

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

20 July 2015

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: - Un-audited 1st quarter / three months financial results after limited review for the period ended 30th June, 2015.

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 1st quarter / three months ended 30th June, 2015 duly adopted in the meeting of the Board of Directors held on **20th July 2015**.

We are also forwarding herewith a copy of limited review report issued by the Statutory Auditors on the unaudited financial result for the 1st quarter / three months ended 30th June, 2015.

Copy of press release issued is attached for information.

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 ENDED 30th JUNE, 2015
PART I

PARTICULARS		(Rs in Crore, except as stated)			
		Quarter ended			Year ended
		30.06.2015	31.03.2015	30.06.2014	31.03.2015
		Unaudited	Audited (refer note 5)	Unaudited	Audited
1	Income from operations				
a)	Net sales/Income from operations (net of excise duty)	3,595.80	4,073.11	2,962.65	14,588.71
b)	Other Operating Income	34.37	52.57	44.54	199.68
	Total income from operations (net)	3,630.17	4,125.68	3,007.19	14,788.39
2	Expenses				
a)	Cost of materials consumed				
b)	Purchase of Stock in Trade	41.13	50.77	149.89	468.45
c)	Changes in inventories of finished goods and work in progress	-	-	52.30	52.30
d)	Employee benefits expense	(269.49)	6.68	72.99	(145.45)
e)	Depreciation and amortisation expense	190.02	287.32	161.74	868.91
f)	Consumption of Stores and spares	172.92	26.80	202.29	644.19
g)	Power and Fuel	249.90	294.55	296.20	1,244.85
h)	Mining Royalty	536.92	323.57	227.64	1,168.48
I)	Other Mining and Manufacturing expenses	629.08	500.70	198.68	1,371.88
j)	Other expenses	457.84	499.17	366.54	1,717.08
	Total expenses	134.42	184.50	128.80	622.31
3	Profit from operations before other income, finance costs and exceptional items	2,142.74	2,174.06	1,857.07	8,013.00
4	Other Income	1,487.43	1,951.62	1,150.12	6,775.39
5	Profit from ordinary activities before finance costs and exceptional Items	563.72	594.88	717.37	2,821.05
6	Finance Costs	2,051.15	2,546.50	1,867.49	9,596.44
7	Profit from ordinary activities after finance costs but before exceptional Items	1.61	13.81	7.60	23.51
8	Exceptional items (Investment impairment)	2,049.54	2,532.69	1,859.89	9,572.93
9	Profit from ordinary activities before tax	-	-	-	2.81
10	Tax Expense (Including deferred tax and net of MAT credit entitlement)	2,049.54	2,532.69	1,859.89	9,570.12
		128.74	535.25	242.22	1,392.12
11	Net Profit from ordinary activities after tax	1,920.80	1,997.44	1,617.67	8,178.00
12	Extraordinary items (Net of tax expenses)	-	-	-	-
13	Net Profit for the period / year	1,920.80	1,997.44	1,617.67	8,178.00
14	Paid up Equity Share Capital - (Face value Rs 2 each)	845.06	845.06	845.06	845.06
15	Reserve 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	4.55	4.73	3.83	19.35
b)	Diluted	4.55	4.73	3.83	19.35
16.ii	Earnings per share (after extraordinary items) (of Rs 2 each) (not annualised except for year ended March):				
a)	Basic	4.55	4.73	3.83	19.35
b)	Diluted	4.55	4.73	3.83	19.35
	See accompanying Notes to the financial results				



PART II				
A	PARTICULARS OF SHAREHOLDING			
1	Public shareholding			
	- Number of shares	1,48,21,64,690	1,48,21,64,690	1,48,21,64,690
	- Percentage of shareholding	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	2,74,31,54,310	2,74,31,54,310	2,74,31,54,310
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100	100	100
	- Percentage of shares (as a % of the total share capital of the Company)	64.92	64.92	64.92
Particulars		3 months ended (30.06.2015)		
B	INVESTOR COMPLAINTS			
	Pending at the beginning of the quarter	Nil		
	Received during the quarter	5		
	Disposed of during the quarter	5		
	Remaining unresolved at the end of the quarter	Nil		

Agan

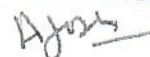
REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS		Quarter ended			Rs in Crore
		30.06.2015	31.03.2015	30.06.2014	Year ended
		Unaudited	Audited (refer note 5)	Unaudited	31.03.2015 Audited
1	Segment Revenue				
	(Net sales/income from operations net of excise duty)				
a)	Zinc, Lead and Silver				
	(i) Zinc and Lead				
	(ii) Silver Metal				
	Total	3,285.64	3,771.26	2,586.15	13,225.95
		259.23	273.24	317.69	1,186.72
b)	Wind Energy	3,544.87	4,044.50	2,903.84	14,412.67
	Net sales/Income from operations	50.93	28.61	58.81	176.04
2	Segment Result (Profit before interest and tax)	3,595.80	4,073.11	2,962.65	14,588.71
a)	(i) Zinc and Lead				
	(ii) Silver Metal	1,250.58	1,632.83	945.44	5,803.80
	Total	209.00	217.09	185.92	844.44
b)	Wind Energy	1,459.58	1,849.92	1,131.36	6,648.24
	Total	39.67	101.92	18.84	127.62
	Less: Interest	1,499.25	1,951.84	1,150.20	6,775.86
	Less: Exceptional Items (investment impairment)	1.61	13.81	7.60	23.51
	Add: Other unallocable income net of unallocable expenditure	-	-	-	2.81
	Total Profit before Tax	551.90	594.66	717.29	2,820.58
3	Capital Employed	2,049.54	2,532.69	1,859.89	9,570.12
	(Segment Assets - Segment Liabilities)				
a)	Zinc, Lead and Silver				
b)	Wind Energy	11,604.75	11,648.34	10,921.19	11,648.34
c)	Unallocated	791.95	775.39	817.42	775.39
	Total	32,878.71	30,929.34	27,300.32	30,929.34
		45,275.41	43,353.07	39,038.93	43,353.07

NOTES:

- The above results for the quarter ended 30th June 2015 have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 20th July 2015. 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 1st April 2007 alongwith consequential revisions to other Accounting Standards as have been announced by the Institute of Chartered Accountants of India.
- Expenses for Mining Royalty for the quarter includes an amount of Rs 242.16 Crore (previous quarter / year ended March 31, 2015 Rs 119.98 Crore) being additional estimated provision created pursuant to the introduction of 'The Mines and Mineral (Development and Regulation) Amendment Act, 2015', effective 12th January, 2015, based on management estimates.
 - Pursuant to the verdict of Hon'ble Supreme Court of India in May 2015 upholding the applicability of Renewable Power Obligations to thermal captive power plants, the Company has provided a liability of Rs 176.10 Crore relating to the period till March 31, 2015 and Rs 11.86 Crore for the current quarter, which is included under 'Power and Fuel expenses'.
 - Tax provision for the quarter is lower due to a one time recognition of deferred tax asset of Rs 160 crores on brought forward short term capital loss.
- During the previous year, with effect from April 1, 2014, the Company had revised the estimated useful lives of fixed assets. The said changes in the estimates of useful lives of assets with effect from April 1, 2014, was impacted in the previous quarter ended March 31, 2015 whereby the Company adjusted excess depreciation of Rs 180.59 Crore. Consequently, the figures in respect of the depreciation charge for the quarter ended June 30, 2015/previous quarters/year presented are not directly comparable.
- The figures of the last quarter are the balancing figures between audited figures in respect of full financial year ended 31st March 2015 and unaudited published year to date figures up to the third quarter ended 31st December 2014. Figures for the prior year or periods have been regrouped and/or reclassified wherever considered necessary.

By Order of the Board



Akhilesh Joshi
CEO & Whole-time Director

Date: 20th July 2015
Place: Mumbai

Deloitte Haskins & Sells LLP

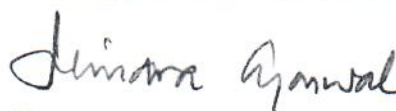
Chartered Accountants
Indiabulls Finance Centre
Tower 3, 27th-32nd Floor
Senapati Bapat Marg
Elphinstone Road (West)
Mumbai - 400 013
Maharashtra, India

Tel : +91 (022) 6185 4000
Fax: +91 (022) 6185 4501/4601

INDEPENDENT AUDITORS' REVIEW REPORT 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 ended June 30, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. 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 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 Accounting Standards specified under the Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) together with the early adoption of Accounting Standard 30, Financial Instruments. Recognition and Measurement effective April 1, 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 Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter ended June 30, 2015 of the Statement, from the details furnished by the Management..

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



Jitendra Agarwal
Partner
(Membership No. 87104)

New Delhi, July 20, 2015

Hindustan Zinc Limited

Results for the First Quarter Ended June 30, 2015

"Mined metal production up 42%, EBITDA up 24%"

Highlights

- Mined metal production up by 42% y-o-y at 232,162 MT
- Integrated saleable zinc, lead and silver metal production up by 35%, 27% and 33% y-o-y respectively
- EBITDA up 24% y-o-y at 1,672 Crore

Mumbai, July 20, 2015: Hindustan Zinc Limited today announced its results for the first quarter ended June 20, 2015.

Mr. Agnivesh Agarwal, Chairman – "Zinc price has held up better in an environment of retreating base metal prices. We anticipate later part of the year to be stronger on expectation of global zinc deficit due to mine closures. Indian manufacturing sector is showing signs of recovery with improved order books and flow of funds backed by Government initiatives, thus providing a positive outlook for the industry."

Financial Summary

Particulars	(In Rs. Crore, except as stated)			Q4 2015
	2016	2015	Change	
Net Sales/Income from Operations				
Zinc	2,787	2,057	36%	3,206
Lead	411	452	-9%	470
Silver	259	318	-18%	273
Others	139	136	2%	124
Total	3,596	2,963	21%	4,073
EBITDA	1,672	1,352	24%	1,978
Profit After Taxes	1,921	1,618	19%	1,997
Earnings per Share (Rs.)	4.55	3.83	19%	4.73
Mined Metal Production ('000 MT)	232	163	42%	269
Refined Metal Production ('000 MT)				
Total Refined Zinc	187	141	33%	217
- Refined Zinc – Integrated	187	139	35%	217
Total Saleable Refined Lead ¹	31	31	0%	36
- Saleable Lead – Integrated	27	22	27%	33
Total Refined Saleable Silver ^{2,3} (in MT)	75	82	-8%	81
- Saleable Silver – Integrated	74	56	33%	74
Wind Power (in million units)	127	146	-13%	73
Zinc CoP without Royalty (Rs. / MT) ⁴	50,955	59,419	-14%	50,831
Zinc CoP without Royalty (\$ / MT)	802	995	-19%	820
Zinc LME (\$ / MT)	2,190	2,074	6%	2,080
Lead LME (\$ / MT)	1,942	2,096	-7%	1,806
Silver LBMA (\$ / oz.)	16.4	19.6	-16%	16.7
USD-INR	63.5	59.8	6%	62.2

(1) Excluding captive consumption of 2,184 MT in Q1 FY 2016 as compared with 1,689 MT in corresponding prior period.

(2) Excluding captive consumption of 11.3 MT in Q1 FY 2016 as compared with 8.8 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.

Operational Performance

Production

Mined metal production increased by 42% at 232,162 MT during the quarter, as compared with 163,131 MT a year ago. The increase was driven primarily by higher ore production from Rampura Agucha, Kayad and Sindesar Khurd mines. Mined metal production was lower by 14% sequentially, in-line with the mine plan.

Integrated saleable zinc, lead and silver metal production during the quarter increased by 35%, 27% and 33% respectively compared to a year ago, though the growth was slightly lower than that of mined metal production and will be made up in the next quarter. Integrated metal production of zinc and lead was lower by 14% and 17% respectively from Q4 FY 2015 on account of planned shutdowns.

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 per earlier guidance.

Cost of Production (COP)

The zinc metal cost of production before royalty during the quarter was Rs. 50,955 (\$802), which is 14% lower in Rupee and 19% lower in USD term from a year ago. The decrease in cost was primarily due to higher volumes and lower commodity prices, partly offset by higher Power & Fuel cost on account of water cess & electricity duty and renewable energy purchase obligation on captive power consumption which had an impact of \$48 per MT on COP. Various optimization and improvement initiatives for productivity and efficiency will enable costs to remain stable going forward.

Financial Performance

Revenues were up 21% to Rs. 3,596 Crore in Q1 FY 2016 as compared with Rs. 2,963 Crore in the corresponding prior period. The increase was driven by higher zinc volumes & LME prices and rupee depreciation. This was partly offset by lower prices & volumes of silver and lead as also lower zinc premium.

EBITDA increased by 24% to Rs. 1,672 Crore in Q1 FY 2016 due to higher revenues and lower cost of production, partly offset by one-time expense related to RPO for earlier years, higher royalty and District Mineral Foundation (DMF) provisioning. The exact quantum of DMF contribution is yet to be notified by the Government.

Net profit increased by 19% to Rs. 1,921 Crore during the quarter driven by higher operating profit, partly offset by lower investment income due to mark to market losses on a small portion of the portfolio, which is expected to get recovered in the coming quarters. The investment corpus increased by 19% from a year ago. Tax provision for the quarter was lower due to one-time recognition of deferred tax asset of Rs. 160 Crore on brought forward short-term capital loss.

Expansion Projects

Rampura Agucha and Sindesar Khurd shaft projects are progressing well, with no further delay in Rampura Agucha shaft project. During the quarter, North ventilation shaft was completed at Rampura Agucha. Pre-stripping for further deepening of the open pit at Rampura Agucha is under progress. With the planned extension of the open cast mine, the overall production plan at Rampura Agucha will be on track.

The shaft project at Sindesar Khurd continues to be ahead of schedule and internal infrastructure works, development through shaft and ventilation work has been initiated. Two auxiliary lenses, apart from the main ore body, are being developed as separate production centres which will increase the production capacity from 2 million MT to 3 million MT by year end.

Kayad mine ramp up is on track and expected to achieve 1 million MT production capacity by year end.

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

The Company will hold an earnings conference call on Tuesday, July 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:

Investor Relations

Preeti Dubey, CFA

Associate Vice President – Investor Relations

hzi.ir@vedanta.co.in

Tel: +91 22 6643 4598

Ekta Singh

Associate Manager - Investor Relations

hzi.ir@vedanta.co.in

Tel: +91 80030 99676

Media enquiries

Pavan Kaushik

Associate Vice President – Corporate Communications

pavan.kaushik@vedanta.co.in

Tel: +91 99288 44499

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.

Hindustan Zinc Limited

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

T+91-294 660 4000 F+91-294 242 7734 www.hzindia.com

CIN: L27204RJ1966PLC001208