

To

Mr. Jiten Patel,
Assistant Manager-Listing Compliance,
National Stock Exchange of India Limited (NSE),
Exchange Plaza, Bandra Kurla Complex,
Bandra East,
Mumbai – 400 051.

Sub: News Item – “NALCO puts Iran project on hold.”

Dear Sir,

This has reference to your email dtd. 06-06-2017 on the above subject. In this connection, we would like to put forth the following clarification / information:

- a) NALCO had signed a MoU with IMIDRO, Iran in May, 2016 to explore possibility to set up an aluminium smelter in Iran and to enter into tolling arrangement with aluminium smelters in Iran on the basis of supply of alumina from NALCO into aluminium metal. A Joint Task Force was constituted to study these proposals and give its recommendations. A team/committee from NALCO had visited Iran in December, 2016 and submitted its observations, such as – aluminium smelter in Iran may not have the spare capacity for tolling, logistics and other constraints for exporting aluminium from Iran, scarcity of water for putting up power plant and smelter etc., which are not encouraging. Based on these observations, NALCO would take a call on the proposed projects in Iran at appropriate time.
- b) Moreover, Company has neither made any financial commitment nor invested any fund for these projects. Therefore, we do not foresee any material impact about NALCO's decision w.r.t. its project in Iran, which is yet to be taken.

Thanking you,

Yours faithfully,
For National Aluminium Co. Ltd.


(N K Mohanty)
Company Secretary

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