

GMDC profits rise 19% on strong lignite sales

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GUJARAT Mineral Development Corporation (GMDC) has registered Rs 280-crore profit after tax in the financial year-2009-10, posting a rise of 19% over last fiscal. The premier PSU of Gujarat government has reached a turnover of Rs 1,065 crore which is 9% higher from its 2008-09 turnover of Rs 981 crore. The board of the corporation has recommended 125% dividend for the year 2009-10.

GMDC managing director V S Gadhavi said in spite of stiff competition from alternative fuel such as imported coal and pet coke, GMDC's lignite sales posted a sustained growth. GMDC's power generation business has helped it to register higher profit. "Since inception, the lignite-fed power plant of the corporation has generated a profit of Rs 44 crore. Moreover, in its efforts to capitalise on the synergies available in alternative non-conventional energy segment, we have set up a 19.5 mw wind farm near Rajkot, which also brought in sales income of Rs. 3.5 crore over a period of two quarters since commencement," Mr Gadhavi added.

He further said that during the current fiscal, the corporation plans to install in phases further wind power generation units taking it to a total of 100 mw.

During the year under review, two mines of GMDC, Tadkeshwar near Surat and Mata no Madh in Kutch, produced the highest lignite since their commencement. During the year, bauxite sales generated a total revenue of Rs 27 crore which was a whopping 400% increase over previous year's sales. Similarly, on manganese front, the corporation generated a revenue of Rs 0.8 crore by sale of manganese waste dumps from its Shivrajpur minefield in Panchmahal.

As per the new mineral policy of the state government, GMDC will be in the role of a facilitator and catalyst in mineral sector of the state. "We are planning to enter into several strategic partnerships to achieve more value addition to bauxite, manganese and fluorspar which would further enhance GMDC's role in holistic mineral development in the state," Mr Gadhavi added.