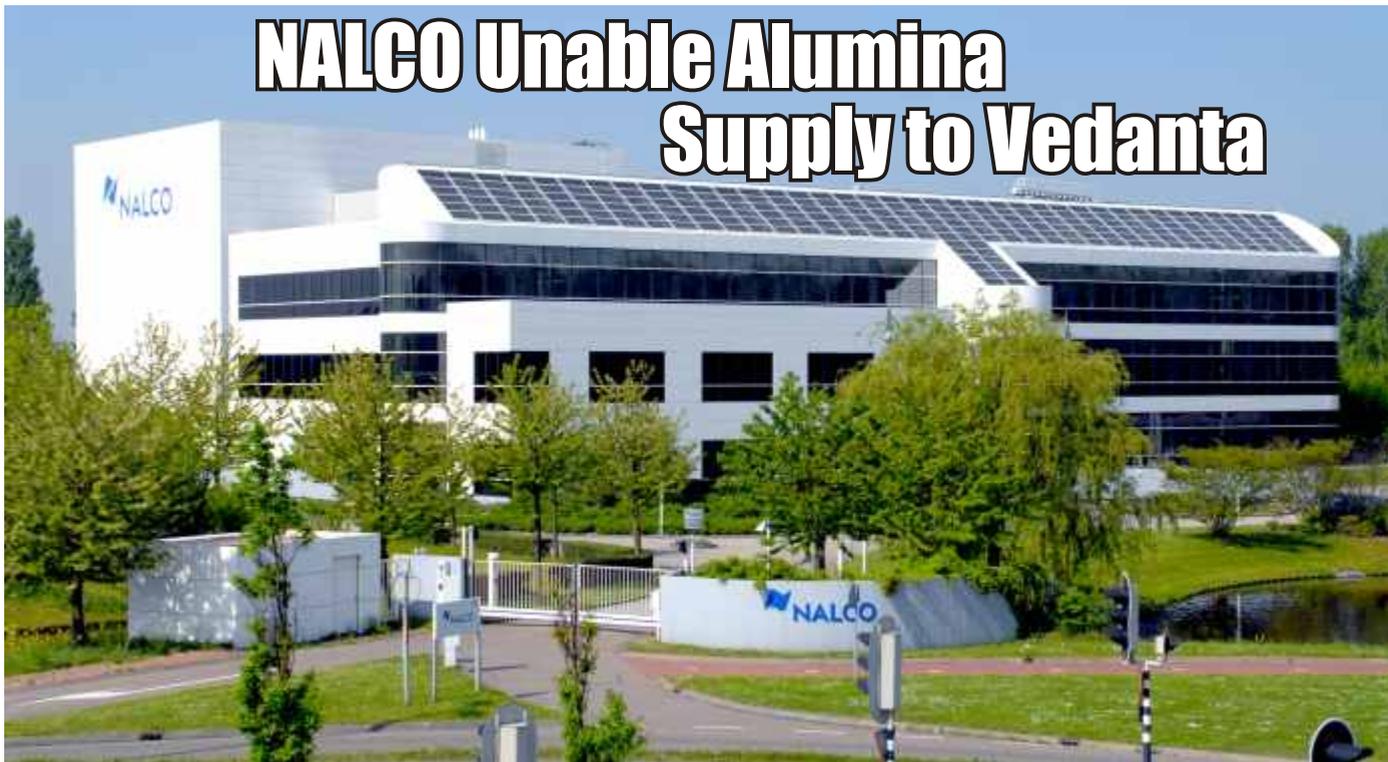


NALCO Unable Alumina Supply to Vedanta



Nalco is not in a position to sell surplus alumina to bauxite-starved Vedanta for its smelter at Jharsuguda in Odisha, saying it was against the Navaratna PSU's policy to supply it in domestic market.

"We are not in a position to provide alumina or bauxite to any other company inside the country," chairman and managing director Ansuman Das told reporters after the company's annual general meeting in Bhubaneswar on Saturday.

According to the policy adopted by Nalco's board, the company does not sell either bauxite or alumina to other companies in the domestic market, Das said while responding to queries about the plea by Vedanta Aluminium.

Vedanta Aluminium's managing director, S K Roongta, had recently sought the Odisha government's intervention to impress upon Nalco to sell its surplus alumina for its smelter at Jharsuguda.

In a letter to Chief Secretary J K Mohapatra, he had said: "We earnestly request you to impress upon Nalco to start selling/allow participation of

smelter companies located in Odisha, which would be treated as deemed exports for Nalco in its alumina tenders, so that same can be utilised for increasing revenues for the exchequer, ensuring value addition and

Kalahandi district is running at a depleted capacity of 30-40% on outsourced bauxite from states such as Gujarat, Chhattisgarh and Jharkhand, this has been hurting alumina availability for its smelter plants, Roongta had said.

VAL has two smelters at Jharsuguda. The 0.5-million tonne per annum (mtpa) smelter plant, supported by a 1,215 Mw captive power plant, produces downstream products such as wire rods and billets. This unit was in operation and meeting its alumina requirement through imports, sources said. The other smelting facility of 1.2 mtpa capacity was installed as a special economic zone (SEZ) unit. This was yet to be commissioned due to non-availability of alumina.

Overall performance of VAL's smelter was hit after Lanjigarh refinery faced shutdown between December 5, 2012 and July 11, 2013 as bauxite sources dried up, they said. It may be noted Nalco had earlier turned down VAL's request to allow it to participate in the tendering process for sale of surplus alumina. VAL had even offered a premium of 7-10% over Nalco's export price of alumina. ○○○



also generation of employment opportunities."

Stating Nalco was exporting surplus alumina of over one million tonne a year, Roongta said: "The diversion of this surplus alumina for VAL's alumina smelter will generate extra revenue for Nalco at around Rs 200 crore annually over and above its export realisation, thus helping improve its financial balance sheet." As VAL's refinery at Lanjigarh in