

May 30, 2022



Current Price: ₹ 409.15

STOCK DATA

BSE Code	500440
NSE Symbol	HINDALCO
Reuters	HALC.BO
Bloomberg	HNDL IN

VALUE PARAMETERS

52 W H/L(Rs)	636.00/359.80
Mkt. Cap.(Rs Cr)	91943.07
Latest Equity(Subscribed)	224.72
Latest Reserve (cons.)	77969.00
Latest EPS (cons.) -Unit Curr.	59.22
Latest P/E Ratio -cons	6.91
Latest Bookvalue (cons.) -Unit Curr.	347.96
Latest P/BV - cons	1.18
Dividend Yield -%	0.97
Face Value	1.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 31/03/2022
Foreign	28.85
Institutions	19.22
Govt Holding	0.01
Promoters	34.64
Public & Others	17.28

Consolidated Financial Results

In Cr.

	Qtr Ended Mar. 22	Qtr Ended Mar. 21	Var. (%)
Net Sales	55764	40507	38
OPM (%)	13	14	
OP	7304	5655	29
Other Inc.	293	189	55
PBIDT	7597	5844	30
Interest	805	903	-11
PBDT	6792	4941	37
Depreciation	1761	1721	2
PBT	5031	3220	56
Share of Profit/(Loss) from Associates	1	0	-
PBT before EO	5032	3220	56
EO Income	-251	34	PL
PBT after EO	4781	3254	47
Taxation	921	1309	-30
PAT	3860	1945	98
EPS (Rs)	18	9	

Hindalco Industries consolidated net sales increased 37.67% to Rs 55764 crore in Q4FY22 compared to Q4Fy21. Sales of Aluminium segment has gone up 64.97% to Rs 9,847.00 crore (accounting for 17.55% of total sales). Sales of Copper segment has gone up 15.03% to Rs 9,787.00 crore (accounting for 17.44% of total sales). Sales of Others segment has gone down 11.59% to Rs 61.00 crore (accounting for 0.11% of total sales). Sales of Novelis segment has gone up 37.00% to Rs 36,411.00 crore (accounting for 64.90% of total sales). Inter-segment sales came down from Rs 617.00 crore to Rs 342.00 crore. Operating profit margin has declined from 13.96% to 13.10%, leading to 29.16% rise in operating profit to Rs 7,304.00 crore. Raw material cost as a % of total sales (net of stock adjustments) increased from 60.66% to 61.83%. Purchase of finished goods cost rose from 0.10% to 1.66%. Employee cost decreased from 7.09% to 5.10%. Other expenses rose from 18.46% to 18.92%. Power and Oil fuel cost fell from 5.60% to 5.54%. Other income rose 55.03% to Rs 293 crore. PBIDT rose 30% to Rs 7597 crore. Provision for interest fell 10.85% to Rs 805 crore.

PBDT rose 37.46% to Rs 6792 crore. Provision for depreciation rose 2.32% to Rs 1761 crore. Profit before interest, tax and other unallocable items (PBIT) have jumped 31.25% to Rs 7,691.00 crore. PBIT of Aluminium segment rose 122.53% to Rs 4,050.00 crore (accounting for 52.66% of total PBIT). PBIT of Copper segment rose 20.19% to Rs 387.00 crore (accounting for 5.03% of total PBIT). PBIT of Others segment fell 46.15% to Rs 7.00 crore (accounting for 0.09% of total PBIT). PBIT of Novelis segment fell 12.36% to Rs 3,247.00 crore (accounting for 42.22% of total PBIT).

PBIT margin of Aluminium segment rose from 30.49% to 41.13%. PBIT margin of Copper segment rose from 3.78% to 3.95%. PBIT margin of Others segment fell from 18.84% to 11.48%. PBIT margin of Novelis segment fell from 13.94% to 8.92%. Overall PBIT margin fell from 14.25% to 13.71%. Profit before EO grew 56.24% to Rs 5,031.00 crore. The company reported EO expense of Rs 251 crore compared to EO income of Rs 34 crore. PBT after EO rose

Hindalco Industries: Consolidated Segment Results

	Qtr Ending Mar. 22	Qtr Ending Mar. 21	Var.(%)	In Cr. % of (Total)
Aluminium	9847	5969	65	18
Copper	9787	8508	15	17
Others	61	69	-12	0
Novelis	36411	26578	37	65
Total Reported Sales	56106	41124	36	100
Less: Inter segment revenues	342	617	-45	
Net Sales	55764	40507	38	
PBIT				
Aluminium	4050	1820	123	53
Copper	387	322	20	5
Others	7	13	-46	0
Novelis	3247	3705	-12	42
Total PBIT	7691	5860	31	100
Less : Interest	805	903	-11	
Add: Other un-allocable	-2105	-1703	-24	
PBT	4781	3254	47	

47% to Rs 4781 crore. Provision for tax was expense of Rs 921 crore, compared to Rs 1309 crore. Effective tax rate was 19.26% compared to 40.23%.

Net profit attributable to owners of the company increased 98.46% to Rs 3,860.00 crore. The results were driven by an exceptional performance by India Business, supported by favourable macros, strategic product mix and an improved performance by the downstream business. Novelis' Q4 results were impacted primarily due to cost inflation, semiconductor chip shortage in automotive and other short-term operational issues.

Business Segment Performance in Q4 FY22 (vs Q4 FY21)

Novelis: Novelis reported quarterly adjusted EBITDA of \$431 million (vs \$505 million), down 15 per cent YoY, primarily due to cost inflation, semiconductor chip shortage in automotive and other short-term operational issues, and a non-recurring regulatory provision taken in the quarter. Novelis reported an Adjusted EBITDA per ton of \$437 in Q4 FY22, compared to \$514 in the prior year.

Novelis' Net Income from continuing operations was \$217 million, up 21 per cent YoY, mainly driven by lower interest expense in Q4 FY22. Revenue was \$4.8 billion (vs \$3.6 billion), up 34 per cent YoY, driven by higher global aluminium prices. Total shipments of flat rolled products (FRPs) were up at 987 Kt vs 983 Kt in Q4 FY21.

Aluminium India: EBITDA was at an all-time high of Rs.4,050 crore in Q4 FY22, compared with Rs.1,819 crore for Q4 FY21, an increase of 123 per cent YoY, primarily due to favourable macros, higher volumes, better operational efficiencies, and improved performance of downstream business offset by higher input costs. EBITDA margins were at 41 per cent and continue to be the best in the industry. Revenue was Rs.9,847 crore in Q4 FY22 vs Rs.5,969 crore in the prior year period. Aluminium India Business recorded metal production of 326 Kt vs 316 Kt in the corresponding quarter. Aluminium metal sales were up 2 per cent YoY at 336 Kt vs 329 Kt in the prior year. Aluminium VAP (excluding wire rods) sales volumes were at a record 93

Kt (vs 92 Kt), up 1 per cent YoY, driven by recovery of the domestic market. VAP sales, as a percentage of total metal sales, were at 28 per cent this quarter which was the same as the prior year quarter.

Copper: Copper Cathode production was at 94 Kt in Q4 FY22 (vs 97 Kt in Q4 FY21) while copper rod production was 69 Kt in Q4 FY22 (vs 76 Kt in Q4 FY21). Overall copper metal sales were at 105 Kt (vs 107 Kt in Q4 FY21), Copper Continuous Cast Rod (CCR) sales in Q4 FY22 were up 2 per cent YoY, at 74 Kt (vs 73 Kt in Q4 FY21). EBITDA for the business stood at Rs.387 crore in Q4 FY22 compared to Rs.322 crore in Q4 FY21, up 20 per cent YoY, on the back of better operational efficiencies and improved by-product realisations. Revenue from the Copper Business was Rs.9,787 crore this quarter, up 15 per cent YoY, primarily due to higher global prices of copper and higher volumes.

Mr. Satish Pai, Managing Director, Hindalco Industries, said:

“With record profitability in the fourth quarter, we had a very good end to the year. We attribute Hindalco’s highest-ever profits not just to strong macros, but also our consistent focus on operational excellence and cost optimization. We continue to remain one of the world’s lowest cost and highest EBITDA margin producers of aluminium. Our strategy to build a more sustainable business model that is isolated from metal cycles is working very well for us. In line with this, we have allocated over 70 per cent of our growth capex to value-enhancing downstream segments. All our growth capex for the next five years will be funded out of internal accruals. Our growth strategy will continue to be shaped by our 2050 ESG goals – achieving Net Zero in carbon emissions, effluent discharge, biodiversity loss and waste to landfill. To sum up, Hindalco sees a positive horizon which inspires us to invest in future-centric growth projects.”

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