

November 16, 2021



Current Price: ₹ 456.00

STOCK DATA

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

VALUE PARAMETERS

52 W H/L(Rs)	551.65/209.75
Mkt. Cap.(Rs Cr)	102470.85
Latest Equity(Subscribed)	224.72
Latest Reserve (cons.)	71036.00
Latest EPS (cons.) -Unit Curr.	43.12
Latest P/E Ratio -cons	10.58
Latest Bookvalue (cons.) -Unit Curr.	317.11
Latest P/BV - cons	1.44
Dividend Yield -%	0.65
Face Value	1

SHARE HOLDING PATTERN (%)

Description as on	% of Holding 30/09/2021
Foreign	25.47
Institutions	20.61
Govt Holding	0.01
Promoters	34.64
Public & Others	19.26

Consolidated Financial Results

In Cr.

	Qtr Ended Sept. 21	Qtr Ended Sept. 20	Var. (%)
Total Income	47665.00	31237.00	53
OPM (%)	15.83	10.73	
OP	7545.00	3352.00	125
Other income	418.00	362.00	15
PBIDT	7963.00	3714.00	114
Net Finance Charges	1291.00	982.00	31
PBDT	6672.00	2732.00	144
Depreciation	1640.00	1708.00	-4
PBT before EO	5032.00	1024.00	391
EO	13.59	52.33	-74
PBT after EO	5018.41	971.67	416
Tax expense	1615.00	637.00	154
PAT	3403.41	334.67	917
EPS (Rs)	15.33	1.51	

Hindalco Industries Limited, the Aditya Birla Group metals flagship, consolidated Revenue for the second quarter stood at Rs.47,665 crore (vs Rs.31,237 crore), up 53% YoY. Consolidated PAT in Q2 FY22 rose to Rs.3,403.41 crore from Rs.334.67 crore in Q2 FY21, a jump of 917% YoY.

The results were driven by an exceptional performance by Novelis and India Business, supported by favorable macros, strategic product mix, higher volumes, and stability in operations. Novelis continued to report a high quarterly EBITDA, as a result of an upswing in demand for innovative and sustainable aluminium products, high recycled contents and an outstanding operational performance despite challenges in the automotive segment due to the global semiconductor chip shortage impacting the automotive industry.

Consolidated Net Debt to EBITDA ratio improved further to 1.93x on September 30, 2021 compared to 2.59x on March 31, 2021.

Business Updates

- Aleris Integration work continues with nearly \$100 million run-rate combination cost synergies achieved through the end of Q2 FY22.
- As part of the integration, the expansion project in Zhenjiang, China, is expected to begin in early 2022 with investments of \$375 million over 3 years. This includes a new cold mill, automotive casting house, recycling capabilities, hot mill upgrade, etc.
- The Guthrie, Kentucky automotive finishing plants in the U.S. and in Changzhou, China, have started production taking the total automotive finishing line capacity to over 1 million tons.
- Novelis' expansion of recycling, casting, and rolling facilities in Pinda, Brazil, have started production and are ramping up well.
- Novelis successfully refinanced \$1.5 billion unsecured senior notes (\$750 million each at a coupon of 3.250% and 3.875%) due in 2026 and 2031, with an annualized interest savings of \$35 million.
- Novelis announced \$130 million investment for plant upgrades at Oswego US, resulting in

additional 124Kt hot mill capacity and enhanced finishing capabilities for automotive sheets.

- 500 Kt expansion project in Utkal Alumina started commercial production in Q2 FY22 and has already achieved rated capacity, taking its total capacity to 2.1 million tons per annum.
- Hindalco signed a definitive agreement with Polycab to acquire its 100% equity stake in Ryker Base Pvt. Ltd. which has a 225Kt cast and rolled copper wire rods manufacturing facility.

Management Comment

Mr. Satish Pai, Managing Director, Hindalco Industries, said: "Our record-breaking performance this quarter is an affirmation of our fully integrated business model, which powers our performance in both upstream and downstream markets. Hindalco reported standout performances across all business segments: Indian Aluminium Business set a near global industry record by achieving EBITDA margin of 42%. Copper Business delivered the highest-ever quarterly sales in Q2, with both smelters running optimally to meet the robust market demand. Novelis once again achieved a record EBITDA per ton driven by higher volumes and favourable metal prices.

Our product-rich portfolio strategy continues to deliver results across diverse market scenarios. It encourages us to keep building the downstream asset base and expand our market footprint. The recent Ryker copper rod unit acquisition is in keeping with our downstream capex plans announced earlier this year. We also continue to push our ESG agenda and goals to meet our sustainability vision on net neutrality, water positivity, zero discharge and more.

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