



No.20A (1)/2016-Secy./

19th July 2019

Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street , Fort,
Mumbai 400 001

National Stock Exchange of India Limited
Exchange Plaza
Plot No.C/1, G Block
Bandra – Kurla Complex
Bandra (East)
Mumbai 400 051

Scrip Code: 500188

Scrip Code: HINDZINC-EQ

Sub:- Unaudited 1st quarter / Three months financial results after limited review for the period ended 30th June, 2019.

Dear Sir,

As per the requirement of Clause 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we forward herewith a copy of unaudited financial results after limited review for the 1st quarter / Three months ended 30th June, 2019 duly adopted in the meeting of the Board of Directors held on **19th July, 2019**.

We also forward 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, 2019.

Copy of press release issued is attached for information.

The meeting of the Board of Directors of the Company commenced at 12.00 Noon and concluded at 3.10 PM.

Yours faithfully,
For Hindustan Zinc Ltd

(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, 2019
(Rs in Crore, except as stated)

PARTICULARS		Quarter Ended			Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited	Unaudited	Audited
1	Revenue from operations	4,924	5,384	5,258	20,834
2	Other Operating Income	63	107	52	284
3	Other income	429	539	295	1,782
	Total Income	5,416	6,030	5,605	22,900
4	Expenses				
	a. Changes in inventories of finished goods & WIP	(6)	25	41	(64)
	b. Employee benefit expense	182	213	232	905
	c. Depreciation and amortisation	534	553	387	1,883
	d. Power and fuel	445	387	440	1,758
	e. Mining royalty	594	699	631	2,628
	f. Finance costs	29	51	11	113
	g. Other expenses	1,295	1,378	1,253	5,221
	Total expenses	3,073	3,306	2,995	12,444
5	Profit before tax and exceptional item	2,343	2,724	2,610	10,456
6	Exceptional item	-	-	-	-
7	Profit before tax	2,343	2,724	2,610	10,456
	Tax Expense				
	Current tax	500	583	546	2,220
	Deferred tax	78	129	146	280
	Total Tax	578	712	692	2,500
8	Net Profit	1,765	2,012	1,918	7,956
	A.(i) Items that will not be reclassified to profit or loss	(3)	(4)	(19)	(36)
	(ii) Income tax relating to above	1	2	6	13
	B.(i) Items that will be reclassified to profit or loss	-	-	62	(55)
	(ii) Income tax relating to above	-	-	(29)	(16)
9	Other Comprehensive Income	(2)	(2)	20	(94)
10	Total Comprehensive Income for the period	1,763	2,010	1,938	7,862
11	Paid up Equity Share Capital (face value Rs 2 each)	845	845	845	845
12	Reserves as shown in the Audited Balance Sheet				32,760
13	Earnings per share in Rs (of Rs 2 each) (not annualised except for year ended March):				
	a. Basic	4.18	4.76	4.54	18.83
	b. Diluted	4.18	4.76	4.54	18.83

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REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs in Crore)

PARTICULARS		Quarter Ended			Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited	Unaudited	Audited
1	Segment Revenue				
a)	Zinc, Lead and Silver	4,294	4,611	4,655	18,089
	(i) Zinc, Lead and others	576	744	547	2,568
	(ii) Silver Metal	4,870	5,355	5,202	20,657
	Total	54	29	56	177
b)	Wind Energy	4,924	5,384	5,258	20,834
	Sales/Income from operations	63	107	52	284
	Other Operating Income	4,987	5,491	5,310	21,118
	Revenue from operations				
2	Segment Result				
a)	Zinc, Lead and Silver	1,427	1,607	1,900	6,606
	(i) Zinc, Lead and others	500	639	473	2,208
	(ii) Silver Metal	1,927	2,246	2,373	8,814
	Total	39	13	41	119
b)	Wind Energy	1,966	2,259	2,414	8,933
	Profit before interest, tax and exceptional item	29	51	11	113
	Less: Interest	-	-	-	-
	Add : Exceptional item	406	516	207	1,636
	Add : Other unallocable income net of unallocable expenditure	2,343	2,724	2,610	10,456
	Profit before Tax				
	Segment Assets	19,734	19,106	18,100	19,106
a)	Zinc, Lead and Silver	682	659	712	659
b)	Wind Energy	20,847	22,693	24,296	22,693
c)	Unallocated	41,263	42,458	43,108	42,458
	Segment Liabilities	5,483	6,110	4,812	6,110
a)	Zinc, Lead and Silver	15	14	12	14
b)	Wind Energy	396	2,729	414	2,729
c)	Unallocated	5,894	8,853	5,238	8,853
	Capital Employed	35,369	33,605	37,870	33,605

NOTES:

- The above results for the quarter ended June 30, 2019 have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on July 19, 2019 and have been subjected to a limited review by the auditors of the Company.
- Ind AS 116 "Leases" has been recently introduced effective from April 1, 2019 and its application did not have any material impact on the financial results including the retained earnings as at 1 April, 2019.
- Figures for previous year and quarter have been revised or reclassified, wherever necessary, for consistency.
- The figures of the quarter ended March 31, 2019 are the balancing figures between audited figures for the full financial year ended March 31, 2019 and nine months unaudited published figures up to December 31, 2018.

By Order of the Board

Sunil Duggal
CEO & Whole-time Director

Date: July 19, 2019
Place: Mumbai



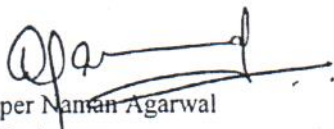
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Limited Review Report

Review Report to
The Board of Directors
Hindustan Zinc Limited

1. We have reviewed the accompanying statement of unaudited financial results of Hindustan Zinc Limited (the 'Company') for the quarter ended June 30, 2019 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation') as amended, read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ('the Circular').
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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.
4. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R.Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005


per Naman Agarwal
Partner
Membership No. 502405



UDIN: 19502405AAAABO6283

Place Gurugram
Date: July 19, 2019

Hindustan Zinc Limited

Results for the First Quarter Ended June 30, 2019

“Production grows as expansion projects approach completion”

Highlights for the quarter

- Refined metal production at 219kt, up 3% y-o-y
- Silver production at 159 MT, up 15% y-o-y
- Mined metal production at 213kt, up 1% y-o-y

Mumbai, July 19, 2019: Hindustan Zinc Limited, the leading global integrated producer of zinc, lead and silver, reported its results for the first quarter ended June 30, 2019.

Commenting on the Q1 performance, **Ms Kiran Agarwal, Chairman**, said: *“Our expansion projects are on track and as they near completion, our position as an industry leader with large sustainable operations gets strengthened. We are one of the lowest cost producers with world-class assets which can deliver high returns to all our stakeholders in any market environment.”*

Mr Sunil Duggal, CEO, said: *“We expect production volume to trend up in the coming quarters and along with internal efficiencies, technology and digitisation initiatives, costs to progressively reduce. As we approach the conclusion of 1.2 mtpa expansion, the journey towards 1.35 mtpa has been initiated. For this, we have ramped up our exploration to leverage the potential of existing deposits and new ore bodies to secure our future.”*

Mr Swayam Saurabh, acting CFO, said: *“We are investing to make our operations future ready through digital transformation and environment friendly & cost effective technologies to increase ore-to-metal ratio. Our balance sheet remains one of the strongest in India with zero debt and we have operational discipline to achieve strong cash conversion, generating about \$1 bn in free cash flow.”*

Financial Summary

Rs. Crore or as stated

Particulars	Q1			Q4	
	2020	2019	Change	2019	Change
Sales¹					
Zinc	3,510	3,814	-8%	3,689	-5%
Lead	684	729	-6%	809	-15%
Silver	576	547	5%	745	-23%
Others	217	220	-1%	248	-13%
Total	4,987	5,310	-6%	5,491	-9%
EBITDA	2,480	2,784	-11%	2,797	-11%
Profit After Taxes	1,765	1,918	-8%	2,012	-12%
Earnings per Share	4.18	4.54	-8%	4.76	-12%
(Rs., not annualised)					
Mined Metal Production ('000 MT)	213	212	1%	245	-13%
Refined Metal Production ('000 MT)					
Total Refined Metal					
Zinc	172	172	0%	175	-2%
Saleable Lead ²	48	42	13%	53	-10%
Zinc & Lead	219	214	3%	227	-4%
Saleable Silver ^{3,4} (in MT)	159	138	15%	191	-17%
Wind Power (in million units)	134	139	-4%	77	74%
Zinc CoP without Royalty (Rs. / MT) ⁴	74,219	69,907	6%	69,545	7%
Zinc CoP without Royalty (\$ / MT) ⁴	1067	1043	2%	987	8%
Zinc LME (\$ / MT)	2,763	3,112	-11%	2,702	2%
Lead LME (\$ / MT)	1,885	2,388	-21%	2,036	-7%
Silver LBMA (\$ / oz.)	14.9	16.5	-10%	15.6	-5%
USD-INR (average)	69.58	67.04	4%	70.49	-1%

(1) Including other operating income

(2) Excluding Captive consumption of 1,822 MT in Q1 FY 2020 as compared with 1,778 MT in Q1 FY 2019 and 1,403 MT in Q4 FY2019.

(3) Excluding captive consumption of 9.4 MT in Q1 FY2020 as compared with 9.4 MT in Q1 FY 2019 and 7.5 MT in Q4 FY2019.

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

Operational Performance

Mined metal production was 213kt, up 1% from a year ago, on the back of 10% higher ore production offset by lower grades. The sequential decline in mined metal production was due to lower ore treatment.

Integrated metal production was 219kt, up 3% from a year ago. Integrated zinc production was 172kt, flat y-o-y in line with mined metal production. Integrated lead production jumped by 13% y-o-y to 48kt.

Integrated silver production was 159 MT, up 15% y-o-y on account of higher lead production. Sequentially, integrated metal production was down 4% on account of lower mined metal and annual maintenance shutdown at smelters, partly offset by WIP conversion.

Financial Performance

Revenue from operations during the quarter was Rs. 4,987 Crore, a decrease of 6% y-o-y primarily due to an average 13% decline in LME prices, partly offset by higher lead & silver volumes and rupee depreciation. Lower metal volumes and weak lead & silver prices along with rupee appreciation led to a sequential decline in revenue.

Zinc cost of production before royalty (COP) during the quarter was \$ 1067 (Rs. 74,219) per MT, higher by 8% (7% in Rs) from previous quarter and higher by 2% y-o-y (6% in Rs). The COP during the quarter was impacted by higher power cost on account of lower generation due to water scarcity, more than offsetting the decline in coal price. Other reasons for the year-over-year increase were lower ore grades, higher mine development and higher prices for input commodities like cement, partly offset by higher metal volume and lower diesel prices. The sequential increase in COP was mainly on account of higher power cost, lower volume and lower grades.

EBITDA for the quarter was Rs. 2,480 Crore, down 11% y-o-y due primarily to lower metal prices, as higher volume and lower manpower cost offset increase in power and other expenses. EBITDA declined sequentially by 11% on account of lower volume and higher power cost.

The resultant Net Profit for the quarter was Rs. 1,765 Crore, down 8% y-o-y and down 12% sequentially primarily due to lower EBITDA, partly offset by lower tax rate. Additionally, Net Profit benefited from higher investment income from a year ago on account of mark-to-market gain on investment portfolio.

Expansion Projects

Update on ongoing expansion projects during the quarter

Capital mine development increased by 8% y-o-y to 11.3 km during the quarter.

At Sindesar Khurd, shaft is fully commissioned and integrated with mine. The second paste fill plant was commissioned in June, liberating the mine to operate at full production capacity.

At Rampura Agucha, shaft project is in advanced stage and expected to be completed in Q3 FY2020.

At Zawar, India's first ever dry tail stacking plant will be commissioned in the current quarter, significantly reducing water consumption & land requirement and addressing tailing dam risk. Additionally, the two paste fill plants are on track to be commissioned in Q3 FY2020, enabling mining of left out high grade ore in old pillars.

At Rajpura Dariba, the existing production shaft capacity is being upgraded from 0.7 to 1.3 mtpa to debottleneck the mine and is expected to be completed in Q4 FY2020. Further, a pre-feasibility study has been conducted to pump ore from underground to the mill to boost ore raising capacity.

Smelter debottlenecking to 1.2 mtpa is in progress, of which expansion to 1.13 mtpa will be completed in the current quarter. The commissioning of Fumer has already commenced.

Next phase of mine expansion from 1.20 to 1.35 mtpa

Detailed exercise to evaluate growth potential in grade improvement, increased tonnage, improved recoveries and increased reserves has commenced. This study will be followed by detailed scoping and feasibility by the Project Management Office (PMO) partner. We expect to have these studies and scoping to complete by Q4 FY2020.

In the meantime, following activities have commenced and are expected to be completed in the current quarter:

- Feasibility study on Bamnia Kalan
- Engineering for Rampura Agucha Galena zone and Sindesar Khurd Deep development and exploration
- Finalisation of PMO

In addition, engineering for water sustainability projects for Dariba and Zawar operations is under progress.

Liquidity and investment

As on June 30, 2019, the Company's cash and cash equivalents was Rs. 18,258 as compared to Rs. 16,952 Crore (net) at the end of FY 2019 and was invested in high quality debt instruments. The portfolio continues to be rated "Tier -1" implying Highest Safety by CRISIL. During Q1 FY2020, the Company repaid Rs. 2,000 Crore of short term commercial paper and there is no borrowing outstanding as on June 30, 2019.

Earnings Call on Friday, July 19, 2019 at 4:00 pm (IST)

The Company will hold an earnings conference call on Friday, July 19, 2019 at 4:00 pm IST, where senior management will discuss the Company's results and performance.

Conference Dial In Information:

Universal Access	+91 22 6280 1340 +91 22 7115 8241
Local Access (Available all over India)	+91 70456 71221
Playback Dial In Numbers July 19 – July 26, 2019	+91 22 71945757 Playback Code: 60684

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 in the world with a capacity of over 1.0 million MT per annum and the 9th largest global 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 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 347 MW including 274 MW of wind power, 39 MW of solar power and 34 MW of waste heat power. The Company has an operating workforce of over 21,000 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 Vedanta Resources Ltd, 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.