

Press Release

New Delhi, 28 May 2012

NMDC registers highest profit after tax (PAT) of Rs.7,265.39 crore for the year 2011-12

- **Iron ore production and sales - growth in volumes at 8% & 4% respectively.**
- **Interim dividend for 2011-12 200% paid. Final dividend recommended 250%.**
- **Value addition - Setting up of steel plant at Naganar; most of the packages awarded. Work on ground has started for some of the packages.**
- **MoU signed for setting up slurry pipeline - providing alternate evacuation route.**

NMDC has posted PBT of Rs.10,759.47 crore and net profit (PAT) of Rs.7,265.39 crore for the year 2011-12 against PBT of Rs.9,725.66 crore and PAT of Rs.6,499.22 crore registering an improvement of 11% & 12% respectively over last year i.e. 2010-11.

The production and sales of iron ore for the year 2011-12 have reached a level of 27.26 MT and 27.30 MT respectively representing an increase of 8% and 4% respectively in comparison to 2010-11 and posted turnover of Rs.11,261.89 crore for the year 2011-12.

For the year 2011-12, an interim dividend @ 200% per equity share has already been paid and today the Board of Directors have recommended, payment of final dividend @ 250% on the paid up equity share capital of the company subject to shareholders approval. The total dividend for the year 2011-12 would be @ 450% per equity share.

The Earnings per share is at Rs.18.33 per share for the year ended 2011-12 in comparison with that of the previous year of Rs.16.39 per share - annualized.

The quantity of domestic sales of iron ore increased by 13% where as exports reduced by 85% for catering to the needs of the domestic market.

The company has been pursuing all its expansion programmes. NMDC as part of its forward integration programme and value addition is setting up a 3 MTPA steel plant at Nagarnar in Chhattisgarh, for which most of the major packages have been finalized and awarded and work of some packages have already started. On 23rd of May 2012, the latest package, i.e, the Steel Melting Shop package was awarded to SVAI, Austria.

For increasing evacuation of iron ore, on 24th May 2012, NMDC signed an MoU with RINL for development of a slurry pipe line and for setting up a pellet plant at Visakhapatnam.

As against an envisaged expenditure of Rs.2020 crore as per Revised Estimates for 2011-12, the actual expenditure achieved under various schemes was Rs.1534 crore against Rs.729 crore for the year 2010-11. For the year 2012-13, an expenditure of Rs.4656 crore is planned to be expended including Rs.1200 crore for overseas acquisitions.

The annual account for 2011-12 was approved by the Board of Directors of the Company under the Chairmanship of Mr C.S. Verma, in its meeting held on 28.05.2012. On this occasion, the Board of NMDC commended the performance of the Company and hoped that all its stakeholders including shareholders, employees, customers and Government would continue their support in future also.

Speaking on the occasion, NMDC Chairman Mr. C.S. Verma said: "NMDC has the potential and the resources to play a key role in the industrial development of the country. In the coming years iron ore production will have to grow exponentially to cope up with demands of the customer companies, and also NMDC's own steel plant. The foundation for this growth will have to be laid in 2012-13 with substantial increase in output using internal resources initially. NMDC collective deserves appreciation for commendable financial results, but there is no scope for complacency. The road ahead is full of opportunities which we need to harness to NMDC's advantage."


Executive Director (Corporate Communications)