



Hindustan Zinc Limited

BUY

June 12, 2007

Current Price : Rs655  
Target Price : Rs765  
Upside : 17%

52 Week H/L:Rs1020/Rs440

Avg. Daily Vol. : 65514

Market Cap. : Rs276bn

BSE Code : 500188

NSE Symbol : HINDZINC

Shareholding pattern

Share holder	Mar 2007
Promoters	64.92%
FI/MF	30.65%
FII	1.83%
Public & Others	2.60%

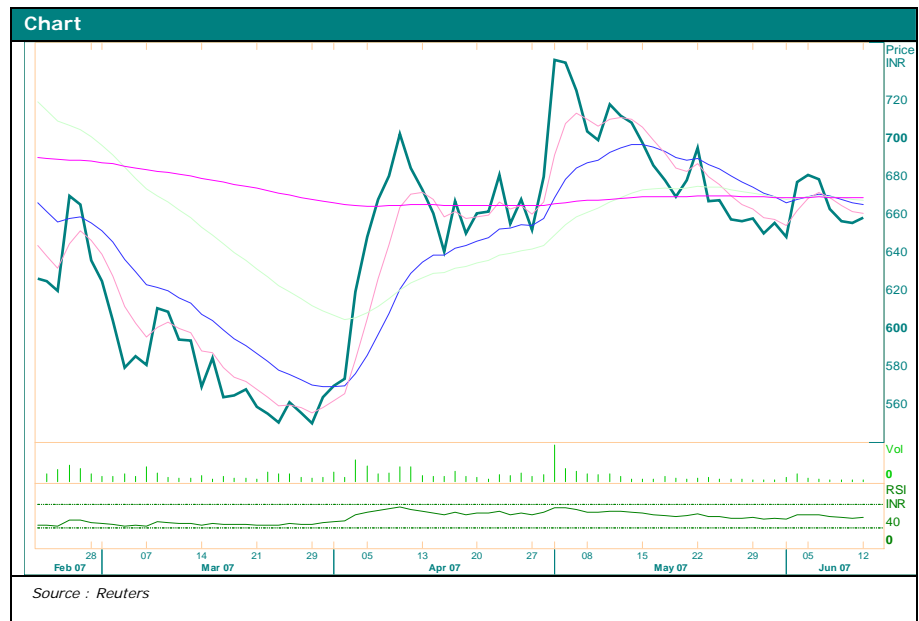
Company Profile

Hindustan Zinc Ltd (HZL), established in 1966, is India's leading and only integrated zinc producer. Since 2002, when Government of India offloaded its majority stake in HZL, it has become an integral part of the Sterlite Group. HZL is a vertically integrated mining and smelting company engaged in the production of Zinc and Lead Ingots along with other by products like silver, cadmium, sulphuric acid. During FY06, HZL had a refined zinc production capacity of 411,000 tpa, refined lead production capacity of 85,000 tpa and ore treatment capacity of 6.2mn tpa. HZL major captive zinc mines are Rampura Aqucha Mine, Raipura Dariba Mine, Zawar Mine in Rajasthan and smelters like Chanderiya Lead Zinc Smelter, Debari Zinc Smelter in Rajasthan and Vizag Zinc Smelter in Andhra Pradesh under its ownership.

During FY07, HZL witnessed a sales growth of 120% to Rs.85.6bn and net profit growth of 202% to Rs.44.42bn. OPM stood at 77%.

Key Triggers

- **Moving Average Convergence:** The short and medium term moving averages of HZL have converged around the current price on a daily and weekly basis. Further, the stock is current trading near its strong weekly support.



Source : Reuters

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*Analyst holding in stock : Nil*