

MECL ASKED TO MOBILISE MORE PROMOTIONAL FUNDING

New Delhi, November 10, 2005

Public Sector Mineral Exploration Corporation Ltd. (MECL)'s gross margin during April-September, 2005 stood at Rs.850 lakh, 15 per cent higher than Rs.742 lakh achieved during the same period last year. During the second quarter of this fiscal, the gross margin was Rs.411 lakh, 123 per cent of the target. This was stated by the CMD, MECL, Shri Rajneesh Gupta in a review meeting taken by the Mines Secretary, Shri A.K.D. Jadhav here today. Shri Gupta said, the gross margin of the company has been positive consecutively for the last 34 months.

The Company in the second quarter carried out 38,000 meters (m), of drilling 1,741 m of developmental mining exceeding targets of 39,130 m and 1,385 m. respectively. The Secretary was informed that during the quarter, the turnover of the company at Rs.1808 lakh, has been 17 per cent more than the target of 1549 lakh. Besides, it took up a number of environmental and remote sensing studies.

The Secretary desired MECL to increase its production and to mobilise additional promotional funding to take up need based, area specific detailed exploration projects especially in the area of hard rock drilling. It should draw up a vision document based on its experiences and skills and design schemes for the Eleventh Plan on the basis of data available from GSI. MECL and GSI should jointly work out plans to undertake projects for detailed exploration in areas where regional exploration has been completed by GSI. Promotional funding for MECL during this financial year and in the year 2006-07 should be posed in this background.

BAE

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HRS:15:30

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