

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

21 January 2016

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

Scrip Code: 500188

Scrip Code: HINDZINC-EQ

Sub: - Unaudited Financial Results for the Quarter/ Nine Months ended 31st December, 2015.

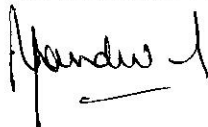
Dear Sirs,

In continuation of our letter dated January 13, 2016 and pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we are enclosing the Unaudited Financial Results of the Company for the Quarter/Nine Months ended 31st December, 2015, duly approved by the Board of Directors of the Company, at its meeting held today.

We also enclose a copy of the Limited Review Report of the Auditors of the Company, as required under Regulation 33 of the Listing Regulation and a copy of the press release given for media circulation.

Thanking you,

Yours faithfully,
For Hindustan Zinc Limited,



(R. Pandwal)
Company Secretary

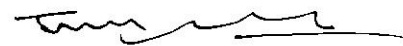
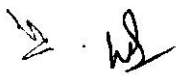
Encl: As above.

Hindustan Zinc Limited

Registered Office: Yashad Bhawan, Udaipur (Rajasthan) – 313 004
Tel.: (91-2946604000 -4001 Fax: (91-294) 2427739; www.hzindia.com
CIN: L27204RJ1966PLC001208

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015
PART I
(Rs in Crore, except as stated)

PARTICULARS		Quarter ended			Nine months ended		Year ended
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	31.03.2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from operations						
	a) Net sales/Income from operations (net of excise duty)	3,385.19	3,908.28	3,803.73	10,889.27	10,515.60	14,588.71
	b) Other Operating Income	45.39	125.02	49.41	204.78	147.11	199.68
	Total Income from operations(net)	3,430.58	4,033.30	3,853.14	11,094.05	10,662.71	14,788.39
2	Expenses						
	a) Cost of materials consumed	0.63	9.04	147.41	50.80	417.68	468.45
	b) Purchase of Stock in Trade	-	-	-	-	52.30	52.30
	c) Changes in inventories of finished goods & WIP	165.55	138.58	(186.65)	34.64	(152.13)	(145.45)
	d) Employee benefits expense	212.98	214.29	204.22	617.29	581.59	868.91
	e) Depreciation and amortisation expense	171.64	175.04	209.01	519.60	617.39	644.19
	f) Consumption of Stores and spares	271.39	271.45	317.90	792.74	950.30	1,244.85
	g) Power and Fuel	335.56	313.02	312.93	1,185.50	844.91	1,168.48
	h) Mining Royalty	363.24	306.22	369.52	1,298.54	871.18	1,371.88
	i) Other Mining and Manufacturing expenses	423.96	461.03	444.41	1,342.83	1,217.91	1,717.08
	j) Other expenses	178.95	155.53	154.20	468.90	437.81	622.31
	Total expenses	2,123.90	2,044.20	1,972.95	6,310.84	5,838.94	8,013.00
3	Profit from operations before other income, finance costs and exceptional items	1,306.68	1,989.10	1,880.19	4,783.21	4,823.77	6,775.39
4	Other Income	554.67	868.88	812.15	1,987.27	2,226.17	2,821.05
5	Profit from ordinary activities before finance costs and exceptional Items	1,861.35	2,857.98	2,692.34	6,770.48	7,049.94	9,596.44
6	Finance Costs	5.11	1.21	0.79	7.93	9.70	23.51
7	Profit from ordinary activities after finance costs but before exceptional Items	1,856.24	2,856.77	2,691.55	6,762.55	7,040.24	9,572.93
8	Exceptional items (Investment impairment)	-	-	-	-	2.81	2.81
9	Profit from ordinary activities before tax	1,856.24	2,856.77	2,691.55	6,762.55	7,037.43	9,570.12
10	Tax Expense (including deferred tax and net of MAT credit entitlement)	44.85	571.51	312.18	745.10	856.87	1,392.12
11	Net Profit from ordinary activities after tax	1,811.39	2,285.26	2,379.37	6,017.45	6,180.56	8,178.00
12	Extraordinary Items (net of tax expenses)	-	-	-	-	-	-
13	Net Profit for the period / year	1,811.39	2,285.26	2,379.37	6,017.45	6,180.56	8,178.00
14	Paid up Equity Share Capital -(face value Rs 2 each)	845.06	845.06	845.06	845.06	845.06	845.06
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						42,508.01
16.i	Earnings per share (before extraordinary items) (of Rs 2 each) (not annualised except for year ended March):						
	a) Basic	4.29	5.41	5.63	14.24	14.63	19.35
	b) Diluted	4.29	5.41	5.63	14.24	14.63	19.35
16.ii	Earnings per share (after extraordinary items) (of Rs 2 each) (not annualised except for year ended March):						
	a) Basic	4.29	5.41	5.63	14.24	14.63	19.35
	b) Diluted	4.29	5.41	5.63	14.24	14.63	19.35
	See accompanying Notes to the financial results						

REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS		Quarter ended			Nine months ended		Rs in Crore
		31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	Year ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	31.03.2015
1 Segment Revenue	(Net sales/income from operations net of excise duty)						
a) Zinc, Lead and Silver							
(i) Zinc and Lead		2,991.40	3,488.43	3,499.78	9,765.47	9,454.69	13,225.95
(ii) Silver Metal		368.03	356.34	282.84	983.60	913.48	1,186.72
Total		3,359.43	3,844.77	3,782.62	10,749.07	10,368.17	14,412.67
b) Wind Energy		25.76	63.51	21.11	140.20	147.43	176.04
Net sales/Income from operations		3,385.19	3,908.28	3,803.73	10,889.27	10,515.60	14,588.71
2 Segment Result (Profit before interest and tax)							
a) (i) Zinc and Lead		967.96	1,639.24	1,696.22	3,857.78	4,170.97	5,803.80
(ii) Silver Metal		316.24	304.87	206.19	830.11	627.35	844.44
Total		1,284.20	1,944.11	1,902.41	4,687.89	4,798.32	6,648.24
b) Wind Energy		13.13	69.01	(22.14)	121.81	25.70	127.62
Total		1,297.33	2,013.12	1,880.27	4,809.70	4,824.02	6,775.86
Less: Interest		5.11	1.21	0.79	7.93	9.70	23.51
Less: Exceptional Items (investment impairment)		-	-	-	-	2.81	2.81
Add: Other unallocable income net of unallocable expenditure		564.02	844.86	812.07	1,960.78	2,225.92	2,820.58
Total Profit before Tax		1,856.24	2,856.77	2,691.55	6,762.55	7,037.43	9,570.12
3 Capital Employed	(Segment Assets - Segment Liabilities)						
a) Zinc, Lead and Silver		11,685.02	10,592.98	11,562.91	11,685.02	11,562.91	11,648.34
b) Wind Energy		819.14	834.81	736.79	819.14	736.79	775.39
c) Unallocated		34,936.66	34,201.55	30,364.38	34,936.66	30,364.38	30,929.34
Total		47,440.82	45,629.34	42,664.08	47,440.82	42,664.08	43,353.07

NOTES:

- The above results for the quarter and nine months ended December 31, 2015 have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on January 21, 2016. The auditors have carried out "Limited Review" of the above results.
- The Company has chosen to early adopt Accounting Standard (AS) 30 - Financial Instruments: Recognition and Measurement effective April 1, 2007 alongwith consequential revisions to other AS as have been announced by the Institute of Chartered Accountants of India.
- a) Pursuant to Notification of Ministry of Mines dated September 17, 2015, expenses for contribution to District Mineral Foundation has been provided @ 30% of royalty, resulting in reversal of excess provision amounting to Rs 139.69 Crore in the quarter ending September 30, 2015 (including Rs 10.69 Crore for the period upto March 31, 2015).
b) Pursuant to the verdict of Hon'ble Supreme Court of India in May 2015 upholding the applicability of Renewable Power Obligations on thermal captive power plants, the Company has provided for liability of Rs 176.10 Crore relating to the period till March 31, 2015 in the quarter ending June 30, 2015, which is included under 'Power and Fuel expenses'.
- Figures for the prior year or periods have been regrouped and/or reclassified wherever considered necessary.

By Order of the Board



Sunil Duggal
CEO & Whole-time Director

Date: January 21, 2016
Place: Mumbai

Handwritten initials/signature

Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th-32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

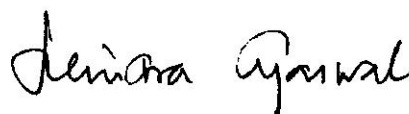
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF HINDUSTAN ZINC LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **HINDUSTAN ZINC LIMITED** ("the Company") for the Quarter and Nine Months ended 31 December, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement 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 misstatement. 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. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards together with the early adoption of Accounting Standard 30, Financial Instruments : Recognition and Measurement effective 1 April, 2007, and the consequential limited revisions as has been announced by the Institute of Chartered Accountants of India to certain Accounting Standards, as stated in note 2 of the Statement and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jitendra Agarwal
Partner
(Membership No. 87104)

Gurgaon, 21 January, 2016

Hindustan Zinc Limited

Results for the Third Quarter Ended December 31, 2015

"Another quarter of strong operating performance"

Highlights for the quarter

- Highest ever integrated saleable silver production at 116 MT; up 67% y-o-y
- Integrated saleable zinc production up 8% y-o-y at 206kt
- Integrated saleable lead production up 42% y-o-y at 35kt
- Mined metal production marginally lower from a year ago at 228kt

Mumbai, January 21, 2016: Hindustan Zinc Limited today announced its results for the third quarter ended December 31, 2015.

Mr. Agnivesh Agarwal, Chairman – *"We are happy to report strong refined metal production with silver touching new highs. However, the current low zinc metal prices are contrary to the market fundamentals. We are carrying out a review of our high cost operations to ensure all of our operations are sustainable in the present weak zinc market."*

Unaudited Financial Summary

(In Rs. crore, except as stated)

Particulars	Q3			Q2	Nine months ended 31 December		
	2016	2015	Change	2016	2016	2015	Change
Net Sales/Income from Operations							
Zinc	2,472	2,994	-17%	2,886	8,145	7,890	3%
Lead	430	419	3%	507	1,348	1,314	3%
Silver	368	283	30%	357	984	914	8%
Others	115	108	6%	158	412	398	3%
Total	3,385	3,804	-11%	3,908	10,889	10,516	4%
EBITDA	1,469	2,089	-30%	2,188	5,329	5,441	-2%
Profit After Taxes	1,811	2,379	-24%	2,285	6,017	6,181	-3%
Earnings per Share (Rs.)	4.29	5.63	-24%	5.41	14.24	14.63	-3%
Mined Metal Production ('000 MT)	228	242	-6%	240	700	618	13%
Refined Metal Production ('000 MT)							
Total Refined Zinc	206	196	5%	211	605	517	17%
- Refined Zinc – Integrated	206	192	8%	211	605	504	20%
Total Saleable Refined Lead¹	35	30	17%	40	107	91	17%
- Saleable Lead – Integrated	35	25	42%	39	102	72	42%
Total Refined Saleable Silver^{2,3}(in MT)	116	85	37%	112	303	247	23%
- Saleable Silver – Integrated	116	70	67%	110	300	192	56%
Wind Power (in million units)	67	55	22%	159	353	371	-5%
Zinc CoP without Royalty (Rs. / MT)⁴	52,383	50,271	4%	50,236	51,137	54,277	-6%
Zinc CoP without Royalty (\$ / MT)	795	812	-2%	771	789	893	-12%
Zinc LME (\$ / MT)	1,613	2,235	-28%	1,847	1,878	2,209	-15%
Lead LME (\$ / MT)	1,681	2,000	-16%	1,714	1,776	2,093	-15%
Silver LBMA (\$ / oz.)	14.8	16.5	-10%	14.9	15.3	18.6	-18%
USD-INR	65.9	62.0	6%	64.9	64.8	60.8	7%

(1) Excluding captive consumption of 2,051 MT in Q3 FY2016 as compared with 2,394 MT in corresponding prior period.

(2) Excluding captive consumption of 10.7 MT in Q3 FY2016 as compared with 12.5 MT in 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.

Hindustan Zinc Limited

Registered Office: Yashad Bhawan, Udaipur (Rajasthan) - 313 004

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CIN: L27204RJ1966PLC001208

Operational Performance

Mined metal production was 228,082 MT in Q3 as compared with 242,416 MT a year ago. The decrease was largely on account of change in mining mix due to increased contribution from Sindesar Khurd mine and Kayad mine, resulting in lower average grades. For the nine month period, mined metal production increased by 13% to 700,458 MT from corresponding prior period.

While Q4 is expected to be weak as per mine plan, full year guidance of marginal growth in mined metal production is maintained; production of refined metals will also be ahead of previous year with silver being significantly higher.

Integrated zinc and lead metal production during the quarter increased by 8% y-o-y and 42% y-o-y to 206,322 MT and 35,352 MT respectively on account of enhanced smelter efficiency and conversion of inventories. For the nine month period, integrated zinc and lead metal production increased by 20% and 42% respectively from corresponding prior period.

Integrated silver metal production was the highest ever during the quarter, up 67% y-o-y to 116 MT. The increase was driven primarily by enhanced volumes from Sindesar Khurd mine as well as higher smelter efficiency. For the nine month period, integrated silver production increased by 56% to 300 MT from a year ago.

The zinc metal cost of production per MT before royalty during the quarter was Rs. 52,383 (\$795), which is marginally higher by 4% in rupee terms (lower by 2% in USD terms) from a year ago. The increase is attributed to lower average grades due to change in mining mix, increased & additional regulatory levies and rupee depreciation. This was partly offset by lower coal & commodity prices and higher volumes with better efficiencies. Looking at the current downturn in LME prices, the Company has embarked on a journey of reducing the cost structures to sustain the competitiveness of its operations.

Financial Performance

Revenues during the quarter were Rs. 3,385 crore, which is 11% lower from a year ago. The impact of higher volumes and rupee depreciation was more than offset by lower LME prices and zinc premium.

EBITDA during the quarter was Rs. 1,469 crore, which is 30% lower from a year ago primarily on account of lower LME prices and impact of newly levied contribution to the District Mineral Foundation of Rs. 84 crore.

Net profit decreased to Rs. 1,811 crore during the quarter as compared to Rs. 2,380 crore a year ago in line with above and due to lower investment income, partly offset by lower tax.

Expansion Projects

With the on-going multi-year transition to underground mining, mine development is crucial to sustaining future production for the Company. Total mine development during the quarter was accelerated by 55% y-o-y, achieving an all-time record of 15,822 metres.

Sindesar Khurd mine ramped up production capacity to a run rate of 3 million MT per annum three months ahead of the schedule indicated earlier, supported by the development of two auxiliary lenses as separate production centres. During the quarter, mill debottlenecking was completed in-line with the mine production, while a new mill project of 1.5 million MT per annum capacity also commenced. The shaft sinking project continues to be ahead of plan.

Rampura Agucha main shaft sinking crossed 860 metres during the quarter of the ultimate depth of 950 metres. Pre-stripping for further deepening of the open pit is progressing satisfactorily, mitigating the risk of delays in decline development and regular stoping from underground mine due to ore body characteristics.

The ramp up of Kayad mine is on track and is expected to achieve 1 million MT per annum production capacity run rate by year end, making it one of the fastest underground mine ramp ups.

Zawar and Rajpura Dariba mine expansion projects are being reviewed in the light of current environment of low commodity prices.

Liquidity and investment

As on December 31, 2015, cash and cash equivalents were Rs. 32,639 crore, out of which Rs. 23,581 crore was invested in mutual funds, Rs. 5,575 crore in bonds and Rs. 3,480 crore in fixed deposits. The Company follows a conservative investment policy and invests in high quality debt instruments.

Earnings Call on Friday, January 22, 2016 at 11:00 am (IST)

The Company will hold an earnings conference call on Friday, January 22, 2016 at 11:00 am IST, where senior management will discuss the Company's results and performance. The dial in numbers for the call are 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 Vedanta Limited (formerly known as Sesa Sterlite Limited; ADRs listed on the NYSE), a part of London listed Vedanta Resources plc, a global diversified natural resources company.

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.