



HINDALCO INDUSTRIES LIMITED

Regd. Office: "Century Bhavan", 3rd Floor, Dr. Annie Besant Road, Worli, Mumbai-400 025

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2006			
(Rupees in Million)			
Particulars	Quarter ended 30/06/2006 (Unaudited)	Quarter ended 30/06/2005 (Unaudited)	Year ended 31/03/2006 (Audited)
1 Net Sales & Operating Revenues	42,737	22,071	113,965
2 Other Income	776	335	2,439
3 Total Expenditure	33,403	16,026	87,914
(a). (Increase)/Decrease in Stock in Trade	(9,659)	(2,502)	(10,338)
(b). Consumption of Raw Materials	34,310	11,373	66,034
(c). Staff Cost	1,149	1,090	4,627
(d). Manufacturing and Operating Expenses	6,315	5,193	23,223
(e). Other Expenditure	1,288	872	4,368
4 Interest & Finance Charges	634	461	2,252
5 Gross Profit	9,476	5,919	26,238
6 Depreciation	1,341	1,169	5,211
7 Profit before Tax & Extraordinary Items	8,135	4,750	21,027
Extraordinary Items	-	-	(30)
8 Profit before Tax	8,135	4,750	21,057
9 Provision for Tax	2,120	958	4,502
(a). Provision for Current Tax	1,925	732	3,241
(b). Provision for Deferred Tax	175	212	1,160
(b). Provision for Fringe Benefit Tax	20	14	101
10 Net Profit	6,015	3,792	16,555
11 Paid-up Equity Share Capital (Face Value : Re 1/- per Share)	986	928	986
12 Reserves			95,077
13 Basic & Diluted EPS (Rs.)	6	4	17
14 Aggregate of non-promoter shareholding			
(a). Number of shares	848,720,228	687,084,360	847,818,402
(b). Percentage of shareholding	73.21%	74.06%	73.13%



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SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT			
(Rupees in Million)			
Particulars	Quarter ended 30/06/2006 (Unaudited)	Quarter ended 30/06/2005 (Unaudited)	Year ended 31/03/2006 (Audited)
1. Segment Revenue			
(a) Aluminium	16,542	13,399	60,423
(b) Copper	26,217	8,677	53,542
	42,759	22,076	113,965
Inter Segment Revenue Adjustment	(22)	(5)	-
Net Sales & Operating Revenues	42,737	22,071	113,965
2. Segment Results (Profit/Loss before Tax and interest from each Segment)			
(a) Aluminium	7,125	4,384	21,281
(b) Copper	978	529	193
	8,103	4,913	21,474
Less: Interest & Finance Charges	(634)	(461)	(2,252)
	7,469	4,452	19,222
Add: Other un-allocable Income net of un-allocable expenses	666	298	1,805
Profit before Tax & Extraordinary Items	8,135	4,750	21,027
3. Capital Employed (Segment Assets - Segment Liabilities)			
(a) Aluminium	66,663	54,334	65,792
(b) Copper	58,243	41,015	50,738
	124,906	95,349	116,530



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Notes:

1. Net Sales and Operating Revenues include charge of Rs. 520 million arising due to reduction in entitlement of Target Plus benefit for exports made in 2005-06 pursuant to a notification of dated 12th June, 2006 of Government of India. Representations to appropriate authorities are being made in this regard.
2. Accounting Standard 15 (revised 2005) on “Employee Benefits” became effective on 1st April, 2006. Consequently, an additional expenditure of Rs 25 million has been charged to profit & loss account during the quarter. In accordance with the provisions of the Standard, the Company has made an adjustment of Rs 898 million (net of deferred tax of Rs 456 million) against the opening balance of general reserve.
3. The Company has entered into a joint venture agreement with the Essar Power M.P. Limited by virtue of which it holds 50% stake in Mahan Coal Company Limited, a new company formed for mining of coal, a part of which being the entitlement of the Company as per the agreement will be used for generating power to be captively consumed in proposed Greenfield aluminium smelter in Madhya Pradesh.
4. Upon allotment of 231,521,031 equity shares of Re 1 each at a premium of Rs 95 per share on rights basis on 15th February, 2006, paid-up capital of the Company has increased from Rs. 928 million to Rs. 986 million. The proceeds of the rights issue at 25% of the issue price amounting to Rs. 5,557 million have been utilized for the purpose of defraying related issue expenses amounting to Rs. 366 million and subscription of shares of a subsidiary company to the tune of Rs. 149 million while the balance amount is temporarily invested in short term liquid securities. Basic and diluted EPS have been calculated taking into account the effect of this rights issue.
5. Provision for taxation for the quarter ended 30th June, 2005 has been restated in line with restatement of interim periods unaudited results done in the fourth quarter of previous financial year after considering the effect of favourable appellate decisions (received during the fourth quarter of the previous year) so as to convey the relevant information more meaningfully.
6. Disclosure relating to number of complaints from investors during quarter -

Pending as on 1st April, 2006	Received	Resolved	Pending as on 30th June, 2006
1	35	36	0

7. Figures of previous periods have been regrouped wherever found necessary.
8. The above results have been reviewed by the Audit Committee and have been taken on record at the meeting of the Board of Directors held on Friday, 28th July, 2006. Limited Review has been carried out by the statutory auditors of the Company as per clause 41 of the listing agreement with stock exchanges.

By and on behalf of the Board

**D. Bhattacharya
Managing Director**

**Place: Mumbai
Dated: 28th July, 2005**