

# CHINA CURBS PUSH PRICES OF RARE EARTH MINERALS

High-end consumers to be hit as products like plasma TVs, smartphones will cost more

DILIP KUMAR JHA  
Mumbai, 27 September

**I**n a major blow to high-end consumers, the prices of rare earth minerals have almost doubled in the second quarter of the current calendar year from the first quarter, mainly on account of various restrictions imposed by the Chinese government.

Rare earth minerals are used extensively for manufacturing plasma televisions, smartphones and energy-saving light bulbs, among a growing number of items. Almost the entire world supply comes from China.

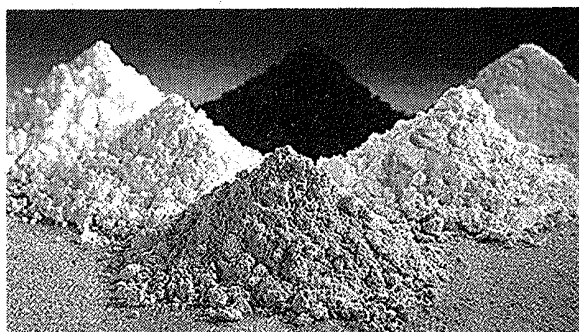
The average price of europium oxide, for example, has risen by 155 per cent to \$1,850 a kg in the second quarter of this year from \$725 a kg in the first quarter. In the past three years, the commodity's price has quadrupled from \$425 a kg in the first quarter of 2008.

Similarly, lanthanum oxide has almost doubled to average at \$140 a kg from \$75 a kg in the period under consideration. The price has surged nearly 13 times in the past three years.

Another rare earth element dysprosium oxide, used in magnets, lasers and nuclear reactors, has risen from \$700-740 a kg to trade currently at \$1,470 a kg.

In 2008, China suspended shipments of these minerals to numerous destinations worldwide. Its quota for export are being reduced. With this supply decline, prices have surged through 2010-11. Mining companies involved in rare earths worldwide are finally responding to the rise in prices by making significant investments in long-term operations. Australia, South Africa, Alaska, Canada and Sweden are reported to have the leading mines globally in terms of quality, outside of China. There are a little over 200 non-Chinese rare earth projects under evaluation.

The estimated volume of the rare earths oxides (REO) market in 2010 was 125,000 tonnes, with an estimated value of about \$4-6 billion. China supplied 95 per cent of global demand and consumed 58 per cent of the supply. Current world reserves of rare earths, as assessed by the US Geological Survey, are



## COSTLY AFFAIR

Chinese rare earth minerals export prices (FoB China, \$/kg)

Products	Q1, '08	Q1, '09	Q1, '10	Q1, '11	Q2, '11
Lanthanum oxide	5.50	7.00	5.75	75.00	140.00
Cerium oxide	3.75	4.50	4.15	77.00	140.00
Praseodymium oxide	31.00	14.25	26.00	117.00	215.00
Neodymium oxide	31.00	14.25	26.50	125.00	225.00
Europium oxide	425.00	435.00	490.00	725.00	1850.00
Dysprosium oxide	105.00	92.50	140.00	405.00	980.00
Terbium oxide	700.00	360.00	405.00	690.00	1750.00
Yttrium oxide	13.50	15.25	10.50	95.00	160.00

estimated to be about 110 million tonnes of REO.

The production of rare

earth minerals outside China is likely to increase 10-fold to 40,000-60,000 tonnes per an-

num by 2015 from 4,000-6,000 tonnes now. The indicative demand by 2020 is about 240,000-280,000 tonnes.

The Indian government has also stepped up efforts to boost domestic production. It has allotted ₹160 crore to Indian Rare Earths Ltd (IRE) to produce the hi-tech minerals at a plant in Orissa, which had been closed in 2004 in the face of cheaper competition from China. Also, several companies are getting into rare earth production in India. Meanwhile, for Indian consumers, the prices of end-products are likely to rise.

"The growing demand for rare earths in domestic and international markets has opened up numerous opportunities for Indian mining companies in this domain, which in turn would be a boon for the Indian economy. China has been extensively catering to global demand for rare earths across application avenues, but it's time for the rest of the world to take initiatives towards meeting this increased demand," said Kiran Mehta, chairman and managing director, Varun Industries Ltd.

# कर्नाटक के अवैध अयस्क निर्यात की हो निष्पक्ष जांच

पणजी (एजेंसी)। कर्नाटक के पूर्व लोकायुक्त संतोष हेगड़े ने गोवा सरकार से यह जांच करने को कहा है कि वहां के बंदरगाहों के जरिए कर्नाटक के अवैध अयस्क को निर्यात होने देने के लिए कौन जिम्मेदार था। हेगड़े ने कहा कि दक्षिणी गोवा स्थित बंदरगाह 'मर्मुगाओ पोर्ट ट्रस्ट' के जरिए लगभग 45 लाख टन अयस्क निर्यात किया गया। उन्होंने आरोप लगाया, 'अयस्क जिसे स्थानीय इकाइयों में इस्तेमाल का बहाना कर लाया जा रहा था उसे बंदरगाह के जरिए अवैध रूप से निर्यात किया गया।'

हेगड़े के अनुसार यह स्थानीय लोगों की मिलीभगत के बिना संभव नहीं हो सकता। उन्होंने कहा, 'यह अनजाने में नहीं हो सकता। यह स्थानीय लोगों की मिलीभगत से हुआ है। यह जांच गोवा सरकार को करनी है कि ये लोग कौन थे जिन्होंने अयस्क निर्यात होने दिया।' हेगड़े ने कहा कि अवैध गतिविधियों में शामिल गोवा के अधिकारियों के बारे में कर्नाटक लोकायुक्त के पास कोई सुराग या सूचना नहीं है। उन्होंने कहा कि इस बात का सबूत है कि 62 से 64 डिग्री लौह तत्व वाले अयस्क को गोवा बंदरगाह से निर्यात किया गया। कर्नाटक में लौह अयस्क के अवैध खनन पर रिपोर्ट तैयार करने वाली समिति का



► संतोष हेगड़े ने कहा, इस बात के सबूत हैं कि 62 से 64 डिग्री लौह तत्व वाले अयस्क को गोवा बंदरगाह से निर्यात किया गया है

नेतृत्व कर चुके हेगड़े ने कहा, 'गोवा में इतने उच्च मानक का अयस्क नहीं है। इसलिए सवाल उठता है कि अयस्क कहां से आया और हम कहते हैं कि यह कर्नाटक से आया।' हेगड़े ने अवैध खनन गतिविधियों पर अपनी रिपोर्ट में कर्नाटक के तत्कालीन मुख्यमंत्री बीएस येदियुरप्पा और अन्य का नाम लिया था। उन्होंने कहा, 'गोवा के लिए

अवैध गतिविधियों की जांच करना मुश्किल नहीं है क्योंकि सीमा पार से अयस्क लाते समय उचित परमिट जारी किए जाते हैं।

## **Metals rebound as Europe seeks solution to debt crisis**

BLOOMBERG  
27 September

BASE metals climbed, with lead leading the advance by rising as much as 3.9 per cent, on expectations that European leaders would act to contain the region's sovereign debt crisis.

Copper for delivery in three months on the London Metal Exchange gained as much as 2.6 per cent to \$7,455 a tonne, and traded at \$7,343.75 at 10.34 am Shanghai time. The contract rose for the first time in eight days, after tumbling to a 14-month low of \$6,800 a ton yesterday.

The European Central Bank policy makers are likely to debate covered-bond purchases along with further measures to ease monetary conditions, a euro-region central bank official said. The reintroduction of 12-month loans to banks will also be discussed at the October 6 meeting, according to the person, who spoke on condition of anonymity.

"Markets are due for a rebound following the steep losses last week and the good news came from Europe last night became the trigger," said Li Ye, an analyst at Shanghai Jiuheng Futures Co. "For a sustained rally, we need some substantive measures from the European leaders that can really solve the debt problems."

December-delivery metal on the Comex in New York rose 1.8 per cent to \$3,342.0 a pound. The metal for December delivery on the Shanghai Futures Exchange climbed for the first time in seven days, gaining 3.6 per cent to 55,260 yuan (\$8,670) a tonne. Aluminum rose 1.4 per cent to \$2,234.25 a tonne, and zinc gained 2.3 per cent to \$1,925 a tonne.

## PRICE CARD

As on Sep 27	International	Domestic
<b>METALS (\$/tonne)</b>		
Aluminium	2,195.50	2,669.11
Copper	7,226.00	9,331.70
Nickel	18,400.00	22,819.89
Lead	1,994.00	2,281.99
Tin	20,800.00	25,468.62
Zinc	1,860.00	2,444.99
Steel-HRC	711.00	871.12
Gold (\$/ounce)	1,660.05*	1,690.46
Silver (\$/ounce)	32.64*	36.16
<b>ENERGY</b>		
Crude Oil (\$/bbl)	107.71*	102.84
Natural Gas (\$/mmBtu)	3.82*	3.73
<b>AGRI COMMODITIES (\$/tonne)</b>		
Wheat	249.80	229.22
Maize	270.50*	215.16
Sugar	638.70*	589.55
Palm oil	980.00	1,160.55
Rubber	4,125.26*	4,325.59
Coffee Robusta	1,923.00*	2,093.73
Cotton	2,181.91	2,264.26

Conversion rates: 1) 1 ounce = 31.1032316 gm  
2) 1 US dollar = ₹49.08 \*As on Sep 27, 1800 hrs IST

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

Source: Bloomberg Compiled by BS Research Bureau



## गोवा सरकार ने कसा शिकंजा

पणजी (एजेंसी)। राज्य के खान एवं भूविज्ञान निदेशक अरविंद लोलिनकर ने हाल में जारी एक परिपत्र में कहा, 'विभिन्न एजेंसियों ने इस ओर सरकार का ध्यान दिलाया है कि पट्टा धारकों व कारोबारियों द्वारा बिना इजाजत बड़े पैमाने पर खनन भंडारों का इस्तेमाल किया जा रहा है, जिसके परिणामस्वरूप अवैध खनन या इस तरह के मामलों में दी जाने वाली रॉयल्टी के भुगतान के नियम का उल्लंघन हो रहा है।' सभी खानों और संबंधित विभागों को भेजे गए इस परिपत्र में कहा गया है कि निदेशालय द्वारा इसके लिए कोई उचित व्यवस्था तैयार करने तक सरकार ने ऐसे खनन भंडार स्थलों पर किसी भी प्रकार के कार्य, प्रबंधन या बिजली की अनुमति पर रोक लगाने का फैसला किया है। यह नोटिस ऐसे समय में सामने आया है जब गोवा सरकार को अवैध खनन से जुड़े आरोपों का सामना करना पड़ा है।

# Govt to parade India as investment paradise

BS REPORTER  
New Delhi, 27 September

**DETERMINED** to shed the charge of policy paralysis, the finance ministry today took a slew of decisions like conducting road shows abroad to showcase India as a lucrative investment destination.

The ministry, at a meeting here chaired by Economic Affairs Secretary R Gopalan, also decided to monitor the progress of 10 to 15 big public sector infrastructure projects. The decision assumes importance since infrastructure is construed as a big bottleneck in the way of sustaining high economic growth.

The decision to this effect came on a day when eight core industries growth fell to

an 11-month low of 3.5 per cent in August.

Today's meeting of finance ministry officials, while taking forward suggestions of a meeting of India Inc with Finance Minister Pranab Mukherjee and Commerce and Industry Minister Anand Sharma last month, also decided to have a meeting with some of leading players on boosting the corporate bond markets in India.

Finance Ministry officials will now meet secretaries of 11 important ministries like civil aviation, coal and mines, commerce and industry, communication and IT, agriculture and, environment and forest tomorrow so that suggestions put forward by industrialists at the last month

meeting could be implemented expeditiously. Then Finance Minister Pranab Mukherjee will hold a meeting with his cabinet colleagues of these ministries after Durga Puja, which would end on October 6.

Talking about the road shows, a finance ministry official said, "when interest rates are near zero in (developed) countries, we should try our best to attract funds."

The proposal for road shows came amid the government streamlining policies to attract greater investment from abroad. Earlier, it had liberalised external commercial borrowings, allowed individual investors from abroad to invest in mutual funds, liberalised infrastruc-

ture bonds scheme for foreign institutional investors.

Yesterday, the finance ministry also talked of considering reduction in securities transaction tax on stocks

**THE FINANCE MINISTRY WILL BE MONITORING the progress of 10 to 15 big public sector infrastructure projects. The decision was taken at a meeting chaired by Economic Affairs Secretary R Gopalan**

in both spot and derivative segments and reduction in stamp duty on future and options and currency derivatives.

On the monitoring of big public-sector infrastructure

projects, the official said the projects were yet to be identified. "But, it is important that infrastructure develops at a faster pace. We will be closely monitoring 10-15 large projects."

Ministry officials also deliberated on the steps required to make the corporate bond market more vibrant.

The official said there is no public primary corporate bond market in India with these papers being placed privately.

As various steps taken by the government failed to increase liquidity in the sector, strengthening of the corporate bond market could go a long way in financing infrastructure development in the country, the official said.

The finance ministry will hold a meeting on September 29 with Morgan Stanley, ICICI Securities officials, among others on the issue of boosting the corporate bond markets. Subsequently, it will also meet with officials of professional services firm Ernst & Young on the issue on October 7.

Some of the suggestions given by industrialists last month included enhancing External Commercial Borrowings limit, increase in ceiling for automatic approval for infrastructure, making the bond market more vibrant, addressing the issues in the supply chain, and a single-window clearance for environment- and forest-related issues.

### **₹226.04 cr illegal mining of minerals**

Minerals worth ₹226.04 crore were illegally mined in various states across the country in the last fiscal, according to the findings of the Indian Bureau of Mines (IBM), which monitors and prevents such unlawful activities. In the 2010-11 fiscal year, 14,204 cases of illegal mining of 43.584 lakh tonnes of major minerals, valued at ₹71.52 crore, were detected.

PTI

INPUT BITE

## JSW Steel may close Karnataka plant

HT Correspondent

letters@hindustantimes.com

**NEW DELHI:** India's largest steel plant, the 10-million tonne per annum Vijayanagar Steel plant in Karnataka, may see a temporary shut down if raw material supplies to it do not improve, JSW Steel said on Tuesday.

JSW Steel, India's third-largest steelmaker has been facing acute shortage of iron ore, a key raw material in steel making, after an order by the apex court last month banned mining in key districts of Karnataka. JSW is still dependent on merchant miners as it does not have captive raw material linkages unlike competitors such as Tata Steel and SAIL.

"We may have to shut entirely (Vijayanagar plant). There is a good possibility of that (closure) if the situation does not improve," said Sajjan Jindal, vice chairman, JSW Steel. "We don't have any inventory. We are running the unit at 30% capacity and managing to source iron ore from here and there. Chattisgarh and Orissa, which is too costly. It is pretty unfortunate."

The court had given permission to India's largest iron ore miner National Mineral Development Corporation (NMDC) to extract and sell 1



■ Jindal: worried?

million tonne of ore every month and supply it to steel makers who are dependent on raw material from the state. But in another ruling last Friday, it ordered the state run firm to sell ore through e-auction resulting in the firm slashing supplies to steel companies like JSW. The ruling stood irrespective of the long-term supply agreements that NMDC may have had with various steel units in the state.

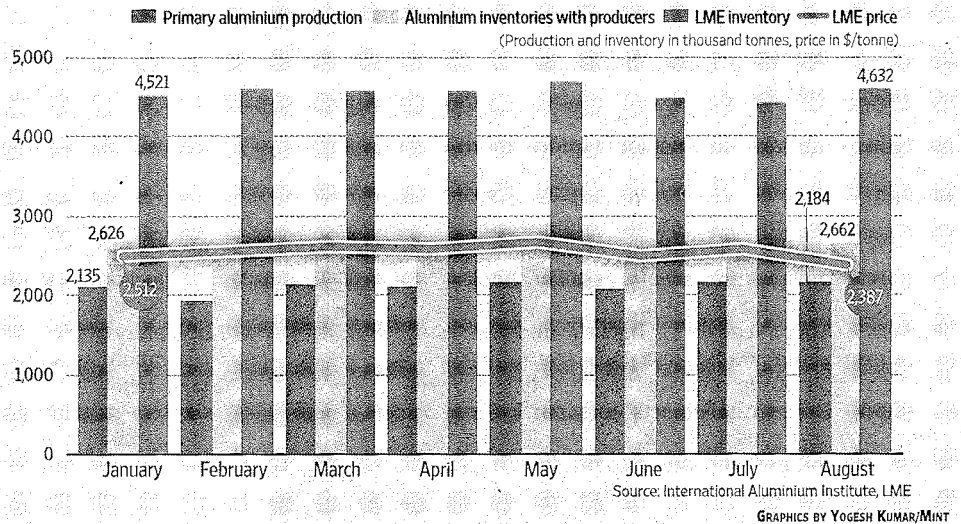
"Steel prices are likely to go up quite a bit because the largest plant of the country is being shut down. It will have an impact on inflation and steel imports will have to take place to continue to meet the domestic requirement," said Jindal. "I can not tell you right now by how much, but it's obvious."



CHART OF THE DAY

## ALUMINIUM LEADS THE NON-FERROUS PACK

Aluminium has been an outperformer among non-ferrous metals. Between January and now, its price on the London Metal Exchange (LME) has fallen by 12%, only half of the decline suffered by base metals such as copper, zinc and lead. The market is not showing any tightness. Primary aluminium production is steady and so are inventories—both with producers and LME warehouse stocks. Inventories are up compared with the beginning of the year. Maybe, an improved outlook for key consuming sectors such as aerospace, automobiles and beverages may explain the optimism. Either way, aluminium producers aren't complaining.



# मिट्टी के संघर्ष के लिए राजघाट की मिट्टी लेकर राजगोपाल रवाना

भास्कर न्यूज | नई दिल्ली

देश में भूमि नीति की मांग को लेकर गांधी जयंती के दिन जनसत्याग्रह यात्रा शुरू करने जा रहे एकता परिषद के अध्यक्ष पीवी राजगोपाल व उनके दल ने मंगलवार को राजघाट पर गांधी समाधि से एक कलश में मिट्टी एकत्र की और कन्याकुमारी के लिए रवाना हो गए। राजगोपाल के साथ देशभर के विभिन्न हिस्सों के 50 आदिवासी मुखिया व भूमिहीनों का दल भी हिमगिरी एक्सप्रेस से रवाना हुआ। अपनी यात्रा शुरू करने से पहले राजगोपाल ने कहा कि मिट्टी के संघर्ष के लिए राजघाट की मिट्टी साथ लेकर जा रहे हैं।

उन्होंने कहा कि देश में भूमि हदबंदी कानून, आदिवासी स्वशासन कानून सरीखे कानून वर्षों से लागू हैं पर उनका सही क्रियान्वयन नहीं किया जा सका। दूसरी तरफ गरीबों के अधिकारों का हनन करने वाले कानून जैसे भूमि अधिग्रहण अधिनियम, सेज एक्ट, खान व खनिज अधिनियम आदि कानून बनाए गए और बड़ी तीव्रता के साथ इन कानूनों का क्रियान्वयन भी किया जा रहा है। सरकार को इस दिशा में तुरंत कदम उठाना चाहिए। सरकार

को केंद्रीय स्तर पर भूमि सुधार परिषद और प्रदेश स्तर पर भूमि नीति बोर्ड बनाना चाहिए। 2007 में जनादेश आंदोलन के बाद सरकार ने समिति व परिषद बनाई लेकिन दोनों ने कोई ठोस काम नहीं किया। इसलिए अब जनसत्याग्रह यात्रा की नौबत आई। उन्होंने कहा कि करीब 13 महीने की यह यात्रा देश के 350 जिलों से गुजरेगी। राजघाट पहुंचने से पहले राजगोपाल व उनके सहयोगी केंद्रीय ग्रामीण विकास मंत्री जयराम रमेश की अध्यक्षता में हुई राष्ट्रीय भूमि सुधार समिति की बैठक में हिस्सा लेने गए। इस बैठक में मोटे तौर पर भूमि सुधार की दिशा में केंद्र के निर्देश, केंद्र व राज्य के बीच संवाद और राज्यों की कार्ययोजना तय करने पर सहमति बन गई। इन सब मुद्दों को अब प्रधानमंत्री की अध्यक्षता में होने वाली राष्ट्रीय भूमि सुधार परिषद की जल्द होने वाली बैठक के एजेंडे में शामिल किया जा सकता है। जयराम रमेश इस संबंध में बुधवार को प्रधानमंत्री से मिलने वाले हैं और उनकी ओर से यह संकेत भी मिले हैं कि वे एक अक्टूबर को कन्याकुमारी पहुंचकर यात्रा स्थगित करने व परिषद की बैठक में हिस्सा लेने का आग्रह करेंगे।

कसा शिकंजा | नक्सलियों को आर्थिक मदद पहुंचाने का मामला

# एस्सार के जीएम गिरफ्तार

भास्कर न्यूज | दत्तेवाड़ा/अग्रदलपुर

नक्सलियों को आर्थिक मदद पहुंचाने के मामले में पुलिस ने एस्सार के महाप्रबंधक डीबीसीएस वर्मा को गिरफ्तार किया है। किरंदुल स्थित कंपनी के बेनीफिकेशन प्लान्ट से मंगलवार सुबह 11 बजे वर्मा की गिरफ्तारी हुई। जेएमएफसी योगिता विनय वासनिक की अदालत ने वर्मा को 29 सितंबर तक के लिए रिमांड पर भेज दिया है।

इस मामले में ठेकेदार बी के लाला और लंगाराम कोड़ोपी पहले ही जेल भेजा जा चुके हैं। एक अन्य आरोपी सोढ़ी सोनी फरार है। नक्सलियों को 15 लाख रुपए पहुंचाने के आरोप में दत्तेवाड़ा के पालनार बाजार से एस्सार के ठेकेदार बीके लाला और कोड़ोपी को गिरफ्तार किया गया था। जांच अधिकारी व किरंदुल एसडीओपी अंशुमान सिंसोदिया ने बताया कि आरोपी के खिलाफ छात्र जन सुरक्षा अधिनियम व अनर्लो फुल एक्टिविटीज प्रिवेंशन एक्ट की धाराओं के तहत मामला दर्ज किया गया है।

## डिप्टी मैनेजर भी निशाने पर

पुलिस अब तक की जांच में मिले सबूतों, टेलीफोन रिकार्ड्स, पैसों के लेन-देन के बारे में उनसे पूछताछ करेगी। एसपी अंकित गर्ग का दावा है कि पुलिस के पास काफी सबूत हैं, जिनके बारे में वर्मा से पूछताछ होगी। एस्सार के चित्रकोड़ा (उड़ीसा) प्लान्ट में पदस्थ डिप्टी मैनेजर एस श्रीनिवास को भी गिरफ्तार करने की तैयारी पुलिस कर रही है। उस पर दो बार नक्सलियों से बातचीत करने और मोटी रकम पहुंचाने का आरोप है।

## एस्सार ने आरोपों को गलत बताया

एस्सार के वाइस प्रेसीडेंट कॉर्पोरेट कम्युनिकेशन गणेश पई कहना है कि उसकी छवि और प्रतिष्ठा धूमिल करने के लिए आरोप लगाए जा रहे हैं। एस्सार बस्तर क्षेत्र में पिछले 10 सालों से निजी क्षेत्र का सबसे बड़ा निवेशक रहा है। एस्सार ने बयान में कहा है कि बस्तर में काम करने वाले उद्योगों को किसी तरह की सुरक्षा उपलब्ध नहीं है। दत्तेवाड़ा पुलिस की कार्रवाई के बारे में कंपनी का कहना है कि कंपनी ठेकेदारों के माध्यम से काम करती है। इसका सारा भुगतान चेक से होता है। जय जोहार सेवा संस्थान एनजीओ के बारे में कंपनी ने साफ किया है कि संस्थान के माध्यम से क्षेत्र में कई कल्याणकारी गतिविधियां संचालित की जा रही थीं। इसमें शिक्षा का प्रसार, छात्रवृत्ति, स्वास्थ्य शिविर, स्वसहायता कार्यक्रम, अधोसंरचना के काम शामिल थे। इसका उद्देश्य क्षेत्र का विकास और लोगों को बुनियादी सुविधाएं उपलब्ध करवाना है।

## Jindal may shut down K'taka plant

NEW DELHI, 27 SEPT: Sajjan Jindal-led JSW Steel today said it may have to shut down its 10 million ton per annum (MTPA) Vijayanagar plant in Karnataka due to a continuous shortage of iron-ore.

"We may have to shut entirely (Vijayanagar plant)... There is a good possibility of that (closure) if the situation does not improve," JSW Steel vice-chairman and MD Mr Sajjan Jindal told reporters here on the sidelines of an Assocham conference on mining.

He added that the plant is currently running at 30 per cent capacity and the company does not have any inventory of iron-ore, the key raw material for steel-making.

"We don't have any inventory. We are running the unit at 30 per cent capacity and managing to source iron ore from here and there... Chattisgarh and Orissa, which is too costly," he said.

On Saturday, the Sajjan Jindal-led firm had cut down production from the Karnataka unit by 70 per cent, following a cut in supplies of iron-ore from NMDC on Friday.

Terming the acute shortage of iron-ore as unfortunate, Mr Jindal said it has a damaging impact on the steel industry. "It is pretty unfortunate, what has happened, because industry has got collateral damage. You know without any fault of industry, it is suffering," he said. **pti**

# Essar Group manager held

statesman news service

RAIPUR, 27 SEPT: Chhattisgarh police on Tuesday arrested Essar Group general manager Mr DVCS Verma for his role in the company providing 'protection money' to various factions of the Maoists to allow the group to reopen a 267-km iron-ore supply pipeline in Dantewada, the district's SP said today.

The Essar GM, based at Kirandul in Chhattisgarh's Dantewada district was arrested after police obtained sufficient evidence on Essar Group's role in transferring huge cash amounts to the Maoists who are waged an armed movement against government, Mr Ankit Garg, superintendent of police (Dantewada), told The Statesman.

Mr Garg hinted that more Essar officials in Chhattisgarh and outside the state could be arrested for channelising cash in phases to the Maoist guerrillas.

The Essar GM, who was arrested on charges of sedition, was remanded in police custody for two days by a local court. He was arrested after intense interrogation of two persons arrested on 9 September at a weekly market in insurgency-riddled Dantewada district, including an Essar contractor, Mr BK Lala, whom police said was caught red-handed while handing over an amount of Rs 15 lakh to one Lingaram Kodopi.

Police claim Kodopi was receiving the money on behalf of Maoists, though human rights activists have strongly

denied this and said the tribal youth had been falsely implicated.

Reacting to the arrest of its officer, the Essar group said it "vehemently rejects all allegations made regarding payments to Maoists. Essar would like to state that such baseless allegations are being made to hurt the image and reputation of the group, which is a law abiding Corporate. Essar has been making meaningful contribution for the growth of the country for the last forty years. It has always put the country's interest first in all its dealings."

The company said that Essar Steel is the largest private sector investor in Bastar region that includes Dantewada district and has been operating in that region for the past 10 years.



## IBM detects illegal mining of minerals worth ₹226.04 cr

press trust of india

NAGPUR, 27 SEPT: Minerals worth Rs 226.04 crore were illegally mined in various states across the country last fiscal, according to the findings of the Indian Bureau of Mines (IBM), which monitors and prevents such unlawful activities.

In the 2010-11 fiscal year, 14,204 cases of illegal mining of 43.584 lakh tons of major minerals, valued at Rs 71.52 crore, were detected. In 775 cases, FIRs were lodged with authorities and legal proceedings have been launched in 514 cases. Fines to the tune of Rs 122.33 crore were realised from the defaulters, official sources said today.

About 766 FIRs were lodged with the police and court proceedings initiated in 9,078 cases.

Penalties to the tune of Rs 143.94 crore have been recovered from the illegal miners, they said.

Through the IBM, the Centre constituted a task force and conducted an inspection of mines in areas where the problem of illegal mining was rampant by taking the help of satellite imaging.

IBM controller-general Mr CS Gundewar said the inspections were conducted between December 2009, and March 2011, in Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra and Orissa.

He said about 434 mines holding minerals like iron ore, manganese ore, dolomite, limestone and bauxite were inspected by the task force.