



AM:SV:STEX:2012

Date : 17th September, 2012

National Stock Exchange of India Ltd

Exchange Plaza, 5th Floor

Plot No. C/1, G Block

Bandra Kurla Complex

Bandra (East)

MUMBAI - 400 051

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Dear Sir,

Sub : Press Release

Kindly note that the Company has achieved financial closure for its Rs13,195 crore greenfield Aditya Aluminium smelter project at Lapanga in Odisha. The project has been funded in a debt equity ratio of 75:25 with a debt component of Rs.9896 crore. The debt carries a tenor of 12.5 years and is priced at the SBI base rate plus 125 bps which presently works out to 11.25% p.a. SBI Capital Markets and IDBI Bank led the debt syndication, which saw a huge participation from almost the entire banking community with a total of 28 commercial banks and financial institutions participating in the transaction.

The Press Release issued in this regard is attached herewith.

Yours faithfully,

For Hindalco Industries Ltd



Anil Malik

Joint President &

Company Secretary

Encl : as above

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PRESS RELEASE

Hindalco Industries Ltd has achieved financial closure for its Rs 13,195 crore greenfield Aditya Aluminium smelter project at Lapanga in Odisha. The project has been funded in a debt equity ratio of 75:25 with a debt component of Rs.9896 crore. The debt carries a tenor of 12.5 years and is priced at the SBI base rate plus 125 bps which presently works out to 11.25% p.a. SBI Capital Markets and IDBI Bank led the debt syndication, which saw a huge participation from almost the entire banking community with a total of 28 commercial banks and financial institutions participating in the transaction.

At the Rupee Loan Agreement signing held in Bhubaneswar on 17th September 2012, Mr. Praveen Maheshwari, CFO, expressed gratitude for the enthusiastic support lent to the Project by the participating lenders. He added that at a time when most companies are shying away from committing capex, Hindalco has chosen to stay its course and is delivering on its long term strategic objective. Mr. Maheshwari further stated that development of Aditya Project is a strategic step forward for Hindalco Industries, towards achievement of its long term vision and post stabilization this plant with a proposed annual aluminium production capacity of 359,000 tonnes and backed by captive power plant of 900 MW will be amongst the lowest cost producers globally.

Mr. Alphonso Richard Das, President Finance at Hindalco, said that recently the Company has successfully tapped both the domestic bond market as well as the loan market to meet its financing needs. In both cases, it has achieved benchmark financing terms. The pricing of this loan once again demonstrates Hindalco's credit profile and the strong sense of partnership that it enjoys with the lending community.

Ms. Arundhati Bhattacharya, Managing Director of SBI Capital Markets, said that the amount raised is a demonstration of the confidence that the banking community has shown in the Company and manufacturing industry in general. The Rupee Term loan facility got oversubscribed of 2.25 times even as this facility represents one of the largest debt syndications launched in the recent times.

Speaking on the signing ceremony, Ms. Mythili B, Chief General Manager, IDBI said investment in big manufacturing projects like these will not only help in the development of the surrounding areas, but also revive the investor confidence in Indian markets.