



vedanta



HINDUSTAN ZINC LIMITED

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No.20A (2)/2011-Secy/

18 October 2012

Mr.S. Subramanian
DCS-CRD
Bombay Stock Exchange Ltd.
Dalal Street, Fort MUMBAI-400 001

Mr. Hari K.
Head – Listing & Corporate Communications
National Stock Exchange (India) Ltd.
"Exchange Plaza" Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Fax Nos.:022-22723121 / 22723719

Fax Nos.: 022-26598120/ 26598237/

Scrip Code: 500188

Scrip Code: HINDZINC-EQ

Sub: - Un-audited 2nd quarter/half yearly financial results after limited review for the period ended 30th September, 2012.

Dear Sir,

As per the requirement of Clause 41 of the Listing Agreement, we forward herewith a copy of un audited financial results after limited review for the 2nd quarter and half year ended 30th September, 2012 duly adopted in the meeting of the Board of Directors held on **18th October, 2012**.

The Board has declared interim dividend @80% ie Rs.1.60 per equity share of Rs. 2 each. The record date for the payment of interim dividend is 26th October 2012.

Thanking you,

Yours faithfully,
For Hindustan Zinc Limited,

(R. Pandwal)
Company Secretary

Encl: As above.

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2012
PART I
(Rs. in crore, except as stated)

PARTICULARS		Quarter ended			Half year ended		Year ended
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a) Net sales/Income from operations (Net of excise duty)	2,822.30	2,712.67	2,593.49	5,534.97	5,414.84	11,255.14
	b) Other Operating Income	43.16	35.04	43.35	78.20	69.05	150.17
	Total income from operations (net)	2,865.46	2,747.71	2,636.84	5,613.17	5,483.89	11,405.31
2	Expenses						
	a) Cost of materials consumed	311.18	53.73	6.25	364.91	28.28	217.69
	b) Changes in inventories of finished goods, work in progress and stock in trade	(188.23)	8.08	(45.23)	(180.15)	65.24	94.44
	c) Employees benefits expense	154.66	149.18	129.04	303.84	256.45	534.64
	d) Depreciation and amortisation expense	174.57	173.38	146.35	347.95	280.88	610.67
	e) Consumption of Stores and spares	288.35	271.43	262.42	559.78	498.89	1,046.66
	f) Power and Fuel	261.81	271.48	292.43	533.29	587.73	1,227.84
	g) Mining Royalty	202.82	204.38	214.65	407.20	408.22	837.88
	h) Other Mining and Manufacturing Expenses	284.25	257.99	227.83	542.24	417.85	956.14
	i) Other expenses	107.52	102.88	108.64	210.40	192.27	420.56
	Total Expenses	1,596.93	1,492.53	1,342.38	3,089.46	2,735.81	5,946.52
3	Profit from operations before Other Income, finance costs and Exceptional Items	1,268.53	1,255.18	1,294.46	2,523.71	2,748.08	5,458.79
4	Other Income	539.76	574.30	408.73	1,114.06	768.39	1,542.83
5	Profit from ordinary activities before finance costs and exceptional Items	1,808.29	1,829.48	1,703.19	3,637.77	3,516.47	7,001.62
6	Finance Costs	(2.09)	12.88	9.16	10.79	15.80	13.95
7	Profit from ordinary activities after finance costs but before exceptional Items	1,810.38	1,816.60	1,694.03	3,626.98	3,500.67	6,987.67
8	Exceptional items (VRS expenses)	-	-	23.86	-	28.28	43.13
9	Profit from ordinary activities before tax	1,810.38	1,816.60	1,670.17	3,626.98	3,472.39	6,944.54
10	Tax Expense (Including deferred tax and net of MAT credit entitlement)	270.59	235.26	325.48	505.85	632.79	1,418.50
11	Net Profit from ordinary activities after tax	1,539.79	1,581.34	1,344.69	3,121.13	2,839.60	5,526.04
12	Extraordinary items (Net of tax expenses)	-	-	-	-	-	-
13	Net Profit for the period	1,539.79	1,581.34	1,344.69	3,121.13	2,839.60	5,526.04
14	Paid up Equity Share Capital - (Face value Rs. 2/- each)	845.06	845.06	845.06	845.06	845.06	845.06
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						26,036.20
16.i	Earnings per share (before extraordinary items) (of Rs 2/- each) (not annualised):						
	a) Basic	3.64	3.74	3.18	7.39	6.72	13.08
	b) Diluted	3.64	3.74	3.18	7.39	6.72	13.08
16.ii	Earnings per share (after extraordinary items) (of Rs 2/- each) (not annualised):						
	a) Basic	3.64	3.74	3.18	7.39	6.72	13.08
	b) Diluted	3.64	3.74	3.18	7.39	6.72	13.08
	See accompanying notes to the financial results						
PART II							
A PARTICULARS OF SHAREHOLDING							
1	Public shareholding						
	- Number of shares	1,482,164,690	1,482,164,690	1,482,164,690	1,482,164,690	1,482,164,690	1,482,164,690
	- Percentage of shareholding	35.08	35.08	35.08	35.08	35.08	35.08
2	Promoters and promoter Group shareholding						
(a)	Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of share (as a % of the total share capital of the company)	-	-	-	-	-	-
(b)	Non-encumbered						
	- Number of shares	2,743,154,310	2,743,154,310	2,743,154,310	2,743,154,310	2,743,154,310	2,743,154,310
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the company)	64.92	64.92	64.92	64.92	64.92	64.92
	Particulars	3 months ended (30.09.2012)					
B INVESTOR COMPLAINTS							
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	4					
	Disposed of during the quarter	4					
	Remaining unresolved at the end of the quarter	Nil					



SEGMENT WISE REPORTING REVENUE, RESULTS AND CAPITAL EMPLOYED						
PARTICULARS		Quarter ended			Half year ended	
		30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011
1	Segment Revenue (Net sales/Income from operations)					
a)	Zinc, Lead and Silver					
	(i) Zinc and Lead	2,296.77	2,253.23	2,320.32	4,550.00	4,876.32
	(ii) Silver Metal	448.99	388.20	239.38	837.19	467.48
	Total	2,745.76	2,641.43	2,559.70	5,387.19	5,343.80
b)	Wind Energy	76.54	71.24	33.79	147.78	71.04
	Net sales/Income from operations	2,822.30	2,712.67	2,593.49	5,534.97	5,414.84
2	Segment Result					
a)	(i) Zinc and Lead	859.16	862.71	1,083.83	1,721.87	2,335.15
	(ii) Silver Metal	410.92	351.00	220.09	761.92	413.10
	Total	1,270.08	1,213.71	1,303.92	2,483.79	2,748.25
b)	Wind Energy	42.79	38.96	15.12	81.75	30.65
	Total	1,312.87	1,252.67	1,319.04	2,565.54	2,778.90
	Less: Interest	(2.09)	12.88	9.16	10.79	15.80
	Less: Exceptional Items (VRS in respect of zinc, lead and silver)	-	-	23.86	-	28.28
	Add: Other unallocable income net of unallocable expenditure	495.42	576.81	384.15	1,072.23	737.57
	Profit before Tax	1,810.38	1,816.60	1,670.17	3,626.98	3,472.39
3	Capital Employed (Segment Assets - Segment Liabilities)					
a)	Zinc, Lead and Silver	9,804.42	8,722.63	8,427.51	9,804.42	8,427.51
b)	Wind Energy	1,132.74	1,126.03	968.86	1,132.74	968.86
c)	Unallocated	18,265.49	18,613.69	15,987.81	18,265.49	15,987.81
	Total	29,202.65	28,462.35	25,384.18	29,202.65	25,384.18

UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 30th SEPTEMBER, 2012			
PARTICULARS		As at	As at
		30.09.2012	31.03.2012
EQUITY AND LIABILITIES			
Shareholders funds			
	Share capital	845.06	845.06
	Reserves and surplus	28,357.59	26,036.20
	Sub total - Shareholders funds	29,202.65	26,881.26
Non current liabilities			
	Deferred tax liabilities (net)	1,155.63	1,108.81
	Other long term liabilities	30.53	17.15
	Sub total - Non current liabilities	1,186.16	1,125.96
Current liabilities			
	Short term borrowings	0.39	0.39
	Trade payables	590.35	410.29
	Other current liabilities	543.80	563.15
	Short term provisions	818.08	441.97
	Sub total - Current liabilities	1,952.62	1,415.80
	Total Equity and Liabilities	32,341.43	29,423.02
ASSETS			
Non current assets			
	Fixed assets	9,148.69	8,957.78
	Non current investments	2.70	2.59
	Long term loans and advances	1,094.53	627.92
	Other non current assets	307.16	163.59
	Sub total - Non current assets	10,553.08	9,751.88
Current assets			
	Current investments	11,840.33	12,692.26
	Inventories	1,703.21	797.94
	Trade receivables	591.07	332.45
	Cash and cash equivalents	7,295.29	5,255.32
	Short term loans and advances	141.68	269.97
	Other current assets	216.77	323.20
	Sub total - Current assets	21,788.35	19,671.14
	Total Assets	32,341.43	29,423.02

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NOTES:

- 1) The above results for the quarter and half year ended 30th September 2012 and statement of assets and liabilities as on 30th September 2012 have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 18th October 2012. The auditors have carried out "Limited Review" of the above results.
- 2) The Company has adopted Accounting Standard 30 - Financial Instruments: Recognition and Measurement effective 1st April, 2007 alongwith consequential revisions to other Accounting Standards.
- 3) Intangible assets represents Rs 98.41 crore (2012 : Rs 98.41 crore) being long term investment in equity shares of Andhra Pradesh Gas Power Corporation Limited, Hyderabad, which entitles the company to draw power in Andhra Pradesh for its Vishakapatnam unit. This has been amortised and resulted in an additional amortisation charge of Rs. 2.34 crore for the half year ended 30th September 2012 (corresponding previous half year Rs. 2.34 crore) and the net profit after tax for the half year ended 30th September 2012 being lower by Rs. 1.58 crore (corresponding previous half year Rs. 1.58 crore). This treatment, being in preference to the requirements of Accounting Standards, has been reported by the auditors.
- 4) The Board declared an interim dividend @80 % i.e. Rs. 1.60 per equity share of Rs. 2/- each. The record date for the payment of interim dividend is 26th October 2012.
- 5) Previous Period/Year figures have been re-grouped/re-arranged wherever necessary.

Date: 18th October, 2012
Place: Mumbai


By Order of the Board


Akhilesh Joshi
CEO & Whole-time Director

AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF HINDUSTAN ZINC LIMITED

1. We have reviewed the accompanying 'Statement of Unaudited financial results for the quarter and half year ended September 30, 2012' (the Statement) of Hindustan Zinc Limited (the Company) except for the disclosures regarding 'Public Shareholding', 'Promoter and Promoter Group Shareholding' and 'investor complaints' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We draw attention to note 3 of the Statement relating to long-term investment in equity shares of a power company being classified as an intangible asset and amortised. This treatment is in preference to requirements of Accounting Standard 30 'Financial Instruments: Recognition and Measurement', Accounting Standard 26 'Intangible Assets', and Schedule XIV of the Companies Act, 1956. This has resulted in an additional amortisation charge of Rs. 2.34 Crores for the half year ended September 30, 2012 (corresponding previous half year: Rs 2.34 Crores) the net profit for the half year ended September 30, 2012 being lower by Rs. 1.58 Crores (corresponding previous half year: Rs. 1.58 Crores).
4. Based on our review conducted as above, except for the matter as reported in paragraph 3 above, nothing has come to our attention that causes us to believe that the Statement prepared in accordance with the applicable Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, (together with early adoption of Accounting Standard 30, Financial Instruments: Recognition and Measurement as stated in note 2 of the Statement) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Registration No. 117366W)


K. A. Katki
Partner

Membership Number 038568
Mumbai, October 18, 2012



