



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

20th January, 2020

BSE Ltd.
P.J. Towers, Dalal Street,
MUMBAI - 400 001

National Stock Exchange of (India) Ltd.
"Exchange Plaza" Bandra-Kurla Complex,
Mumbai – 400 051

Kind Attn: - General Manager,
Dept. of Corporate Services

Kind Attn:- Head - Listing & Corporate
Communications

Scrip Code: 500188

Scrip Code: HINDZINC-EQ

Sub:- Unaudited financial results with limited review for the Third Quarter and Nine Months ended on 31st Dec., 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 3rd Quarter and Nine Months ended on 31st Dec., 2019 duly adopted in the meeting of the Board of Directors held on **20th January, 2020**.

We also forward herewith a copy of limited review report issued by the Statutory Auditors on the unaudited financial result for the 3rd Quarter and Nine Months ended on 31st Dec., 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 15.00 hours

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

HINDUSTAN ZINC LIMITED

Regd Office: Yashad Bhawan, Udaipur - 313004



PBX No. 0294-6604000, CIN - L27204RJ1966PLC001208, www.hzindia.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019

(Rs in Crore, except as stated)

PARTICULARS	Quarter ended			Nine months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Revenue from operations	4,626	4,461	5,485	14,011	15,450	20,834
2 Other Operating Income	46	50	55	159	177	284
3 Other income	445	590	550	1,464	1,243	1,782
Total Income	5,117	5,101	6,090	15,634	16,870	22,900
4 Expenses						
a. Changes in inventories of finished goods & WIP	(171)	(14)	(25)	(191)	(89)	(64)
b. Employee benefit expense	201	192	215	575	692	905
c. Depreciation and amortisation	597	595	489	1,726	1,330	1,883
d. Power and fuel	404	413	493	1,262	1,371	1,758
e. Mining royalty	613	539	670	1,746	1,929	2,628
f. Finance costs	42	25	51	96	62	113
g. Other expenses	1,336	1,264	1,349	3,895	3,843	5,221
Total expenses	3,022	3,014	3,242	9,109	9,138	12,444
5 Profit before tax and exceptional item	2,095	2,087	2,848	6,525	7,732	10,456
6 Exceptional item	-	-	-	-	-	-
7 Profit before tax	2,095	2,087	2,848	6,525	7,732	10,456
8 Tax Expense						
Current tax	358	259	608	1,117	1,637	2,220
Deferred tax (Refer Note 3)	117	(253)	29	(58)	151	280
Net Tax expense / (benefit)	475	6	637	1,059	1,788	2,500
8 Net Profit	1,620	2,081	2,211	5,466	5,944	7,956
A.(i) Items that will not be reclassified to profit or loss	(7)	(74)	(3)	(84)	(32)	(36)
(ii) Income tax relating to above	2	26	1	29	11	13
B.(i) Items that will be reclassified to profit or loss	-	-	-	-	(55)	(55)
(ii) Income tax relating to above	-	-	-	-	(16)	(16)
9 Other Comprehensive Income	(5)	(48)	(2)	(55)	(92)	(94)
10 Total Comprehensive Income for the period	1,615	2,033	2,209	5,411	5,852	7,862
11 Paid up Equity Share Capital (face value Rs 2 each)	845	845	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	3.83	4.93	5.23	12.94	14.07	18.83
b. Diluted	3.83	4.93	5.23	12.94	14.07	18.83

S. Kumar

[Signature]




REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS		(Rs in Crore)					
		Quarter ended			Nine months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
a)	Zinc, Lead and Silver						
	(i) Zinc, Lead and others	3,908	3,821	4,789	12,023	13,478	18,089
	(ii) Silver Metal	692	575	678	1,843	1,824	2,568
	Total	4,600	4,396	5,467	13,866	15,302	20,657
b)	Wind Energy	26	65	18	145	148	177
	Sales/Income from operations	4,626	4,461	5,485	14,011	15,450	20,834
	Other Operating Income	46	50	55	159	177	284
	Revenue from operations	4,672	4,511	5,540	14,170	15,627	21,118
2	Segment Result						
a)	Zinc, Lead and Silver						
	(i) Zinc, Lead and others	1,097	1,002	1,792	3,526	4,999	6,606
	(ii) Silver Metal	613	497	588	1,610	1,569	2,208
	Total	1,710	1,499	2,380	5,136	6,568	8,814
b)	Wind Energy	8	50	2	97	106	119
	Profit before interest, tax and exceptional item	1,718	1,549	2,382	5,233	6,674	8,933
	Less: Interest	42	25	51	96	62	113
	Add : Other unallocable income net of unallocable expenditure	419	563	517	1,388	1,120	1,636
	Profit before Tax	2,095	2,087	2,848	6,525	7,732	10,456
	Segment Assets						
a)	Zinc, Lead and Silver	20,637	19,810	19,293	20,637	19,293	19,106
b)	Wind Energy	714	707	681	714	681	659
c)	Unallocated	25,305	22,538	20,715	25,305	20,715	22,693
		46,656	43,055	40,689	46,656	40,689	42,458
	Segment Liabilities						
a)	Zinc, Lead and Silver	4,596	5,451	4,102	4,596	4,102	6,110
b)	Wind Energy	17	20	8	17	8	14
c)	Unallocated	3,026	182	4,982	3,026	4,982	2,729
		7,639	5,653	9,092	7,639	9,092	8,853
	Capital Employed	39,017	37,402	31,597	39,017	31,597	33,605

NOTES:

- The above results for the quarter and nine months ended December 31, 2019 have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on January 20, 2020 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.
- Section 115BAA of the Income- tax Act, 1961 was introduced by the Taxation Laws (Amendment) Ordinance, 2019, which was subsequently converted into an Act. Based on the expected timing of exercising of Section 115BAA, the Company re-measured its deferred tax balances on March 31, 2019 leading to a deferred tax credit of Rs 365 crore, being recognized during the quarter ended September 30, 2019
- Figures for previous year and quarter have been revised or reclassified, wherever necessary, for consistency.

By Order of the Board


 Sunil Duggal
 CEO & Whole-time Director

Date: January 20, 2020
Place: Mumbai



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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**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 December 31, 2019 and year to date from April 01, 2019 to December 31, 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, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared 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. 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. 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 aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, 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 **Sudhir Soni**

Partner

Membership No.: 41870

UDIN: 20041870AAAAAA1489

Place: Mumbai

Date: January 20, 2020



Hindustan Zinc Limited

Results for the Third Quarter and Nine Month Ended December 31, 2019

“EBITDA up 8% on higher metal and silver production”

Highlights for the quarter

- EBITDA at Rs. 2,288 Crore, up 8% q-o-q
- Mined metal production at 235kt, up 7% q-o-q
- Refined metal production at 219kt, up 4% q-o-q
- Silver production at 149 MT, up 11% q-o-q

Mumbai, January 20, 2020: Hindustan Zinc Limited, the leading global integrated producer of zinc, lead and silver, reported its results for the third quarter and nine month ended December 31, 2019.

Commenting on the Q3 performance, **Mr Sunil Duggal, CEO,** said: *“We have delivered good performance in a challenging market environment and are committed to maintain the growth trajectory. We remain focused on our fundamentals of sustainability, efficiency, technology & digitisation to maintain industry leadership and deliver healthy return to our shareholders.”*

Mr Swayam Saurabh, CFO, said: *“Our target is to maintain cost leadership by bringing in operational efficiencies and higher productivity through technology adoption and digital transformation, aided by completion of our key projects.”*

Financial Summary

Rs. Crore or as stated

Particulars	Q3			Q2		9M		
	2020	2019	Change	2020	Change	2020	2019	Change
Sales¹								
Zinc	3,165	3,841	-18%	3,052	4%	9,725	10,787	-10%
Lead	652	826	-21%	672	-3%	2,007	2,350	-15%
Silver	690	677	2%	577	20%	1,844	1,824	1%
Others	165	196	-16%	210	-21%	594	666	-11%
Total	4,672	5,540	-16%	4,511	4%	14,170	15,627	-9%
EBITDA	2,288	2,851	-20%	2,120	8%	6,888	7,950	-13%
Profit After Taxes	1,620	2,211	-27%	2,081	-22%	5,466	5,944	-8%
Earnings per Share	3.83	5.23	-27%	4.93	-22%	12.94	14.07	-8%
(Rs., not annualised)								
Mined Metal Production ('000 MT)	235	247	-5%	219	7%	668	691	-3%
Refined Metal Production ('000 MT)								
Total Refined Metal								
Zinc	178	188	-5%	166	7%	516	522	-1%
Saleable Lead ²	41	54	-24%	44	-7%	132	145	-9%
Zinc & Lead	219	242	-9%	210	4%	649	667	-3%
Saleable Silver ^{3,4} (in MT)	149	178	-16%	134	11%	442	488	-9%
Wind Power (in million units)	68	48	42%	164	-59%	366	372	-2%
Zinc CoP without Royalty (Rs. / MT)	76,571	71,855	7%	73,754	4%	74,881	71,442	5%
Zinc CoP without Royalty (\$ / MT)	1,077	997	8%	1,048	3%	1,065	1,025	4%
Zinc LME (\$ / MT)	2,388	2,631	-9%	2,348	2%	2,495	2,756	-9%
Lead LME (\$ / MT)	2,045	1,964	4%	2,028	1%	1,988	2,150	-8%
Silver LBMA (\$ / oz.)	17.3	14.5	19%	17.0	2%	16.4	15.4	7%
USD-INR (average)	71.06	72.11	-1%	70.35	1%	70.34	69.68	1%

(1) Including other operating income

(2) Excluding Captive consumption of 1,937 MT in Q3 FY 2020 as compared with 1,554 MT in Q3 FY 2019 and 1,574 MT in Q2 FY2020. Excluding captive consumption of 5,333 tonnes in 9M FY2020 vs. 5,131 tonnes in 9M FY2019

(3) Excluding captive consumption of 10.1 MT in Q3 FY2020 as compared with 8.1 MT in Q3 FY 2019 and 8.2 MT in Q2 FY2020. Excluding captive consumption of 27.7 MT in 9M FY2020 vs. 26.7 MT in 9M FY2019

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

Operational Performance

Mined metal production for the quarter was 235kt, up 7% sequentially on account of higher ore production and better overall grades. From a year ago, mined metal production was down 5% in Q3 and 3% YTD on account of lower grades at Kayad and Sindesar Khurd (SK) mines, partly offset by higher ore production.

Integrated metal production was 219kt for the quarter, up 4% sequentially driven by 7% increase in zinc production to 178kt while lead production declined by 7% to 41kt. Integrated zinc production increased in line with higher mined metal availability. The decline in integrated lead production was due to temporary issue at DSC lead smelter. Integrated silver production was 149 MT, up 11% sequentially on account of higher silver grades at SK mine. From a year ago, integrated metal & silver production declined by 9% and 16% respectively in Q3 and by 3% and 9% respectively YTD in line with lower mined metal production, lower lead production and lower silver grades.

Financial Performance

Revenue from operations during the quarter was Rs. 4,672 Crore, an increase of 4% sequentially on account of higher zinc & silver volume, better LME prices and rupee depreciation. From a year ago, revenue declined 16% primarily due to lower volume and a 9% decline in zinc LME prices, partly offset by a recovery in lead LME & silver prices. For the nine-month period, revenue was lower by 9% on account of an average 9% decline in LME prices and lower volume, partly offset by higher silver prices and rupee depreciation.

Zinc cost of production before royalty (COP) during the quarter was \$1077 (Rs. 76,571) per MT, higher by 3% (4% in Rs) sequentially and higher by 8% y-o-y (7% in Rs). For the nine-month period, zinc COP excluding royalty was \$1065, higher by 4% y-o-y (5% in Rs.). The COP during the quarter and the year so far has benefited from lower imported coal prices and higher linkage coal. The sequential increase in COP is due to higher mine development expenses and increased one-time repair & maintenance costs, partly offset by higher volume, operational efficiencies and lower coal costs. The y-o-y increase in COP in Q3 and 9-months included lower grades, higher mine development expense, higher cement prices and lower acid credits, partly offset by lower power costs. The COP has been impacted by higher electricity duty on captive power plants from Rs 0.40 to Rs 0.60 per unit starting July 2019.

EBITDA for the quarter was Rs. 2,288 Crore, up 8% sequentially on account of higher revenue, partly offset by higher operating costs. EBITDA was down 20% in Q3 from a year ago and 13% YTD primarily due to lower revenues.

Net profit for the quarter was Rs. 1,620 Crore, a decline of 22% sequentially and 27% y-o-y. Excluding the one-time impact of deferred tax reversal in Q2, Net Profit for the quarter was lower by 3% sequentially. Investment income during the quarter benefited from a higher corpus while rate of return was in line with the general interest rates. The effective tax rate in Q3 was 23%, similar to that in H1 after excluding the impact of one-time reversal in Q2 of Rs. 365 Crore pursuant to Taxation Law (Amendment) Ordinance 2019. From a year ago, Net profit in Q3 was impacted by higher depreciation and amortisation expense on account of higher ore production and higher capitalisation, and also lower investment income due to market to market gains last year.

For the year-to-date, Net profit was Rs 5,466 Crore, down 8% on account of lower EBITDA and higher D&A expense, partly offset by higher investment income due to higher corpus & higher rate of return and lower tax rate due to one-time deferred tax reversal.

Expansion Projects

Update on ongoing expansion projects during the quarter

The ongoing mining expansion is in its final phase and on track to achieve capacity of 1.2 million MT per annum.

Capital mine development increased by 23% y-o-y to 13.3 km in Q3 and by 17% to 36.4 km YTD.

At Rampura Agucha, UG shaft was commissioned and ore hauling from shaft is expected to start in February 2020. This will allow RA UG to achieve 4.5 mtpa production. Furthermore, it will provide an opportunity to explore Galena zone underneath the shaft.

At Zawar, the two backfill plants are under commissioning and back filling into voids is expected to commence in February 2020. This will improve mine stability and provide an opportunity for pillar mining to remove left-out high grade ore.

The Fumer plant at Chanderiya is undergoing hot commissioning and expected to produce first metal by February 2020.

Liquidity and investment

As on December 31, 2019, the Company's net cash and cash equivalents was Rs. 19,513 Crore as compared to Rs. 16,952 Crore 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.

Earnings Call on Tuesday, January 21, 2020 at 1:00 pm (IST)

The Company will hold an earnings conference call on Tuesday, January 21, 2020 at 1.00 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 January 21 - January 28, 2020	+91 22 7194 5757, 6663 5757 Playback Code: 20013

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.