



**HINDALCO INDUSTRIES LIMITED**

Regd. Office: "Century Bhavan", 3rd Floor, Dr. Annie Besant Road, Worli, Mumbai-400 030

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2007			
(Rupees in Million)			
Particulars	Quarter ended 30/06/2007 (Unaudited)	Quarter ended 30/06/2006 (Unaudited)	Year ended 31/03/2007 (Audited)
<b>1 Net Sales &amp; Operating Revenues</b>	<b>46,779</b>	<b>42,737</b>	<b>183,130</b>
<b>2 Other Income</b>	<b>1,246</b>	<b>776</b>	<b>3,701</b>
<b>3 Total Expenditure</b>	<b>37,936</b>	<b>33,403</b>	<b>142,980</b>
(a). (Increase)/Decrease in Stock in Trade	(2,302)	(9,659)	(4,425)
(b). Consumption of Raw Materials	31,090	34,310	110,783
(c). Staff Cost	1,321	1,149	5,196
(d). Power and Fuel	4,230	4,747	18,486
(e). Other Expenditure	3,597	2,856	12,940
<b>4 Interest &amp; Finance Charges</b>	<b>562</b>	<b>634</b>	<b>2,424</b>
<b>5 Gross Profit</b>	<b>9,527</b>	<b>9,476</b>	<b>41,427</b>
<b>6 Depreciation</b>	<b>1,428</b>	<b>1,341</b>	<b>6,381</b>
<b>7 Profit before Tax</b>	<b>8,099</b>	<b>8,135</b>	<b>35,046</b>
<b>8 Provision for Tax</b>	<b>2,070</b>	<b>2,120</b>	<b>9,403</b>
(a). Current Tax	1,644	1,925	9,841
(b). Deferred Tax	408	175	(551)
(c). Fringe Benefit Tax	18	20	113
<b>9 Net Profit</b>	<b>6,029</b>	<b>6,015</b>	<b>25,643</b>
<b>10 Paid-up Equity Share Capital (Face Value : Re 1/- per Share)</b>	<b>1,111</b>	<b>986</b>	<b>1,043</b>
<b>11 Reserves</b>			<b>123,137</b>
<b>12 Basic &amp; Diluted EPS (Rs.)</b>	<b>5</b>	<b>6</b>	<b>26</b>
<b>13 Aggregate of non-promoter shareholding</b>			
(a). Number of shares	841,777,721	848,720,228	845,583,773
(b). Percentage of shareholding	68.60%	73.21%	72.94%



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<b>SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT</b>			
<b>(Rupees in Million)</b>			
<b>Particulars</b>	<b>Quarter ended 30/06/2007 (Unaudited)</b>	<b>Quarter ended 30/06/2006 (Unaudited)</b>	<b>Year ended 31/03/2007 (Audited)</b>
<b>1. Segment Revenue</b>			
(a) Aluminium	17,537	16,542	73,444
(b) Copper	29,262	26,217	109,776
	46,799	42,759	183,220
Less: Inter Segment Revenue	(20)	(22)	(90)
Net Sales & Operating Revenues	<b>46,779</b>	<b>42,737</b>	<b>183,130</b>
<b>2. Segment Results (Profit/Loss before Tax and Interest from each Segment)</b>			
(a) Aluminium	6,423	7,125	29,292
(b) Copper	1,123	978	5,171
	7,546	8,103	34,463
Less: Interest & Finance Charges	(562)	(634)	(2,424)
	6,984	7,469	32,039
Add: Other un-allocable Income net of un-allocable expenses	1,115	666	3,007
Profit before Tax	<b>8,099</b>	<b>8,135</b>	<b>35,046</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>			
(a) Aluminium	75,288	66,663	74,511
(b) Copper	57,948	58,243	49,307
	133,236	124,906	123,818
Un-allocable/ Corporate	105,269	37,093	85,275
Total Capital Employed	<b>238,505</b>	<b>161,999</b>	<b>209,093</b>



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**Notes:**

1. A wholly owned subsidiary company namely AV Minerals (Netherlands) B.V. has been incorporated in Netherlands in April 2007. The entire holding in A V Metals Inc., a subsidiary of the Company in Canada has been transferred in May 2007 to A V Minerals (Netherlands) B.V. making the former an indirect subsidiary of the Company.
2. Acquisition of Novelis Inc., the world's leading producer of aluminium rolled products, has been completed on 15<sup>th</sup> May 2007 by way of acquisition of all outstanding common shares of Novelis Inc through an indirect subsidiary incorporated in Canada.
3. An agreement has since been reached with Alcan Inc. Canada for purchase of Alcan's stake in Utkal Alumina International Limited (Utkal), an existing subsidiary of the Company. On completion of this transaction, Utkal will become a wholly owned subsidiary of the Company.
4. During the quarter, the Company has allotted 67,500,000 equity shares of face value of Re 1/- each on a preferential basis to Promoters / Promoter Group at a price of Rs 173.87 each, fully paid on 11th April, 2007. Further 80,000,000 warrants were also allotted on a preferential basis to the Promoters / Promoter Group entitling them to apply for and obtain allotment of one equity share at a price of Rs 173.87 per share against each such warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment in one or more tranches. The Company has received 10% amount against each such warrant.
5. During the quarter, the Company has allotted 361,191 equity shares of Re 0.50 paid up amounting to Rs 17 million (including premium) earlier kept in abeyance at the time of Company's rights issue due to court cases. The Company has received a further amount of Rs 8 million (including premium) towards first call money of rights issue outstanding against calls-in-arrear. Basic and diluted EPS have been calculated taking into account the effect of this rights issue.
6. The proceeds of the rights issue aggregating to Rs. 11,111 million have been utilized for the purpose of defraying issue related expenses of Rs. 366 million and subscription to shares of a subsidiary company to the extent of Rs. 2,443 million while the balance amount is temporarily invested in short term liquid securities.
7. As a result of introduction of Companies (Accounting Standard) Rules, 2006, exchange loss of Rs 69 million mainly on account of forward contract relating to fixed assets acquired from outside India has been charged to revenue and included in Other Expenditure instead of adjusting the same with cost of related fixed assets. Profit before tax for the quarter ended 30th June, 2007 is lower to this extent.

8. Disclosure relating to number of complaints from investors during quarter -

<b>Pending as on 1<sup>st</sup> April, 2007</b>	<b>Received</b>	<b>Resolved</b>	<b>Pending as on 30<sup>th</sup> June, 2007</b>
<b>0</b>	<b>10</b>	<b>10</b>	<b>0</b>

9. Figures of previous periods have been regrouped wherever found necessary.
10. 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 Tuesday, 31st July, 2007. 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: 31st July, 2007**