

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:4847
ANSWERED ON:02.09.2011
PRODUCTION AT NALCO
Patle Kamla Devi

Will the Minister of MINES be pleased to state:

- (a) the quantum of Aluminium in metric tonnes produced by National Aluminium Company Limited (NALCO) during each of the last three years and the percentage thereof utilised by it alongwith the details of the procedure through which the rest was sold off;
- (b) whether certain selected companies/institutions have been authorised for its trading;
- (c) if so, the details thereof;
- (d) the names of the companies/institutions to which Aluminium was sold alongwith the rate and quantum thereof during the said period;
- (e) whether there is a difference in the sale price(USD/MT) of NALCO and the domestic buying price (USD/MT) thereof in the open market; and
- (f) if so, the details thereof alongwith the losses incurred by NALCO, if any, due to such difference in prices?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR MINES (SHRI DINSHA PATEL)

(a): National Aluminium Company Limited(NALCO) has informed the following details of its aluminium production and internal consumption during the last three years:-

[Unit in metric tonnes (MT)]

Year Cast metal production Internal consumption

2008-09	3,61,262	4,590
2009-10	4,31,488	3,785
2010-11	4,43,597	8,302

After meeting internal consumption, which is around 1 to 2 per cent of the total, rest of the cast metal production is mostly sold in the domestic market as per prices prevailing on the date of despatch and same it is exported through competitive bidding.

(b): No, Madam. No companies/institutions have been authorized by NALCO for trading.

(c): Does not arise in view of (b) above.

(d): NALCO has declined to divulge the names of its buyers and related details on grounds of commercial confidentiality. However, during last three financial years, NALCO has sold to around 200 customers each year with average domestic realization as given below:-

Year Sale price (Rupees/ MT)

2008-09	1,08,624
2009-10	95,851
2010-11	1,12,553

(e): NALCO has informed that the domestic sale price of the Company is in terms of Rupees/MT and not in US\$. In open market as

well domestic sale price is in Rupees/MT. The open market domestic sale price is not available in NALCO on day to day basis for comparison with Company's domestic sale price. However, domestic sale prices are decided by NALCO based on market scenario, demand supply trend, inventory holding, US\$ exchange rate, LME price trend, etc.

(f): NALCO has informed that since the Company's price is market driven, on overall, there does not seem to be any loss.