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(A GEMCO KATI INITIATIVE)

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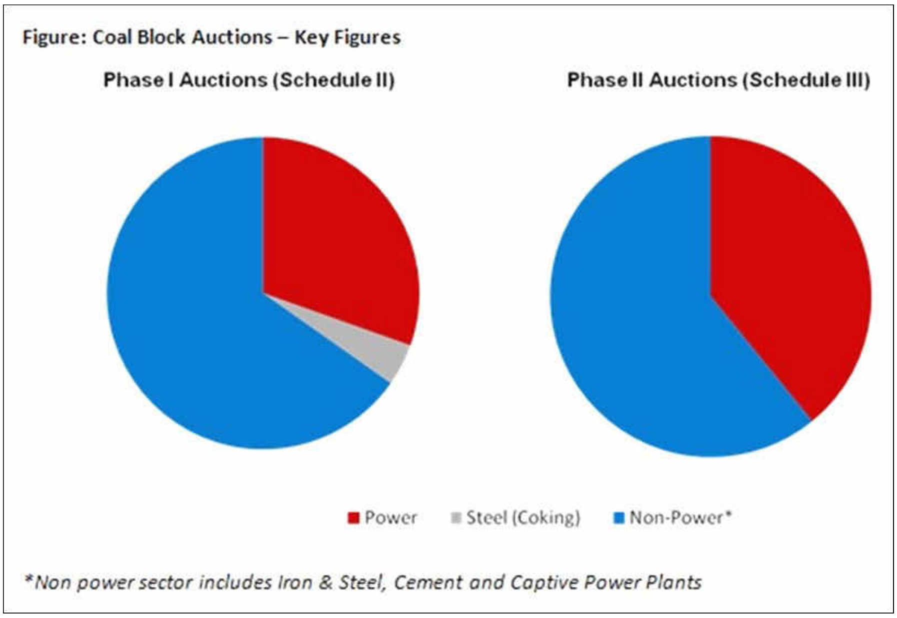
# Coal auction process won't be delayed: Piyush Goyal on HC order

# COAL AUCTION PROCESS WON'T BE DELAYED: PIYUSH GOYAL ON HC ORDER

With the Delhi High Court asking for removal of three coal blocks from the auction list, Union Minister Piyush Goyal today said the government respects the ruling and assured that the auction process would not be delayed.

In a relief for Jindal Steel and Power Ltd (JSPL) and its promoter Naveen Jindal, the court today directed a technical committee to review its own decision to change the end-use of two coal blocks earlier alloted to the company and removing the mines from the auction




We respect every judgement of the Court and I am sure department would be assessing what they have to do next in the matter," Goyal told reporters on the sidelines of Annual Day function of the Institute of Chartered Accountants of India.

When asked will there be delays in the auction of coal blocks, the coal and power minister said: "Not at all. Everything goes on as usual."

A bench of justices Badar Durrez Ahmed and Sanjeev Sachdeva took out Utkal B1 and B2 blocks in Odisha and Gare Palma IV/6 in Chhattisgarh, from the auction process, saying that while changing end-use of these blocks to power sector, the aspect of its adverse impact on steel sector "has not been considered".

Coal Secretary Anil Swarup also said the judgement of the High Court in the Jindal Steel case will not impact the auction process of schedule II mines (producing mines) that is underway.

"Pursuant to the order the concerned mines are being referred to the technical committee," he said.

The Delhi High Court also directed the committee, which had been set up to classify coal blocks as well as formulate criteria for their auction and allotment, to review its decision to merge Utkal B1 and B2, saying "there was no application of mind".

JSPL had been allocated Utkal B1 for operating a steel unit and Gare Palma IV/6 for a sponge iron industry. However, the allocations, along with with others, were cancelled by Supreme Court last year.

JSPL had contended that change of end-use of these blocks from steel and iron to power has prevented them from bidding for them, which could result in their investments of over Rs 24,000 crore, to set up units close to these mines, going waste.

Government, on the other hand had contended that end-use of both blocks was changed in view of the "energy security of the country".

Disagreeing with the government's reason for changing end-use, the bench said the expression "energy security of the country" refers to the coal reserves and not to the power sector and added that power can be generated through various other sources - water, wind, nuclear, solar, etc.

The government has put up 46 coal blocks for the auction, which will complete this month.

# NO TAKERS FOR NEW COAL BLOCKS ON AUCTION

Even as coal shortage continues to plague India Inc. and coal consumers clamour for new linkages, the government has found no takers for the three coal blocks put up for competitive bidding. This raises doubts over the success of similar auctions being planned by the Ministry of Coal (MoC) in the future. It also partly invalidates the arguments put against the earlier policy of free allocation of blocks for captive coal mining.

The excitement over competitive bidding was built up over months together but fell flat as only two parties showed interest for the auction of one block, while the other two blocks drew no response at all. The lack of interest came as a surprise to the Central Mine Planning and Design Institute (CMPDI), the executing agency which floated the notice inviting application (NIA) for the said blocks in February this year.

"Only two companies submitted bids for one block – Andal Babuisol. For the other two blocks – Jhirki & Jhirki (West) and Tokisud-II – there has not been any bid at all," CMPDI sources said.

This was more baffling as, initially, around 40 Indian companies had bought the bid document, expressing interest to take part in the auction. Again, it was at the behest of these potential bidders that the last date for submission of bids was extended to June 25 from May 28.

Now that the exercise has proven almost futile, CMPDI was not sure about the fate of these blocks. Asked if there would be retendering, the sources said that the outcome of the

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bidding has been intimated to the Ministry of Coal (MoC). "Now the ministry has to take a call whether to go ahead with the process or think otherwise," they said. There, however, was indication that the ministry may scrap the auction altogether.

Earlier, in February 2014, CMPDI had announced that the blocks would be auctioned by competitive bidding for specified end-users. Accordingly, under Rule 3 of the Auction by Competitive Bidding of Coal Mines Rules, 2012, the said blocks were offered for auction for mining to companies engaged in production of steel, cement and sponge iron.

**WHAT'S ON OFFER**

| Coal block | Name of coalfield | Area (in sq km) | Approx. reserves (million tonnes) | Permitted end use |
|---|---|---|---|---|
| Jhirki & Jhirki (West) | East Bokaro coalfield, Jharkhand | 2.705 | 267.91 | Steel (blast furnace) |
| Andal Babuisol | Raniganj coalfield, Bengal | 3.66 | 103.84 | Sponge iron (DRI) |
| Tokisud-II | South Karanpura coalfield, Jharkhand | 2.25 | 127.69 | Cement |

Jhirki & Jhirki (West) was earmarked for steel (blast furnace), while Andal Babuisol was demarcated for sponge iron and Tokisud-II was to be allocated for cement. The three blocks, located in Jharkhand and West Bengal, have approximate geological reserves of 499.443 million tons.

**New block auctions**

Meanwhile, MoC announced on July 1 that it was considering auctioning another 25 coal blocks which were taken away from earlier allocattees due to lack of progress.

"There are 25 de-allocated coal blocks where court cases have not been filed as per information available. These coal blocks could be considered for allocation under the new dispensation," an official document said.

But CMPDI was still in dark. At the same time, it seems to be doubtful about the likely response from potential bidders.

"We cannot comment on this (future auctions) as we are yet to get any communications from the ministry," a source said.

Asked if auction of the next round of blocks could fetch a better response, the source said, "It is difficult to guess the mood of the market. About 40 companies had shown interest and collected bid documents for the competitive bidding of those three blocks, but when it came to participation, only two of them turned up."

Another industry source pointed out that the poor response for auction of blocks invalidates the arguments put against the earlier policy of free allocation which resulted in the coal scam.

"It can be argued that there was nothing wrong in the policy of free allocation, because if the government went for auction of those blocks, hardly anybody would have purchased. The objective was to increase coal supply and the free allocation, at least to some extent, helped in achieving that," he said.

# STATES SEEK RELAXATIONS IN MINING ORDINANCE

Faced with difficulty in implementing the guidelines set in the Mines and Minerals Development and Regulation Amendment Ordinance, mineral-rich states have sought a relaxation in these.

In a meeting late last month to discuss the implementation, between the Union ministry of mines and representatives of mineral-rich states, T B Jayachandra, mines minister of Karnataka, urged the government to liberalise the annual production cap of 30 million tonnes set by the Supreme Court.

Much of the state's iron ore resources were on private and 'patta' land and would have problems with grant of mineral concessions through auctioning, he said. And, that the power of revision by the central government was an encroachment upon state powers.

"The government should make an interim arrangement for grant of mining concessions till the auction of the mineral concessions. Else, illegal mining will proliferate due to existing demand and reserve availability," he said.

Goa minister Mahadev M Naik demanded the lease period allowed be extended to 60 years from the existing 50 years. Since the lease period under the ordinance was made effective from May 1987, almost 30 years of the allotted 50 years had got over. "Hence, massive investment on mineral exploration for just a 20-year period would be unfair. Another 10 years of extension would bring more investment in mineral exploration in Goa," said an industry official.

Rajendra Shukla, minister of mines, Madhya Pradesh, emphasised that the government should allow transfer of mining leases for captive use, along with the acquisition of the primary industry.

**FLOOD OF DEMANDS ON MMDR ORDINANCE**

States raise issues before implementation

**KarnatakaDemands**: Remove 30 mn tonne cap, vest power of revision of mineral concession with the state, make interim arrangement until auction is complete

**GoaDemands**: Increase period of concession from 50 to 60 years, empower state to allocate minerals for lapses and revivals, segregate renewal applications filed before the Ordinance

**OdishaDemands:** Allocate minerals to Posco, take suggestions before framing implementation guidelines

**JharkhandDemand:** Expand mineral exploration area

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**Madhya PradeshDemands:** Allow transfer of mining leases for captive use on acquisition of the primary industry

**Andhra PradeshDemands:** Remove limestone from notified minerals, amend Mineral Concession RuleSource: Ministry of Mines

Andhra's P Sujatha sought an amendment in the Mineral Concession Rules (MCR) and deletion of limestone from the list of notified minerals in the ordinance. To which, the Union government's joint secretary (mines), Arun Kumar, assured the ministers a simplification in MCR and the Mineral Conservation and Development Rules, 1988, would be done to the extent possible.

Emphasising the need to protect the interest of foreign investors, Prafulla Kumar Mallik, minister from Odisha, demanded allocation clearance for iron ore deposits to Korean steel major Posco. "The commitment given at the international level must be fulfilled," he said.

# ORISSA C M NAVEEN PATNAIK NOT HAPPY WITH NEW MMDR LAW

Odisha chief minister Naveen Patnaik expressed "deep disappointment" with the Narendra Modigovernment's recent amendment to mining laws.

Addressing the first meeting of the governing council of the Niti Ayog in New Delhi, Patnaik, who heads a mineral-laden state that produces more than half the country's iron ore alone, reiterated his governments stand on the extension granted by the Centre to mines that had outrun their lease terms.

He said the provision of deemed extension in the MMDR Act severely restricts the number of leases that can come up for auction during the next five years. "I suggest that no further extension be given to leases that have completed 50 years and all such leases be settled afresh through auction."

The statement reinforces what state officials told ET. According to them, the Odisha government doesn't intend to give up its right to cancel 18 leases. That means the uncertainty in the metals and mining industry is far from over.

In early January, Prime Minister Narendra Modi's cabinet cleared amendments that would allow mines of minerals such as iron ore, manganese, bauxite and limestone to be auctioned. In the larger interest of industrial output suffering from an already curtailed raw material supply, the central government decided that it would give existing leases a lifeline till 2020, and 2030 in the case of a captive lease.

Coinciding with the Cabinet's decision of January 5 in New Delhi, the Odisha government announced that it intended auctioning these leases, which includes one of Tata Steel and others of Aditya Birla group's Essel Mining, Rungta Group, Mesco and KJS Ahluwalia. But the "extension" clause, which hadn't been part of the earlier circulated draft, had taken Odisha by surprise.

Ever since May, when the Supreme Court ordered to shut mines in the state operating under deemed extension of permits, the BJD government had been deliberating on the fate of 18 such mines. It had already agreed to renew three leases of Tata Steel and Steel Authority of India that these companies depend on to make steel at their plants in Jamshedpur and Rourkela.

With the promulgation of the Ordinance, a pending recommendation for an iron ore bearing area for Posco's mega greenfield Odisha steel project also lapsed. State minister of mines, Prafulla Mallik, made no bones about Odisha's displeasure of the extension. "These mines could have been put up for auction sooner than virgin areas and could have provided thousands of crore in revenues to the state, which is the owner of its mineral wealth, which is now being denied to us," said a BJD politician, who didn't want to be named. The regional party with nine members in the Rajya Sabha may not be in a position to block the passage of the bill alone.

Affected parties in the state, fearing losing their leases, had moved court. In a recent affidavit filed in the high court, the state has said that since the Ordinance had been introduced, its decision to not grant a renewal to the leases, under the earlier MMDR Act, was rendered redundant. According to those in the know, the state though is likely to pursue its decision, using the caveat that the extension is provided on the condition that lease conditions have not been violated. "Violation of mining plan, and environmental clearance will count," said an official.

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# DELHI HIGH COURT ORDER GRANTS SOME RESPITE TO JSPL

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A bench of justices Badar Durrez Ahmed and Sanjeev Sachdeva took out Utkal B1 and B2 blocks in Orissa and Gare Palma IV/6 in Chhattisgarh, from the auction process, saying that while changing end-use of these blocks to power sector, the aspect of its adverse impact on steel sector "has not been considered". It also directed the committee, which had been set up to classify coal blocks as well as formulate criteria for their auction and allotment, to review its decision to merge Utkal B1 and B2, saying "there was no application of mind". The JSPL had been allocated Utkal B1 for operating a steel unit and Gare Palma IV/6 for a sponge iron industry. However, the allocations, along with others, were cancelled by the Supreme Court in 2014.

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The government on the other hand had contended that end-use of both blocks was changed in view of the "energy security of the country".

Disagreeing with the government's reason for changing end-use, the bench said the expression "energy security of the country" refers to the coal reserves and not to the power sector and added that power can be generated through various other sources, water, wind, nuclear, solar, etc.

It observed as per the Coal Mines (Special Provisions) Second Ordinance, 2014, "it cannot be concluded that power has been given priority over steel and other sectors. On the contrary, all the core sectors have been placed at par."

"Consequently, we direct that Utkal B-1 and Utkal B-2 be taken off from the subject auction and the specified end-use as also the issue of their merger be reviewed in the light of the discussion above before they are put up for auction again. The same, as regards specification of end-use, would apply to Gare Palma IV/6, which is yet to be put up for auction," it said.

# 69 PSUS VIE FOR 36 COAL BLOCKS

The Ministry of Coal has received a total of 69 requests from State and Central public sector units for allotments of 36 coal blocks.

A Technical Evaluation Committee appointed by the Ministry of Coal will now assess the eligibility and coal requirement of the PSUs with the whole process of allotment expected to be completed by March 1.

Amongst the companies seeking allotments for the most number of blocks is NTPC Ltd, which apart from requesting allocation of five blocks it held previously, has also sought allocation of three more blocks.

Four of the NTPC blocks that were de-allocated were in Jharkhand and one in Odisha. In Jharkhand, Talaipali has 965million tonnes of geological reserves, Kerandari has 229 million tonnes, Chatti Bariatu has 243 million tonnes and Chatti Bariatu South has 354 million tonnes. In Odisha, the Dulanga block has 260 million tonnes of geological reserves.

Business Line had reported earlier that the company has targeted winning back the blocks it lost. Apart from its previously held mines, the company has also bid for Manoharpur and Dipside Manhorpur, Gare Palma II and Utkal D & E. These blocks have geological reserves of 1.64 billion tonnes of coal.

However, NTPC's former blocks are also wanted by Singareni Collieries Company Ltd, Tenughat Vidyut Nigam Ltd of Jharkhand, Bihar State Power Generation Company Ltd, UP Rajya Viduty Utpadan Nigam Ltd, NLC Tamil Nadu Power Ltd, and Telangana State Power Generation Corporation.

The highest number of requests was received for Gare Palma II, which is being chased by nine PSUs. As per the geological reserves, the block has 768 million tonnes of coal. However, the Barjora (North) block has received no applications.

West Bengal Power Development Corporation has emerged as the only applicant for the Gangaramchak and Gangaramchak – Bhadulia which have a total of 18 million tonnes of coal reserves.

Other applicants include National Aluminium Company Ltd, THDC India Ltd and NTPC's joint venture with the Indian Railways – Bhartiya Rail Bijlee Company Ltd.

# COAL INDIA LIKELY TO SCRAP MOZAMBIQUE PRODUCTION PROJECT ON POOR DEPOSITS

State-run monopoly Coal India is likely to scrap its maiden overseas coal production project as the deposits in the acquired blocks are "not good enough to be called coal," a top company executive said. The executive, who spoke to ET on condition of anonymity, said the coal in the two blocks acquired in Mozambique is unfit for consumption by even Indian power plants, which can use the lowest variety of coal.

Coal India (CIL) has already spent close to Rs 500 crore in exploring reserves in the two blocks. "The reserves in the two blocks do contain carbon, but it is not good enough to be called coal. This reserve cannot sustain a 12% rate of return on investment in the medium to long run. Simply put, it is not coal," the executive said.

CIL won a five-year licence for exploration and development of A1 and A2 blocks, acquired about six years ago, in Mozambique's north-western province of Tete. The blocks were unexplored and it was upon CIL to explore and ascertain the quality of the coal. Following the acquisition of the blocks, CIL floated Coal India Africana in Mozambique, the company that is supposed to execute exploration and production.

CIL was given to understand that 20% of the deposits in these blocks are expected to be of superior variety, good enough to be used in steel making, while the remaining were expected to be thermal coal, which could be used as fuel in power plants.

It took CIL almost two years to explore the entire area. Sample coal was sent to India for analyses. After extensive exploration, the quality of the reserve was found to be extremely inferior. "The substance that was found does not contain enough carbon to even quality as coal," added the executive.

CIL had earlier targeted production from the block by 2014 but delays in securing the exploration licence held up the process. It also had to renew the licence once as a result of the delay. CIL planned to bring the mined coal to India to meet the nation's rising demand for thermal and coking coal.

The company lost about a year in appointing an explorer for the blocks. It had to scrap tenders twice due to technical reasons, leading to delays in launching exploration.

# PSUS THAT HAVE MINING EXPERIENCE MAY GET EXPLORATION TICKET

The government is likely to allow state-run entities with experience in mining activity, such as NMDC, SAIL and MOIL, to carry out prospecting work on par with the likes of the Geological Survey of India.

Aimed at enhancing the country's exploration capacity, the recent decision by the Mines Ministry is likely to spur the slow exploration work that has been holding back the potential of the sector.

Mining exploration work is currently being done mainly by GSI, Mineral Exploration Corporation (MECL),Atomic Mineral Directorate of Exploration, Department of Atomic Energy and State Directorates of Mining.

Not satisfied with their performance, the government has decided to include more entities in the exploration work such as NMDC, SAIL and MOIL. The move will help the country tap the potential in this area more efficiently, said a senior mines ministry official.

The Mines Ordinance, promulgated last month, has provided for allowing firms which are notified for this purpose by the central government. It said however that these organisations will not have other rights whatsoever on the mines.

Besides, in order to encourage foreign companies in the exploration activity, the government through the ordinance has also allowed granting of non-exclusive reconnaissance permits to companies interested in exploration.

To facilitate exploration work in the country, government has also proposed to establish a National Mineral Exploration Trust (NMET) to facilitate exploration work. The funding for the trust has been proposed in the Ordinance to come from the leaseholders, who will pay an amount equivalent to 2 per cent of the royalty.

NMET would be used for carrying out regional as well as widespread exploration work.

# SAIL, NMDC TO SET UP 6 MT STEEL PLANT IN CHHATTISGARH FOR R25K CR

State-run companies SAIL and NMDC have joined hands to set up a 6 million tonne greenfield steel plant at Dilmili in Bastar district of Chhattisgarh at an estimated expenditure of Rs 25,000 crore.

Steel maker SAIL and iron ore miner NMDC Limited will sign a MoU this month to jointly pool in money needed for the project. Steel minister Narendra Singh Tomar had spoken to Chhattisgarh chief minister Raman Singh late last month for facilitating acquisition of land and ensuring water and power linkages for the mega project.

The Dilmili area is close to Nagarnar also in the same district where NMDC is constructing a 3 MT steel plant.

SAIL's board had in December approved setting up of a SPV — Chhattisgarh Mega Steel Limited and the state-run steel maker and NMDC will ink an MoU for executing the project. While these two firms would have the majority stake in the SPV, the residual stake will be given to a strategic partner who will be

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roped in through an Expression of Interest. A separate SPV would be formed by these two state-run companies with Chhattisgarh State mining corporation (CMDC) for exploitation of iron ore in Dantewada district of the state, a top steel ministry official told The Indian Express.

"The proposed project is in sync with the government's 'Make In India' programme. A target of producing 300 million tonne of steel within 10 years has been set by the government. Given the fact that the steel market is gradually looking upwards and prices inching up, the ministry has vetted setting up of this mega project," he said. Any project above 5 MT capacity should be treated as a mega plant, the official added.

When contacted , SAIL chairman CS Verma confirmed that a MoU is to be signed, but did not divulge further details. The construction for the project is likely to begin by November after land is acquired and necessary clearances are secured by the SPVs.

# VILLAGERS SAY 'NO' TO COAL INDIA'S CHHATTISGARH PLAN

Surajbai, 80, hailing from Barkutta village, "repents" giving birth to four girls. Owner of six acres near the Kusmunda opencast coal mine, Surajbai has five children. Her son, Kumhar Singh, suffering from a deleterious mental illness, is bedridden and could not be employed when Coal IndiaLimited (CIL) acquired her land and offered a rehabilitation package. Her four daughters could not either. Coal India policy did not provide jobs to women under the rehabilitation package.

The anger in her family added fuel to the anger-filled public hearing that South Eastern Coalfields Limited (SECL) held on Wednesday to expand its existing Kusmunda opencast coal mine in Chhattisgarh fourfold, from 18.75 million tonnes per annum (mtpa) to 50 mtpa.

"The prime minister (Narendra Modi) talks about promoting girls in the country, while CIL has been denying rights and creating discrimination on gender basis," fumed Surajbai's daughter, Nirupama, at the public hearing convened for expansion of the Kusmunda coalmine operated by SECL, the country's largest coal producing company and flagship entity of CIL.

Currently, Kusmunda produces 18.75 mtpa. Expansion of this project — identified as one of the projects in the Emergency Coal Production Plan (ECPP) of CIL — has been planned to a targeted capacity of 50 mtpa by mining about 3,510 hectares of area. In favourable techno-economical circumstances, the project might produce 1.25 times of the normative capacity and might attain production level of 62.50 mtpa.

Such public hearings are mandatory under the environmental clearance process. But the public hearings are only consultative in nature under the Environment Protection Act, 1986. They do not hold a veto over the project.

But Nirupama carried the anger from the previous experience of acquisition of land done for the mines. The family failed to secure a job and the issue remained pending even as the authorities evicted the family from their house, forcing Surajbai and her family to stay in a makeshift hut.

"The issue of providing a job to the girl would be brought to the notice of higher and appropriate authorities," Kusmunda Coalmine project General Manager Ranjan Saha said. He said as jobs in coal mines was not suitable for girls, they were denied.

But, on Wednesday, the poor track record of rehabilitation had brought the villagers out in strong protest against the CIL project.

Of the 38 people who spoke at the function, only one spoke in favour of the expansion. He was a CIL employee. "SECL never kept the promise it had made to the affected people and this was one of the main reasons for people's opposition," said Girdhari Agrawal of Gevra village.

Government's project approval documents show that the new expansion will displace 9,250 people from 17 villages in the area. The earlier expansion of the project from 15 mtpa to 18.75 mtpa was approved post-facto by the Union environment ministry in February 2014, after it found the company had been operating beyond the levels permitted under the clearances.

The new expansion, too, faced accusations of irregularity. The Korba district administration came under the scanner on Wednesday for keeping norms at bay for organising the public hearing. "The meeting was organised at the stadium of SECL in Kusmunda and not the villages that were going to be affected," local legislator of ruling BJP Lakhanlal Dewanjan charged. Public hearings are to be held in the vicinity of villages to ensure participation and at neutral grounds not offices of the companies. The public hearing was illegal and need to be cancelled, Dewanjan added.

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Laxmi Chouhan, a social activist, said the Environment Impact Assessment (EIA) for the project contained the air pollution data compiled six years ago. “The report circulated to the villagers was in English and most of the people could not underline the impact,” he added.

By the environmental rules, the state administration would now need to compile a report of the public hearing and send to the Union government. Based on the public hearing and the environment impact assessment report the company has got prepared, the Union environment ministry’s expert appraisal committee will review the case for giving a green clearance. Surajbai and her family’s woes could find a mention in the report.

But her or other villagers’ grouse might not hold back the expansion. Their views do not hold a veto over the project, under the law. The Union environment ministry holds the veto.

**KUSMUNDA STATISTICS**

Total reserve: 1105.00 mt

Mineable reserves: 956.98 mt

Extractable reserves: 956.98 mt

Coal grade: F

Method of mining: Shovel-dumper & surface miner

Capital cost: Rs 7612.33 cr

# RIO TINTO TO INVEST $500 MILLION IN MADHYA PRADESH DIAMOND PROJECT

Global mining giant Rio Tinto will invest USD 2 billion to set up an iron ore project in Odisha and another USD 500 million on a diamond mine in Madhya Pradesh but is waiting for approvals to move ahead, the company's CEOSam Walsh said today.

"We have the potential for two projects. An iron ore project in Odisha with a USD 2 billion investment potential and a half a billion dollar investment in Madhya Pradesh in diamonds," Walsh told reporters on the sidelines of a CII conference here.


The projects are however stuck as the company has not yet got environment clearance Walsh said he had talks with Prime Minister Narendra Modi on the planned USD 500 million investment in Bunder diamond mine in Madhya Pradesh.

"We are waiting for approvals, forestry and environment approvals, which I am hopeful will come through in the near term. Prime Minister and I have met three times during the past six months and I talked to him about the two major projects and the opportunities," he said.

Besides, Walsh said talks with Modi have also focused on the prospects of uranium exports to India and on coal mining opportunities, especially in view of negotiations on the civil nuclear deal with India.

"The diamond project is very important downstream because it will provide 30,000 jobs in diamond cutting," he added.

The project has been pending for long and Rio Tinto, which has a global diamond exploration portfolio had already secured "in-principle approval to the issue of a mining lease" for the Bunder Diamond project via a 'Letter of Intent' from Madhya Pradesh government.

The company claims that once developed, the Bunder mine is expected to place Madhya Pradesh in the top 10 diamond producing regions of the world.

Rio Tinto has a proven record of world-class diamond exploration success. The most advanced exploration project is at Bunder in the Indian state of Madhya Pradesh where Rio Tinto has discovered a cluster of eight diamondiferous pipes.

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