



DR. PRAGNYA RAM
SENIOR PRESIDENT
CORPORATE COMMUNICATIONS

Press Release

Bihar Caustic reports good performance for Q2-FY 2004

Profit after Tax for Q2 : Rs. 282.73 lacs, up 44.66%

Bihar Caustic & Chemicals Limited, a subsidiary of Hindalco has reported impressive results for the quarter ending September 2003. The company has achieved net sales of Rs. 2434.42 lakhs, an increase of 11.66 per cent, vis-à-vis Rs. 2180.20 lakhs attained in the corresponding quarter of the previous year.

Its net profit (after deferred tax) soared by 44.66 per cent at Rs. 282.73 lakhs as against Rs. 195.44 lakhs for the corresponding quarter last year. Better realisation on its products and cost efficiencies emanating from the setting up of a captive power plant have been the growth drivers.

Bihar Caustic & Chemicals produces caustic soda, liquid chlorine, hydrochloric acid and sodium hypo chlorite.

October 30, 2003

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BIHAR CAUSTIC & CHEMICALS LIMITED
P.O. Rehla, Distt. Palamau(Jharkhand-822 124)

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER 2003

Sl. No.	Particulars	Three months ended on 30.09.03	Three months ended on 30.09.02	Six months ended on 30.09.03	Six months ended on 30.09.02	Previous year ended on 31.3.03 (Audited)
1	Net Sales/Income from operations	2434.42	2180.20	4664.15	4496.61	9049.23
2	Other Income	36.20	19.75	105.57	33.39	76.99
3	Total Income	2470.62	2199.95	4769.72	4530.00	9126.22
4	Total Expenditure	1444.68	1274.54	2726.94	2587.41	5444.07
	a) (Increase)/decrease in stock in trade	44.50	(9.50)	47.97	6.50	(32.65)
	b) Consumption of Raw Materials	824.26	728.83	1545.72	1508.18	3050.80
	c) Staff Cost	170.89	178.76	379.43	386.80	773.79
	d) Other Expenditure					
	i) Power & Fuel	63.20	70.52	110.18	124.38	307.34
	ii) Other Expenditure	341.83	305.93	643.64	561.55	1344.79
5	Interest	331.23	379.64	667.64	759.24	1485.82
6	Depreciation	202.51	192.67	399.69	385.55	800.90
7	Profit(+)/Loss(-) before tax(1+2-3-4-5)	492.20	353.10	975.45	797.80	1395.43
8	Provision for Taxation - current	37.84	27.79	74.99	62.83	111.83
9	Net Profit/(Loss) before Deferred Tax	454.36	325.31	900.46	734.97	1283.60
10	Provision for Tax - Deferred	171.63	129.87	345.48	293.30	532.37
11	Net Profit/(Loss) after deferred Tax	282.73	195.44	554.98	441.67	751.23
12	Paid up Equity Share Capital	1559.33	780.00	1559.33	780.00	780.00
13	Reserves (Excl. Revaluation Reserve)	3467.37	2713.63	3467.37	2713.63	3023.44
14	Basic and diluted EPS (not annualised)	1.81	2.26	3.91	5.10	8.68
15	Aggregate of Non-Promoters' Shareholding					
	- Number of Shares	8206213	3822000	8206213	3822000	3822000
	- Percentage of Shareholding	35.09%	49%	35.09%	49%	49%

Note:

1. The above unaudited results have been approved by the Audit Committee and taken on record by the Board of Directors at their meeting held on 28th October, 2003.
2. In compliance with the Accounting Standard-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, Deferred Tax provision has been made.
3. Provision for current tax under section 115 JB of Income Tax Act has been made, whereas provision for Wealth tax will be made at the close of the year.
4. Segment Reporting : The company is primarily engaged in the business of Chlor-alkali Chemicals. Since the inherent nature of these activities is governed by the same set of risks and returns, these have been grouped as single segment in the above disclosures.
5. In compliance with mandatory Accounting Standard "26" issued by ICAI, the company has transferred the unamortised balance of VRS expenses, Rights-Issue Expenses and expenses in connection with enhancement of Authorised Capital as on 31.3.2003 to General Reserve amounting to Rs 115.27 lacs as against past practice of amortising them as deferred revenue expenditure over a period of 5 years. Also the expenses incurred on account of Rights-Issue during the current period amounting to Rs. 17.77 lacs has been charged in the Profit & Loss Account.
6. EPS for the Current Quarter ended September, 2003 as well as for the previous Quarter ended September, 2002 and for the Year ended March, 2003 have been adjusted for giving effect to the Rights Issue in terms of Accounting Standard '20'.
7. In accordance with Clause 41 of the Listing Agreement, the Statutory Auditors have performed a limited review of the financial results of the second quarter ended September, 2003.
8. Status of Investor Complaints :-

Pending as on 1.7.2003	Received	Resolved	Pending as on 30.9.2003
NIL	2	2	NIL

9. Figures for previous year have been regrouped/rearranged wherever necessary.

for Bihar Caustic & Chemicals Limited

Place ; Camp : Patna
Date ; 28th October, 2003

P.N.Ojha
Managing Director