

**GOVERNMENT OF INDIA  
STEEL  
LOK SABHA**

UNSTARRED QUESTION NO:2992  
ANSWERED ON:12.08.2010  
SALES AND PROFIT OF NMDC  
Viswanathan Shri P.

**Will the Minister of STEEL be pleased to state:**

- (a) whether the sales and net profit of National Mineral Development Corporation has been drastically reduced over the last three years;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has taken any steps to improve the profit and also the turnover of NMDC; and
- (d) if so, the details thereof and the target fixed for the next three years?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF STEEL(SHRI A. SAI PRATHAP)

(a)to(d): The sales and net profit of NMDC Ltd. have consistently increased year by year, except in the year 2009-2010. The decrease in the performance of NMDC during 2009-10 was on account of recessionary conditions prevailing in the national and international market during the first half of 2009-10, due to which the production and sales of the company were less than the corresponding period of previous year. The price of iron ore in both international and domestic market also dropped between 33% to 44% during 2009-10. The details of the performance of the company from 2006-07 to 2009-10 are given below:

(Rs in crores)

Particulars	2006-07	2007-08	2008-09	2009-10
Sales (iron ore & diamond)	4181.52	5709.07	7559.11	6229.54
Profit after tax	2320.21	3250.98	4372.38	3447.26

The situation has, however, improved substantially in the first quarter of 2010-11, when the company's Net Sales/Income from operations increased to Rs.2517.99 crore (Provisional) from a level of Rs.1278.05 crore during corresponding period last year. The Profit Before Tax (PBT) and Profit After Tax (PAT) of the company during the first quarter of 2010-11 also increased to Rs.2249.22 crores (Provisional) and Rs.1504.04 crores (Provisional) respectively against Rs. 1172.14 crore and Rs.773.75 crore achieved during corresponding period last year.