

Nalco Q3 Net Profit up 10% at 131 Cr



National Aluminium Company Limited a jump of 10% in net profit at INR 131 crore for the Q3 ended December 31. The city based Navratna PSU had posted a net profit of INR 118.94 crore during the corresponding quarter of the previous fiscal as reported by PTI.

Net sales of National Aluminium

Company was down 2.94% to INR 1,620.96 crore down 2.94% in the last quarter vis a vis INR 1,670.06 crore of the Q3, FY'13, it said in a filing to the BSE.

Total expenditure of the company stood at INR 1,570.31, amounting to 96.88% of the net sales. Its other income, which is primarily interests earned on deposits, rose by 7.18% to

INR 120.77 crore in the last quarter.

According to the reviewed financial results for Q3 of the financial year 2013 to 2014, during the first nine months of this fiscal, NALCO produced 14.26 lakh tonnes of alumina hydrate up 12.2% against 12.70 lakh tonnes achieved during the comparable period of the previous fiscal. However, metal production was down at 2.38 lakh tonnes from 3.05 lakh tonnes in the comparable nine months of the previous fiscal.

Power generation was 3,760 MU against 4,582 MU achieved in the corresponding period of the previous year. In the Q3 of 2013 to 2014, alumina hydrate production was 4.66 lakh tonnes, 17.4% up as compared to 3.97 lakh tonnes achieved in the corresponding quarter of the previous fiscal.

Metal production in the third quarter of this fiscal has gone down to 0.79 lakh tonnes, against 1.00 lakh tonnes achieved in the same quarter of the previous year. Power generation was at 1,249 MU in this quarter as compared to 1,525 MU of the corresponding quarter of the previous fiscal.

Sapa Looks at Acquisition Opportunities

Even as it is doubling production at its Kuppam unit, Sapa Profiles India, a leading global manufacturer of aluminium extrusions, is actively scouting for acquisition opportunities in the country as reported by Times of India.

The company is looking to buy firms engaged in the aluminium extrusion business in the northern and western regions, top officials said. "We have done a market survey and have identified potential companies. It (acquisition) will help us get a good market position," said Keith Jones, business area president, Sapa Extrusions Asia.

Sapa, which is doubling capacity to 16,000 tonnes per year at Kuppam, has invested 180 crore in the aluminium extrusion business in the country since 2011. Incidentally, the company bought Alufit India's aluminium extrusion business for \$30 million in 2011. The company has also made an initial investment of \$3.5 million for a precision tubing plant at its Kuppam facility. The expanded facility would help the



company in cutting its imports from China completely. "We would stop imports from China by the end of 2014," Jones said. The company currently imports about 800 tonnes of aluminium extrusions from China per year. The imports attract a duty of 20% making its products costlier. Sapa, which has revenues of about 5.4 billion and has more than 100 plants, mostly in Europe and North America, is now focussing on high-end products in the

country. "There is a growing demand for high-end aluminium extrusions," said Kshemendra Nath P, MD, Sapa Profiles India, which is part of the Sweden-based Sapa Group. While the aluminium extrusions market is estimated at 3.4 lakh tonnes per year in the country and is dominated mostly by smaller companies, the demand in China is pegged at about 12 million tonnes per year.