

## Balco to re-start SRS at Korba



Vedanta-controlled Balco had re-started the sheet rolling shop (SRS) at the Korba facility, facilitating metal major to be back in rolling products business that was suspended about a year ago.

In August last year, the SRS was shut down as it was running in huge loss following global steep fall in the price of

aluminium and low demand due to dumping from China. After the required maintenance and minor modernization, the machines were taken into operations.

"The SRS resumed production from with the initial output of 5,000 tonnes," Deepak Prasad, Balco's head of metal business, said. The production would be gradually increased and the company had planned to produce

36,000 tonnes rolled products in the remaining period of the current financial year, he added.

The products include hot rolled coils, hot rolled plates, cold rolled coils and strips, cold rolled sheets and chequered sheets. The capacity of the SRS would be increased to 100,000 tpa later, Prasad said, adding the SRS would be rolling out all the existing products besides new product. About 300 workers who lost the job when the SRS was shut down had been taken back.

Balco, in which mining conglomerate Vedanta Ltd, earlier Sesa Sterlite, holds 51 per cent stake, is on a major expansion programme. The company would be investing Rs 10,000 crore to enhance the capacity to 1 million tonnes per annum. At present, Balco is equipped to produce 575,000 tonne per annum aluminium.

Because of power constrains, the plant is unable to run to the full capacity. The 1200-Mw power plant had been commissioned while the company had bagged the Chotia coal mine in the auction to feed it. The power plant was a major milestone as it would help feeding the proposed plant under the expansion programme.

## Oman conducts feasibility study to set up aluminium container unit

A feasibility study to set up a project to manufacture light weighted semi rigid aluminium containers, which are used for packing food, was conducted by a leading consultancy agency. The study on the proposed project, which is a downstream unit of the aluminium industry, is for building a unit with an annual capacity of 100 to 150 tonnes of aluminium food packaging containers of varying capacities.

It appears that the investors will take a decision after carefully studying the feasibility report. According to the feasibility study conducted by Advanced Business Consultants, there is a potential for manufacturing semi-rigid aluminium containers in Oman, which are mostly used by restaurants and hotels to pack food items.

R Gurunath principal consultant of Advanced Business Consultants told that Oman's demand for semi rigid aluminium containers of varying sizes is estimated in the region of 500 tonnes per annum, which is now met through imports, predominantly from the

United Arab Emirates. Since the newly proposed company cannot capture the entire market share in the initial years, the proposal is to build a relatively lower capacity unit (of 100 to 150 tonnes per annum) and the capacity can be enhanced in line with the growth in demand.

The prospects of a successful manufacturing unit will depend on various internal and external factors, which include raw material price and the price of competing brands that are imported from overseas markets. However, the fact that food consumption is not going to come down, despite an economic recession, is a positive factor for setting up the project in the Sultanate. The investors will also take into account other factors like competition from alternate food packaging products like plastics.

As part of a strategy to add value to various major industries that manufacture steel and aluminium, the Sultanate has been planning build different downstream industries that can add value.

