

**GOVERNMENT OF INDIA
MINES
LOK SABHA**

UNSTARRED QUESTION NO:440
ANSWERED ON:23.11.2012
FINANCIAL STATUS OF NALCO
Jeyadural Shri S. R.

Will the Minister of MINES be pleased to state:

- (a) whether the turnover and net profit of National Aluminium Company Limited (NALCO) has been declining every year;
- (b) if so, the details thereof indicating the total profits earned and losses suffered by NALCO during each of the last three years and the current year;
- (c) the corrective steps taken by the Government to improve its turnover and net profit;
- (d) whether the Government proposes to disinvest some of its equity in NALCO; and
- (e) if so, the details and the present status thereof ?

Answer

THE MINISTER OF MINES (SHRI DINSHA PATEL)

(a) & (b): The turnover of the Company has increased consistently during 2009-10 to 2011-12 but the net profit has fluctuated during the years. The details of turnover and net profit of NALCO during the years 2009-10 to 2011-12 and for the current year up to September, 2012 are as under:-

Rs. in crores

Year	Turnover (gross sales)	Net profit
------	---------------------------	------------

2009-10	5310	814
---------	------	-----

2010-11	6370	1069
---------	------	------

2011-20	6927	850
---------	------	-----

2012-13	3532	228
---------	------	-----

(upto
September,
2012) #

Provisional(unaudited).

The increase in turnover is primarily due to higher volume arising out of expanded capacity. However, the reduction in profit over the years are mainly due to fall in metal prices in London Metal Exchange(LME), increase in prices of major materials, use of expensive e-auction & imported coal and increase in employee expenditure due to pay revision.

(c): Yes, Madam. The declining trend of profit of NALCO has been viewed with concern by the Government and appropriate directions are given to the Company's management by the Ministry after performance review to improve its performance.

(d) & (e): Yes, Madam. The Government has taken a decision for disinvestment of 12.15% paid up equity out of the remaining 87.15% of total paid up capital held by the Government of India in National Aluminium Company Limited (NALCO).