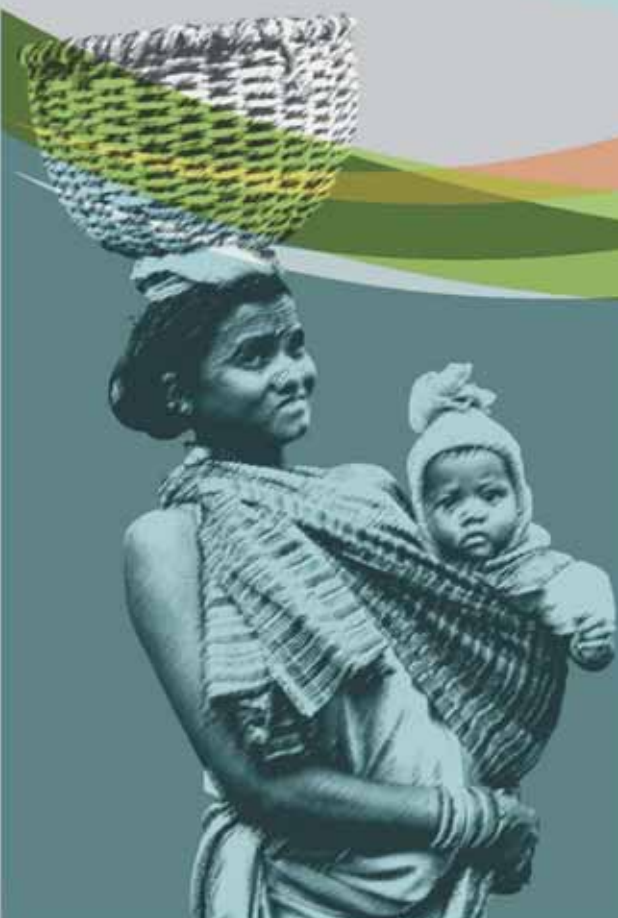
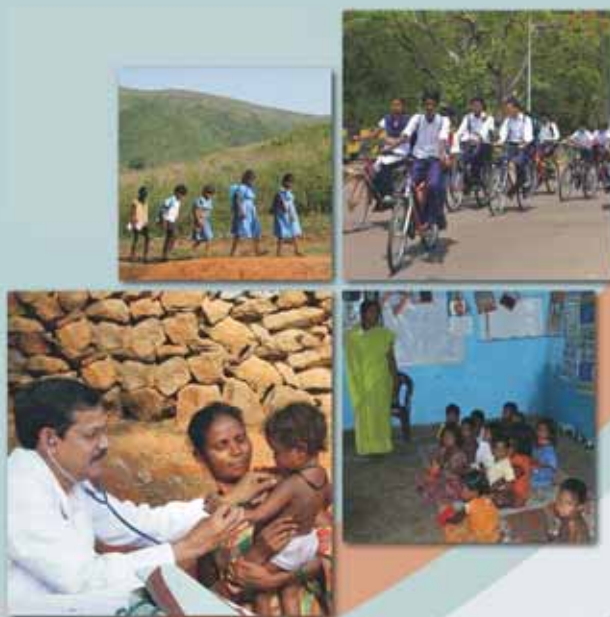


# 30<sup>th</sup> Annual Report 2010-2011

*Caring Deeds  
Shining Performance*





# Vision

To be a reputed global  
Company in the  
Metals and Energy sectors

## National Aluminium Company Limited

(A Government of India Enterprise)  
Regd. Office : NALCO Bhawan, Plot No. P/1,  
Nayapalli, Bhubaneswar – 751 061 (Odisha)

### NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Company will be held on Thursday, the 29<sup>th</sup> September, 2011 at 11.00 A.M. at NALCO Bhawan, Plot No. P/1, Nayapalli, Bhubaneswar - 751 061 to transact the following business :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Directors' Report, audited Balance Sheet as on 31<sup>st</sup> March, 2011 and the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2011 together with the reports of the Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri B.L. Bagra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Joy Varghese, who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS :

5. **To appoint Shri Ved Kumar Jain as Director, whose period of office is liable to be determined by rotation.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without modification(s) :  
"RESOLVED THAT Shri Ved Kumar Jain be and is hereby appointed as a Director of the Company, whose period of office is liable to be determined for retirement by rotation in terms of Order No.2(2)/2010-Met.I dtd.21<sup>st</sup> March, 2011 of Government of India or any amendments thereto."

6. **To appoint Shri P.C. Sharma as Director, whose period of office is liable to be determined by rotation.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without modification(s) :  
"RESOLVED THAT Shri P.C. Sharma be and is hereby appointed as a Director of the Company, whose period of office is liable to be determined for retirement by rotation in terms of Order No.2(2)/2010-Met.I dtd. 21<sup>st</sup> March, 2011 of Government of India or any amendments thereto."

By order of the Board



(K. N. RAVINDRA)  
COMPANY SECRETARY

Place : Bhubaneswar  
Date : 25.08.2011

#### Notes:

- (a) Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956, in respect of item Nos. 5 and 6 set out above are annexed hereto.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
- (c) The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, the 20<sup>th</sup> September, 2011 to Thursday, the 22<sup>nd</sup> September, 2011 (both days inclusive).
- (d) If dividend on shares as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made within 30 days of its declaration to those shareholders, whose names appear :
  - i) as Beneficial Owners as at the end of the business on 19<sup>th</sup> September, 2011 as per the beneficial owners position to be provided by NSDL and CDSL in respect of the shares held in the electronic form and
  - ii) as members in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company on or before 19<sup>th</sup> September, 2011.
- (e) Details of Directors seeking re-appointment/appointment as new directors in this Annual General Meeting are attached separately to the Notice.
- (f) Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend and debenture interest, which remain unpaid or unclaimed for a period of seven years will be transferred by the Company to the **Investor Education and Protection Fund** established by the Central Government pursuant to Section 205C of the Companies Act, 1956. The details of unpaid or unclaimed dividend and interest on 14.5% NCDs are available in the Company's website. Members/Debenture holders who have not so far encashed their Dividend Warrants/Debenture Interest Warrants are requested to make a claim by writing and sending the original Dividend Warrants/Debenture Interest Warrants to the Company.

No claims shall lie against the Fund or the Company in respect of individual amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Unpaid or unclaimed dividend and debenture interest as on 30.06.2011 is given below:

<b>UNPAID/UNCLAIMED DIVIDEND</b>			
<b>Financial Year</b>	<b>Date of Declaration of Dividend</b>	<b>Last date for claiming unpaid/unclaimed dividend</b>	<b>Unclaimed/ Unpaid amount (₹)</b>
2003-04	28.09.2004	27.09.2011	6,61,460.00
2004-05 (Interim)	21.01.2005	20.01.2012	4,32,180.00
2004-05 (Final)	30.09.2005	29.09.2012	4,52,751.00
2005-06 (Interim)	12.01.2006	11.01.2013	3,97,380.00
2005-06 (Final)	28.09.2006	27.09.2013	7,22,853.00
2006-07(1st Interim)	22.01.2007	21.01.2014	7,06,730.00
2006-07(2nd Interim)	09.03.2007	08.03.2014	3,96,745.00
2006-07 (Final)	21.09.2007	20.09.2014	5,07,467.00
2007-08 (Interim)	29.01.2008	28.01.2015	8,52,830.00
2007-08 (Final)	20.09.2008	19.09.2015	3,00,735.00
2008-09 (Interim)	28.01.2009	27.01.2016	7,11,681.00
2008-09 (Final)	19.09.2009	18.09.2016	3,30,606.00
2009-10(Interim)	19.03.2010	18.03.2017	4,15,476.00
2009-10(Final)	30.09.2010	29.09.2017	3,23,699.00
2010-11(Interim)	31.01.2011	30.01.2018	6,42,180.00
<b>UNPAID/UNCLAIMED DEBENTURE INTEREST</b>			
<b>Period</b>	<b>Due date of payment</b>	<b>Last date for claiming unpaid/Unclaimed interest</b>	<b>unclaimed interest /Unpaid amount (₹)</b>
11 <sup>th</sup> Half-Year (26.03.2004 to 25.09.2004)	25.09.2004	24.09.2011	88,108.00
12 <sup>th</sup> Half-Year (26.09.2004 to 25.03.2005) (as well as 1/3 <sup>rd</sup> redemption amount)	25.03.2005	24.03.2012	10,07,087.00

- (g) Members holding shares in physical form are requested to notify immediately, change in their address in block letters with PIN CODE and/or change in their Bank particulars, if any, to the Registered Office of the Company, quoting their Folio Number. Members holding shares in electronic form are requested to notify their change of address and/or bank particulars to their respective Depository Participants (DPs) only.
- (h) As per the provisions of the Companies Act, 1956, facility for making nominations is available to shareholders in respect of the shares held by them. In case, shares are held in electronic form, registration of nomination has to be done with the respective Depository Participants (DPs) only without referring the matter to the Company. Nomination Forms (Form 2B) if needed, can be obtained from the Registered Office of the Company. This form can also be downloaded from the Company's website [www.nalcoindia.com](http://www.nalcoindia.com).
- (i) The Company provides the facility of centralised ECS (Credit Clearing) to the shareholders, holding shares both in electronic and physical forms in 81 designated centres as on date. A blank ECS Mandate form is attached herewith for use by the shareholders. This form can also be downloaded from the Company's website [www.nalcoindia.com](http://www.nalcoindia.com). The mandate given by the shareholder would be used for all future payments unless amended/withdrawn.
- Shareholders holding shares in electronic form may please note that the Company will use 9 digit MICR Code along with Bank particulars, as provided by their respective Depositories, for the purpose of payment of dividend through ECS.
- (j) Members holding shares in electronic form may please note that their bank details as provided by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such members for change/deletion of such bank details. However, if there is any change in their Bank particulars and/or change in address after the date of providing beneficial owners position by the Depositories but before the date of dispatch of dividend warrant/demand draft/ECS credit, the Company may consider such requests provided that such requests are received through their respective Depository Participants, duly certified by them. Further, instructions, if any, already given to the Company by them in respect of shares held in physical form will not be automatically applicable to the dividend payable on shares held in electronic form. Members may therefore give fresh instructions regarding particulars of their bank accounts and address in which they wish to receive dividend, to their respective Depository Participants only.
- (k) Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id i.e. [investorservice@nalcoindia.co.in](mailto:investorservice@nalcoindia.co.in) for quick and prompt redressal of their grievances.



- (l) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN details to their Depository Participants (DP) with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- (m) Shareholders who hold shares in physical form in multiple folios in identical names or joint holdings in the same order of names are requested to send the share certificates to the Company for consolidation into single folio.
- (n) In terms of 'Green Initiative in the Corporate Governance' of the ministry of Corporate Affairs vide circular no. 17/2011 dated 21.04.2011, shareholders holding shares in physical form are requested to furnish their e-mail address in the attached format for sending future notices / documents through their e-mails. Changes therein, may be informed to the Company immediately. Shareholders holding shares in electronic form are requested to update their e-mail address with their respective DPs without referring the matter to the Company.

## ANNEXURE TO NOTICE

### Explanatory Statements pursuant to Section 173(2) of the Companies Act, 1956.

#### Item No. 5 :

Shri Ved Kumar Jain was inducted to the Board as an Additional Director of the Company w.e.f. 21.03.2011. In terms of Section 260 of the Companies Act, 1956, Shri Jain holds office up to the date of the ensuing 30<sup>th</sup> Annual General Meeting.

Shri Ved Kumar Jain, FCA is a fellow member of the Institute of Chartered Accountants of India (ICAI) with more than three decades of standing in the profession. He served as the President of the Institute of Chartered Accountants of India. Presently, he is holding directorship in Maytas Infra Ltd., IL&FS Engineering and Construction Company Ltd., PTC India Ltd and VJ Corporate Advisors (P) Ltd.

Shri Jain does not hold any shares in the Company.

The Company has received a notice in writing along with the prescribed deposit from a member of the Company under Section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Shri Jain as Director of the Company, whose period of office is liable to be determined by rotation. President of India has approved appointment of Shri Jain as Director of the Company following the laid down procedure for selection.

Your directors feel that Shri Jain's association with the Board will be in the interest of the Company. It is considered desirable that the Company should continue to avail his services as a director and recommend this resolution for approval of the shareholders.

None of your directors except Shri Jain, whose appointment is proposed herein, is interested in the proposed resolution.

#### Item No. 6 :

Shri Prafulla Chandra Sharma, IAS (Retd.) was inducted to the Board as an Additional Director of the Company w.e.f. 21.03.2011. In terms of Section 260 of the Companies Act, 1956, Shri Sharma holds office up to the date of the ensuing 30<sup>th</sup> Annual General Meeting.

Shri Sharma is the retired Chief Secretary, Government of Assam. He joined Indian Administrative Service (IAS) in 1975. He is also a Director in Garden Reach Shipbuilders and Engineers Ltd.

Shri Sharma does not hold any shares in the Company.

The Company has received a notice in writing along with the prescribed deposit from a member of the Company under Section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Shri Sharma as Director of the Company, whose period of office is liable to be determined by rotation. President of India has approved appointment of Shri Sharma as Director of the Company following the laid down procedure for selection.

Your directors feel that Shri Sharma's association with the Board will be in the interest of the Company. It is considered desirable that the Company should continue to avail his services as a director and recommend this resolution for approval of the shareholders.

None of your directors except Shri Sharma, whose appointment is proposed herein, is interested in the proposed resolution.

By order of the Board



(K. N. RAVINDRA)  
COMPANY SECRETARY

Place : Bhubaneswar  
Date : 25.08.2011

## **Details of Directors seeking re-appointment / appointment in the 30<sup>th</sup> Annual General Meeting on 29<sup>th</sup> September, 2011 (In terms of Clause - 49 of the Listing Agreement)**

<b>DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT (ORDINARY BUSINESS IN THE NOTICE)</b>	
<b>1. Shri B.L. Bagra</b> Father's Name Date of Birth Date of Appointment Expertise in specific functional areas Qualifications List of outside Directorships held  Member of Committees of the Board Member of Committees in other companies	Shri Hanuman Prasad Sharma 21.11.1954 28.02.2007 Varied experience in Financial Management in different Companies M.Com., F.C.A 1. Bharat Goldmines Ltd. 2. Industrial Promotion and Investment Corpn. of Orissa Ltd. Nil Audit Committee- Industrial Promotion and Investment Corpn. of Orissa Ltd.
<b>2. Shri Joy Varghese</b> Father's Name Date of Birth Date of Appointment Expertise in specific functional areas Qualifications List of outside Directorships held Member of Committees of the Board Member of Committees in other companies	Late Shri C. Varghese 17.08.1952 01.10.2007 Wide ranging experience in Human Resources Management. M.S.W & M.B.A Nil Nil Nil
<b>DETAILS OF DIRECTORS SEEKING APPOINTMENT (SPECIAL BUSINESS IN THE NOTICE)</b>	
<b>3. Shri Ved Kumar Jain</b> Father's Name Date of Birth Date of Appointment Expertise in specific functional areas Qualifications List of outside Directorships held  Member of Committees of the Board Member of Committees in other companies	Shri Padam Sain Jain 15.12.1953 21.03.2011 Varied experience in financial management B.Sc., FCA 1. Maytas Properties Ltd. 2. ICAI Accounting Research Foundation 3. IL&FS Engineering & Construction Company Ltd. 4. PTC India Ltd. 5. VJ Corporate Advisors (P) Ltd. Chairman- Audit Committee 1. Chairman-Audit Committee- IL&FS Engineering & Construction Company Ltd. 2. Chairman-Audit Committee- Maytas Properties Ltd.
<b>4. Shri Prafulla Chandra Sharma</b> Father's Name Date of Birth Date of Appointment Expertise in specific functional areas  Qualifications List of outside Directorships held Member of Committees of the Board Member of Committees in other companies	Late Shri Durga Nath Sharma 31.03.1950 21.03.2011 Retired IAS officer (Former Chief Secretary, Government of Assam) having varied experience in administration. IAS Garden Reach Shipbuilders and Engineers Ltd. Member- Audit Committee Member-Audit Committee- Garden Reach Shipbuilders and Engineers Ltd.

- \* 1. Audit Committee in NALCO has been assigned with the job of looking into the redressal of Shareholders/Investors' Grievances.  
2. Chairmanship/membership of the Audit Committee and the Shareholders' Grievance Committee have only been considered as per Clause 49 of the Listing Agreement.

## National Aluminium Company Limited

(A Government of India Enterprise)

Regd. Office : NALCO Bhawan, P/1, Nayapalli, Bhubaneswar – 751 061 (Odisha)

### ATTENDANCE SLIP

30<sup>th</sup> Annual General Meeting – 29<sup>th</sup> September, 2011 at 11.00 A.M.

Regd. Folio No..... Client Id/Ben. A/c..... DP Id ..... No. of shares held.....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company and hereby record my presence at the THIRTIETH ANNUAL GENERAL MEETING of the Company at NALCO Bhawan, Plot No. P/1, Nayapalli, Bhubaneswar – 751 061, on Thursday, the 29<sup>th</sup> September, 2011.

Member's/Proxy's name in Block letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

T E A R H E R E



## National Aluminium Company Limited

(A Government of India Enterprise)

Regd. Office : NALCO Bhawan, P/1, Nayapalli, Bhubaneswar – 751 061 (Odisha)

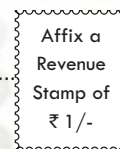
Regd. Folio No..... Client Id/Ben. A/c..... DP Id ..... No. of shares held.....

### FORM OF PROXY

I/We ..... of ..... in the district of ..... being a member/members of the above named company hereby appoint ..... of ..... in the district of ..... or failing him/her ..... of ..... in the district of ..... as my/our proxy to vote for me/us on my/our behalf at the THIRTIETH ANNUAL GENERAL MEETING of the Company to be held on Thursday, the 29<sup>th</sup> September, 2011 at 11.00 A.M. and at any adjournment thereof.

Signed this ..... day of ..... 2011

Signature .....



Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Dear Member,

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The Circulars provide that a company will be in compliance with the provisions of Sections 53 and 219 of the Companies Act, 1956, in case documents like notices, annual report and all other communications are sent in electronic mode to its members.

In view of the above, we propose to send the documents like the notices, annual report and all other communications, in electronic form, to your e-mail ID registered with the Company. We, therefore, request all the members to be part of this Green initiative. Members who are holding shares in electronic form may update their e-mail id with their respective DPs. Members who are holding shares in physical forms may fill up the attached 'E-communication Registration Form' and send it back to the Company.

Please note that all the documents sent to the members in the electronic form will also be uploaded in the website of the Company [www.nalcoindia.com](http://www.nalcoindia.com). As a member of the company you are always entitled to receive all such communications, free of cost, on a request made to the Company in this behalf.

Yours faithfully  
For National Aluminium Company Limited



(K N Ravindra)  
Company Secretary



## National Aluminium Company Limited

(A Government of India Enterprise)

Regd. Office : NALCO Bhawan, P/1, Nayapalli, Bhubaneswar – 751 061 (Odisha)

### E-COMMUNICATION REGISTRATION FORM

National Aluminium Company Limited  
NALCO Bhawan,  
P/1, Nayapalli  
Bhubaneswar-751061

Dear Sirs,

#### RE: Green Initiative in Corporate Governance

I/We, agree to receive all communication from National Aluminium Company Limited in electronic mode. Please register my E-mail ID in your records for sending communication through e-mail.

Registered Folio No.

---

PAN

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Name of the 1st Registered Holder

---

Name of the Joint Holder(s)

---

---

E-mail ID

---

Date:

Signature of the 1<sup>st</sup> Registered holder

#### Important Note:

- Investors can also forward the scanned copy of this Registration Form to [investorservice@nalcoindia.co.in](mailto:investorservice@nalcoindia.co.in)
- On registration, all the communication from the Company will be sent to the E-mail ID registered with the Company.
- The members are requested to keep the company informed as and when there is any change in the E-mail ID. Else, the communication will be sent only to the E-mail ID registered with the Company. The 'E-communication Registration Form' can also be downloaded from the Company's website [www.nalcoindia.com](http://www.nalcoindia.com)



## THE YEAR AT A GLANCE

PARTICULARS	UNIT	2010-11	2009-10
<b>PHYSICAL</b>			
Bauxite	MT	<b>48,23,908</b>	48,78,888
Alumina Hydrate	MT	<b>15,56,000</b>	15,91,500
Aluminium	MT	<b>4,43,597</b>	4,31,488
Power (net)	MU	<b>6,608</b>	6,293
<b>FINANCIAL</b>			
Export Turnover	₹ in crore	<b>2,065</b>	2,209
Gross Sales	₹ in crore	<b>6,370</b>	5,311
Profit Before Tax	₹ in crore	<b>1,525</b>	1,155
Profit After Tax	₹ in crore	<b>1,069</b>	814
Earning Per Share	₹	<b>4.15</b>	3.16*
Book Value per Share	₹	<b>43.32</b>	40.34*
Dividend	₹ per Share	<b>2.50</b>	2.50

\*Figures recalculated considering split & bonus.

### REGISTERED OFFICE & CORPORATE OFFICE

NALCO Bhawan  
P/1, Nayapalli  
Bhubaneswar - 751 061, Odisha  
Tel. : 2301989-99  
Fax : 0674-2300470 / 2300580 / 2300677 / 2300740  
Website : [www.nalcoindia.com](http://www.nalcoindia.com)

30<sup>th</sup> Annual General Meeting  
Thursday, the 29<sup>th</sup> September, 2011 at 11.00 A.M.  
at NALCO Bhawan, P/1, Nayapalli,  
Bhubaneswar - 751 061.

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## BOARD OF DIRECTORS



**Shri B. L. Bagra**

Born on 21.11.1954, Shri Bajrang Lal Bagra is a post graduate in commerce and a fellow member of ICAI. He joined NALCO as Director (Finance) on 28.02.2007. Before joining NALCO, he was Director (Finance) of RITES, Railways PSU for over six years. Shri Bagra's experience spans over three decades of working in Transport, Mining, Power and Seeds Sectors. He was CFO of Botswana Railways (BR) for five years before being elevated to Director's position in RITES. He was key member of change management team, which turned around BR through comprehensive restructuring including financial and organizational restructure and staff rationalization. He has experience of international business and is credited with developing privatization and concession division in RITES where the Company was successful in putting up joint ventures and bagging concessions of Railway systems in Colombia, Mozambique and Tanzania. Before joining RITES he worked with Manganeese Ore (India) Limited for 7 years, Rajasthan Electricity Board and Seeds Corporation for two years each.

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**Shri Joy Varghese**

Born on 17.08.1952, Shri Joy Varghese holds M.S.W. and MBA degrees. He joined NALCO as Director (Personnel & Administration) on 01.10.2007. Before joining NALCO, he was General Manager (Pers.&Admn.) in Kudremukh Iron Ore Co. Ltd., Asia's largest Iron ore mining and pelletisation complex. He has wide ranging experience of 30 years in Human Resources Management, Public Relations & Administration. He was also a guest faculty in HRM field in many colleges and business schools in and around Bangalore before joining NALCO.

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**Shri A. K. Sharma**

Born on 06.09.1951, Shri A. K. Sharma completed his BE (Mech.) Hons. from NIT, Allahabad and started his career with BALCO. Later, he joined NALCO in 1982. Shri Sharma has thirty years' of experience in Aluminium Industry and has expertise in aluminium smelting. While working at NALCO, he has contributed significantly towards indigenous development of technology, systems and methods for improving critical process requirements of aluminium industry. He was appointed as Director (Production) on 01.05.2009. He holds 1200 shares of the Company in his name.

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**Shri Prasant Kumar Padhi**

Born on 06.01.1952, Shri P. K. Padhi graduated in Mechanical Engineering from NIT, Rourkela in 1974. He obtained his masters degree from IIT, Kharagpur and MBA from the University of Leeds, UK. He worked with Hindustan Aeronautics Ltd. and later joined National Aluminium Company Ltd. (NALCO) in 1983. His experience at NALCO has been diverse. He headed the Industrial engineering department and was appointed to the key post of Technical Secretary to the Chairman-cum-Managing Director. He has held various positions in marketing department where he has significant contributions in formulating Company's marketing strategies and policies. His leadership has steered the Company's alumina and aluminium business through highly competitive domestic and international markets. He was Executive Director (materials) overseeing the Company's Material Management functions. He was appointed as Director (Projects & Technical) on 3rd September, 2009 and is executing ₹ 4,400 crores Expansion project. He holds 400 shares of the Company in his name.

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