



**HINDUSTAN ZINC LIMITED**

Regd Office: Yashad Bhawan, Udaipur - 313004



**HIGHLIGHTS**

- Refined zinc production at 122,000 tonnes, an increase of 29% over the corresponding prior quarter
- Positive impact of increased volume was more than offset by decline in zinc LME prices
- Expansion projects on track to make HZL the world's largest integrated zinc - lead producer

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER, 2008**

(Rs. in lakhs, except as stated)

PARTICULARS	Second quarter ended 30 Sept		Half Year ended 30 Sept		Year ended 31 March
	2008	2007	2008	2007	2008
	1. (a) Net sales / Income from operations (b) Other Operating Income	174,384 4,662	198,428 3,585	338,750 7,775	395,420 18,435
2. Expenditure					
a) (Increase) / Decrease in stock in trade and work in progress	1,057	382	(2,112)	(4,288)	5,910
b) Mining and Manufacturing Expenses	51,622	28,485	95,089	57,659	129,168
c) Mining Royalty	10,182	14,068	20,394	28,982	51,105
d) Employees Cost	8,652	6,331	17,126	12,849	30,819
e) Depreciation & amortisation	7,040	4,854	13,904	9,356	22,204
f) Administrative, selling and other expenditure	9,328	7,327	16,939	14,755	32,782
<b>g) Total</b>	<b>87,881</b>	<b>61,447</b>	<b>161,340</b>	<b>119,313</b>	<b>271,988</b>
3. Profit from operations before Other Income, Interest & Exceptional Items	91,165	140,566	185,185	294,542	538,967
4. Other Income	18,072	15,274	35,897	30,038	61,986
5. Profit before Interest & Exceptional Items	109,237	155,840	221,082	324,580	600,953
6. Interest	712	572	1,398	1,295	2,417
7. Profit after Interest but before Exceptional Items	108,525	155,268	219,684	323,285	598,536
8. Exceptional items	-	-	-	-	-
<b>9. Profit from ordinary activities before tax</b>	<b>108,525</b>	<b>155,268</b>	<b>219,684</b>	<b>323,285</b>	<b>598,536</b>
10. Tax Expenses - Current (Net)	10,349	33,543	35,017	77,672	146,726
- Deferred	2,225	4,879	3,935	7,631	12,201
<b>11. Net Profit from ordinary activities after tax</b>	<b>95,951</b>	<b>116,846</b>	<b>180,732</b>	<b>237,982</b>	<b>439,609</b>
12. Extraordinary items (Net of tax expenses)	-	-	-	-	-
<b>13. Net Profit for the period</b>	<b>95,951</b>	<b>116,846</b>	<b>180,732</b>	<b>237,982</b>	<b>439,609</b>
14. Paid up Equity Share Capital (Face value Rs. 10/- each)	42,253	42,253	42,253	42,253	42,253
15. Reserves excluding Revaluation Reserve as per balance sheet	-	-	-	-	1,142,566
16. Basic and Diluted EPS (Rs.)	22.70	27.65	42.77	56.32	104.04
17. Public Shareholding Number of Shares	148,216,469	148,216,469	148,216,469	148,216,469	148,216,469
Percentage of shareholding	35.08	35.08	35.08	35.08	35.08
<b>Cash profit (PBDT)</b>	<b>115,565</b>	<b>160,122</b>	<b>233,588</b>	<b>332,641</b>	<b>620,740</b>

**SEGMENT WISE REPORTING REVENUE, RESULTS AND CAPITAL EMPLOYED.**

(Rs. in lakhs)

PARTICULARS	Second quarter ended 30 Sept		Half Year ended 30 Sept		Year ended 31 March
	2008	2007	2008	2007	2008
	<b>1. Segment Revenue (Net sales / Income from operations)</b>				
- Zinc and Lead	172,124	197,798	333,984	394,101	784,553
- Others	2,260	630	4,766	1,319	3,224
<b>Total</b>	<b>174,384</b>	<b>198,428</b>	<b>338,750</b>	<b>395,420</b>	<b>787,777</b>
<b>2. Segment Result</b>					
- Zinc and Lead	90,682	140,891	184,159	294,976	540,374
- Others	724	(174)	1,608	25	(933)
<b>Total</b>	<b>91,406</b>	<b>140,717</b>	<b>185,767</b>	<b>295,001</b>	<b>539,441</b>
Less: Interest expenditure	712	572	1,398	1,295	2,417
Add: Other unallocable income net of unallocable expenditure	17,831	15,123	35,315	29,579	61,512
<b>Profit before Tax</b>	<b>108,525</b>	<b>155,268</b>	<b>219,684</b>	<b>323,285</b>	<b>598,536</b>
<b>3. Capital Employed (Segment Assets – Segment Liabilities)</b>					
- Zinc and Lead	433,610	366,691	433,610	366,691	423,955
- Others	52,982	34,924	52,982	34,924	47,581
- Unallocated	872,373	599,112	872,373	599,112	713,283
<b>Total</b>	<b>1,358,965</b>	<b>1,000,727</b>	<b>1,358,965</b>	<b>1,000,727</b>	<b>1,184,819</b>
Note:	The Company is engaged in the business of mining and smelting of zinc and lead. The Company has also a wind energy business; however, its operations for the period are within the threshold limits stipulated under AS-17 "Segment Reporting" and hence it does not require disclosure as a separate reportable segment.				

**NOTES:**

- 1) The above results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on 21 October, 2008
- 2) Other operating income for the half year ended 30 September 2007 and year ended 31 March 2008 includes a sum of Rs 13,048 lakhs (net of tax Rs 8,613 lakhs) being excess royalty liability written back based on decision of the Rajasthan High Court
- 3) Arising from the announcement of the Institute of the Chartered Accountants of India on 29 March 2008, the Company had decided to adopt Accounting Standard (AS) 30 - Financial Instruments : Recognition and Measurement effective 1 April 2007. The figures for the quarter and half year ended 30 September 2007 have been restated to include the impact arising due to adoption of this Accounting Standard and make it comparable to the current period
- 4) Investment in equity shares of a power company has been considered as an intangible asset. This has resulted in an additional amortisation charge of Rs.234 lakhs for the half year ended 30 September 2008 (corresponding previous half year : Rs.234 lakhs).
- 5) Investor complaints outstanding at the beginning of the quarter were nil, 2 number of complaints received and resolved during the quarter ended 30 September 2008. Outstanding number of complaints at the end of the quarter was nil
- 6) The auditors have carried out "Limited Review" of the above results.
- 7) Figures for the previous period have been regrouped / rearranged to correspond with current period figures wherever necessary

By Order of the Board

Date: 21 October, 2008

Place: Mumbai

M S Mehta  
Whole-time Director