



HINDUSTAN ZINC LIMITED
Regd Office: Yashad Bhawan, Udaipur - 313004



HIGHLIGHTS

- Highest ever quarterly production
- Despite 40% increase in volumes, profits adversely impacted due to sharp decline in zinc LME (Zinc LME from \$2,646 to \$1,189)

- Received prestigious "Asian CSR Excellence Award in the Poverty Alleviation Category".
- Expansion projects on track for completion by end 2009

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2008

(Rs. in lakhs, except as stated)

PARTICULARS	Third quarter ended 31 December		Nine months ended 31 December		Year ended 31 March
	2008	2007	2008	2007	2008
	1. (a) Net sales / Income from operations	103,141	165,769	441,759	561,189
(b) Other Operating Income	3,779	2,629	11,554	21,064	23,178
2. Expenditure					
a) (Increase) / Decrease in stock in trade and work in progress	(2,690)	1,292	(4,802)	(2,996)	5,910
b) Mining and Manufacturing Expenses	53,184	32,619	148,734	90,701	130,059
c) Mining Royalty	7,673	10,572	28,067	39,554	51,105
d) Employees Cost	10,647	9,226	27,773	22,075	30,819
e) Depreciation & amortisation	7,120	5,470	21,024	14,826	22,204
f) Administrative, selling and other expenditure	7,600	7,564	24,078	21,896	31,891
g) Total	83,534	66,743	244,874	186,056	271,988
3. Profit from operations before Other Income, Interest & Exceptional Items	23,386	101,655	208,439	396,197	538,967
4. Other Income	23,625	15,953	59,522	45,991	61,986
5. Profit before Interest & Exceptional Items	47,011	117,608	267,961	442,188	600,953
6. Interest	435	630	1,701	1,925	2,417
7. Profit after Interest but before Exceptional Items	46,576	116,978	266,260	440,263	598,536
8. Exceptional items	-	-	-	-	-
9. Profit from ordinary activities before tax	46,576	116,978	266,260	440,263	598,536
10. Tax Expenses - Current (Net)	7,885	30,150	42,902	107,822	146,726
- Deferred	1,809	3,421	5,744	11,052	12,201
11. Net Profit from ordinary activities after tax	36,882	83,407	217,614	321,389	439,609
12. Extraordinary items (Net of tax expenses)	-	-	-	-	-
13. Net Profit for the period	36,882	83,407	217,614	321,389	439,609
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.)	8.73	19.74	51.50	76.06	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
Cash profit (PBDT)	53,696	122,448	287,284	455,089	620,740

SEGMENT WISE REPORTING REVENUE, RESULTS AND CAPITAL EMPLOYED.

(Rs. in lakhs)

PARTICULARS	Third quarter ended 31 December		Nine months ended 31 December		Year ended 31 March
	2008	2007	2008	2007	2008
	1. Segment Revenue (Net sales / Income from operations)				
- Zinc and Lead	101,740	165,066	435,592	559,167	784,553
- Others	1,401	703	6,167	2,022	3,224
Total	103,141	165,769	441,759	561,189	787,777
2. Segment Result					
- Zinc and Lead	23,324	101,528	205,941	396,513	540,374
- Others	190	98	3,208	114	(933)
Total	23,514	101,626	209,149	396,627	539,441
Less: Interest expenditure	435	630	1,701	1,925	2,417
Add: Other unallocable income net of unallocable expenditure	23,497	15,982	58,812	45,561	61,512
Profit before Tax	46,576	116,978	266,260	440,263	598,536
3. Capital Employed (Segment Assets – Segment Liabilities)					
- Zinc and Lead	467,590	388,954	467,590	388,954	423,955
- Others	51,344	39,690	51,344	39,690	47,581
- Unallocated	878,499	643,091	878,499	643,091	713,283
Total	1,397,433	1,071,735	1,397,433	1,071,735	1,184,819
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 on 20 January 2009 and approved it at the meeting of the Board of Directors held on 21 January, 2009
- 2) Other operating income for the nine months ended 31 December 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 nine months ended 31 December 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) Consistent with the treatment followed in earlier years, 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.350 lakhs for the nine-months ended 31 December 2008 (corresponding previous nine months: Rs.350 lakhs) and the net profit for the nine months being lower by Rs. 231 lakhs (corresponding previous nine months Rs. 231 lakhs). This treatment, being in preference to the requirements of Accounting Standards, has been reported by the auditors
- 5) Investor complaints outstanding at the beginning of the quarter were nil, 2 number of complaints received and resolved during the quarter ended 31 December 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 January, 2009
Place: Mumbai

Akhilesh Joshi
Whole-time Director