

**GOVERNMENT OF INDIA
MINES AND MINERALS
LOK SABHA**

UNSTARRED QUESTION NO:2447
ANSWERED ON:10.03.2000
PRODUCTION OF ALUMINA AND ALUMINIUM
RAVINDRA KUMAR PANDEY;SHIVRAJ SINGH CHOUHAN

Will the Minister of MINES AND MINERALS be pleased to state:

- (a) whether the production of Alumina and Aluminium has not achieved its fixed target during the last five years including current year;
- (b) if so, the details of target set, achievement made and the reasons for shortfall in achieving the target; and
- (c) the steps being taken by the Government to achieve the target?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES AND MINERALS
(SMT. RITA VARMA)

(a), (b) & (c) In the Aluminium sector, there are two public sector undertakings i.e. National Aluminium Company Limited (NALCO) and Bharat Aluminium Company Limited (BALCO) and three companies in the private sector i.e. Hindustan Aluminium Company Limited (HINDALCO) Indian Aluminium Company Limited (INDAL) and Madras Aluminium Company Limited (MALCO). Both BALCO and NALCO fix their annual targets of production by signing a Memorandum of Understanding (MOU) with the Government. The targets of production in case of private companies are fixed by the individual companies. The performance of the public sector companies is regularly reviewed by the Government with respect to their production targets, etc..

BALCO produces Alumina as per requirements of its Smelter because production of Alumina is for captive consumption only. In case of Aluminium, the actual production against the annual target has been in the range of 92 per cent to 98 per cent during the last five years. The slight shortfall in production has been mainly due to power supply failures/interruptions due to grid disturbances.

NALCO produces Alumina for captive consumption in the Smelter and also for exports. NALCO has produced Alumina in excess of the target during the last five years. As regards production of Aluminium, the achievement against target of production has been of the order of 91 per cent to 102 per cent during the years 1995-96, 1996-97, 1997-98 and in the current year (till date). In the year 1998-99, there was a major shortfall in production as the actual production was only 67 per cent of the target due to major break-down in the Aluminium Smelter. The Government has since taken corrective steps and the position has reverted to normal during the current year.

In the private sector, HINDALCO has achieved targets of production set during the last five years except in 1996-97 when loss of metal production occurred due to power interruption and target achievement was only 96 per cent. INDAL has achieved the targets of production set by them in every year during the last five years. MALCO has achieved the target of production set by them for Alumina and Aluminium during the last five years except the year 1998-99 when production against targets set was 62 per cent in case of Alumina and 69 per cent in case of Aluminium.