

**Government of India**  
**Ministry of Mines**  
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New Delhi, the 15 January, 2008

**Subject:- Monthly Summary for the Cabinet for the month of December, 2007.**

**Performance of Non-ferrous Metal Sector:**

(a) **Aluminium:**

Production of aluminium metal in the public sector unit, namely, National Aluminium Company Ltd. (NALCO) and private sector units, namely, Bharat Aluminium Company Limited (BALCO) {which has 49% Central Govt. equity}, Hindustan Aluminium Company Ltd.(HINDALCO) and Madras Aluminium Company Ltd.(MALCO) in the country, during the month of December, 2007 was as follows:-

(Unit: Tonnes)

Name of the Company	Existing Capacity	December, 2007		Cumulative Production Target	Cumulative Production	
		Production Target	Production Actual*	April-December 2007*	April-December, 2007*	April-December, 2006
NALCO	345000	29600	30386	262600	268276	269914
BALCO	345000	31430	30266	269729	270334	226985
HINDALCO	455000	40919	41022	351668	356414	328419
MALCO	38000	3365	3185	29547	28074	28514
<b>Total:</b>	<b>1183000</b>	<b>105314</b>	<b>104859</b>	<b>913544</b>	<b>923098</b>	<b>853832</b>

National Aluminium Company Limited sold 86171\* tonnes of alumina /hydrate and exported 7935\* tonnes of aluminium during the month of December, 2007.

\* Provisional

**(b) Copper:**

The production of copper cathode in the organised sector by the public sector unit, Hindustan Copper Ltd.(HCL), and private sector units, Hindalco Industries Ltd. (HINDALCO), (Unit: Birla Copper) and Sterlite Industries (India) Ltd. (SIL) in the country, during the month of December, 2007 was as follows:

(Unit: Tonnes)

Name of the Company	Installed Capacity (Annual)	December, 2007		Cumulative Production Target	Cumulative Production	
		Production Target	Production Actual	April-December, 2007	April-December, 2007	April-December, 2006
HCL	47500	3590	4128	30275	32480	27415
HINDALCO	500000	**	27418	**	233797	208965
SIL	400000	34680	26884	298264	249031	223524
<b>Total:</b>	<b>947500</b>	<b>38270</b>	<b>58430</b>	<b>328539</b>	<b>515308</b>	<b>459904</b>

\*\* (Depends upon various economic factors)

**(c) Zinc & Lead:**

Production of primary zinc in Hindustan Zinc Limited (HZL) (in which Government of India holds equity of 29.54%) and the private sector unit, Binani Zinc Limited (BZL) and lead in Hindustan Zinc Limited (HZL) and private sector unit, Indian Lead Limited (ILL) in the country during December, 2007 was as follows:-

(Unit: Tonnes)

Name of the Company	Existing Capacity	December, 2007		Cumulative Production Target*	Cumulative Production	
		Production Target	Production Actual*	April-December, 2007	April-December, 2007*	April-December, 2006**
<b>Zinc</b>						
HZL	411000	35506	39141	303420	289678	253461
BZL	38000	3066	2874	25772	24124	24467
<b>Total:</b>	<b>449000</b>	<b>38572</b>	<b>42015</b>	<b>329192</b>	<b>313802</b>	<b>277928</b>
<b>Lead</b>						
HZL	85000	6907	5144	57372	41258	31952
ILL***	24000	-	-	-	-	-
<b>Total:</b>	<b>109000</b>	<b>6907</b>	<b>5144</b>	<b>57372</b>	<b>41258</b>	<b>31952</b>

\*Provisional

\*\*Actual figures provided by the company. (i.e. Finally reconciled figures).

\*\*\*ILL - Both plants of ILL at Thane and Kolkata are reported to be gearing up for production.

## 2. Gold:

After closure of Bharat Gold Mines Ltd.(BGML)#, Hutti Gold Mines Ltd.(HGML) is the only unit processing gold from ore stage. Hindustan Copper Ltd.(HCL), a public sector undertaking, and Hindalco Industries Ltd. (HINDALCO), in private sector, produce gold as a by-product, while processing copper. The production of gold by these units during December, 2007 was as follows:

(Unit: Tonnes)

Name of the Company	December, 2007		Cumulative Production Target	Cumulative Production	
	Production Target	Production Actual	April-December, 2007	April-December, 2007@	April-December, 2006^
HGML	0.242000	0.220000	2.099000	2.174000	1.558000
HCL	Nil	Nil	Nil	Nil	0.127000
HINDALCO	*	0.430000	*	7.195000	7.373000
<b>Total:</b>	<b>0.242000</b>	<b>0.650000</b>	<b>2.099000</b>	<b>9.369000</b>	<b>9.058000</b>

#BGML stands closed w.e.f. 1.3.2001 under Section 25(O) of I.D. Act, 1947.

\* Depends upon various economic factors.

@ Provisional Figure

^ Actual Figure by the company.

## 3. Survey and Exploration of Minerals:

### Mineral Exploration Corporation Ltd.:

Physical performance of MECL during December, 2007 was as follows:

(Unit: Metres)

Name of the Company	December, 2007		Cumulative Production Target	Cumulative Production	
	Production Target	Production Actual	April-December, 2007	April-December, 2007	April-December, 2006
<b>MECL:</b>					
(i) Drilling(m)	15700	16200*	139000	142249*	131616#
(ii) Development Mining (m)	680	547*	5620	4521*	4934#

\*Provisional figures

#Final reconciled figures

1. The shortfall in developmental mining is due to non availability of sufficient work.

#### **4. Geological Survey of India:**

(a) **Mineral Investigation:-** During the month of December, 2007, **85.10 sq. km. large scale mapping** ( on 1:25,000-1:10,000 scale), 3.2 sq. km. detailed mapping (on scale larger than 1:10,000 scale) and 5588.55 m. of drilling, were carried out against monthly targets of 58.56 sq. km, 2.104 sq km and 6129.20 m, respectively.

(b) **Regional Geological Mapping Investigation:-** In the month of December, 2007, 95 sq. km. systematic geological mapping (on 1:50,000 scale) was carried out against monthly target of 26.6 sq. km. and 437 sq. km specialized thematic mapping was carried out against monthly target of 229 sq.km.

**5. Production of Minerals:-** The total value of mineral production covering metalliferous and industrial minerals, but excluding fuel minerals, minor minerals and atomic minerals, in December, 2007 is estimated at Rs.1739 crore as against Rs.1491 crore for December, 2006.

**6. Progress Report on Implementation of the Projects approved by the Cabinet, as on 31.12.07.**

#### **Expansion of NALCO's Aluminium Smelter**

The Government had approved NALCO's second phase expansion of the capacity of Bauxite Mine from 48,00,000 TPY to 63,00,000 TPY, Alumina Refinery from 15,75,000 TPY to 21,00,000 TPY, Aluminium Smelter from 3,45,000 TPY to 4,60,000 TPY and Captive Power Plant (CPP) from 960 MW to 1200 MW in October, 2004, at an investment cost of Rs. 4091.51 crores.

Details of various activities as on 31.12.2007 for the second phase expansion project are at Annexure.

Sd/-  
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## EXECUTIVE SUMMARY

- Government of India accorded approval for 2nd Phase Expansion of Mines, Alumina Refinery, Aluminium Smelter and Captive Power Plant of NALCO on 26.10.2004 at an outlay of Rs 4091.51 crore with a completion period of 50 months from date of approval. The estimated cost of project has been revised to Rs.5002.71 crores at March 2007 price level.
- M/s EIL has been appointed EPCM consultant for Mines, Alumina Refinery and Aluminium Smelter on 28.3.2005.
- M/s MECON has been appointed EPCM consultant for Captive Power Plant on 29.3.2005 and Steam Generation Plant on 23.3.2005.
- M/s MN Dastur Co has been assigned for Cost and Time Monitoring for 2nd phase expansion on 12.01 .2006.
- Enquiries for several packages have been issued for each segment and are under process.
- Order has already been placed for 124 packages out of 155 packages of Mines & Refinery, 119 packages out of 139 packages for Smelter, 26 packages out of 28 packages for CPP.
- Total financial commitment up to 31.12.2007 is Rs 3594.32 crore.

## KEY PROJECT ACTIVITIES UNDERTAKEN DURING DECEMBER, 2007

### ORDERS PLACED:

S.No.	ITEM	UNIT	STATUS
1.	Hydraulic Rock Breaker - Supply of spare	Mines	Order placed on 29.12.2007
2.	Variable speed drive package	Refinery	Order placed on 04.12.2007
3.	Control Valves	Refinery	Order placed on 15.12.2007
4.	DG Set	Refinery	Order placed on 20.12.2007
5.	Lime Handling System	Refinery	Order placed on 22.12.2007
6.	Butterfly valves	Refinery	Order placed on 31.12.2007
7.	Control valves	Smelter	Order placed on 15.12.2007
8.	Lighting, fitting & accessories	Smelter	Order placed on 15.12.2007
9.	MV Power & Control cables	Smelter	Order placed on 15.12.2007

### OVERALL PHYSICAL PROGRESS:

(in %)

S.No.	PROJECT SEGMENT	December, 07		CUMULATIVE UP TO December, 07	
		SCHEDULE	ACTUAL	SCHEDULE	ACTUAL
1.	Mines & Alumina	5.7	4.5	80.5	57.3
2.	Smelter	4.8	3.6	75.5	55.1
3.	CPP	3.2	2.95	84.3	72.15

TOTAL FINANCIAL COMMITMENT UPTO December, 2007 - Rs. 3594.32  
CRORE

CAPITAL EXPENDITURE: Rs. 101.18 Crore DURING THE MONTH &  
CUMULATIVELY Rs. 1411.80 Crore UPTO DEC, 2007.