

**GOVERNMENT OF INDIA  
MINES  
LOK SABHA**

UNSTARRED QUESTION NO:3414  
ANSWERED ON:30.11.2010  
SMELTER PROJECT OF NALCO  
Reddy Shri Komatireddy Raj Gopal

**Will the Minister of MINES be pleased to state:**

- (a) whether the National Aluminium Company Ltd. (NALCO) has tied-up with an Indonesian mining company for a smelter project;
- (b) if so, the details thereof; and
- (c) the present status of the same?

**Answer**

THE MINISTER OF MINES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI B. K. HANDIQUE)

(a)&(b): National Aluminium Company Limited (NALCO) has informed that the Company does not have legally binding tie-up with any Indonesian Company for the Smelter and Power Plant project in Indonesia. However, the Company has signed a legally non-binding Memorandum of Understanding (MoU) with Ras Al Khaimah Minerals & Metals Investments FZ LLC (RMMI) in December, 2008 valid for 2 years, for equity participation in the proposed Joint Venture (JV) Company for establishment of the Smelter and Power Plant project in South Sumatera Province of Indonesia, subject to viability and approvals with an option to consider for other location in Indonesia. The project in South Sumatera has been shelved. The project now under consideration is in East Kalimantan Province of Indonesia. No decision has been taken as yet on the cited MoU to be extended to new location. There is no MoU in place for new location in East Kalimantan.

(c): Action for finalization of coal arrangement is in hand. Two firms have been shortlisted following an open enquiry through public notices inviting expression of interest. Once the coal arrangements are in place decision on the location of plant based on selected source of coal, preparation of detailed project report, etc. would be taken up.