

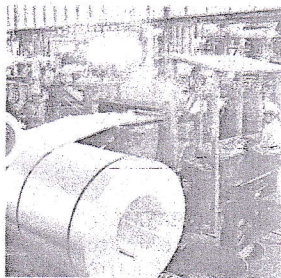
Nalco defers ₹30,000-cr capex as Rio Tinto Canada tie-up stalls

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State-owned National Aluminium Company Ltd (Nalco) is revisiting its ambitious ₹30,000-crore expansion plan, delaying the project by a year. This comes after the collapse of discussions with Rio Tinto Canada for a crucial technology partnership and stalled talks with NTPC for power supply.

Sources indicate that Rio Tinto Canada's unwillingness to share smelter technology had forced Nalco to rework its detailed project report (DPR). Nalco has also cut its projected power requirement from 1,200 MW to 1,080 MW.

The extensive capital expenditure (capex) programme originally envisioned a 0.5 million tonnes per annum (mtpa) aluminium smelter and associated captive power plants, with commissioning expected by FY30. However, during a recent investor call, Nalco Chairman and Managing Director Brijendra Pratap Singh said significant capex outflow is now expected to commence from FY27-28.



Nalco did not respond to queries regarding the developments.

NEW PROJECT REPORT

In the investor call, Singh said fresh DPRs were being prepared and it includes appointing a consultant to determine how to go about the power supply requirement.

In February, the company top brass said it was exploring a tech tie-up with Rio Tinto Canada.

"Smelter expansion... we had made a DPR for that. Our plan was to go ahead with that DPR ... now not willing to give up their technology. So, again, we are revisiting it. Our team is going to Dubai. So, we have given EIL (Engineers India Ltd) a target to give the DPR in the next 6 to 8 months. And after that, we'll be going in for tender-

ing," he said. Singh said the target is to complete tendering in 12-18 months. Actual commissioning will take 3-4 years.

As for the power plant, the CMD said: "Our requirement is 270x4 MW. That's why we are going in for tendering, for appointing the consultant... This will go along with the smelter."

In FY25, Nalco's revenue grew 28 per cent y-o-y to ₹16,800 crore, and EBITDA jumped 163 per cent to ₹7,600 crore. The adjusted Profit After Tax surged 165 per cent to ₹5,300 crore. The company achieved bauxite excavation of 7.648 mt and domestic metal sales of 0.455 mt in FY25.

FY26 CAPEX

Nalco's FY26 capex guidance is pegged at ₹1,700 crore, of which ₹1,100 crore is for the alumina refinery and the development of the Pottangi mine. In FY27, capex is likely to be in the ₹2,000 crore range.

According to Singh, Nalco is expanding its alumina refinery by 1 mtpa, with completion now targeted for January-February 2026 after package delays pushed the original September deadline.