



## Indian Aluminium Company, Limited

Registered and Corporate office : 1, Middleton Street, Kolkata - 700 071

### Unaudited financial results for the three months and six months ended 30 September 2004

Rs million

| Particulars   | Three months ended<br>30 September<br>2004 | Three months ended<br>30 September<br>2003 | Six months ended<br>30 September<br>2004 | Six months ended<br>30 September<br>2003 | Financial Year ended<br>31 March<br>2004<br>Audited |
|---|--|--|--|--|---|
| <b>Net sales / income from operations</b>                               | 4228.9                                     | 3900.4                                     | 8335.1                                   | 7709.6                                   | 16139.9   |
| <b>Other income</b>   | 65.5                                       | 78.7                                       | 158.2                                    | 134.7                                    | 214.1   |
| <b>Total expenditure</b>  |  |  |  |  |   |
| a) (Increase) / decrease in stock in trade                              | (278.9)                                    | 126.2                                      | (638.9)                                  | 88.2                                     | 236.5   |
| b) Consumption of raw materials   | 1133.3                                     | 1118.1                                     | 2337.5                                   | 2137.2                                   | 4416.9  |
| c) Staff cost   | 432.5                                      | 387.3                                      | 895.7                                    | 776.3                                    | 1774.8  |
| d) Power and fuel   | 1102.8                                     | 966.7                                      | 2083.3                                   | 2001.5                                   | 3779.1  |
| e) Other expenditure  | 876.7                                      | 711.3                                      | 1840.2                                   | 1557.4                                   | 3363.1  |
| <b>Interest</b>   | 36.5                                       | 48.1                                       | 76.6                                     | 101.4                                    | 197.4   |
| <b>Depreciation</b>   | 201.3                                      | 178.4                                      | 400.3                                    | 364.7                                    | 749.7   |
| <b>Profit before tax</b>  | 790.2                                      | 443.0                                      | 1498.6                                   | 817.6                                    | 1836.5  |
| <b>Provision for taxation</b>   |  |  |  |  |   |
| <b>Current</b>  | 310.0                                      | 110.0                                      | 560.0                                    | 210.0                                    | 450.0   |
| <b>Deferred</b>   | 10.0                                       | 20.0                                       | 60.0                                     | 40.0                                     | 65.0  |
| <b>Net profit</b>   | 470.2                                      | 313.0                                      | 878.6                                    | 567.6                                    | 1321.5  |
| <b>Paid-up ordinary share capital<br/>(Face value: Rs 10 per share)</b> | 712.6                                      | 712.6                                      | 712.6                                    | 712.6                                    | 712.6   |
| <b>Reserves (excluding revaluation reserves)</b>                        |  |  |  |  | 9416.6  |
| <b>Basic and diluted earnings per share - Rs</b>                        | 6.60                                       | 4.39                                       | 12.33                                    | 7.97                                     | 18.55   |
| <b>Aggregate of non-promoter shareholding</b>                           |  |  |  |  |   |
| - Number of shares  | 2,304,705                                  | 2,588,030                                  | 2,304,705                                | 2,588,030                                | 2,563,508   |
| - Percentage of shareholding  | 3.23                                       | 3.63                                       | 3.23                                     | 3.63                                     | 3.60  |
| <b>Exports</b>  | 1495.1                                     | 1066.7                                     | 2903.7                                   | 2101.3                                   | 4719.1  |

## Indian Aluminium Company, Limited

### Reporting of segment-wise revenue, results and capital employed under Clause 41 of the Listing Agreement

For three months and six months ended 30 September 2004

Rs million

| Particulars   | Three months<br>ended<br>30 September<br>2004 | Three months<br>ended<br>30 September<br>2003 | Six months<br>ended<br>30 September<br>2004 | Six months<br>ended<br>30 September<br>2003 | Financial<br>Year<br>ended<br>31 March<br>2004<br>Audited |
|---|---|---|---|---|---|
| <b>Segment revenue</b>  |   |   |   |   |   |
| (Net sales/income)  |   |   |   |   |   |
| (a) Chemicals   | 1918.4  | 1384.2  | 3631.7                                      | 2699.3                                      | 6028.2  |
| (b) Aluminium   | 2806.2  | 2789.3  | 5571.8                                      | 5563.8                                      | 11189.2   |
| Total   | 4724.6  | 4173.5  | 9203.5                                      | 8263.1                                      | 17217.4   |
| Less: Inter Segment Revenue                                       | 495.7   | 273.1   | 868.4                                       | 553.5                                       | 1077.5  |
| <b>Net sales / income from operations</b>                         | <b>4228.9</b>                                 | <b>3900.4</b>                                 | <b>8335.1</b>                               | <b>7709.6</b>                               | <b>16139.9</b>  |
| <b>Segment results</b>  |   |   |   |   |   |
| (Profit before tax and interest)                                  |   |   |   |   |   |
| (a) Chemicals   | 841.6   | 284.5   | 1470.9                                      | 581.1                                       | 1371.4  |
| (b) Aluminium   | 360.6   | 255.1   | 685.3                                       | 494.9                                       | 1030.3  |
| Total   | 1202.2  | 539.6   | 2156.2                                      | 1076.0                                      | 2401.7  |
| Less: (i) Interest  | 36.5  | 48.1  | 76.6  | 101.4                                       | 197.4   |
| (ii) Other un-allocable expenditure net of un-allocable<br>income | 375.5   | 48.5  | 581.0                                       | 157.0                                       | 367.8   |
| <b>Profit before tax</b>  | <b>790.2</b>                                  | <b>443.0</b>                                  | <b>1498.6</b>                               | <b>817.6</b>                                | <b>1836.5</b>   |
| <b>Capital employed</b>   |   |   |   |   |   |
| (Segment assets - segment liabilities)                            |   |   |   |   |   |
| (a) Chemicals   | 2767.0  | 3095.6  | 2767.0                                      | 3095.6                                      | 2916.7  |
| (b) Aluminium   | 11833.0                                       | 9780.7  | 11833.0                                     | 9780.7                                      | 10575.4   |
| Total segment capital employed                                    | <b>14600.0</b>                                | <b>12876.3</b>                                | <b>14600.0</b>                              | <b>12876.3</b>                              | <b>13492.1</b>  |

Notes:

1. In a meeting held on 23 August 2004, the Board of Directors of both Hindalco Industries Limited (Hindalco), the holding company, and the Company have approved a Scheme of Arrangement under sections 391 to 394 of the Companies Act, 1956 (the Scheme) for transfer by way of demerger of all the business undertakings of the Company (other than the aluminium foil business of the Company at Kollur, Andhra Pradesh) to Hindalco with effect from 1 April 2004 subject to requisite approvals and orders of the High Court of Calcutta and the High Court of Judicature at Bombay. Under the Scheme, each shareholder of the Company will be allotted 1 equity share in Hindalco of Rs. 10 each credited as fully paid-up for every 7 equity shares of Rs. 2 each fully paid-up (upon reduction of the Capital) held by such shareholder in the Company. As directed by the High Court at Calcutta, meetings of shareholders and secured creditors of the Company have been scheduled on 18 November 2004 to approve the scheme. Pending sanction of the Scheme by the High Courts, the above Financial Results have been drawn up without giving effect to the Scheme.

Hindalco has since communicated to stock exchanges and shareholders of the Company that the earlier offer / exit option to shareholders of the Company to tender the shares held by them in favour of Hindalco at a consideration of Rs.120 per share till 15 February 2005 will be terminated with effect from 30 October 2004.

2. The following projects are progressing as per schedule:
  - a) Alumina capacity expansion at Muri, Jharkhand from 110 kpta to about 500 kpta
  - b) Smelting capacity expansion at Hirakud, Orissa from 65 kpta to 100 kpta by transfer of balance electrolytic pots from Belgaum, Karnataka
  - c) Increase in power generating capacity at Hirakud from 67.5 mw to 267.5 mw
3. Pursuant to Accounting Standard 28 on Impairment of Assets issued by the Institute of Chartered Accountants of India mandatory with effect from 1 April 2004, the Company is carrying out test of impairment. Impairment loss as on 1 April 2004 in respect of certain assets has been ascertained and adjusted against opening balance of revenue reserves. Such loss as may be ascertained with regard to other assets will be similarly adjusted during the year.
4. The unions at the Company's Alupuram extrusion plant at Kerala have gone on indefinite strike with effect from 1 July 2004 which, according to the management, is illegal.
5. The status of investor complaints is set out below:

Number of complaints outstanding as on 1 July and 30 September 2004 - Nil

Number of complaints received and disposed of / attended to during 1 July to 30 September 2004 - Nil.
6. Figures have been regrouped / rearranged, wherever necessary.

The above results for the six months ended 30 September 2004, which have been subjected to a 'Limited Review' by the auditors of the Company as per clause 41 of the Listing Agreement with the National Stock Exchange, have been approved by the Board of Directors at their meeting held on 25 October 2004.

For and on behalf of Board of Directors

25 October 2004  
Mumbai

A.K.Agarwala  
*Vice Chairman*