

No.20A (1)/2015-SECY/

20 APRIL 2015

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

Scrip Code: 500188

Scrip Code: HINDZINC-EQ

Sub: - Audited Quarterly Financial Results for the 4th quarter and full year ended 31st March, 2015.

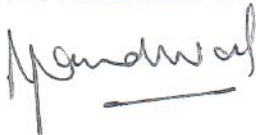
Dear All,

As per the requirement of Clause 41 of the Listing Agreement, we forward herewith a copy of audited financial results for the year ended 31st March, 2015 and 4th quarter ended 31st March 2015, duly adopted in the meeting of the Board of Directors held on 20th April, 2015.

The Board of Directors had recommended final dividend @ 125%(Rs 2.50 per share) for the year 2014-2015, which would be paid subject to the share holders approval.

Copy of press release issued is also attached herewith.

Yours faithfully,
For Hindustan Zinc Limited,



(R. Pandwal)
Company Secretary

Encl: As above.

Hindustan Zinc Limited

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Tel.: (91-294)6604015, 22, Fax: (91-294) 2427739
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STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH, 2015
PART I

(Rs in Crore, except as stated)

PART I	PARTICULARS	Quarter ended			Year ended	
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
		Audited (refer note 6)	Unaudited	Audited (refer note 6)	Audited	Audited
1	Income from operations					
	a) Net sales/Income from operations (Net of excise duty)	4,073.11	3,803.73	3,588.69	14,588.71	13,458.95
	b) Other Operating Income	52.57	49.41	53.99	199.68	177.09
	Total income from operations (net)	4,125.68	3,853.14	3,642.68	14,788.39	13,636.04
2	Expenses					
	a) Cost of materials consumed	50.77	147.41	314.22	468.45	501.26
	b) Purchase of Stock in Trade	-	-	-	52.30	-
	c) Changes in Inventories of finished goods and work in progress	6.68	(186.65)	(63.38)	(145.45)	(155.16)
	d) Employee benefits expense	287.32	204.22	166.32	868.91	741.73
	e) Depreciation and amortisation expense	26.80	209.01	204.11	644.19	784.59
	f) Consumption of Stores and spares	294.55	317.90	326.82	1,244.85	1,333.55
	g) Power and Fuel	323.57	312.93	291.39	1,168.48	1,155.13
	h) Mining Royalty	500.70	369.52	249.81	1,371.88	1,027.25
	i) Other Mining and Manufacturing expenses	499.17	444.41	425.96	1,717.08	1,557.01
	j) Other expenses	184.50	154.20	176.32	622.31	575.42
	Total expenses	2,174.06	1,972.95	2,091.57	8,013.00	7,520.78
3	Profit from operations before other income, finance costs and exceptional items	1,951.62	1,880.19	1,551.11	6,775.39	6,115.26
4	Other Income	594.88	812.15	588.66	2,821.05	1,899.39
5	Profit from ordinary activities before finance costs and exceptional Items	2,546.50	2,692.34	2,139.77	9,596.44	8,014.65
6	Finance Costs	13.81	0.79	20.25	23.51	44.94
7	Profit from ordinary activities after finance costs but before exceptional Items	2,532.69	2,691.55	2,119.52	9,572.93	7,969.71
8	Exceptional items (investment impairment)	-	-	-	2.81	-
9	Profit from ordinary activities before tax	2,532.69	2,691.55	2,119.52	9,570.12	7,969.71
10	Tax Expense (including deferred tax and net of MAT credit entitlement)	535.25	312.18	238.32	1,392.12	1,065.09
11	Net Profit from ordinary activities after tax	1,997.44	2,379.37	1,881.20	8,178.00	6,904.62
12	Extraordinary items (Net of tax expenses)	-	-	-	-	-
13	Net Profit for the period / year	1,997.44	2,379.37	1,881.20	8,178.00	6,904.62
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				42,508.01	36,572.55
16.i	Earnings per share (before extraordinary Items) (of Rs 2 each)(not annualised except for year ended March):					
	a) Basic	4.73	5.63	4.45	19.35	16.34
	b) Diluted	4.73	5.63	4.45	19.35	16.34
16.ii	Earnings per share (after extraordinary Items) (of Rs 2 each)(not annualised except for year ended March):					
	a) Basic	4.73	5.63	4.45	19.35	16.34
	b) Diluted	4.73	5.63	4.45	19.35	16.34
	See accompanying notes to the financial results					

A	PARTICULARS OF SHAREHOLDING					
1	Public shareholding					
	- Number of shares	14821,64,690	14821,64,690	14821,64,690	14821,64,690	14821,64,690
	- Percentage of shareholding	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	27431,54,310	27431,54,310	27431,54,310	27431,54,310	27431,54,310
	- 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 (31.03.2015)				
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

PARTICULARS	Rs in Crore	
	As at 31.03.2015	As at 31.03.2014
	Audited	Audited
A. EQUITY AND LIABILITIES		
1. Shareholders funds		
a) Share Capital	845.06	845.06
b) Reserves and surplus	42,508.01	36,572.55
Sub-total - Shareholders funds	43,353.07	37,417.61
2. Non current liabilities		
a) Deferred tax liabilities (net)	2,518.62	1,658.11
b) Other long term liabilities	132.08	56.37
Sub-total - Non current liabilities	2,650.70	1,714.48
3. Current liabilities		
a) Trade payables	630.79	510.32
b) Other current liabilities	1,045.91	1,018.48
c) Short term provisions	1,311.53	1,015.78
Sub-total - Current liabilities	2,988.23	2,544.58
Total - Equity and Liabilities	48,992.00	41,676.67
B. ASSETS		
1. Non current assets		
a) Fixed assets	11,450.88	10,688.19
b) Non current investments	-	2.81
c) Long term loans and advances	4,337.32	2,939.36
Sub-total - Non current assets	15,788.20	13,630.36
2. Current assets		
a) Current investments	27,253.59	22,503.58
b) Inventories	1,211.75	1,198.24
c) Trade receivables	658.82	399.51
d) Cash and Bank Balances	3,531.51	3,031.42
e) Short term loans and advances	364.14	283.83
f) Other current assets	183.99	629.73
Sub-total - Current assets	33,203.80	28,046.31
Total- Assets	48,992.00	41,676.67

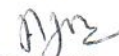
REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS		Quarter ended			Rs in Crore	
		Year ended				
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
		Audited (refer note 6)	Unaudited	Audited (refer note 6)	Audited	Audited
1	Segment Revenue (Net sales/Income from operations net of excise duty)					
a)	Zinc, Lead and Silver					
	(I) Zinc and Lead	3,771.26	3,499.78	3,183.89	13,225.95	11,778.26
	(II) Silver Metal	273.24	282.84	375.03	1,186.72	1,502.79
	Total	4,044.50	3,782.62	3,558.92	14,412.67	13,281.05
b)	Wind Energy	28.61	21.11	29.77	176.04	177.90
	Net sales/Income from operations	4,073.11	3,803.73	3,588.69	14,588.71	13,458.95
2	Segment Result (Profit before interest and tax)					
a)	(I) Zinc and Lead	1,632.83	1,696.22	1,289.58	5,803.80	4,976.67
	(II) Silver Metal	217.09	206.19	255.02	844.44	1,131.81
	Total	1,849.92	1,902.41	1,544.60	6,648.24	6,108.48
b)	Wind Energy	101.92	(22.14)	(12.28)	127.62	19.78
	Total	1,951.84	1,880.27	1,532.32	6,775.86	6,128.26
	Less: Interest	13.81	0.79	20.25	23.51	44.94
	Less: Exceptional Items(investment impairment)	-	-	-	2.81	-
	Add: Other unallocable income net of unallocable expenditure	594.66	812.07	607.45	2,820.58	1,886.39
	Total Profit before Tax	2,532.69	2,691.55	2,119.52	9,570.12	7,969.71
3	Capital Employed (Segment Assets – Segment Liabilities)					
a)	Zinc, Lead and Silver	11,648.34	11,562.91	10,769.43	11,648.34	10,769.43
b)	Wind Energy	775.39	736.79	819.24	775.39	819.24
c)	Unallocated	30,929.34	30,364.38	25,828.94	30,929.34	25,828.94
	Total	43,353.07	42,664.08	37,417.61	43,353.07	37,417.61

NOTES:

- The above results for the quarter and year ended 31st March 2015 have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 20th April 2015.
- 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 investments being valued at Rs 3592.65 Crore (PY Rs 1486.10 Crore) above the lower of cost and fair value and the profit after tax for the year is higher by Rs 1235.14 Crore (PY higher by Rs 625.14 Crore).
- Pursuant to introduction of 'The Mines and Mineral (Development and Regulation) Amendment Act, 2015', effective 12th January, 2015 the Company has created additional provision amounting to Rs 119.98 Crore in the current quarter under the head 'Royalty' based on management estimates.
- During the year, with effect from April 1, 2014 the Company has revised the estimated useful lives of certain assets based on a technical study and evaluation of the useful life of the assets conducted in this regard and Management's assessment thereof. Consequently, (i) the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of Rs 38.65 Crore (net of deferred tax of Rs 1.78 Crore) against the opening Surplus balance in the Statement of Profit and Loss. (ii) the depreciation charge for the quarter and year ended March 2015, is lower by Rs. 180.5 Crore.
- The Board of Directors has recommended a final dividend of 125 %, subject to shareholders' approval at the ensuing Annual General Meeting. The total dividend, including interim dividend already paid, for the year 2014-15 is 220 %.
- The figures of the last quarter are the balancing figures between audited figures in respect of full financial year and unaudited published year to date figures up to the third quarter of the current financial year. Figures for the prior year/periods have been regrouped and/or reclassified wherever considered necessary.

By Order of the Board



Akhilesh Joshi
CEO & Whole-time Director

Date: 20th April 2015
Place: Mumbai



Hindustan Zinc Limited

Results for the Fourth Quarter and Full Year Ended March 31, 2015

"Record mined metal production; EBITDA up 7%"

Highlights for the year

Operational Performance

- Record mined metal production of 887kt

Financial Performance

- EBITDA up 7% to Rs. 7,420 Crore, the highest ever
- Net Profit up 18% to Rs. 8,178 Crore, the highest ever

Reserve & Resource

- Total R&R of 375.1 million MT, a net addition of 10 million MT

Dividend

- Final dividend of 125%, taking the total dividend for the year to 220%, the highest ever

Highlights for the quarter

- Record mined metal production of 269kt - up 34% y-o-y
- Record integrated zinc and lead metal production - up 21% and 14% y-o-y respectively
- EBITDA up 14% to Rs. 1,978
- Net Profit up 6% to Rs. 1,997

Mumbai, April 20, 2015: Hindustan Zinc Limited today announced its results for the fourth quarter and full year ended March 31, 2015.

Mr. Agnivesh Agarwal, Chairman –

"In our golden jubilee year, we have delivered our best ever performance. The year witnessed favourable zinc market dynamics with falling mine surplus coupled with strong demand, which is likely to boost the price of zinc in coming years too. Another noteworthy event during the year was the enactment of new MMDRA Act 2015, which will bring greater transparency in granting of mineral concessions."

Financial Summary

(In Rs. Crore, except as stated)

Particulars	Q4			Q3	Financial Year ended 31 March		
	2015	2014	Change	2015	2015	2014	Change
Net Sales/Income from Operations							
Zinc	3,206	2,591	24%	2,994	11,096	9,797	13%
Lead	470	536	-12%	419	1,784	1,743	2%
Silver	273	375	-27%	283	1,187	1,503	-21%
Others	124	87	43%	108	522	416	26%
Total	4,073	3,589	13%	3,804	14,589	13,459	8%
EBITDA	1,978	1,736	14%	2,089	7,420	6,913	7%
Profit After Taxes	1,997	1,881	6%	2,379	8,178	6,905	18%
Earnings per Share (Rs.)	4.73	4.45	6%	5.63	19.35	16.34	18%
Mined Metal Production ('000 MT)	269	200	34%	242	887	880	1%
Refined Metal Production ('000 MT)							
Total Refined Zinc	217	182	19%	196	734	749	-2%
- Refined Zinc – Integrated	217	179	21%	192	721	743	-3%
Total Saleable Refined Lead ¹	36	36	-	30	127	123	4%
- Saleable Lead – Integrated	33	29	14%	25	105	111	-5%
Total Refined Saleable Silver ^{2,3} (in MT)	81	91	-11%	85	328	350	-6%
- Saleable Silver – Integrated	74	68	9%	70	266	301	-11%
Wind Power (in million units)	73	76	-4%	55	444	448	-1%
Zinc CoP without Royalty (Rs. / MT) ⁴	50,831	54,948	-7%	50,271	53,228	50,654	5%
Zinc CoP without Royalty (\$ / MT)	820	890	-8%	812	870	837	4%
Zinc LME (\$ / MT)	2,080	2,029	2%	2,235	2,177	1,909	14%
Lead LME (\$ / MT)	1,806	2,106	-14%	2,000	2,021	2,092	-3%
Silver LBMA (\$ / oz.)	16.7	20.5	-18%	16.5	18.1	21.4	-15%
USD-INR	62.2	61.8	1%	62.0	61.1	60.5	1%

(1) Excluding captive consumption of 1,910 MT in Q4 FY 2015 and 7,755 MT in FY 2015 as compared with 1,991 MT and 7,262 MT in respective corresponding prior period.

(2) Excluding captive consumption of 9.9 MT in Q4 FY 2015 and 40.2 MT in FY 2015 as compared with 10.4 MT and 38.3 MT in respective corresponding prior period.

(3) Silver occurs in Lead & Zinc ore and is recovered in the smelting and silver-refining processes.

(4) Historical CoP has changed due to re-allocation of administrative expenses between zinc and lead.

Note: Numbers may not add up due to rounding off.

Operational Performance

Mined metal production during the year was 887kt, marginally higher from a year ago and a new annual record. In Q4 FY 2015, mined metal output was the highest ever at 269kt as compared with 200kt in corresponding prior period and 242kt in previous quarter. The increase was as per the guidance and mine plan of Rampura Agucha mine & Sindesar Khurd mine, driven by higher ore production during the quarter.

Integrated refined zinc, lead and silver metal production was lower by 3%, 5% and 11% respectively during the year due to lower mined metal production in the first half and temporarily lower silver grades at Sindesar Khurd mine. However, higher mined metal production volumes were achieved in the second half resulting in accretion to mined metal inventory, a large part of which will be consumed in FY 2016.

Integrated zinc and lead metal production during the quarter were record high due to higher feed availability and enhanced smelter utilization. Integrated refined zinc production was 217kt, up by 21% y-o-y and 13% sequentially. Production of integrated refined lead was up by 14% y-o-y at 33kt and up 33% sequentially. Integrated saleable silver production during the quarter was up 9% y-o-y and 6% sequentially at 74 MT on account of higher recovery.

The zinc metal cost of production per MT before royalty during the quarter was Rs. 50,831 (\$820), lower by 8% from a year ago in dollar terms due to higher production volumes, lower diesel cost and higher acid credits, partly offset by higher landed coal cost and increased employee expense on account of long-term wage agreements signed in mid-year. For FY 2015, net zinc metal cost per MT before royalty was Rs. 53,228 (\$870) as compared to Rs. 50,654 (\$837) in previous year. The increase was primarily on account of long term wage agreement and higher landed coal cost, partly offset by higher acid realization and lower diesel cost.

Mines and Minerals (Development and Regulation) Amendment Act, 2015 (MMDRA Act)

The new MMDRA Act, notified towards the end of the financial year, brings greater transparency in granting of mineral concessions. It also removes uncertainties relating to mine lease renewals, providing continuity of all our mining leases. However for existing mining leases, it notifies an amount not exceeding royalty, to be contributed to District Mineral Foundation (DMF) for the benefit of people affected by mining and an additional amount equivalent to 2% of royalty to National Mineral Exploration Trust (NMET). While the exact percentage for DMF contribution has not been notified, it can potentially impact mining of low grade and deep ore bodies which will not be conducive to growth of mining in the country.

Financial Performance

Revenues in Q4 FY 2015 were up 13% from a year ago to Rs. 4,073 Crore. The increase was driven by higher zinc sales & LME, partly offset by lower lead & silver prices and silver volumes. For the full year, revenues increased by 8% to Rs. 14,589 Crore primarily on account of higher zinc LME and sulphuric acid realization, partly offset by lower silver prices and lower zinc & silver sales.

The increase in revenue along with reduction in cost of production resulted in 14% y-o-y increase in EBITDA to Rs. 1,978 Crore in Q4. For the year, EBITDA was up 7% to Rs. 7,420 Crore primarily on account of higher revenue and was adversely impacted by higher royalty rates. Zinc royalty increased

from 8.4% to 10% and lead royalty increased from 12.7% to 14.5%, w.e.f September 1, 2014. Royalty rates for zinc and lead in India are the highest in the world and much higher compared to other base metals. In addition, an amount equal to 35% of royalty was provided w.e.f January 12, 2015 for DMF (33%) and NMET (2%), even as notification for DMF contribution under the MMDRA Act is awaited.

With effect from April 1, 2014, the Company has revised the estimated useful lives of certain assets based on a technical study and evaluation of the useful life of the assets conducted in this regard and Management's assessment thereof. Consequently, the depreciation charge for the quarter and year ended March 2015 is lower by Rs. 180.5 Crore.

Net profit increased by 6% to Rs. 1,997 Crore in Q4 FY 2015 as compared Rs. 1,881 Crore in corresponding prior quarter. In FY 2015, net profit increased by 18% to Rs. 8,178 Crore accentuated by higher treasury income due to mark-to-market gains on account of fall in interest rates.

Dividend

The Board of Directors has recommended a final dividend of 125% i.e. Rs. 2.50 per share on equity share of Rs 2.00 each. The total dividend for FY 2015 is 220% i.e. Rs. 4.40, the highest ever, against FY 2014 dividend of 175%. The pay-out ratio is 27% as compared to 25% in FY 2014, inclusive of dividend distribution tax.

Expansion Projects

The shaft sinking project at Sindesar Khurd is ahead of schedule with the main shaft sinking almost complete; having reached the depth of over 1 km of the planned depth of 1.05 km. Development of associated infrastructure is also progressing well and production from the shaft is planned to commence ahead of schedule, in later half of 2018.

The progress of underground shaft project at Rampura Agucha is behind schedule and has reached a depth of 650 metres of the planned depth of 950 metres. With the planned extension of the open cast mine, our overall production plan will be on track.

Reserve and Resource

During the year, gross addition of 19.4 million MT were made to reserve and resource (R&R), prior to a depletion of 9.4 million MT, adding further to our R&R. Total R&R at March 31, 2015 were 375.1 million MT containing 35.3 million MT of zinc-lead metal and 970 Moz of silver. Overall mine life continues to be 25+ years.

Outlook

We expect significant progress in terms of mine development and ore production from the underground mine projects. Rampura Agucha will continue to provide majority of mined metal in FY 2016, although overall production from this mine will be less than in FY 2015. The gap in production will be made up primarily by higher volumes from Sindesar Khurd

In FY 2016, mined metal production is expected to be higher from FY 2015, while integrated refined metal production, including silver, will be significantly higher as we will process the available mined metal inventory also.

The cost of production excluding royalty is expected to remain stable. There would be an additional outflow towards DMF and National Exploration Trust in accordance with the MMDRA Act 2015.

Liquidity and investment

The Company's cash and cash equivalents increased by 6% from the end of Q3 FY 2015 and 21% from a year ago. As on March 31, 2015, cash and cash equivalents were Rs. 30,785 Crore, out of which Rs. 23,333 Crore was invested in mutual funds, Rs. 3,921 Crore in bonds and Rs. 3,502 Crore in fixed deposits. The Company follows a conservative investment policy and invests in high quality debt instruments.

Earnings Call on Tuesday, April 21, 2015 at 11:00 am (IST)

The Company will hold an earnings conference call on Tuesday, April 21, 2015 at 11:00 am IST, where senior management will discuss the Company's results and performance. The dial in numbers for the call is given below:

Primary: +91 22 6746 5962

Secondary: +91 22 3960 0762

For further information, please contact:

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About Hindustan Zinc

Hindustan Zinc (NSE & BSE: HINDZINC) is the one of the largest integrated producers of zinc-lead with a capacity of 1.0 million MT per annum and a leading producer of silver. The Company is headquartered in Udaipur, Rajasthan in India and has zinc-lead mines at Rampura Agucha, Sindesar Khurd, Rajpura Dariba, Zawar and Kayad; primary smelter operations at Chanderiya, Dariba and Debari, all in the state of Rajasthan; and finished product facilities in the state of Uttarakhand.

Hindustan Zinc has a world-class resource base with total reserve & resource of 375.1 million MT and average zinc-lead reserve grade of 11.5%. The Company has a track record of consistently growing its reserve & resource base since 2003 and currently has a mine life of over 25 years.

The Company is self-sufficient in power with an installed base of 474 MW coal-based captive power plants. Additionally, it has green power capacity of 309 MW including 274 MW of wind power and 35 MW of waste heat power. The Company has an operating workforce of over 18,000 including contract workforce.

Hindustan Zinc is a subsidiary of the BSE and NSE listed Sesa Sterlite Limited (ADRs listed on the NYSE), a part of London listed diversified metals and mining major, Vedanta Resources plc.

Disclaimer

This press release contains "forward-looking statements" - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.