



Australia India Business Council NSW, Resources and Mining Industry Chapter July 2009 Newsletter

Happy new financial year and welcome to the July newsletter from the AIBC, NSW Resources and Mining Chapter. It contains links to recent press and informs you of upcoming events. We hope you find this of interest.

Highlights

- India Budget 2009: Will India march ahead?
- India topped the league tables in the March quarter, with GDP rising by a 6.4% annualised rate
- Indian Steel Ministry proposes 15% export levy on iron ore
- India to set up regulatory body for the coal sector
- Energy and mineral export earnings fall as economic downturn reduces demand
- Australia appoints Peter Varghese, as the new high commissioner to India.
- The India government has set the ball rolling for divestment of stake in public sector enterprises.
- India may allow commercial coal mining by private companies, a step likely to help global miners
- India saw a 12% rise in investment in clean renewable energy last year
- Coal India initiates dialogue for IPO
- And much more...

India's Budget

India Budget 2009: Will India March Ahead?

The Annual Budget will be announced by the Finance Minister of India on 6 July. This important event will be of interest to both local and foreign investors as the economy continues to grow despite recessionary trends elsewhere. Deloitte will discuss:

- The key tax amendments, changes and initiatives.
- How these changes will enable businesses to plan ahead.
- What will these changes mean for foreign investments.

India's budgets always throw up interesting opportunities and obstacles. Learn more about them and how they apply to your business.

▶ [Register for this webcast](http://www.deloitte.com/ap/dbriefs)
www.deloitte.com/ap/dbriefs

General

Recession contours

India topped the league tables in the March quarter, with GDP rising by a 6.4% annualised rate. Growth reflected pre-election stimulus, together with higher output in the agricultural and services sectors.

http://www.efic.gov.au/newsletter/newsletter_display.php?secID=15&id=96

Energy and mineral export earnings fall as economic downturn reduces demand

Australia's export earnings from energy and mineral resources declined by 18 per cent to \$38.7 billion in the March quarter 2009, according to ABARE's latest *Australian mineral statistics* report.

http://www.abareconomics.com/corporate/media/2009_releases/11june_09.html



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Peter Varghese, to be new Australian high commissioner

Australia has appointed its top intelligence executive and ethnic Indian, Peter Varghese, as the new high commissioner to India. http://www.domain-b.com/people/in_the_news/20090608_peter_varghese.html

India may appoint NM Rothschild to advise on divestment in PSUs

Among the key PSEs which are likely to go public in the first round include telecom giant BSNL, aviation major Nacil, Coal India and steel company Rashtriya Ispat Nigam.

http://steelguru.com/news/index/2009/06/08/OTc0NTA%3D/India_may_appoint_NM_Rothschild_to_advise_on_divestment_in_PSUs.html

Business outlook has improved for India Inc: CII survey

The survey found 72 per cent of respondents expecting the economic growth to be in the range of 5-7 per cent this fiscal. <http://economictimes.indiatimes.com/articleshow/4631939.cms>

WTO Talks May Reach 'Conclusion' by 2010

India and the U.S. "gave a clear signal that they want to get things up,"

<http://www.bloomberg.com/apps/news?pid=20601080&sid=ajOEAH0n03yU&refer=asia>

Record \$515 million for primary industries in NSW

The NSW Government will invest a record \$515 million in the State's primary industries sector, supporting the jobs of more than 98,000 people directly employed in agriculture, fisheries, forestry and mineral resources. http://www.theajmonline.com.au/mining_news/news/2009/june-18th-09/other-top-stories/record-515-million-for-primary-industries-in-nsw

Coal

India to set up regulatory body for the coal sector

The proposed Coal Regulatory Authority, which finds a place in the ministry's agenda for 100 days, could be a precursor to significant changes likely to be ushered into the coal sector through wider participation of private sector players

http://steelguru.com/news/index/2009/06/27/MTAwMDc5/India_to_set_up_regulatory_body_for_the_coal_sector.html

Peabody Energy sees Asia-led coal market rebound

Coal prices may remain weak in the near term as mining costs eat into margins, but world coal markets are set to boom again after the economic downturn, with developing countries in Asia dominating

<http://www.reuters.com/article/rbssEnergyNews/idUSN2418500320090624>

Coal ministry backs pvt role in mining

The black diamond industry is in for a big-ticket reform, with the government gearing up to usher in an open-bidding regime and set up a regulator in six months or so to open up coal mining to private players without the restriction of captive use. <http://timesofindia.indiatimes.com/Business/India-Business/Coal-ministry-backs-pvt-role-in-mining/articleshow/4677635.cms>

Hindalco may buy Australian coal mine

Hindalco Industries is close to acquiring a coal mine in Queensland, Australia, in a deal estimated at \$70-\$80 million. <http://economictimes.indiatimes.com/News/News-By-Industry/Indl-Goods--Svs/Hindalco-may-buy-Australian-coal-mine-for-Rs-385-crore/articleshow/4668866.cms>



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BHP Billiton cuts coal contract prices by 58%

BHP holds the number one spot in the global seaborne metallurgical coal market with leading customers from Japan, India and western Europe.

http://www.ft.com/cms/s/0/009f06c6-558b-11de-ab7e-00144feabdc0.html?nclick_check=1

India may allow private firms to mine coal

India may allow commercial coal mining by private companies, a step likely to help global miners

<http://in.reuters.com/article/businessNews/idINIndia-40154320090608>

Coal India initiates dialogue for IPO

Coal India today said it has initiated dialogues with the government for its initial public offer and the navratna PSU could be listed soon as the market scenario has turned favourable.

<http://www.business-standard.com/india/news/coal-india-initiates-dialogue-for-ipo/64059/on>

PTC India eyes Australian, Indonesian coal assets

State-run power trader PTC India has identified coal assets for purchase in Indonesia and Australia

<http://in.reuters.com/article/domesticNews/idINBOM49120020090608>

NTPC scouts for coal blocks abroad...

"We have identified 2-3 properties in Mozambique and Indonesia, all of which are in the due diligence stage. The company will appoint merchant bankers soon who will be responsible for finalising the blocks and do the due diligence," <http://www.business-standard.com/india/news/ntpc-scouts-for-coal-blocks-abroad/359701/>

India's coal imports to rise

India's coal imports may grow to as much as 100mn metric tons (MT) annually by 2013, according to Peabody Energy Corp. <http://www.indiainfoline.com/news/innernews.asp?storyId=103305&lmn=1>

India's Steel Demand May Climb 10% on Infrastructure

India's steel demand may gain as much as 10 percent this fiscal year, almost double the pace previously estimated, as the government spends more on infrastructure

<http://www.bloomberg.com/apps/news?pid=20601091&sid=ayjoRtrLMHvY>

More funds for Coal Videsh asset buy

The country's largest coal producer has been scouting for assets in Africa, Australia and Indonesia to meet the growing energy demands in the country.

http://www.telegraphindia.com/1090618/jsp/business/story_11127106.jsp

Uranium

Australian uranium market update – Part One

While a ban on uranium mining being lifted in Western Australia is good news for the industry, on the downside this development came just as the global economy went into freefall, and with it, opportunities for funding. So can Australia break through the uranium barrier with a fourth mine?

http://www.theajmonline.com.au/mining_news/news/2009/june-3rd-09/other-top-stories/australian-uranium-market-update-2013-part-one

Australian uranium market update – Part Two

One of the major barriers to new uranium projects getting underway, in Western Australia at least, was dissolved following the Liberal/National win in the WA state election in September last year, when the Labor Party's ban on new uranium mines was overturned.

http://www.theajmonline.com.au/mining_news/news/2009/june-11th-09/featured-stories/australian-uranium-market-update-2013-part-two

Nuclear nations rush to lock in uranium deals

A global shift toward nuclear power is prompting countries to rush to lock in long-term access to tight



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supplies of uranium, and China and India look to be the next players to get in on the action
http://www.ibtimes.com/articles/20090619/nuclear-nations-rush-lock-uranium-deals_all.htm

Steel and Iron ore

Steel ministry proposes 15% export levy on iron ore

Steel ministry has proposed to the finance ministry to reimpose 15% export duty on iron ore (lumps and fines) in order to increase the availability of ore for domestic steel makers. Iron ore is a key input in steel making. In addition, the steel ministry has recommended levy of 15% duty on imports of hot rolled coils (HRCs), which is used mainly by construction and automobile sectors.

<http://economictimes.indiatimes.com/Economy/Steel-min-proposes-15-export-levy/articleshow/4650946.cms>

Energy

Tata Power to focus on renewable energy options

By 2017, the company wants to produce 25 per cent of its electricity from renewable sources (which are carbon neutral) and to 35 per cent by 2030.

<http://www.thehindubusinessline.com/2009/06/01/stories/2009060150690200.htm>

Exploring global energy demand

Any projection of global energy demand must deal with the various uncertainties that could have a critical impact on the path of demand growth in both the short- and the long-term.

http://www.mckinseyquarterly.com/Economic_Studies/Productivity_Performance/Exploring_global_energy_demand_2369

Investment in India's renewable energy up by 12%

India saw a 12% rise in investment in clean renewable energy like wind, solar, biomass and small-hydro projects with \$4.1 billion being pumped into this sector last year.

<http://timesofindia.indiatimes.com/articleshow/4628301.cms>

Events

Topic: Australia/ India Resources & Mining initiatives and opportunities

Location: Deloitte's Sydney Offices
12.30pm on Wednesday, 2 September 2009

Details: Further details to follow

Further Information

For further information about the AIBC NSW Resources and Mining Industry Chapter, please contact its Chair, **Jason Mendens**.

Jason Mendens

Partner

Chang, Pistilli & Simmons

Corporate Lawyers

T: +612 8922 8022

F: +612 8922 8052

E: jmendens@cpscopolaw.com.au