

ADITYA BIRLA



HINDALCO

AM:SJV: STEX: 2013

12th November, 2013

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor.

Plot No. C/1, G Block

Bandra Kurla Complex

Bandra (East)

Mumbai – 400 051

Tel No. 26598100/6598235/36

Fax No. 26598237/38

Dear Sir,

**Sub : Publication of Unaudited Financial Results for the Second
Quarter ended on 30th September, 2013**

We are sending herewith a Statement showing the “Unaudited Financial and Segment Results” of the Company for the Second Quarter ended on **30th September, 2013**, which are approved at the Meeting of the Board of Directors of the Company held on **12th November, 2013** along with “**Limited Review Report**” of Statutory Auditors of the Company, M/s. Singhi & Co.

Also find enclosed a copy of the Press Release.

We hope you will find this in order Thanking you,

Yours faithfully,

For Hindalco Industries Ltd

Anil Malik

Joint President &
Company Secretary

Encl: as above

Regd. Office :

Hindalco Industries Limited
Century Bhavan, 3rd Floor,
Dr. Annie Besant Road, Worli,
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HINDALCO INDUSTRIES LIMITED

Regd. Office: "Century Bhavan", 3rd Floor, Dr. Annie Besant Road, Worli, Mumbai-400 030

PART - I

(₹ Crore, except per share data)

Statement of Standalone Unaudited Results for the Quarter and Six Months ended 30th September, 2013

Particulars	Quarter ended 30/09/2013 (Unaudited)	Quarter ended 30/06/2013 (Unaudited)	Quarter ended 30/09/2012 (Unaudited)	6 Months ended 30/09/2013 (Unaudited)	6 Months ended 30/09/2012 (Unaudited)	Year ended 31/03/2013 (Audited)
1 Revenue from Operations	6,304.85	5,837.93	6,163.52	12,142.78	12,191.46	26,056.93
(a). Net Sales	6,245.56	5,766.69	6,114.71	12,012.25	12,078.82	25,784.31
(b). Other Operating Revenues	59.29	71.24	48.81	130.53	112.64	272.62
2 Expenses	5,961.37	5,542.55	5,820.96	11,503.92	11,556.26	24,557.41
(a). Cost of Materials Consumed	5,042.72	2,993.48	4,618.80	8,036.20	8,268.04	17,136.51
(b). Purchases of Stock-in-Trade	-	0.03	-	0.03	0.38	0.38
(c). Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(1,035.50)	677.19	(620.34)	(358.31)	(374.88)	127.94
(d). Employee Benefits Expenses	360.81	302.44	312.90	663.25	603.08	1,200.80
(e). Power and Fuel	882.18	806.20	806.49	1,688.38	1,563.82	3,073.04
(f). Depreciation and Amortization (including Impairment)	196.36	183.07	172.75	379.43	343.23	704.20
(g). Other Expenses	514.80	580.14	530.36	1,094.94	1,152.59	2,314.54
3 Profit from Operations before Other Income and Finance Costs	343.48	295.38	342.56	638.86	635.20	1,499.52
4 Other Income	279.82	427.94	132.37	707.76	433.80	983.09
5 Profit before Finance Costs	623.30	723.32	474.93	1,346.62	1,069.00	2,482.61
6 Finance Costs	183.17	148.72	27.86	331.89	109.33	435.98
7 Profit before Tax	440.13	574.60	447.07	1,014.73	959.67	2,046.63
8 Tax Expenses	83.02	100.51	88.19	183.53	176.02	347.43
9 Net Profit for the Period	357.11	474.09	358.88	831.20	783.65	1,699.20
10 Paid-up Equity Share Capital (Face Value ₹ 1/- per Share)	206.48	191.48	191.48	206.48	191.48	191.48
11 Reserve excluding Revaluation Reserves						33,239.60
12 Earning per Share of ₹ 1/- each (not annualised)						
(a). Basic (₹)	1.85	2.48	1.87	4.32	4.09	8.88
(b). Diluted (₹)	1.85	2.48	1.87	4.32	4.09	8.87
Debt Service Coverage Ratio (DSCR) *				3.81	12.74	7.28
Interest Service Coverage Ratio (ISCR) **				5.20	12.92	7.31
* DSCR = Profit before Depreciation, Finance Costs and Tax / (Finance Costs (net of capitalization) + Scheduled principal repayments (excluding prepayment))						
** ISCR = Profit before Depreciation, Finance Costs and Tax / Finance Costs (net of capitalization)						

PART - II

Select Information for the Quarter and Six Months ended 30th September, 2013

Particulars	Quarter ended 30/09/2013	Quarter ended 30/06/2013	Quarter ended 30/09/2012	6 Months ended 30/09/2013	6 Months ended 30/09/2012	Year ended 31/03/2013
A. PARTICULARS OF SHAREHOLDING						
1 Public Shareholding *						
(a). Number of Shares	1,143,046,506	1,143,046,506	1,142,339,940	1,143,046,506	1,142,339,940	1,141,122,192
(b). Percentage of Shareholding	55.36%	59.70%	59.67%	55.36%	59.67%	59.60%
2 Promoters and Promoter Group Shareholding *						
(a). Pledged/ Encumbered :						
Number of Shares	-	-	-	-	-	-
Percentage of Shares (as a % of total shareholding of Promoters and Promoter Group)	-	-	-	-	-	-
Percentage of Shares (as a % of the total Share Capital of the Company)	-	-	-	-	-	-
(b). Non-encumbered :						
Number of Shares	763,797,188	613,797,188	613,797,188	763,797,188	613,797,188	613,797,188
Percentage of Shares (as a % of total shareholding of Promoters and Promoter Group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of Shares (as a % of the total Share Capital of the Company)	37.00%	32.06%	32.06%	37.00%	32.06%	32.06%
* Excludes shares represented by Global Depository Receipts.						
B. INVESTORS COMPLAINTS						
Pending at the beginning of the quarter	Nil					
Received during the quarter	17					
Disposed of during the quarter	17					
Remaining unresolved at the end of the quarter	Nil					



HINDALCO INDUSTRIES LIMITED

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Segment-wise Revenue, Results and Capital Employed for the Quarter and Six Months ended 30th September, 2013

Particulars	(₹ Crore)					
	Quarter ended 30/09/2013 (Unaudited)	Quarter ended 30/06/2013 (Unaudited)	Quarter ended 30/09/2012 (Unaudited)	6 Months ended 30/09/2013 (Unaudited)	6 Months ended 30/09/2012 (Unaudited)	Year ended 31/03/2013 (Audited)
1. Segment Revenue						
(a) Aluminium	2,342.66	2,211.14	2,104.90	4,553.80	4,167.48	8,779.02
(b) Copper	3,974.00	3,635.77	4,065.67	7,609.77	8,037.78	17,305.27
	6,316.66	5,846.91	6,170.57	12,163.57	12,205.26	26,084.29
Less: Inter Segment Revenue	(11.81)	(8.98)	(7.05)	(20.79)	(13.80)	(27.36)
Revenue from Operations	6,304.85	5,837.93	6,163.52	12,142.78	12,191.46	26,056.93
2. Segment Results						
(a) Aluminium	166.14	249.00	169.80	415.14	439.92	929.84
(b) Copper	238.97	81.13	208.53	320.10	284.24	768.01
	405.11	330.13	378.33	735.24	724.16	1,697.85
Less: Finance Costs	(183.17)	(148.72)	(27.86)	(331.89)	(109.33)	(435.98)
	221.94	181.41	350.47	403.35	614.83	1,261.87
Add: Other unallocated Income net of unallocated Expenses	218.19	393.19	96.60	611.38	344.84	784.76
Profit before Tax	440.13	574.60	447.07	1,014.73	959.67	2,046.63
3. Capital Employed						
(a) Aluminium	34,284.01	33,056.85	28,850.18	34,284.01	28,850.18	31,942.12
(b) Copper	5,372.78	5,385.28	6,198.51	5,372.78	6,198.51	5,915.78
	39,656.79	38,442.13	35,048.69	39,656.79	35,048.69	37,857.90
Unallocated/ Corporate	23,553.31	22,066.94	22,661.60	23,553.31	22,661.60	21,813.22
Total Capital Employed	63,210.10	60,509.07	57,710.29	63,210.10	57,710.29	59,671.12



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Notes:

1. Statement of Assets and Liabilities are given below:

(₹ Crore)		
Particulars	As at 30/09/2013	As at 31/03/2013
A. <u>EQUITY AND LIABILITIES</u>		
1 Shareholders' Funds	35,783.50	33,972.39
(a). Share Capital	206.48	191.48
(b). Reserves and Surplus	35,577.02	33,239.60
(c). Money received against Share Warrants	-	541.31
2 Non Current Liabilities	23,215.24	22,909.41
(a). Long-term Borrowings	20,974.31	20,443.05
(b). Deferred Tax Liabilities (Net)	1,190.80	1,191.14
(c). Other Long-term Liabilities	746.46	974.28
(d). Long-term Provisions	303.67	300.94
3 Current Liabilities	12,316.22	9,736.76
(a). Short-term Borrowings	4,708.62	3,701.72
(b). Trade Payables	4,334.79	3,051.52
(c). Other Current Liabilities	2,649.23	1,924.09
(d). Short-term Provisions	623.58	1,059.43
	71,314.96	66,618.56
B. <u>ASSETS</u>		
1 Non-Current Assets	49,529.34	46,468.53
(a). Fixed Assets	33,184.68	30,702.77
(b). Non Current Investments	14,668.25	14,050.17
(c). Long-term Loans and Advances	1,641.46	1,681.08
(d). Other Non-Current Assets	34.95	34.51
2 Current Assets	21,785.62	20,150.03
(a). Current Investments	6,750.50	6,431.96
(b). Inventories	8,834.02	7,702.61
(c). Trade Receivables	1,292.33	1,515.04
(d). Cash and Bank Balances	1,684.65	1,497.82
(e). Short-term Loans and Advances	2,478.76	2,272.42
(f). Other Current Assets	745.36	730.18
	71,314.96	66,618.56

2. The Hon'ble Supreme Court vide its order dated 10th February, 2012 has granted a stay, subject to certain conditions, on the Order of Hon'ble Allahabad High Court upholding the validity of entry tax on the Company under UP Tax on Entry of Goods into Local Areas Act, 2007. In view of above and as per legal opinion obtained by the Company, no provision has been considered necessary for an estimated amount of ₹ 301 crore (including ₹ 13 crore for the current quarter).
3. (a) Pursuant to directions of Dispute Resolution Panel (DRP) disposing of the objections filed by the Company against the draft assessment order for AY 2008-09, the Assessing Officer has framed the assessment by making adjustment, inter alia, amounting to ₹ 270 crore to total income on account of purported arms length fee of corporate guarantee provided to foreign banks for granting loan to wholly owned subsidiary AV Minerals B.V. at Netherlands.
- (b) The Assessing Officer, without giving cognizance to direction of DRP for earlier year in a similar case, has made adjustment of ₹ 1,063 crore for AY 2009-10, inter alia, by imputing guarantee fee on two

corporate guarantees provided by the Company to foreign banks. Had the direction of DRP being followed, adjustment would have been ₹ 230 crore.

The Company has been advised that, considering facts of the case, no provision is necessary for above demands. Appeals against above orders have been filed.

4. Other Income includes income of non-recurring nature to the extent of ₹ 161 crore and ₹ 364 crore in the current quarter and six months, respectively (Nil and ₹ 130 crore in the corresponding quarter and six months of the previous year, respectively).
5. The Company has issued 150,000,000 equity shares of ₹ 1/- each at a price of ₹ 144.35 per share on 20th September, 2013 against warrants allotted on a preferential basis to the Promoter Group Companies.
6. The Company has further issued corporate guarantee amounting to ₹ 1,000 crore in support to Utkal Alumina International Limited (UAIL), a wholly owned subsidiary, for availing a term loan facility to refinance its existing expensive term loan.
7. An application for closure of Silvassa Foil Plant has been filed on 3rd October, 2013 before Secretary, Labour Department, Union Territory of Dadra & Nagar Haveli, Silvassa under sub-section (1) of section 25-O of Industrial Disputes Act, 1947.
8. Figures of previous periods have been regrouped / reclassified wherever necessary.
9. The above results have been reviewed by the Audit Committee of the Board and have been taken on record at the meeting of the Board of Directors held on Tuesday, 12th November, 2013. Limited Review has been carried out by the statutory auditors of the Company.

Place: Mumbai

Dated: 12th November, 2013

By and on behalf of the Board


D. Bhattacharya
Managing Director



November 12, 2013

Hindalco Announces Q2FY 2013-14 Standalone Results [Unaudited]

Financial Highlights

	Q2FY14	Q2FY13	Q1FY14	H1FY14	H1FY13
(In Rs. crore)					
Revenue from Operations	6,305	6,164	5,838	12,143	12,191
EBITDA	540	515	478	1,018	978
Other income	119	132	225	344	304
PBITDA before Non-recurring Income	659	648	703	1,362	1,282
Non-recurring Income	161	-	203	364	130
PBITDA	820	648	906	1,726	1,412
Depreciation	196	173	183	379	343
Finance Costs	183	28	149	332	109
Profit before tax	440	447	575	1,015	960
Tax Expenses	83	88	101	184	176
Net profit	357	359	474	831	784
Basic EPS	1.85	1.87	2.48	4.32	4.09

Note: Certain descriptions and /or figures of earlier periods have been changed/regrouped to conform to current practices

Hindalco, the flagship Company of Aditya Birla Group, today announced its unaudited results for the quarter ended September 30, 2013.

Operational performance in Q2FY14 improved over Q2FY13 as well as over Q1FY14. The average Aluminium LME in Q2FY14 dropped by around 3% and 7% respectively from the levels seen in Q1FY14 and in Q2FY13. The decline was offset by the depreciating Rupee.

The performance of Copper Business has improved significantly compared to Q1FY14.

The results of Q2FY14 include a non-recurring income of Rs. 61 crore and a dividend of Rs. 100 crore from subsidiary companies. Other income was impacted by lower treasury yield due to liquidity tightening.

Finance costs were higher, given higher average borrowing.

Business Results

Aluminium

Aluminium sales grew by 11% to Rs. 2,343 crore from Rs. 2,105 crore in Q2FY13 on the back of higher volumes. Aluminium EBIT stood at Rs. 166 crore against Rs 170 crore in Q2 FY13.

Total metal production stood at 132 Kt (excluding production at Mahan) for the quarter compared to 128 Kt in Q2FY13. Production of Alumina (excluding production at Utkal Alumina) in Q2FY14 was higher at 334 Kt vs. 328 Kt in Q2FY13, but was lower compared to 348 Kt in Q1FY14 mainly due to a planned ramp down at one of the refineries.

Value-added product sales stood at 65 Kt vs. 62 Kt in Q2FY13 and 59 Kt in Q1FY14. The Silvassa Foil plant continues to be under lock-out. An application for closure of Silvassa Foil Plant has been filed on 3rd October, 2013 before the concerned authorities.

The capital employed in the Aluminium Business was nearly Rs. 34,300 crore as on September 30, 2013, of which around Rs. 25,120 crore pertained to the Greenfield investments, viz., Mahan, Hirakud FRP and Aditya Aluminium Projects.

Copper

Copper sales stood at Rs. 3,974 crore, with EBIT at Rs. 239 crore vs. Rs. 209 crore in Q2FY13 and Rs. 81 crore in Q1FY14.

Cathode production was at 77 Kt as against 78 Kt in Q2FY13 and 68 Kt in Q1FY14. The value-added CCR production was maintained at 36Kt vs. 37 Kt in Q2FY13.

The capital employed in Copper Business was around Rs 5,375 crore.

Greenfield Projects

The production ramp-up at Mahan Smelter and at Utkal Alumina Refinery is underway as planned. In Q2 FY 14, The Mahan Smelter produced 7.4 Kt metal and Utkal Refinery produced 41 Kt of hydrate as alumina equivalent.

The Aditya Aluminium smelter is in an advanced stage of completion and is gearing for the first metal tapping.

Company Outlook

The long spell of subdued LME has adversely affected the global aluminium industry and its margins and production levels significantly. Greenfield projects are ramping up as planned, however EBITDA streams will take time to scale up with delayed access to captive coal. With improving TcRc, Copper business is expected to have a stable outlook despite a sharp drop in by-product realization.

***Disclaimer :** Statements in this "Press Release" describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the company conducts business and other factors such as litigation and labour negotiations. The company assume no responsibility to publicly amend, modify or revise any forward looking statement, on the basis of any subsequent development, information or events, or otherwise.*

Singhi & Co.

Chartered Accountants

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REVIEW REPORT

To,
The Board of Directors,
Hindalco Industries Limited
"Century Bhavan", 3rd Floor,
Dr. Annie Besant Road, Worli,
Mumbai – 400 030

We have reviewed the accompanying statement of unaudited financial results of **M/s. HINDALCO INDUSTRIES LIMITED** for the quarter and six months ended 30th September 2013, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of interim financial information performed by the Independent auditor of the entity*", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.



For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E

Rajiv Singh

(Rajiv Singhi)
Partner

Membership No.53518

Camp: - Mumbai

1B, Old Post Office Street,
Kolkata – 700001

Dated, the 12th day of November, 2013.