

प्रबंधक/The Manager बीएसई लिमिटेड/BSE Limited, फीरोज जीजीभोय टावर्स/ Phiroj Jeejeebhoy Towers, दलाल स्ट्रीट/Dalal Street, मुम्बई/MUMBAI- 400 001 स्क्रिप कोड/Scrip Code: 532234	प्रबंधक/The Manager अनुसूचन विभाग/Listing Department नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लि., National Stock Exchange of India Ltd., एक्सचेंज प्लाजा, बांद्रा-कुर्ला कम्प्लेक्स, Exchange Plaza, Bandra-Kurla Complex, बांद्रा ईस्ट/Bandra East, मुम्बई/MUMBAI-400 051 प्रतीक/Symbol: NATIONALUM
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विषय 44^{वीं} वार्षिक साधारण बैठक में अध्यक्ष-सह-प्रबंध-निदेशक का संभाषण.

Sub: Chairman Speech for 44th Annual General Meeting of the Company.

Dear Sir/ महोदय,

The Chairman's speech for the 44th Annual General Meeting of the Company to be held on Friday, the 26th September, 2025 at 11:00 a.m. through Video Conferencing/Other Audio-Visual Means is enclosed for your information and record. It is also being uploaded in the website of the Company.

You are requested to please take a note and disseminate the same in your Exchange.

Thanking you/ धन्यवाद,

भवदीय/Yours faithfully,
कृते नेशनल एल्यूमिनियम कंपनी लिमिटेड
For National Aluminium Co. Ltd.

(बी. के. साहू)/(B. K. Sahu)
कंपनी सचिव और अनुपालन अधिकारी /
Company Secretary & Compliance Officer
ACS: 9953

Encl.: As above

नेशनल एल्यूमिनियम कम्पनी लिमिटेड
(भारत सरकार का उद्यम)

निगम कार्यालय

नालको भवन, नयापल्ली, भुवनेश्वर -751 013 भारत

CIN # L27203OR1981GOI000920

Tel.:0674-2301988-999,Fax:0674-2300677,Email:company_secretary@nalcoindia.co.in,Website:www.nalcoindia.com

National Aluminium Company Limited

(A Government of India Enterprise)

REGD. & CORPORATE OFFICE

NALCO Bhawan,Plot No.P/1,Nayapalli,Bhubaneswar-751013,India

The 44th Annual General Meeting Speech of the Chairman

Ladies, Gentlemen and Valued Shareholders. Good Morning.

It gives me immense pleasure to welcome you all to the 44th Annual General Meeting of your Company. On behalf of the Board of Directors, it is my privilege to thank you for your presence and for the continued trust and solidarity you have shown towards your Company. I extend my heartfelt gratitude for your unwavering faith and support that relentlessly fills us up with the zeal to sustain our performance and strive for greater excellence.

Over the past four decades, the Company has traversed a remarkable journey, distinguished by notable milestones. This past year, **FY 2024–25, has etched its name in golden letters in the annals of our company's history.**

Against the backdrop of a challenging global scenario, your Company has delivered an outstanding performance, both operationally and financially. The performance is a clear demonstration of our resilience, strategic foresightedness, and strong market leadership.

Financially, we achieved new records:

- Our **highest-ever revenue from operations stood at ₹16,788 crores.** A robust 28% growth over the previous year.
- We registered our **highest-ever net profit of ₹5,325 crores,** reflecting a **tremendous 158% increase over the previous year.**
- Earnings per Share increased to ₹28.99 from ₹11.22 in FY23-24.
- The Board was pleased to reward our shareholders with a **dividend of 210%, amounting to ₹1,928.47 crore, compared to ₹918.32 crore in FY 2023–24.**

The 44th Annual General Meeting Speech of the Chairman

- Our performance in the fourth quarter alone was commendable, registering a net profit of ₹2,078 crore, a 105% increase over the corresponding period of the previous year.

Operationally, we demonstrated unprecedented excellence:

- We achieved the **highest-ever Bauxite excavation of 76.48 lakh tonnes.**
- Alumina hydrate production stood at 20.76 lakh tonnes
- Aluminium production reached **4.60 lakh tonnes.**
- We achieved an **all-time high domestic metal sale of 4,54,600 MT.**
- Our Captive Power Plant achieved its **highest-ever net generation of 6,641 MU.**

As we look ahead, NALCO remains firmly committed to leveraging its inherent strengths, expanding its global reach, enhancing efficiencies, and contributing meaningfully to the nation's emergence as an economic powerhouse. Guided by the aspirations of *Aatmanirbhar Bharat* and *Viksit Bharat*, the Company shall continue to play a pivotal role in strengthening India's industrial capacity and economic resilience. With clarity of purpose and a forward-looking strategy, I am confident that NALCO shall not only consolidate its leadership in the aluminium sector but also play a defining role in shaping India's industrial destiny, while continuing to create enduring value for all stakeholders.

The 44th Annual General Meeting Speech of the Chairman

The Directors' Report, the Audited Accounts and the Auditors' Report for the year ended March 31, 2025 are with you. With your permission, I take them as read.

Before we proceed with the agenda, I will share my thoughts on the global industry scenario, the aluminium industry, the Indian economy, and most importantly, your Company's performance and roadmap.

Global Industry Scenario

Globally, in 2024, the alumina and aluminium sectors saw significant global and domestic shifts. Global Alumina production rose 1.8% to 139.46 million tonnes, while consumption grew faster at 2.78% to 140.53 million tonnes, creating a small deficit. China remained dominant, contributing nearly **60% of both production and consumption**. For 2025, demand is projected at 142.92 million tonnes against production of 143.45 million tonnes, indicating a slight surplus.

Bauxite production increased modestly to 385.3 million tonnes, led by Guinea, Australia, Brazil, and Malaysia, while Indonesia maintained its export ban to support downstream development. Output is expected to reach 408 million tonnes in 2025, ensuring supply for alumina and aluminium growth.

Alumina prices averaged USD 502/tonne in 2024 due to supply disruptions, while aluminium averaged USD 2,526/tonne, supported by sanctions and policy uncertainties. Prices eased in early 2025 as supply stabilized, with aluminium projected to moderate to about USD 2,450/tonne in 2025–26.

The 44th Annual General Meeting Speech of the Chairman

Price swings continue to influence aluminium margins—tight supply of alumina raises smelter costs, while softer prices ease pressures. Indian integrated producers with captive bauxite and secured inputs remain better positioned to withstand volatility.

Globally aluminium production reached 72.78 million tonnes in 2024, **up 2.94%**, while consumption grew faster at 3.7% to 72.8 million tonnes, resulting in a deficit of about 22,000 tonnes. China again led the market, producing over 43 million tonnes and consuming nearly 45 million tonnes—around 60% of global totals. Its consumption growth (4.9%) outpaced production (3.6%), while the rest of the world saw modest 2% growth.

The aluminium industry continued to be influenced by both demand expansion and supply constraints.

- Global demand rose to 72.8 million tonnes, creating supply pressure.
- China contributed nearly 55% of world production.
- Domestic demand is projected to grow at a robust CAGR of 7.6% till 2030, driven by EV adoption, infrastructure, and renewable energy sectors.
- Opportunities lie in EVs, renewable energy, and green aluminium, though challenges remain from tariffs, energy costs, and sustainability norms.

With strong resources, integrated operations, and a focus on sustainability, your Company is well placed to capture these opportunities.

The 44th Annual General Meeting Speech of the Chairman

Indian Industry Scenario

In 2024, India's aluminium market demonstrated exceptional resilience & expansion.

- With over 4.2 million tonnes of annual production, India ranks as the 2nd largest producer of aluminium worldwide, after China.
- Consumption in India rose sharply by 11.1%, reaching 5.5 million tonnes, reinforcing our nation's position as the world's 3rd largest consumer.
- Demand is expected to nearly double to 9 million tonnes by 2033 driven by infrastructure, power, EVs, renewables, and packaging.
- Critically, India's per capita consumption (3.39 kg) remains significantly below the world average (12 kg), highlighting immense headroom for long-term growth.

India's aluminium industry continues to face significant challenges, including low value addition compared to global peers, high vulnerability to international price fluctuations, and energy-intensive production that is increasingly exposed to climate regulations such as the EU's Carbon Border Adjustment Mechanism (CBAM).

Opportunities are significant—global aluminium demand is set to rise 40% by 2030, led by transportation, construction, packaging, and electricals. EV adoption, renewable energy expansion, eco-friendly packaging, and innovations such as aluminium-air batteries and high-strength alloys will further boost demand. Yet, risks from trade barriers, tariffs, and geopolitical uncertainties in raw material supply chains remain.

The 44th Annual General Meeting Speech of the Chairman

India's aluminium industry stands on strong fundamentals with immense growth potential, but its future leadership will depend on technology adoption, cleaner energy transition, greater value addition, and resilience against global disruptions.

Corporate Governance

In Corporate Governance your Company upholds transparency, accountability, and ethical conduct to create sustainable value for stakeholders. It promotes strong corporate governance through a professional Board, independent oversight, and active shareholder engagement, while striving for excellence and continuous growth.

At present, the composition of the Board is not in compliance with the requirements under the Companies Act, 2013, SEBI(LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance. However, all statutory committees have been constituted with available Independent Directors on the Board. The matter has been taken up with the Administrative Ministry for early appointment of the Independent Directors on the Board.

MoU Performance

Based on financial performance and achievement of other parameters, your Company is rated "Very Good" as per the Memorandum of Understanding

(MoU), signed by your Company with the Government of India for the financial year 2023-24. MOU score for financial year 2024-25 from DPE is awaited.

The 44th Annual General Meeting Speech of the Chairman

Projects and Growth Initiatives

Let me share with you our Projects and Growth Initiatives. Your Company's long-term success is built upon a well-conceived strategy that balances immediate growth with sustainable value creation, emphasizing brownfield expansions and forward/backward integration. We are steadily advancing on our expansion and diversification journey:

- The 5th Stream (1 MTPA) is 75% complete; we expect commissioning in early FY2026-27.
- The Pottangi Bauxite Mines, to support this expansion, has secured all clearances. Operations are targeted for FY 2026–27.
- The Utkal D&E Coal Mines supplied 28.2 lakh tonnes in FY 2024–25, ensuring captive power security.
- CAPEX of ₹1,396 crore invested in FY 2024–25, underscores focus on growth and modernization.

Sustainability and CSR

Sustainability is at the core of your Company's philosophy. Your Company continues to integrate business growth with social responsibility, education, healthcare, and green development.

- We spent **₹61.30 crore on CSR activities**, exceeding statutory requirements.
- Our flagship programmes, such as **NALCO Ki Ladli** (benefiting 280 meritorious girl students) and the residential schooling initiative **Indradhanush** (serving 578 students), continue to support education and overall development.

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- In Healthcare, **Mobile Health Units reached 1.2 lakh people in 200+ villages**; the Angul multi-specialty OPD treated nearly 20,000 beneficiaries. Significant contributions were also made to healthcare infrastructure in Koraput, Nabarangpur, Malkangiri, and AIIMS Bhubaneswar beside supporting initiatives under the Aspirational District Programme.
- In Sustainability & Livelihoods we expanded initiatives in renewable energy, environmental protection, and community development, aligning growth with national priorities of inclusivity and sustainability.

Human Resources & People Development

Human Resources and People Development is one of our key focus areas. Employees remain the Company's greatest strength, with HR strategy focused on enhancing competencies, aligning personal growth with organizational goals, and fostering continuous learning to sustain competitiveness.

- 12,777 man-days of training were delivered in 2024–25, covering technical, managerial, and behavioral skills to build leadership, teamwork, and adaptability.
- 535 executives were trained through reputed national institutions, gaining industry insights and benchmarking practices.
- 3,840 contract workers, apprentices, and community members were trained, reinforcing both efficiency and social accountability.
- 992 apprentices were engaged (20% of workforce), meeting government mandates and creating a skilled talent pipeline.

The 44th Annual General Meeting Speech of the Chairman

- 1,379 students undertook internships, strengthening industry-academia linkage and future talent development.

By investing in training, apprenticeships, and academic partnerships, the Company ensures an agile, innovative, and future-ready workforce while contributing to national skill development.

Digital Transformation and Innovation

Digital Transformation and Innovation is a thrust area for improvement. Your Company continues to make significant progress in its digital and innovation journey:

- Migration to SAP S/4 HANA is in progress, paving the way for seamless Industry 4.0 integration.
- A suite of mobile applications for customers, vendors, employees, and CSR outreach has strengthened transparency and stakeholder engagement. Key platforms include NAGINAA (for customers), NAMASYA (for vendors), NISARG (for CSR), and Hamesha NALCONian (for retirees).
- Your Smelter Plant was honoured among the Top 75 Innovative Companies at the CII Innovation Awards 2024.
- Initiatives such as Quality Circles, Kaizens, Six Sigma projects, and TQM practices are fostering operational excellence and continuous improvement.

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Corporate Plan and Business Development Initiatives

As part of the Corporate Plan and Business Development initiatives, your Company is pursuing a balanced growth strategy that combines capacity expansion, value addition, and resource security. Brownfield projects in alumina and aluminium are underway, including a 1 MTPA refinery expansion and a 0.5 MTPA smelter expansion at Angul, supported by captive and sustainable power. Backward integration has been strengthened through operational coal mines, progress on the Pottangi bauxite mines, and the commissioning of the Dahej caustic soda plant, reducing external dependence and improving cost competitiveness.

Forward integration is being advanced through the Angul Aluminium Park, which will serve as a hub for value-added products and regional industrialization. Internationally, through KABIL, the Company is securing critical minerals like lithium and cobalt, vital for the EV and battery industries, with progress in Argentina and Australia.

The Company has also deepened its engagement with micro and small enterprises (MSEs), sourcing nearly half of eligible procurement—₹898.76 crore—from them, including ₹570.46 crore from Odisha-based units. Vendor registrations and participation of women-led enterprises have grown, supported by digital platforms, vendor meets, and the NAMASYA app, ensuring inclusivity, transparency, and liquidity support.

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Together, these initiatives reflect a clear roadmap for resilience and leadership—expanding core capacities, securing raw materials, fostering downstream industries, and empowering small enterprises—while contributing to India’s industrial growth and technological ambitions.

Future Outlook – Global and Domestic

As we look into the future, the outlook remains both promising and challenging. Globally, demand is projected to grow at a CAGR of 4.8%, driven by construction, automotive, packaging, and electrical sectors, with low-carbon technologies such as EVs, solar, and wind energy providing strong momentum. Global production is expected to rise from 74 million tonnes in 2025 to 77 million tonnes by 2030, while alumina demand will increase from 145 to 150 million tonnes. Yet, risks from geopolitical tensions, trade tariffs, energy crises, and carbon compliance costs will continue to pressure profitability, requiring producers to adapt quickly.

India remains the fastest-growing aluminium market, with consumption rising over 11% in 2024–25 to 5.5 million tonnes and projected to grow at 7.6% annually through 2030. Government initiatives in EVs, infrastructure, and renewable energy will further accelerate demand. However, rising imports, high energy and logistics costs, and global trade barriers pose challenges. Addressing these through duty rationalization, reliable raw material supply, and renewable integration will be critical. Despite headwinds, India’s aluminium sector is fundamentally strong, with sufficient domestic capacity, abundant resources, and long-term growth drivers in place.

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Your Company's integrated business model, strong raw material linkages, robust financial performance, and unwavering commitment to sustainable growth will continue to propel us forward. We are laying the foundation for a future where NALCO remains not only a leader in aluminium production but also a key enabler of India's industrial and technological ambitions.

Acknowledgement

On behalf of the Board, I take this opportunity to express my sincere gratitude to:

- The Government of India, particularly the Ministry of Mines, and the Government of Odisha,
- Our JV partners GACL, HCL, MECL, MIDHANI and other CPSE's in the value chain,
- Our valued customers, suppliers, bankers, and business partners,
- Our employees and trade unions for their dedication,
- And above all, **you, our shareholders, for your unwavering trust and support.**

It is your faith and encouragement that inspire us to strive harder and set new benchmarks every year. Together, we will continue to take your Company to even greater heights of success, building on our legacy and contributing meaningfully to the progress of our nation.

Thank you.

Jai Hind