



vedanta



HINDUSTAN ZINC LIMITED

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No.20A (1)/2009-Secy/

19 April 2012

Mr. S. Subramanian
DCS – CRD, Listing Department,
The Bombay Stock Exchange Limited
Dalal Street, Fort, Mumbai - 400 001

Mr. Hari K
Head – Listing & Corporate Communications
National Stock Exchange of India Limited
“Exchange Plaza” Bandra – Kurla Complex,
Bandra (East), Mumbai – 400 051

Fax Nos.: 022-22723121 / 22723719 /
22722037 / 22722039

Fax Nos.: 022-26598120/ 26598237/
26598238

Scrip Code: 500188

Scrip Code: HINDZINC-EQ

Sub: - Audited Quarterly Financial Results for the 4th Quarter and Year ended 31st March, 2012.

Dear All,

As per the requirement of Clause 41 of the Listing Agreement, we forward herewith a copy of audited quarterly financial results for the 4th quarter and year ended 31st March, 2012 duly adopted in the meeting of the Board of Directors held on 19th April, 2012.

The Board of Directors had recommended final dividend @ 45% (Rs. 0.90 per share) for the year 2011-2012, which would be paid subject to the share holders approval in the forthcoming Annual General Meeting to be held on July 6, 2012.

The total dividend for the year is 120% i.e Rs. 2.40 per share of Rs.2 each.

The Register of Members & Share Transfer Books of the Company will remain closed from June 30, 2012 to July 6, 2012 (both days inclusive) for the purpose of Payment of Dividend and Annual General Meeting (AGM) of the Company to be held on July 6, 2012.

Yours faithfully,
For Hindustan Zinc Limited,

(R. Pandwal)
Company Secretary

Encl: As above.

Highlights for the year
Operational Performance -
 ▲ Record refined Zinc production - up 6%
 ▲ Record refined Lead production - up 56%
 ▲ Record refined Silver production - up 35%

Financial Performance -
 ▲ Record Revenues of Rs. 11,405 crore - up 14%
 ▲ Record net profit of Rs. 5,526 crore - up 13%
 ▲ Final dividend of 45%, total dividend for the year 120%, the highest ever

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH, 2012
(Rs. in crore, except as stated)

| PARTICULARS | Quarter ended | | | Year ended | |
|--|------------------------------------|---------------|---------------|----------------------|---------------|
| | 31.03.2012 | 31.12.2011 | 31.03.2011 | 31.03.2012 | 31.03.2011 |
| | Audited | Unaudited | Unaudited | Audited | Audited |
| Income from operations | | | | | |
| 1 a) Net sales / Income from operations (Net of excise duty) | 3,093.53 | 2,746.77 | 3,197.02 | 11,255.14 | 9,912.14 |
| b) Other Operating Income | 41.47 | 39.64 | 40.31 | 150.17 | 127.03 |
| Total income from operations (net) | 3,135.00 | 2,786.41 | 3,237.33 | 11,405.31 | 10,039.17 |
| 2 Expenses | | | | | |
| a) Cost of materials consumed | 83.21 | 109.45 | 32.77 | 217.69 | 169.23 |
| b) Changes in inventories of finished goods, work in progress and stock in trade | 16.07 | 13.13 | 0.12 | 94.44 | (155.64) |
| c) Employees benefits expense | 144.48 | 133.71 | 134.09 | 534.64 | 510.78 |
| d) Depreciation and amortisation expense | 167.06 | 162.73 | 127.09 | 610.67 | 474.74 |
| e) Consumption of Stores and spares | 278.83 | 268.95 | 239.39 | 1,046.66 | 882.91 |
| f) Power and Fuel | 322.45 | 317.66 | 284.78 | 1,227.84 | 1,022.60 |
| g) Mining Royalty | 229.14 | 200.52 | 250.97 | 837.88 | 803.33 |
| h) Other Mining and Manufacturing Expenses | 272.81 | 265.48 | 214.22 | 956.14 | 840.01 |
| i) Other expenses | 128.98 | 99.32 | 117.75 | 420.56 | 358.24 |
| Total Expenses | 1,643.03 | 1,570.95 | 1,401.18 | 5,946.52 | 4,906.20 |
| 3 Profit/(loss) from operations before Other Income, finance costs and Exceptional Items | 1,491.97 | 1,215.46 | 1,836.15 | 5,458.79 | 5,132.97 |
| 4 Other Income | 381.06 | 401.92 | 308.56 | 1,542.83 | 866.02 |
| 5 Profit/(loss) from ordinary activities before finance costs and exceptional Items | 1,873.03 | 1,617.38 | 2,144.71 | 7,001.62 | 5,998.99 |
| 6 Finance Costs | 2.40 | 1.01 | 14.07 | 13.95 | 18.28 |
| 7 Profit/(loss) from ordinary activities after finance costs but before exceptional Items | 1,870.63 | 1,616.37 | 2,130.64 | 6,987.67 | 5,980.71 |
| 8 Exceptional items (VRS expenses) | 8.42 | 6.43 | - | 43.13 | 21.16 |
| 9 Profit / (loss) from ordinary activities before tax | 1,862.21 | 1,609.94 | 2,130.64 | 6,944.54 | 5,959.55 |
| 10 Tax Expense | 449.37 | 336.34 | 359.37 | 1,418.50 | 1,059.06 |
| 11 Net Profit / (loss) from ordinary activities after tax | 1,412.84 | 1,273.60 | 1,771.27 | 5,526.04 | 4,900.49 |
| 12 Extraordinary items (Net of tax expenses) | - | - | - | - | - |
| 13 Net Profit/(loss) for the period | 1,412.84 | 1,273.60 | 1,771.27 | 5,526.04 | 4,900.49 |
| 14 Paid up Equity Share Capital -(Face value Rs. 2/- each) | 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 | 21,688.13 |
| 16.i Earnings per share (before extraordinary items) (of Rs 2/- each) (not annualised): | | | | | |
| a) Basic | 3.34 | 3.01 | 4.19 | 13.08 | 11.60 |
| b) Diluted | 3.34 | 3.01 | 4.19 | 13.08 | 11.60 |
| 16.ii Earnings per share (after extraordinary items) (of Rs 2/- each) (not annualised): | | | | | |
| a) Basic | 3.34 | 3.01 | 4.19 | 13.08 | 11.60 |
| b) Diluted | 3.34 | 3.01 | 4.19 | 13.08 | 11.60 |
| A PARTICULARS OF SHAREHOLDING | | | | | |
| 1 Public shareholding | 1,482,164,690 | 1,482,164,690 | 1,482,164,690 | 1,482,164,690 | 1,482,164,690 |
| -Number of shares | 35.08 | 35.08 | 35.08 | 35.08 | 35.08 |
| -Percentage of shareholding | | | | | |
| 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 |
| - Percentage of shares (as a % of the total shareholding of the promoter and promoter group) | 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 |
| Particulars | 3 months ended (31.03.2012) | | | | |
| 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 | | | |



Statement of Assets and Liabilities

(Rs. in crore)

| PARTICULARS | As at year ended 31.03.2012 | As at year ended 31.03.2011 |
|--|-----------------------------------|-----------------------------------|
| EQUITY AND LIABILITIES | | |
| Shareholders funds | | |
| Share capital | 845.06 | 845.06 |
| Reserves and surplus | <u>26,036.20</u> | <u>21,688.13</u> |
| Sub total - Shareholders funds | <u>26,881.26</u> | <u>22,533.19</u> |
| Non current liabilities | | |
| Deferred tax liabilities (net) | 1,108.81 | 944.70 |
| Other long term liabilities | <u>17.15</u> | <u>23.79</u> |
| Sub total - Non current liabilities | <u>1,125.96</u> | <u>968.49</u> |
| Current liabilities | | |
| Short term borrowings | 0.39 | 0.39 |
| Trade payables | 410.29 | 368.24 |
| Other current liabilities | 563.15 | 615.57 |
| Short term provisions | <u>441.97</u> | <u>567.08</u> |
| Sub total - Current liabilities | <u>1,415.80</u> | <u>1,551.28</u> |
| Total Equity and Liabilities | <u>29,423.02</u> | <u>25,052.96</u> |
| ASSETS | | |
| Non current assets | | |
| Fixed assets | 8,957.78 | 7,849.03 |
| Non current investments | 2.59 | 2.08 |
| Long term loans and advances | 627.92 | 616.73 |
| Other non current assets | <u>163.59</u> | <u>129.77</u> |
| Sub total - Non current assets | <u>9,751.88</u> | <u>8,597.61</u> |
| Current assets | | |
| Current investments | 12,692.26 | 9,332.51 |
| Inventories | 797.94 | 762.38 |
| Trade receivables | 332.45 | 208.89 |
| Cash and cash equivalents | 5,255.32 | 5,632.91 |
| Short term loans and advances | 269.97 | 286.22 |
| Other current assets | <u>323.20</u> | <u>232.44</u> |
| Sub total - Current assets | <u>19,671.14</u> | <u>16,455.35</u> |
| Total Assets | <u>29,423.02</u> | <u>25,052.96</u> |

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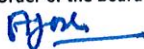
SEGMENT WISE REPORTING REVENUE, RESULTS AND CAPITAL EMPLOYED.

| PARTICULARS | Quarter ended | | | Year ended | |
|---|--|------------------|------------------|------------------|------------------|
| | 31.03.2012 | 31.12.2011 | 31.03.2011 | 31.03.2012 | 31.03.2011 |
| | 1 Segment Revenue (Net sales / Income from operations) | | | | |
| a) Zinc, Lead and Silver | | | | | |
| (i) Zinc and Lead | 2,652.37 | 2,471.20 | 2,965.60 | 9,999.89 | 9,300.85 |
| (ii) Silver Metal | 409.24 | 255.27 | 216.17 | 1,131.99 | 543.59 |
| Total | 3,061.61 | 2,726.47 | 3,181.77 | 11,131.88 | 9,844.44 |
| b) Wind Energy | 31.92 | 20.30 | 15.25 | 123.26 | 67.70 |
| Total | 3,093.53 | 2,746.77 | 3,197.02 | 11,255.14 | 9,912.14 |
| 2 Segment Result | | | | | |
| a) (i) Zinc and Lead | 1,122.10 | 996.76 | 1,652.05 | 4,470.60 | 4,640.27 |
| (ii) Silver Metal | 367.95 | 250.01 | 197.48 | 1,014.47 | 511.95 |
| Total | 1,490.05 | 1,246.77 | 1,849.53 | 5,485.07 | 5,152.22 |
| b) Wind Energy | (5.62) | (4.80) | (5.44) | 20.23 | 2.38 |
| Total | 1,484.43 | 1,241.97 | 1,844.09 | 5,505.30 | 5,154.60 |
| Less: Interest expenditure | 2.40 | 1.01 | 14.07 | 13.95 | 18.28 |
| Less: Exceptional Items (VRS in respect of zinc, lead and silver) | 8.42 | 6.43 | - | 43.13 | 21.16 |
| Add: Other unallocable income net of unallocable expenditure | 388.60 | 375.41 | 300.62 | 1,496.32 | 844.39 |
| Profit before Tax | 1,862.21 | 1,609.94 | 2,130.64 | 6,944.54 | 5,959.55 |
| 3 Capital Employed (Segment Assets - Segment Liabilities) | | | | | |
| a) Zinc, Lead and Silver | 8,544.62 | 8,823.74 | 7,845.63 | 8,544.62 | 7,845.63 |
| b) Wind Energy | 1,087.63 | 1,062.61 | 658.55 | 1,087.63 | 658.55 |
| c) Unallocated | 17,249.01 | 16,028.09 | 14,029.01 | 17,249.01 | 14,029.01 |
| Total | 26,881.26 | 25,914.44 | 22,533.19 | 26,881.26 | 22,533.19 |

NOTES:

- The above results for the quarter and year ended 31st March 2012 have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 19th April 2012.
- The Board of Directors has recommended a final dividend of 45 % which is Rs. 0.90 Per equity share subject to shareholders' approval in the Annual General Meeting. The total dividend, including interim dividend already paid, for the year 2011-12 is 120 % i.e. Rs. 2.40 per share of Rs.2/- each.
- During the quarter, additional intra segment information of revenues and results for the silver metal have been provided to enhance understanding of segment business. Silver occurs in Zinc & Lead and is recovered in the smelting and silver refining process.
- The Company has adopted Accounting Standard 30 - Financial Instruments: Recognition and Measurement effective 1st April, 2007 alongwith consequential revisions to other Accounting Standards. Accordingly, current investments are carried at fair value, resulting in investment being valued at Rs 268.44 crore (2011 Rs 248.73 crore) above the lower of cost and fair value and the profit before tax for the year is higher by Rs 19.71 crore (2011: higher by Rs 143.72 crore).
- Intangible assets represents Rs 98.41 crore (2011 : 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 as a fixed asset. Amortisation for the year is Rs 4.67 crore (2011 : Rs 4.67 crore.), cumulative Rs 51.72 crore (2011 : Rs 47.05 crore). This treatment, being in preference to the requirements of Accounting Standards, has been reported by the auditors.
- The figures of the last quarter are the balancing figure between audited figure in respect of full financial year and published year to date figures up to the third quarter of the current financial year.
- Previous Period / Year figures have been regrouped / re-arranged wherever necessary.

By Order of the Board


Akhilesh Joshi
CEO & Whole-time Director

Date: 19th April, 2012
Place: Mumbai