a proper hearing and ignored its submissions.

The stay order will be operative until the SC takes up the matter for hearing again in the second week of December, officials said.

Sterlite Industries had moved the SC on 14 October against the High Court order, which had directed immediate shut-down of the plant on environmental grounds, according to officials. sns
Sterlite's TN unit allowed ops for now

The Supreme Court has allowed Sterlite Industries to keep its copper smelting plant in Tamil Nadu functional till further orders.

Sterlite had rushed to the apex court after the Madras High Court ordered closure of the plant on September 28 for violating environmental norms.

A bench presided over by Justice R.V. Raveendran, which had stayed the high court order on October 1, on Monday extended the stay till the next hearing. The matter is likely to be taken up for hearing in the second week of December. The court has asked the Centre and the state government to file their responses to the petition filed by the firm.

The Madras High Court, which had allowed the firm to operate its Tuticorin plant, ordered a closure after it allegedly failed to comply with certain undertakings given to the court. The firm had undertaken to develop a green belt around the plant and acquire some land for disposal of solid waste.  

Mail Today Bureau
Sterlite allowed to operate till mid-Dec

NEW DELHI: Sterlite Industries would continue to operate its copper-smelting plant in Tamil Nadu till mid-December as the Supreme Court on Monday extended its stay order till the next hearing. Extending the stay, the Bench asked the company, a subsidiary of Vedanta Resources, to submit all environmental clearances it had obtained. It also directed the pollution control authorities to file a fresh status report relating to the plant's pollution levels. — TNS
डॉलर सुधरने से कौफर सुस्त

लंदन • अमेरिकी डॉलर पुर्सी निरीक्षण सुझावों के युक्तकृत पर दबाव होने के कारण कौफर में आ रही लेनी धम घर और इसके बाद 27 माह के उल्लंघन से गिर गए। लंदन ब्रेटन एक्सचेंज में कौफर 8,350 डॉलर प्रति टन पर रह गया। शुक्रवार को इसका माह 6,450 डॉलर प्रति टन था। फ्लॉर और केंसिन्टन में पुरुष रूप से हस्ताक्षर होने वाले कौफर का भाग पिछले सप्ताह 8,490 डॉलर प्रति टन के तल पर पहुँच गया था। (संबंधित)
राजस्थान से पहुंचा मालवा में यूरेनियम

राजस्थान न्युज़ अन्नहोट | पंजाब के मालवा क्षेत्र में यूरेनियम की मोजन की गई जिले के बाज़ार में नया चरम पर पहुंच रहा है। दीक्षित कारोबार वालों के नियंत्रण में यूरेनियम भर्ति और नया यूरेनियम चुनाव के लिए राजस्थान में यूरेनियम तथा पालतूं को तय करते हुए दो प्रतिष्ठित कंपनियों के बीच चरम की गई है। 

राजस्थान में राजस्थान, लाइफस्टाइल व फार्मेंट की खुदाई व इलेक्ट्रॉनिक स्टोर्स की खुदाई में है। फार्मेंट की खुदाई में यूरेनियम की मात्रा 100 से 140 पार्ट प्रति फिल्टर मिली है। अमेरिका भी 1990 तक बेहतर योग्य इलेक्ट्रॉनिक दिखाई देता है। इस तरह की खुदाई राजस्थान के जीतलाभ और उद्यमीय में पहुंच जाती है। लाइफस्टाइल(कारोबार व फार्मेंट) की खुदाई भी जीतलाभ, जीतलाभ और नागरिक जिलों में मिला है। फार्मेंट, बाड़हॉम व नागरिक जिलों में लाइफस्टाइल बाजार की खुदाई जाती है।
Court extends stay on Sterlite plant closure

New Delhi: Sterlite Industries Ltd, a unit of London-listed Vedanta Resources Plc, can keep its copper smelter in India running for now after the Supreme Court extended a stay on its closure over environmental concerns.

India’s top court said in a statement on Monday it had extended its 1 October stay on an order of the Madras high court that had told Sterlite to close its Tuticorin smelter, the world’s ninth largest.

Sterlite is appealing the closure order and the case is now likely to be heard in the second week of December, the court’s order said.

The apex court asked two respondents to Sterlite’s petition—the Tamil Nadu Pollution Control Board and the National Environmental Engineering Research Institute—to file status reports within four weeks. Reuters
NEW YORK: US banking giant Citigroup on Monday said it had made a profit of $2.2 billion in the third quarter of the year, up from $1.01 billion from the same period last year. The New York-based bank's earnings were higher than analysts' expectations, with Citi posting a seven cents profit per share, one cent above forecasts.
AFTER VEDANTA, POSCO SHOWN RED LIGHT BY GREEN MINISTRY

HT Correspondents

NEW DELHI/BHUANESWAR: Orissa’s industrialisation plan suffered another crushing setback on Monday when a committee set up by the environment ministry asked the government to scrap the environment clearance granted to South Korean steel giant Posco and called for a fresh impact assessment.

But the majority opinion in the committee was softened by a note of leniency from its head, and that left a crack open for review of the $12 billion ($33,000 crore) project, unlike in the case of the Vedanta group, whose bauxite project linked to its aluminium refinery expansion was unambiguously rejected by the ministry on environmental grounds two months ago.

Both Posco, whose project involves the largest foreign direct investment proposed in India, and the state government kept a guarded silence. But the task is clearly uphill for Chief Minister Navan Patnaik, who industrialisation plan has faced protests from activist and tribal groups.

CONTINUED ON PAGE 15
» BEFORE PM VISIT, P13