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## **CAPEX cuts - NALCO shelves SA aluminium smelter plan**

*Thursday, 19 Nov, 2009*

IANS reported that state run Asia's largest integrated aluminium producer National Aluminium Co has decided not to pursue its planned aluminium smelter and power plant in South Africa as it could not get coal linkage, but will push a similar project in Iran.

The report cited Mr BL Bagra finance director of NALCO as saying that "South African project has been dropped. Since we have not been able to get coal reserves, we are not pursuing it further."

According to him, NALCO had expected a lot of coals reserves in that country but found these scattered and not in one block. He said "The South African government has awarded mining contracts for its coal deposits to local entrepreneurs. We could not manage to get enough of them who can together transfer coal blocks to NALCO."

NALCO was exploring possibilities of setting up a 500,000 tonnes aluminium smelter plant and a 1,250 MW power plant in South Africa on an investment of about INR 17,000 crore.

(Sourced from IANS)

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