

HINDALCO



# Hindalco Industries Limited

Performance Review Q3 2004-05

*29<sup>th</sup> January 2005*

ADITYA BIRLA GROUP

# Aluminium – Impressive overall performance

- ☑ Domestic volumes up 6.1%; Market mix improved further
- ☑ Share of value-added products in terms of volume up from 28% to 33%
- ☑ Benefited from higher LME and enhanced realisations
  - ✓ Primary metal price hiked by Rs.2500/MT in October
- ☑ Improved efficiencies and high LME helped mitigate cost hike in input costs
- ☑ Operating margins (EBIDTA) improved from 37.6% to 44.2%

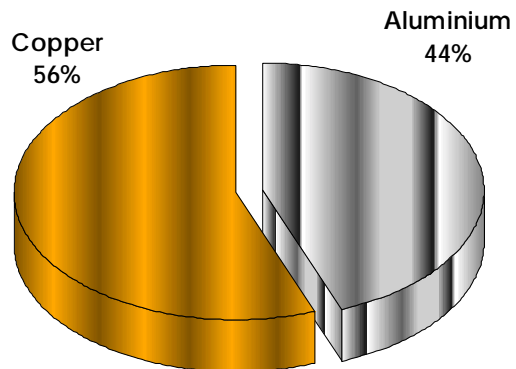
# Copper: Suffered on adverse macro developments

- ☑ Margins improved sequentially, though marginally lower YoY
  - ✓ Full impact of duty cuts, both in Feb & July
  - ✓ Annual requirements of concentrate for FY05 tied up prior to recent Spot TcRc hike
  - ✓ Significant positive impact on TcRc for FY06 expected
- ☑ C-II stabilisation progressing satisfactorily
  - ✓ Production ramped-up above 85%
  - ✓ Further ramp-up under progress
- ☑ Production up 8% to 54,120 tonnes in Q3
  - ✓ Fresh volumes from C-II
- ☑ Aggregate sales up 3%; Domestic volumes higher by 4% YoY in Q3
- ☑ Improved Copper premiums continue
- ☑ Cu III project progressing well, Commissioning process to commence by Q2'06

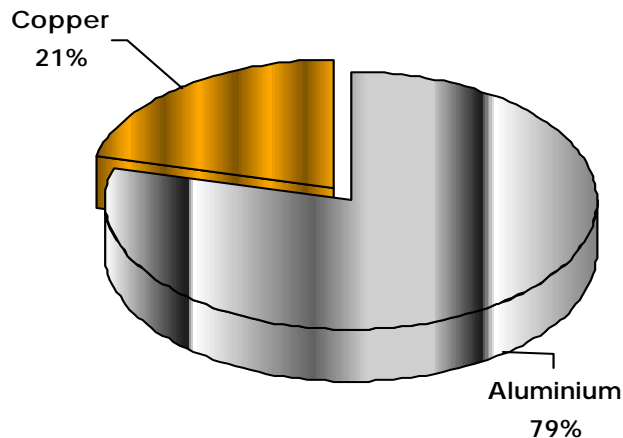
# Hindalco : Segment Results

## Business Mix Q3 FY 05

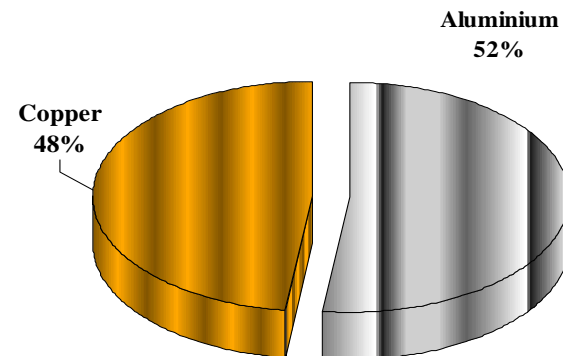
### Revenue



### EBITDA



### Capital Employed



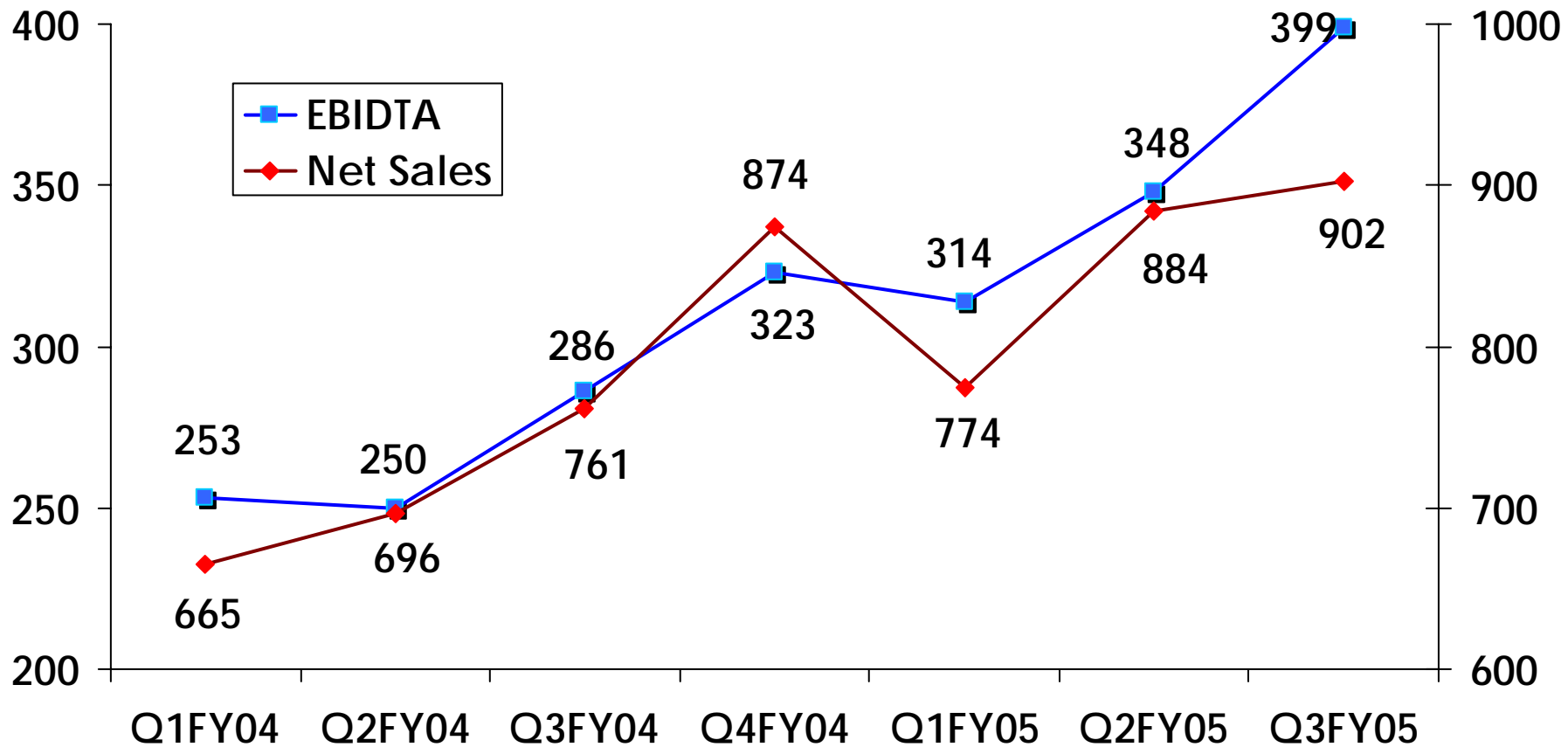
|                   |       | Q3 FY'05 | Q3 FY'04 | Change | Q3 FY'05 | Q3 FY'04 | Change |
|-------------------|-------|----------|----------|--------|----------|----------|--------|
| Net Sales         | Rs.Cr | 901.7    | 761.2    | 18%    | 1143.2   | 901.6    | 27%    |
| EBIT              | Rs.Cr | 335.2    | 228.3    | 47%    | 79.0     | 76.8     | 3%     |
| Capital Employed  | Rs.Cr | 3918.5   | 3969.3   | -1%    | 3636.8   | 2527.7   | 44%    |
| ROCE - Annualised | %     | 34.2     | 23.0     | 49%    | 8.7      | 12.2     | -29%   |
| EBITDA Margins    | %     | 44.2     | 37.6     | 18%    | 9.2      | 11.0     | -16%   |

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**ALUMINIUM**

ADITYA BIRLA GROUP

# Aluminium Business – Sales & EBIDTA- Growth Trend



| EBIDA MARGIN | 38.0% | 35.9% | 37.6% | 36.9% | 40.5% | 39.4% | 44.2% |
|--------------|-------|-------|-------|-------|-------|-------|-------|
|--------------|-------|-------|-------|-------|-------|-------|-------|

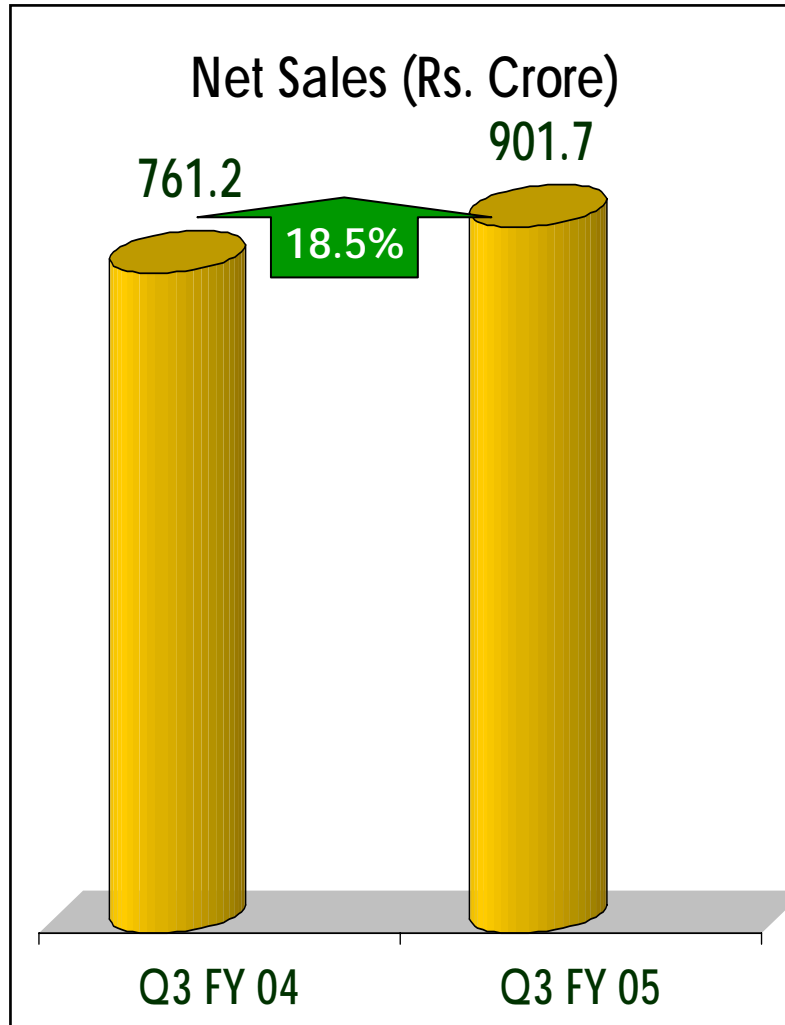
*Highest ever Sales, EBIDTA and EBIDTA Margin achieved in Q3 FY05*

# Aluminium : Production – All round improvement



| Production                    | Unit | Q3FY05  | Q3FY04  | % Chg  | 9MFY05  | 9MFY04  | % Chg |
|-------------------------------|------|---------|---------|--------|---------|---------|-------|
| Alumina                       | MT   | 175,494 | 161,487 | 8.7    | 487,395 | 442,685 | 10.1  |
| Primary Metal                 | MT   | 89,568  | 82,142  | 9.0    | 253,893 | 239,902 | 5.8   |
| Wire Rod                      | MT   | 14,722  | 15,087  | (2.4)  | 46,271  | 42,762  | 8.2   |
| Rolled Products               | MT   | 24,545  | 18,169  | 35.1   | 70,381  | 54,740  | 28.6  |
| Extrusions                    | MT   | 5,275   | 4,510   | 17.0   | 15,237  | 13,116  | 16.2  |
| Foils                         | MT   | 5,331   | 4,664   | 14.3   | 15,778  | 13,727  | 14.9  |
| Alloy Wheels                  | Nos  | 29,273  | 33,285  | (12.1) | 77,202  | 58,816  | 31.3  |
| <u>Net Power Availability</u> |      |         |         |        |         |         |       |
| Renusagar                     | MU   | 1,383   | 1,310   | 5.6    | 3,947   | 3,869   | 2.0   |
| Co-generation                 | MU   | 101     | 65      | 55.9   | 270     | 175     | 54.9  |

# Higher Sales with change in market mix



| Quantity (MT) | Q3 FY04       | Q3 FY05       |
|---------------|---------------|---------------|
| Domestic      | 73,644        | 78,126        |
| Exports       | 9,698         | 9,376         |
| <b>Total</b>  | <b>83,342</b> | <b>87,502</b> |

| % Change     | Volumes    | Realisations |
|--------------|------------|--------------|
| Domestic     | 6.1        | 11.7         |
| Exports      | (3.3)      | 22.0         |
| <b>Total</b> | <b>5.0</b> | <b>12.8</b>  |

*Higher share of Value Added products clubbed with improved LME resulted in better realisations*

# Higher Share of Value Added Products

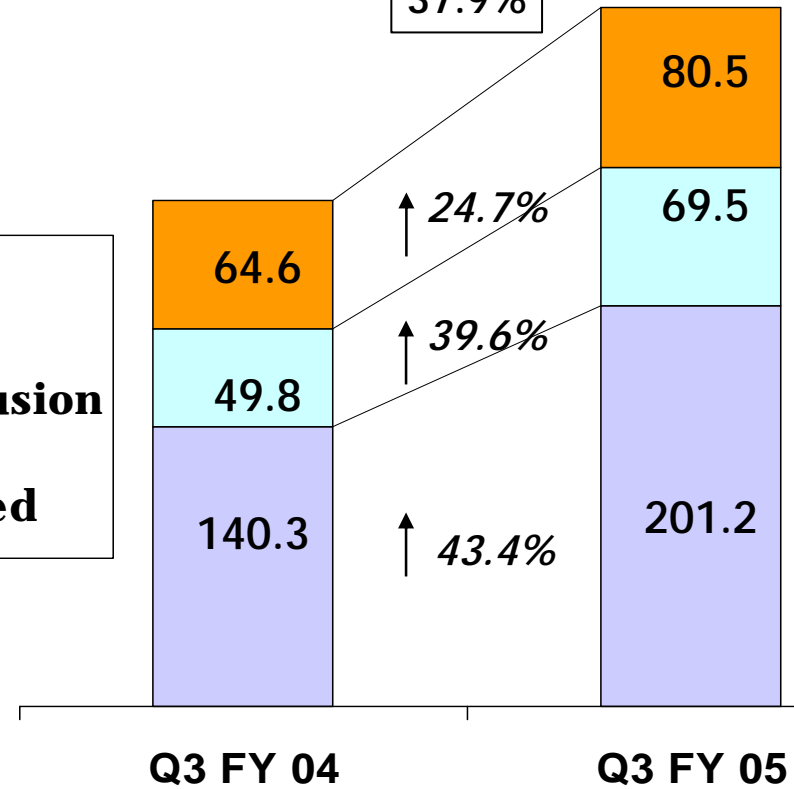
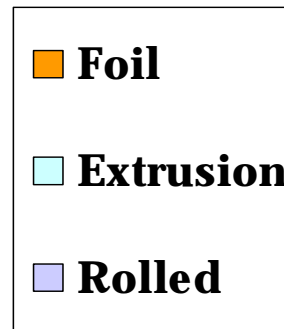
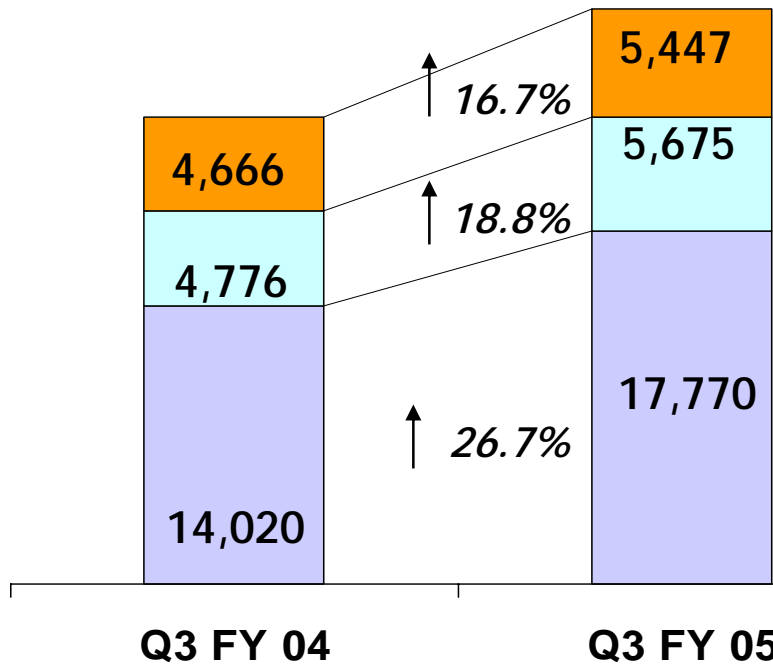
| Volume (MT) |        |
|-------------|--------|
| 23,462      | 28,892 |
| 28.2%       | 33.0%  |

| Sales (Rs. Crore) |       |
|-------------------|-------|
| 254.6             | 351.2 |
| 33.4%             | 38.9% |

*of total sales*

23.1%

37.9%



**Higher Volumes and Improved Realisations**

# Aluminium : Financial Results

| (In Rs. Crores)        | Q3FY05 | Q3FY04 | % Chg. | 9MFY05  | 9MFY04  | % Chg. |
|------------------------|--------|--------|--------|---------|---------|--------|
| Sales Volumes (MT)     | 87,502 | 83,342 | 5.0    | 252,241 | 235,925 | 6.9    |
| Net Sales              | 901.7  | 761.2  | 18.5   | 2,559.7 | 2,122.1 | 20.6   |
| EBITDA                 | 398.8  | 286.0  | 39.5   | 1,068.0 | 789.7   | 35.2   |
| <i>EBITDA Margin %</i> | 44.2%  | 37.6%  | 17.6   | 41.7%   | 37.2%   | 12.1   |
| Depreciation           | 63.6   | 57.7   | 10.1   | 187.0   | 163.0   | 14.7   |
| EBIT                   | 335.2  | 228.3  | 46.8   | 881.0   | 626.7   | 40.6   |

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**COPPER**

ADITYA BIRLA GROUP

# Copper : Production Performance



| Production     | Unit | Q3FY05 | Q3FY04 | % Chg  | 9MFY05  | 9MFY04  | % Chg |
|----------------|------|--------|--------|--------|---------|---------|-------|
| Copper Cathode | MT   | 54,120 | 50,301 | 7.6    | 160,723 | 135,617 | 18.5  |
| CC Copper Rods | MT   | 20,691 | 26,553 | (22.1) | 66,927  | 67,169  | (0.4) |
| DAP/NPK        | MT   | 67,874 | 81,015 | (16.2) | 213,376 | 176,618 | 20.8  |
| Gold           | Kg   | 1,603  | 2,033  | (21.2) | 4,279   | 4,635   | (7.7) |
| Silver         | Kg   | 10,084 | 8,044  | 25.4   | 27,743  | 22,110  | 25.5  |

# Copper: Sales Volumes and Revenues



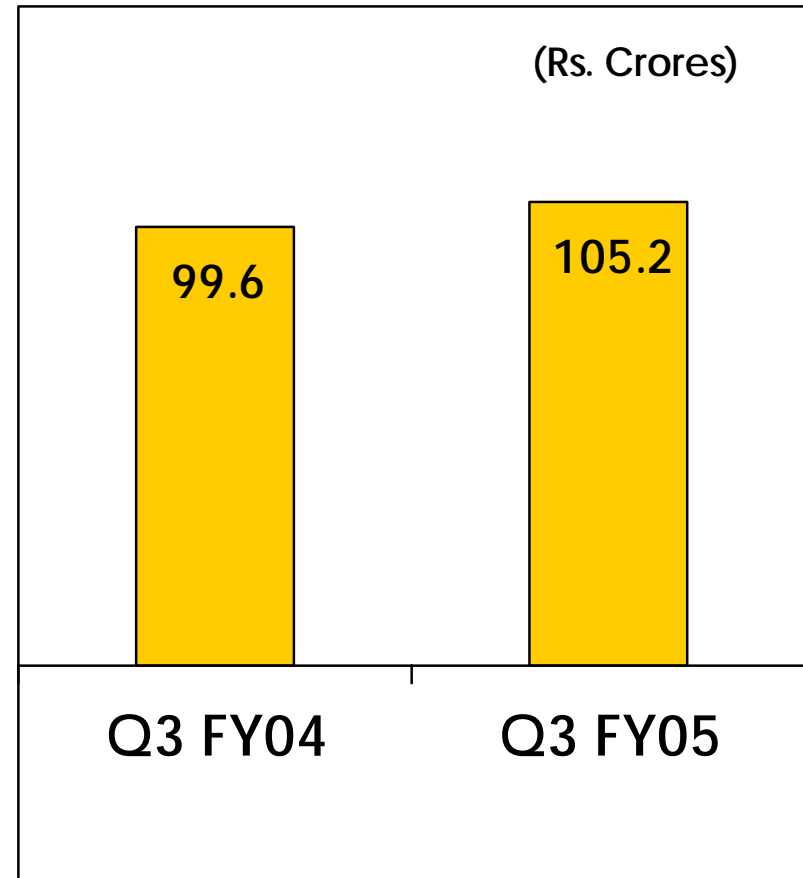
|                            | Q3FY05        | Q3FY04        | % Chg.      | 9MFY05         | 9MFY04         | % Chg.      |
|----------------------------|---------------|---------------|-------------|----------------|----------------|-------------|
| <b>Sales Volume (MT)</b>   |               |               |             |                |                |             |
| - Domestic                 | 27,802        | 26,662        | 4.3         | 82,262         | 69,163         | 18.9        |
| - Exports                  | 27,327        | 26,905        | 1.6         | 82,319         | 74,043         | 11.2        |
| <b>Total</b>               | <b>55,129</b> | <b>53,567</b> | <b>2.9</b>  | <b>164,581</b> | <b>143,206</b> | <b>14.9</b> |
| <b>Revenues (Rs. Crs.)</b> |               |               |             |                |                |             |
| -Copper                    | 789.2         | 668.2         | 18.1        | 2,603.4        | 1,652.5        | 57.5        |
| -Others                    | 354.0         | 233.4         | 51.7        | 603.0          | 528.9          | 14.0        |
| <b>Total</b>               | <b>1143.2</b> | <b>901.6</b>  | <b>26.8</b> | <b>3,206.4</b> | <b>2181.4</b>  | <b>47.0</b> |

# Operating Profit



Margins impacted despite higher production, sales and sales realisation on account of :-

- Lower Duty Differential
- Removal of Export Incentives
- Higher Coal Rates



■ Operating Profit

Operating Margins decline from 11.0% to 9.2%

# Copper : Financial Results






| (In Rs. Crores)        | Q3FY05  | Q3FY04 | % Chg. | 9MFY05  | 9MFY04  | % Chg. |
|------------------------|---------|--------|--------|---------|---------|--------|
| Sales Volumes (MT)     | 55,129  | 53,567 | 2.9    | 164,581 | 143,206 | 14.9   |
| Net Sales              | 1,143.2 | 901.6  | 26.8   | 3,206.4 | 2,181.4 | 47.0   |
| EBITDA                 | 105.2   | 99.6   | 5.6    | 267.9   | 325.3   | (17.6) |
| <i>EBITDA Margin %</i> | 9.2%    | 11.0%  | (16.4) | 8.4%    | 14.9%   | (43.6) |
| Depreciation           | 26.2    | 22.8   | 15.0   | 78.7    | 67.0    | 17.5   |
| EBIT                   | 79.0    | 76.8   | 2.9    | 189.2   | 258.3   | (26.8) |

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# Hindalco Financial Results

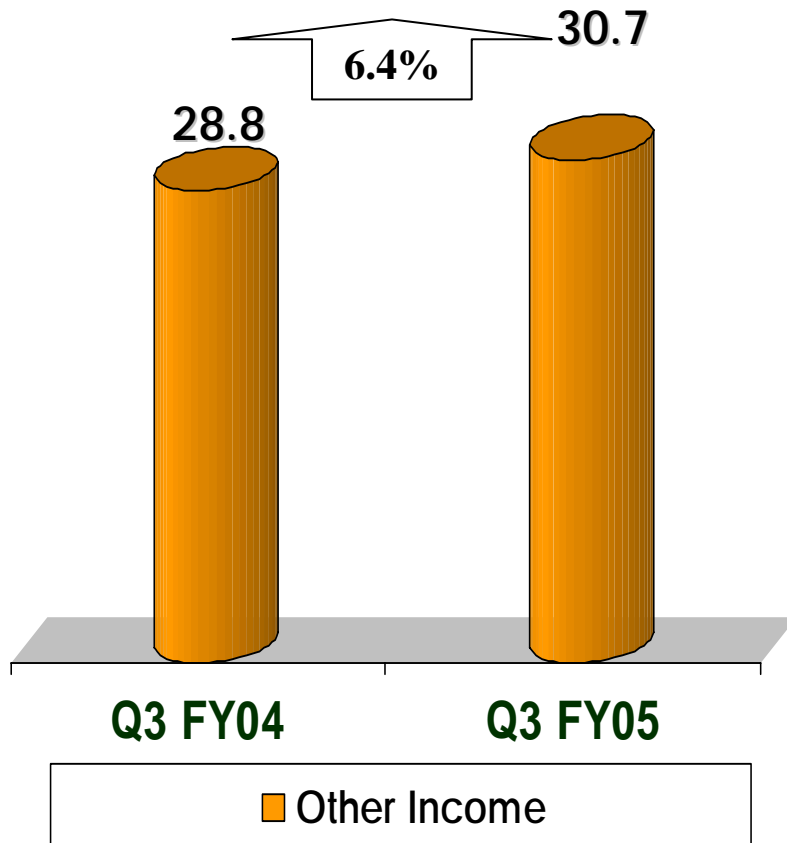
| (In Rs. Crores)   | Q3FY05  | Q3FY04  | % Chg  | 9MFY05  | 9MFY04  | % Chg  |
|---|---------|---------|--------|---------|---------|--------|
| <b>Net Sales</b>  | 2,044.9 | 1,662.8 | 23.0   | 5,766.1 | 4,303.5 | 34.0   |
| Other Operating Income  | 5.7     | 15.4    | (63.2) | 16.5    | 29.7    | (44.3) |
| Other Income                   | 30.7    | 28.8    | 6.4    | 168.9   | 165.7   | 1.9    |
| <b>PBDIT</b>  | 531.7   | 415.8   | 27.9   | 1,494.7 | 1,273.8 | 17.3   |
| Interest & Financing Charges*  | 41.4    | 37.2    | 11.3   | 121.0   | 124.5   | (2.8)  |
| Depreciation  | 89.8    | 80.5    | 11.5   | 265.7   | 230.0   | 15.5   |
| <b>Profit Before Tax</b>  | 400.5   | 298.1   | 34.4   | 1,108.0 | 919.3   | 20.5   |
| Taxes                          | 135.6   | 102.1   | 32.8   | 377.6   | 302.6   | 24.8   |
| Net profit before extraordinaries   | 264.9   | 196.0   | 35.1   | 730.4   | 616.7   | 18.4   |
| Def Tax for earlier years   | -       | -       | -      | 19.9    | -       | -      |
| <b>Net Profit</b>   | 264.9   | 196.0   | 35.1   | 710.5   | 616.7   | 15.2   |
| E.P.S. (Rs.)*   | 114.6   | 84.8    | 35.1   | 102.4   | 88.9    | 15.2   |
| C.E.P.S. (Rs.)*   | 153.4   | 119.6   | 28.3   | 140.7   | 122.1   | 15.3   |

\* Annualised



Rs. in Crores

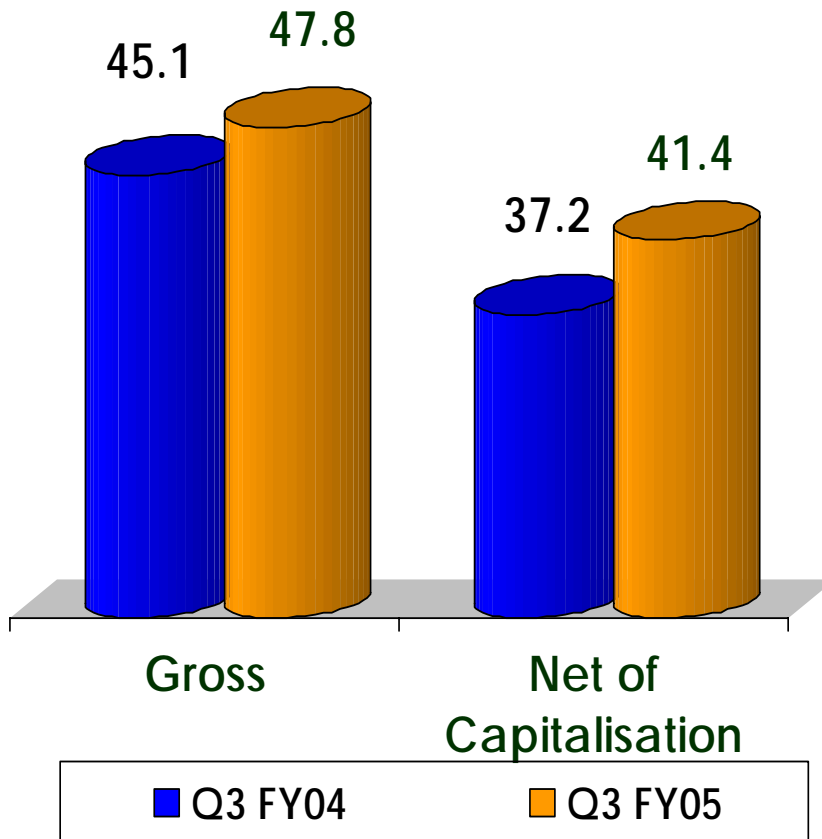
Lower Treasury Income due to lower yields, however other income marginally increased due to profit on sale of investments (Rs.6.8 Crs.) in Q3 FY05



# Interest & Financing Charges



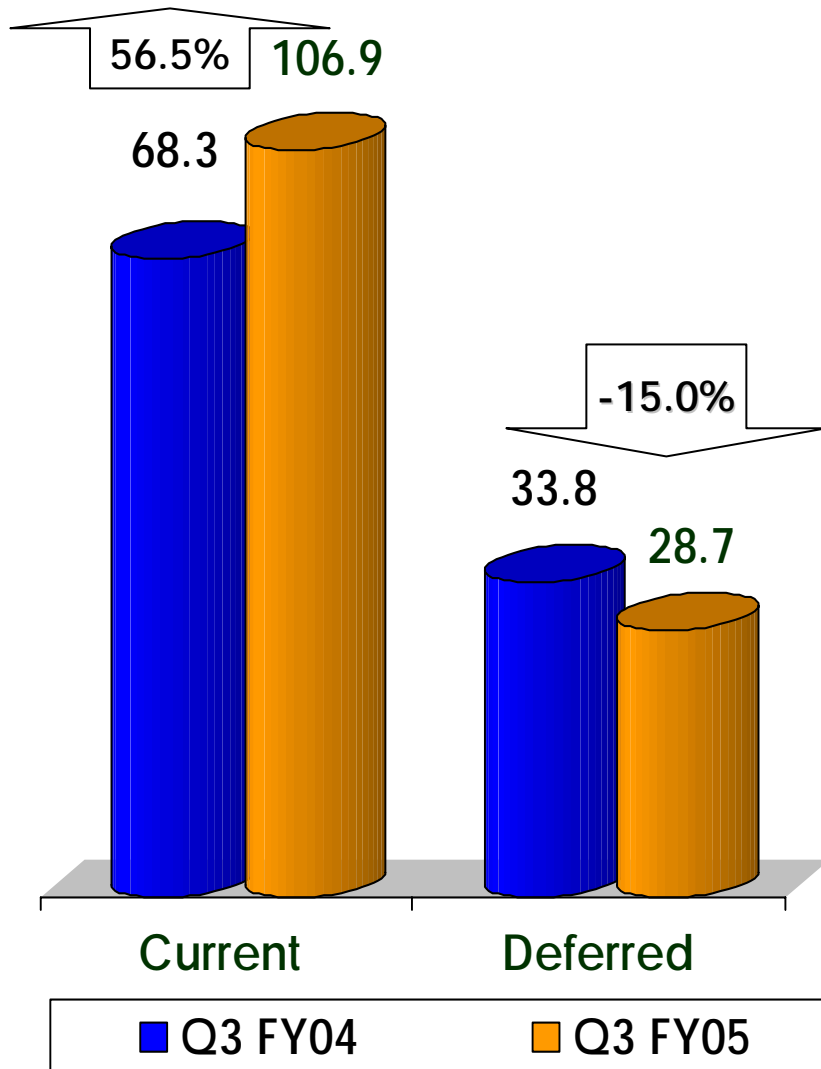
(Rs. Crore)



- Average borrowing cost on long term loan declined by 0.79% due to
  - Repayment of high cost debts
  - New loans at cheaper rates
- Interest Capitalised declined due to lower capex
- Net interest up by 11.3%



Rs. Crores



Current tax rate increased from 22.9% to 26.7% due to:-

- Higher Tax rates
- Higher profits
- No 80 HHC benefits
- Lower long term capital gains

Deferred Tax is lower mainly due to higher book depreciation

Total Tax rate remained flat at 34%

HINDALCO

**Thank You**

ADITYA BIRLA GROUP



**PRESS RELEASE**

**Date: 29.01.2005**

**HINDALCO  
THE ADITYA BIRLA GROUP'S FLAGSHIP COMPANY**

**Q3 FY 2004-05  
POSTS ROBUST PERFORMANCE**

- **Turnover**                      **Rs. 2,044.9 Crores** ↑ **23.0%**
- **PBDIT**                              **Rs. 531.7 Crores** ↑ **27.9%**
- **PAT**                                      **Rs. 264.9 Crores** ↑ **35.1%**

**Financial Highlights**

|                                   | <b>Quarter ended 31<sup>st</sup> December 2004</b> | <b>Quarter ended 31<sup>st</sup> December 2003</b> | <b>% Growth</b> | <b>Nine Month ended 31<sup>st</sup> December 2004</b> | <b>Nine Month ended 31<sup>st</sup> December 2003</b> | <b>% Growth</b> |
|-----------------------------------|--|--|-----------------|---|---|-----------------|
| <b>Net Sales</b>                  | <b>2,044.9</b>                                     | <b>1,662.8</b>                                     | <b>23.0%</b>    | <b>5,766.1</b>  | <b>4303.5</b>   | <b>34.0%</b>    |
| <b>PBDIT</b>                      | <b>531.7</b>                                       | <b>415.8</b>                                       | <b>27.9%</b>    | <b>1,494.7</b>  | <b>1,273.8</b>  | <b>17.3%</b>    |
| Interest & Financing Charges      | 41.4   | 37.2   | 11.3%           | 121.0   | 124.5   | (2.8%)          |
| Depreciation                      | 89.8   | 80.5   | 11.5%           | 265.7   | 230.0   | 15.5%           |
| <b>Profit before Tax (PBT)</b>    | <b>400.5</b>                                       | <b>298.1</b>                                       | <b>34.4%</b>    | <b>1,108.0</b>  | <b>919.3</b>  | <b>20.5%</b>    |
| Provision for Taxes               | 135.6  | 102.1  | 32.8%           | 377.6   | 302.6   | 24.8%           |
| <b>PAT before Extraordinaries</b> | <b>264.9</b>                                       | <b>196.0</b>                                       | <b>35.1%</b>    | <b>730.4</b>  | <b>616.7</b>  | <b>18.4%</b>    |
| Def Tax for earlier years         | -  | -  |                 | 19.9  | -   |                 |
| <b>Net Profit</b>                 | <b>264.9</b>                                       | <b>196.0</b>                                       | <b>35.1%</b>    | <b>710.5</b>  | <b>616.7</b>  | <b>15.2%</b>    |
| <b>E.P.S. – Annualised (Rs.)</b>  | <b>114.6</b>                                       | <b>84.8</b>  | <b>35.1%</b>    | <b>102.4</b>  | <b>88.9</b>   | <b>15.2%</b>    |

## **Q3 Performance review**

Hindalco Industries Limited (Hindalco), the flagship Company of the Aditya Birla Group, has reported a robust performance for the 3<sup>rd</sup> Quarter ended December 31, 2004.

The Company's turnover at Rs. 2,044.9 Crores is up by 23%, vis-à-vis Rs. 1662.8 Crores attained in the comparable quarter of the previous year. Profit before Depreciation, Interest and Taxes (PBDIT) has risen to Rs. 531.7 Crores compared to Rs. 415.8 Crores in the corresponding quarter of the previous year. Profit After Taxes at Rs. 264.9 Crores, has grown by 35% as against Rs.196.0 Crores in the earlier year.

On a segmental basis, the Aluminium business accounted for 44% of Net Sales and 81% of Earnings Before Interest and Taxes (EBIT), with the balance flowing in from the Copper business.

Of the Company's turnover of Rs. 2,044.9 Crores, the Aluminium business contributed Rs. 901.7 Crores, mirroring an 18% increase over Rs. 761.2 Crores in the corresponding quarter of the last year. Higher volumes, improved realisations, a shift in the market mix in favor of higher domestic sales and a continued thrust on value added products have been its growth enablers.

In Aluminium, realisations improved substantially benefiting from higher international commodity prices during the quarter. EBITDA margins at 44.2% represent a significant improvement when compared to 37.6% reached in the corresponding quarter of the previous year, despite higher cost of inputs like bauxite, caustic soda and CP coke.

The Copper business's Net Sales at Rs. 1,143.2 Crores vis-à-vis Rs. 901.6 Crores in the comparable quarter of the previous year, reflect a 27% rise, riding on the back of higher international prices and modest volume growth of 3%. However, EBITDA margins fell from 11.0% last year to 9.2% in the current quarter, as realisations fell, caused by a steep duty reduction of 10%, removal of export incentives, higher coal rates and other inputs.

## **Operational Review**

### **Aluminium**

Production in Aluminium has surged in the second quarter, as indicated:

- Metal production touched 89,568 MT vis-à-vis 82,142 MT in the corresponding period last year, reflecting a rise of 9%.
- Redraw Rods production at 14,722 MT is marginally lower compared to the production of 15,087 MT in the comparable Quarter last year.
- Rolled product output of 24,545 MT increased by a significant 35%. In the comparable Quarter of the previous year it stood at 18,169 MT.
- Extruded Products at 5,275 MT is up by 17% from 4,510 MT last year.

- Production of Foil at 5,331 MT reflects a 14% rise over 4,664 MT attained in the corresponding period last year.
- The output of Alumina, a key input, was 175,494 MT, a growth of 9% over production of 161,487 MT in the comparable period of the previous year.
- Power exported from the Company's Renusagar Power Plant stood at 1,383 MU, a 5.6% increase over 1,310 MU achieved in the corresponding period last year.

## **Copper**

Production at the Company's Copper plant has risen during the quarter as indicated:

- Copper Cathodes production moved upward by 8% from 50,301 MT to 54,120 MT.
- The output of value added Continuous Cast Copper Rods is lower by 22% to 20,691 MT vis-à-vis 26,553 MT due to large imports from Sri Lanka under the recently introduced FTA.
- Sulphuric Acid production at 181,981 MT soared 36% over 134,082 MT. Consequently, the production of DAP and Complex Fertilisers fell by 16% from 81,015 MT to 67,874 MT.
- The output of Gold dipped by 21% from 2,033 Kg to 1,603 Kg., because of the lower content of gold in the Copper concentrate.
- The production of Silver is higher by 25% to 10,084 Kg vis-à-vis 8,044 Kg.

## **Brownfield Expansion in Copper**

The expansion project for doubling the copper smelter capacity at Dahej from 250,000 TPA to 500,000 TPA is progressing as scheduled and is slated for completion by the end of 2005. On its completion, Birla Copper will be amongst the top 10 globally cost efficient copper producers and the largest single location smelter in the world.

## **Scheme of Arrangement ; Indal Demerger**

The Calcutta High Court and Bombay High Court have approved the Scheme of Arrangement u/s. 391 to 394 of the Companies Act, 1956 (the Scheme) on 23rd December, 2004 and 14th January, 2005, respectively. This sanctions the transfer by way of demerger of all the business undertakings (other than the aluminium foil business at Kollur, Andhra Pradesh) of Indian Aluminium Company, Ltd. (Indal) to Hindalco with effect from 1st April, 2004. The Scheme will become effective upon requisite approvals and completion of certain legal formalities. The Company expects the Scheme to be effective by the end of this fiscal.

## **Fund Management:**

During the third quarter of the current fiscal, Hindalco raised Rs. 112.4 Crores for general corporate purposes. This was by way of external commercial borrowing at an annualised rate of 5.74% entailing bullet repayment at the end of 5 years.

## **OUTLOOK**

The Company continues to believe in the strong long-term fundamentals for both Aluminium and Copper. These throw up exciting growth opportunities in future.

The Aluminium sector continues to perform well, with worldwide consumption growth at 8.6% in 2004. The Indian aluminium market has grown by over 10% in the first nine months of the financial year and prospects in the Electrical, Building and Transportation sectors look good, indicating a second double digit growth year in a row for Aluminium.

The worldwide consumption of copper grew at around 6.9% in 2004 on the back of economic growth in USA and strong Chinese demand. Domestic consumption increased by 10% as demand continued to be buoyant from user segment such as winding wire, power cables, transformers industry. An increased export of down stream products supported higher Deemed Export Sales. However, non-value added imports from Sri Lanka under FTA continue to adversely impact the domestic sales of the Indian producers.

The premium on cathode has hardened and sustained period of buoyant copper prices is being forecast.

With the existing mines producing more and the reopening of small mines encouraged by strong copper prices and many Smelters going for their annual maintenance shut down during the first half of 2005, the TCRC outlook appears to be positive.

The Company remains confident of reaping a rich harvest from its three - pronged strategy of vertical integration, thrust on branding and continued emphasis on value added products.

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*You can also access the Press Release and Presentation at*  
[www.adityabirla.com](http://www.adityabirla.com) / [www.hindalco.com](http://www.hindalco.com)

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**HINDALCO INDUSTRIES LIMITED**

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| UNAUDITED (PROVISIONAL) FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2004 |                                      |                                      |  |  |                                 |
|---|--------------------------------------|--------------------------------------|--|--|---------------------------------|
| (Rupees in Million)   |                                      |                                      |  |  |                                 |
| Particulars   | Quarter ended 31/12/2004 (Unaudited) | Quarter ended 31/12/2003 (Unaudited) | Nine Months ended 31/12/2004 (Unaudited) | Nine Months ended 31/12/2003 (Unaudited) | Year ended 31/03/2004 (Audited) |
| <b>1 Net Sales</b>  | <b>20,449</b>                        | <b>16,628</b>                        | <b>57,661</b>                            | <b>43,035</b>                            | <b>61,973</b>                   |
| <b>2 Other Income</b>   | <b>364</b>                           | <b>443</b>                           | <b>1,855</b>                             | <b>1,955</b>                             | <b>2,446</b>                    |
| <b>3 Total Expenditure</b>  | <b>15,496</b>                        | <b>12,913</b>                        | <b>44,569</b>                            | <b>32,252</b>                            | <b>47,177</b>                   |
| (a). (Increase)/Decrease in Stock in Trade  | 27                                   | (333)                                | (1,472)                                  | (1,577)                                  | (1,174)                         |
| (b). Consumption of Raw Materials   | 11,027                               | 9,271                                | 32,712                                   | 22,364                                   | 32,546                          |
| (c). Staff Cost   | 635                                  | 607                                  | 1,882                                    | 1,779                                    | 2,402                           |
| (d). Manufacturing and Operating Expenses   | 3,036                                | 2,640                                | 9,047                                    | 7,556                                    | 10,520                          |
| (e). Other Expenditure  | 771                                  | 728                                  | 2,400                                    | 2,130                                    | 2,883                           |
| <b>4 Interest &amp; Finance Charges</b>   | <b>414</b>                           | <b>372</b>                           | <b>1,210</b>                             | <b>1,245</b>                             | <b>1,612</b>                    |
| <b>5 Gross Profit</b>   | <b>4,903</b>                         | <b>3,786</b>                         | <b>13,737</b>                            | <b>11,493</b>                            | <b>15,630</b>                   |
| <b>6 Depreciation</b>   | <b>898</b>                           | <b>805</b>                           | <b>2,657</b>                             | <b>2,300</b>                             | <b>3,174</b>                    |
| <b>7 Profit before Tax</b>  | <b>4,005</b>                         | <b>2,981</b>                         | <b>11,080</b>                            | <b>9,193</b>                             | <b>12,456</b>                   |
| <b>8 Provision for Tax</b>  | <b>1,356</b>                         | <b>1,021</b>                         | <b>3,776</b>                             | <b>3,026</b>                             | <b>4,067</b>                    |
| (a). Provision for Current Tax  | 1,069                                | 683                                  | 2,985                                    | 1,802                                    | 2,606                           |
| (b). Provision for Deferred Tax   | 287                                  | 338                                  | 791                                      | 1,224                                    | 1,461                           |
| <b>Net Profit for the period</b>  | <b>2,649</b>                         | <b>1,960</b>                         | <b>7,304</b>                             | <b>6,167</b>                             | <b>8,389</b>                    |
| Provision for deferred tax for earlier years  | -                                    | -                                    | 199                                      | -  | -                               |
| <b>9 Net Profit</b>   | <b>2,649</b>                         | <b>1,960</b>                         | <b>7,105</b>                             | <b>6,167</b>                             | <b>8,389</b>                    |
| <b>10 Paid-up Equity Share Capital</b><br>(Face Value : Rs.10/- per Share)          | <b>925</b>                           | <b>925</b>                           | <b>925</b>                               | <b>925</b>                               | <b>925</b>                      |
| <b>11 Reserves</b>  |                                      |                                      |  |  | <b>67,654</b>                   |
| <b>12 Basic &amp; Diluted EPS (Rs.)</b>   | <b>29</b>                            | <b>21</b>                            | <b>77</b>                                | <b>67</b>                                | <b>91</b>                       |
| <b>13 Aggregate of non-promoter shareholding</b>                                    |                                      |                                      |  |  |                                 |
| (a). Number of shares   |                                      |                                      | 68,509,030                               | 69,939,296                               | 69,941,039                      |
| (b). Percentage of shareholding   |                                      |                                      | 74.08%                                   | 75.63%                                   | 75.63%                          |

| SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT |                                      |                                      |  |  |                                 |
|---|--------------------------------------|--------------------------------------|--|--|---------------------------------|
| (Rupees in Million)   |                                      |                                      |  |  |                                 |
| Particulars   | Quarter ended 31/12/2004 (Unaudited) | Quarter ended 31/12/2003 (Unaudited) | Nine Months ended 31/12/2004 (Unaudited) | Nine Months ended 31/12/2003 (Unaudited) | Year ended 31/03/2004 (Audited) |
| <b>1. Segment Revenue</b>   |                                      |                                      |  |  |                                 |
| (a). Aluminium Business   | 9,017                                | 7,612                                | 25,597                                   | 21,221                                   | 29,960                          |
| (b). Copper Business  | 11,432                               | 9,016                                | 32,064                                   | 21,814                                   | 32,013                          |
|   | 20,449                               | 16,628                               | 57,661                                   | 43,035                                   | 61,973                          |
| Less: Inter Segment Revenue   | (33)                                 | (30)                                 | (124)                                    | (50)                                     | (64)                            |
| <b>Net Sales/Income from operations</b>   | <b>20,416</b>                        | <b>16,598</b>                        | <b>57,537</b>                            | <b>42,985</b>                            | <b>61,909</b>                   |
| <b>2. Segment Results (Profit/Loss before Tax and interest from each Segment)</b>           |                                      |                                      |  |  |                                 |
| (a). Aluminium Business   | 3,352                                | 2,283                                | 8,810                                    | 6,267                                    | 8,906                           |
| (b). Copper Business  | 790                                  | 768                                  | 1,892                                    | 2,583                                    | 3,097                           |
|   | 4,142                                | 3,051                                | 10,702                                   | 8,850                                    | 12,003                          |
| Less: Interest & Finance Charges  | (414)                                | (372)                                | (1,210)                                  | (1,245)                                  | (1,612)                         |
|   | 3,728                                | 2,679                                | 9,492                                    | 7,605                                    | 10,391                          |
| Add: Other un-allocable Income net off un-allocable expenses                                | 277                                  | 302                                  | 1,588                                    | 1,588                                    | 2,065                           |
| <b>Profit before Tax &amp; Extraordinary Items</b>  | <b>4,005</b>                         | <b>2,981</b>                         | <b>11,080</b>                            | <b>9,193</b>                             | <b>12,456</b>                   |
| <b>3. Capital Employed (Segment Assets-Segment Liabilities)</b>                             |                                      |                                      |  |  |                                 |
| (a). Aluminium Business   | 39,185                               | 39,693                               | 39,185                                   | 39,693                                   | 40,661                          |
| (b). Copper Business  | 36,368                               | 25,277                               | 36,368                                   | 25,277                                   | 27,622                          |
|   | <b>75,553</b>                        | <b>64,970</b>                        | <b>75,553</b>                            | <b>64,970</b>                            | <b>68,283</b>                   |

**Notes:**

1 The Hon'ble Bombay High Court by its order has sanctioned on 14th January, 2005 the Scheme of Arrangement u/s. 391 to 394 of the Companies Act, 1956 (the Scheme) for transfer by way of demerger of all the business undertakings (other than the aluminium foil business at Kollur, Andhra Pradesh) of Indian Aluminium Company, Ltd. (Indal) to the Company with effect from 1st April, 2004. After receipt of other requisite approvals and upon the Scheme becoming effective, the Company will issue equity shares to each shareholder of Indal in the ratio of one equity share of Rs. 10 each for every seven equity shares of Rs. 2 each (after reduction in the par value from Rs. 10 each to Rs. 2 each) held by such shareholder in Indal and consequently the issued and paid up Share Capital of the Company would increase by about Rs.3 Million. Pending such approvals and effectiveness of the Scheme, the above result does not include the result of demerged business undertakings of Indal.

2 In compliance with Accounting Standard 28 relating to "Impairment of Assets" issued by the Institute of Chartered Accountants of India, a provision for impairment of assets, if any, as at 1st April, 2004, will be adjusted at the end of the financial year against opening balance of General Reserve.

3 Disclosure relating to number of complaints from investors during the quarter:

| Pending as on 01.10.2004 | Received | Resolved | Pending as on 31.12.2004 |
|--------------------------|----------|----------|--------------------------|
| 1                        | 6        | 6        | 1                        |

4 Previous quarter's figures have been regrouped wherever found necessary.

5 The above results have been taken on record at the meeting of the Board of Directors of the Company held on Saturday, 29th January, 2005.

6 The above results have been reviewed by the Auditors.

By and on behalf of the Board

Place: Mumbai  
Dated: 29th January, 2005

D. Bhattacharya  
Managing Director