

Research Report

Hindalco Industries Limited



Prepared By-

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About

Incorporated in 1958, Hindalco Industries Ltd. is a flagship company of the Aditya Birla Group. The Co and its subsidiaries are primarily engaged in the production of Aluminium and Copper. It is also engaged in the manufacturing of aluminium sheet, extrusion and light gauge products for use in packaging markets like beverage and food, can and foil products, etc.

Business Segments

1) Novelis (59% in 9M FY25 vs 65% in FY22): The subsidiary, Novelis is the **leading producer of flat-rolled aluminum products and the world's largest recycler of aluminum**. It offers solutions to diverse industries, including beverage cans, automobiles, aerospace, and specialty markets such as foil packaging, transportation products, etc.

2) Copper (23% in 9M FY25 vs 19% in FY22): The company produces copper cathodes, and continuous cast copper rods in various sizes for industries like automotive, consumer durables, electrical equipment, etc.

3) Aluminium (18% in 9M FY25 vs 16% in FY24): The company is the world's largest aluminum company by revenues and ranks among the global top 5 aluminum producers based on shipments. It operates across the value chain, from bauxite mining, alumina refining, coal mining, captive power plants, and aluminum smelting to downstream rolling, extrusions, and foils.

Synopsis of Financials

- Consolidated segment EBITDA: INR 10,812 cr (+11%).
- Reported consolidated PAT: INR 2,597 cr (-51%) impacted by exceptional items, "including the impact of the Novelis Oswego plant fire."
- Adjusted for exceptional items: PAT INR 5,796 cr (+10%).
- Hindalco India segment EBITDA: INR 6,610 cr (+17%); India PAT INR 3,549 cr (+11%).

Source: Company Annual Report

Stock data (as 07th July 2026)

Nifty Price	: 24,483.30
52 week High (in Rs.)	: 1,176.00
52 week Low (in Rs.)	: 657.50
Market Cap. (in Crore)	: 2,18,183.22
NSE Code	: INE038A01020

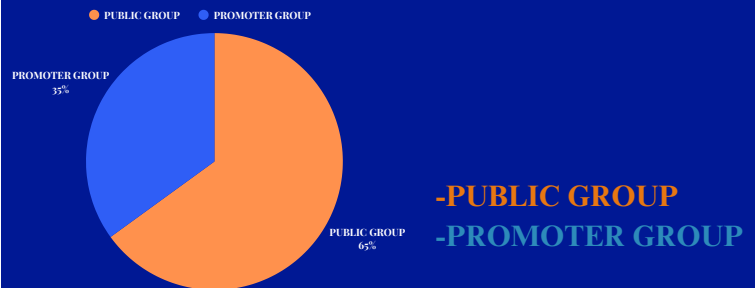
Stock data

-NIFTY-50

Hindalco Industries Limited



Shareholding Pattern (March 2026)



Financial Summary

Particular	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26
Sales -	1,95,059	2,23,202	2,15,962	2,38,496	2,74,944
Sales Growth %	47.76%	14.43%	-3.24%	10.43%	15.28%
Expenses +	1,66,712	2,00,536	1,92,090	2,06,691	2,40,064
Operating Profit	28,347	22,666	23,872	31,805	34,880
OPM %	15%	10%	11%	13%	13%
Net Profit +	13,730	10,097	10,155	16,002	13,391
EPS in Rs	61.1	44.93	45.19	71.2	59.59
Dividend Payout %	6%	7%	8%	7%	8%

Quarterly Results

Particular	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Sales -	58,390	64,890	64,232	66,058	66,521	78,133
YOY Sales Growth %	10.57%	15.89%	12.66%	13.50%	13.93%	20.41%
Expenses -	50,807	56,054	56,326	57,092	58,530	68,119
Material Cost %	61%	62%	64%	63%	64%	67%
Employee Cost %	7%	6%	7%	6%	7%	6%
Operating Profit	7,583	8,836	7,906	8,966	7,991	10,014
OPM %	13%	14%	12%	14%	12%	13%
Other Income -	469	706	604	532	-2,061	-3,146
Other income normal	510	700	604	714	549	1,025
Interest	817	874	754	803	881	1,042
Depreciation	1,939	2,118	2,080	2,155	2,220	2,375
Profit before tax	5,296	6,550	5,676	6,540	2,829	3,451
Tax %	29%	19%	29%	28%	28%	25%
Net Profit +	3,735	5,284	4,004	4,741	2,049	2,597

Source: Screener

Key Ratios

S. No.	Particulars	As at		
		31/03/2026	31/03/2025	Change in %
(a)	Current Ratio (Times) (Current Assets/Current Liabilities excluding Current Maturities of Long term Borrowings and Lease liabilities)	1.37	1.61	-14.89%
(b)	Debt-Equity Ratio (Times) (i) (Borrowings + Lease Liabilities)/ Total Equity	0.23	0.17	35.01%
(c)	Debt Service Coverage Ratio (Times) (ii) and (iii) (Profit before Depreciation, Amortisation, Impairment Loss on Non-Current Assets, Finance Cost and Tax)/(Finance Cost (net of capitalization) + Scheduled Principal Repayment (Excluding Prepayment))	17.52	12.18	43.84%
(d)	Return on Equity Ratio (%) (ii) (Profit after tax/ Average shareholder equity)	14%	10%	43.82%
(e)	Inventory turnover ratio (Times) (Revenue from Operations/Average Inventory)	4.00	4.43	-9.81%
(f)	Trade Receivables turnover ratio (Times) (Revenue from Operations /Average Trade Receivable)	26.94	33.31	-19.13%
(g)	Trade payables turnover ratio (Times) (iv) (Purchases of Raw Material and traded purchases/ Average Trade Payable related to Raw Material and traded purchases)	6.32	8.93	-29.14%
(h)	Net capital turnover ratio (Times) (Revenue from Operations/ Working Capital excluding Current Maturities of Long term Borrowings and lease liabilities)	8.26	6.62	24.85%
(i)	Net profit ratio (%) (ii) (Profit after tax/ Revenue from Operations)	9%	7%	30.83%
(j)	Return on Capital employed (%) (ii) (Earnings before interest and taxes/ Capital Employed (Tangible Net worth + Total Debt + Deferred Tax liability))	15%	12%	28.46%
(k)	Return on investment (%) (v) [Market Value at the end of the period - Market value at the beginning of the period - (Sum of Net cashflow)/(Market value at the beginning of the period + [Sum of Net cashflow * weight of cashflow])] <i>(Investments considered are excluding those valued at amortised cost)</i>	3%	11%	-67.95%

Source: Company Annual Report

Yearly Results

Particulars	March 2022	March 2023	March2024	March2025	March2026
Equity Capital	222	222	222	222	222
Reserves	77,969	94,584	1,05,924	1,23,487	1,36,361
Borrowings	64,486	60,291	56,356	65,642	99,165
Other Liabilities	79,178	68,392	68,221	74,949	1,08,933
Total Liabilities	2,21,855	2,23,489	2,30,723	2,64,300	3,44,681
Fixed Assets	1,06,874	1,10,626	1,11,810	1,16,556	1,30,251
CWIP	4,945	7,700	14,867	27,397	49,526
Investments	14,119	14,116	15,444	24,158	24,958
Other Assets	95,917	91,047	88,602	96,189	1,39,946
Total Assets	2,21,855	2,23,489	2,30,723	2,64,300	3,44,681

Synopsis Quarter Results

Concall Notes - May-2026: Key Highlights

Financial performance snapshot (Q4 FY26; YoY unless noted):

- Consolidated segment EBITDA: INR 10,812 cr (+11%).
- Reported consolidated PAT: INR 2,597 cr (-51%) impacted by exceptional items, “including the impact of the Novelis Oswego plant fire.”
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Cash flow / capex / leverage (FY26):

- Operating cash flows: INR 21,858 cr (+11%).
- Capex: INR 31,619 cr (+47%) (growth-led; heavy Novelis spend).
- Consolidated net debt/EBITDA: 1.83x (target: “net leverage around 2 times”).
- Consolidated peak net debt guidance: “between INR 80,000 crores and INR 90,000 crores over the next 2 years.”

Net debt split (end-March 2026):

- India: gross debt INR 12,200 cr, cash INR 18,000 cr \Rightarrow net cash ~INR 6,000 cr.
- Novelis: gross debt INR 75,000 cr, cash INR 11,000 cr \Rightarrow net debt ~INR 63,000 cr.

Highlights

All Businesses Consolidated (₹ Crore)

Financial Snapshot Q4FY26 vs Q4FY25

78,133 ▲ 20%

Revenue

Q4 FY25 64,890

All Businesses Consolidated (₹ Crore)

Financial Snapshot Q4FY26 vs Q4FY25

10,812 ▲ 11%

Business Segment EBITDA

9,774

All Businesses Consolidated (₹ Crore)

Financial Snapshot Q4FY26 vs Q4FY25

2,597* ▼ 51%

PAT

5,284

Hindalco (India) Businesses (₹ Crore)

Financial Snapshot Q4FY26 vs Q4FY25

Hindalco (India) Businesses (₹ Crore)			
	35,016 ▲ 34%	6,610 ▲ 17%	3,549 ▲ 11%
	Revenue	Business Segment EBITDA	PAT
Q4 FY25	26,067	5,671	3,208

Peer Comparison

Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
Hindalco Inds.	973.1	12.97	218677.6	0.52	2597	-22.12	78133	20.41	13.21
National Aluminium	350.85	11.13	64438.24	3.01	1722.44	-16.68	5012.82	-4.84	39.59

Source: Screener

Final Outlook

HINDALCO: HOLD | LTP: 970.50

Summary:

Hindalco Industries has delivered strong operational performance with record revenue and healthy EBITDA growth in FY26. The company continues to benefit from its diversified business model across aluminium, copper, and its global subsidiary Novelis. Although reported profit declined due to exceptional events, the underlying business remains strong, as reflected in the growth of adjusted profits and operating cash flows. Continuous investments in capacity expansion and value-added products are expected to strengthen future earnings. While fluctuations in global metal prices and high capital expenditure remain key risks, Hindalco's strong market position and integrated operations provide a solid foundation for long-term growth.

Recent Performance (FY26 – Easy View):

- FY26 Revenue reached a record ₹2,74,944 Cr.
- Consolidated EBITDA increased 11% YoY to ₹10,812 Cr.
- Reported PAT declined 51% YoY due to exceptional losses, including the Novelis Oswego plant fire.
- Adjusted PAT (excluding exceptional items) increased 10% YoY.
- Operating cash flow remained strong at ₹21,858 Cr.
- The company continued aggressive capacity expansion through higher capital expenditure, particularly at Novelis.

Hindalco Industries is a financially strong and globally diversified metals company with consistent revenue growth, robust cash generation, and leadership across the aluminium value chain. The temporary decline in reported profit was driven by one-time exceptional events rather than weakness in core operations. With continued expansion, strong demand for aluminium and copper, and improving operational efficiency, the company is well-positioned for sustainable long-term growth.

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