

HZL/2020-SECY/

July 22, 2021

Bombay Stock Exchange Ltd.
P.J. Towers, Dalal Street,
Mumbai - 400001

National Stock Exchange of (India) Ltd.
"Exchange Plaza"
Bandra-Kurla Complex,
Mumbai – 400051

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

Kind Attn:- Head - Listing & Corporate
Communications

Scrip Code: 500188

Trading Symbol: HINDZINC-EQ

Dear Sir(s),

Sub: - Unaudited Quarterly Financial Results for the 1st quarter ended June 30, 2021.

Dear All,

As per the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we forward herewith a copy of un-audited financial results for the 1st quarter ended June 30, 2021, duly adopted in the meeting of Board of Directors held on July 22, 2021.

We also forward herewith a copy of the limited review report issued by the Statutory auditors on the unaudited financial results for the 1st quarter ended June 30, 2021.

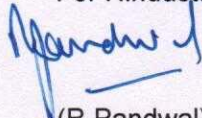
The meeting of the Board of Directors of the Company dated July 22, 2021 commenced at 12:00 Noon and concluded at 02:15 PM.

Copy of press release issued is also attached herewith.

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,
For Hindustan Zinc Limited,



(R Pandwal)
Company Secretary
Encl: as above.

**HINDUSTAN ZINC LIMITED**

Regd Office: Yashad Bhawan, Udaipur - 313004



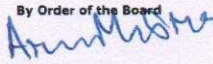
PBX No. 0294-6604000, CIN - L27204RJ1966PLC001208, www.hzindia.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021**(₹ in Crore, except as stated)**

PARTICULARS	Quarter ended			
	30.06.2021		31.03.2021	
	Unaudited	Audited	Unaudited	Audited
1 Revenue from operations	6,378	6,725	3,898	22,071
2 Other operating income	153	222	91	558
3 Other income	349	295	684	1,819
Total Income	6,880	7,242	4,673	24,448
4 Expenses				
a. Changes in inventories of finished goods & WIP	164	(95)	167	239
b. Employee benefit expense	182	170	235	760
c. Depreciation and amortisation	658	696	544	2,531
d. Power and fuel	480	469	388	1,732
e. Mining royalty	724	893	463	2,759
f. Finance costs	92	131	52	386
g. Other expenses	1,423	1,635	1,160	5,467
Total expenses	3,723	3,899	3,009	13,874
5 Profit before tax and exceptional item	3,157	3,343	1,664	10,574
6 Exceptional item	(134)	-	-	-
7 Profit Before Tax	3,023	3,343	1,664	10,574
8 Tax Expense				
Current tax	520	578	287	1,827
Deferred tax	520	284	18	767
Net Tax Expense	1,040	862	305	2,594
9 Net Profit	1,983	2,481	1,359	7,980
(i) Items that will not be reclassified to profit or loss	(3)	(9)	(3)	(7)
(ii) Income tax relating to above	1	3	1	2
10 Other Comprehensive (Loss)	(2)	(6)	(2)	(5)
11 Total Comprehensive Income for the period	1,981	2,475	1,357	7,975
12 Paid up Equity Share Capital (face value ₹ 2 each)	845	845	845	845
13 Reserves as shown in the Audited Balance Sheet				31,468
14 Earnings Per Share in Rs. (of ₹ 2 each) (not annualised except for year ended March):				
a. Basic	4.69	5.87	3.22	18.89
b. Diluted	4.69	5.87	3.22	18.89

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Anand Mishra

REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED					(₹ in Crore)
PARTICULARS	Quarter ended			Year ended	
	30.06.2021	31.03.2021	30.06.2020	31.03.2021	
	Unaudited	Audited	Unaudited	Audited	
1 Segment Revenue					
a) Zinc, Lead and Silver					
(i) Zinc, Lead, others	5,217	5,350	3,207	17,550	
(ii) Silver Metal	1,106	1,350	645	4,382	
Total	6,323	6,700	3,852	21,932	
b) Wind Energy	55	25	46	139	
Revenue from operations	6,378	6,725	3,898	22,071	
Other Operating Income	153	222	91	558	
Total operating income	6,531	6,947	3,989	22,629	
2 Segment Result					
a) Zinc, Lead and Silver					
(i) Zinc, Lead, others	1,898	1,972	522	5,400	
(ii) Silver Metal	995	1,226	532	3,851	
Total	2,893	3,198	1,054	9,251	
b) Wind Energy	41	12	30	78	
Profit before interest and tax	2,934	3,210	1,084	9,329	
Less: Interest	92	131	52	386	
Add : Exceptional item	(134)	-	-	-	
Add : Other unallocable income net of unallocable expenditure	315	264	632	1,631	
Profit before Tax	3,023	3,343	1,664	10,574	
Segment Assets					
a) Zinc, Lead and Silver	20,449	20,753	21,432	20,753	
b) Wind Energy	652	624	714	624	
c) Unallocated	25,424	24,350	23,176	24,350	
	46,525	45,727	45,322	45,727	
Segment Liabilities					
a) Zinc, Lead and Silver	4,902	5,883	5,429	5,883	
b) Wind Energy	16	20	19	20	
c) Unallocated	7,312	7,511	5,177	7,511	
	12,230	13,414	10,625	13,414	
Capital Employed	34,295	32,313	34,697	32,313	
NOTES:					
1) The above results for the quarter and year ended June 30, 2021 have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on July 22, 2021 and have been subjected to a limited review by the auditors of the Company.					
2) Exceptional expense of ₹ 134 Crore represents amount charged in respect of settlement of entry tax dispute under Amnesty scheme launched by the Government of Rajasthan.					
3) Figures for previous year and quarters have been revised or reclassified, wherever necessary for consistency.					
4) The figures of the quarter ended March 31, 2021 are the balancing figures between audited figures for the full financial year ended March 31, 2021 and nine months unaudited published figures up to December 31, 2020.					
By Order of the Board  Arun Misra CEO & Whole-time Director					
Date: July 22, 2021					
Place: Udaipur					


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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

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, 2021 (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 Tridevial Khandelwal
Partner
Membership No.: 501160



UDIN: 21501160AAAABY2649

Place Pune
Date 22/7/2021

Hindustan Zinc Limited

Results for the First Quarter Ended June 30, 2021

“PAT at INR1,983 Cr., up 46% Y-o-Y, Record-High first quarter refined metal & silver production”

Highlights for the quarter

- Mined metal production: 221kt
- Refined metal production: 236kt
- Saleable silver production: 161 tons
- Zinc COP: \$1070 per ton

Udaipur, July 22, 2021: Hindustan Zinc Limited, the leading global integrated producer of zinc, lead and silver, reported its results for the first quarter ended June 30, 2021.

Commenting on the Q1 performance, **Mr Arun Misra, CEO**, said: *“We delivered highest-ever Q1 ore, refined metal & silver production. After exiting at a run-rate of 1.2 mtpa in fiscal year 2021, we maintained the momentum of production in Q1 with Year-on-Year growth of 15% in ore, 17% in refined metal & 37% in silver in spite of the spurt in covid cases in the second wave of the pandemic. Besides good operational performance, I am happy to inform that Hindustan Zinc has received 'Most Sustainable Company in the Mining Industry – 2021' award from World Finance Sustainability Award 2021. Also, our Rampura Agucha mine has won CII's 'Best Application & Use of Renewable Energy' award in the 5th Edition CII National Energy Efficiency circle -2021”*

Mr Vinaya Jain, Sr. VP & Head Finance, said: *“We delivered our best ever Q1 Revenue, EBITDA and Profit after tax (PAT). Our strong balance sheet enables us to make proactive investments in operations and digitalization that will further enhance our mining output. We do recognize the headwinds from rising input commodity prices and are doubling our efforts to address them through long lasting structural cost initiatives. Additionally, we remain committed to our ESG goals and will continue to deploy necessary resources towards them. Sharp focus on cost leadership and profitability while building a sustainable business, will ensure long term value to all stakeholders.”*

Financial Summary

INR. Crore or as stated

Particulars	Q1			Q4	
	2021	2020	Change	2021	Change
Sales¹					
Zinc	4,291	2,562	67%	4,241	1%
Lead	826	604	37%	999	-17%
Silver	1,106	643	72%	1,352	-18%
Others	308	180	71%	355	-13%
Total	6,531	3,989	64%	6,947	-6%
EBITDA	3,558	1,599	123%	3,875	-8%
Profit After Taxes	1,983	1,359	46%	2,481	-20%
Earnings per Share	4.69	3.22	46%	5.87	-20%
(INR, not annualised)					
Mined Metal Production (kt)	221	202	9%	288	-23%
Refined Metal Production (kt)					
Total Refined Metal					
Zinc	188	157	20%	195	-4%
Saleable Lead ²	48	45	9%	61	-21%
Zinc & Lead	236	202	17%	256	-8%
Saleable Silver ^{3,4} (in tons)	161	117	37%	203	-21%
Wind Power (in million units)	140	112	25%	65	115%
Refined Metal Sales (kt)					
Zinc (kt)	187	163	15%	198	-5%
Lead (kt)	49	45	9%	62	-21%
Silver (tons)	160	146	10%	203	-21%
Zinc CoP without Royalty (INR/ton)	78,952	76,920	3%	68,969	14%
Zinc CoP without Royalty (\$/ton)	1,070	1,019	5%	945	13%
Zinc LME (\$ / ton)	2,916	1,961	49%	2,750	6%
Lead LME (\$ / ton)	2,128	1,673	27%	2,018	5%
Silver LBMA (\$ / oz.)	26.7	16.4	63%	26.3	2%
USD-INR (average)	73.76	75.48	-2%	72.95	1%

(1) Including other operating income

(2) Excluding Captive consumption of 1,611 MT in Q1 FY 2022 as compared with 1,202 MT in Q1 FY 2021 and 1,825 MT in Q4 FY2021.

(3) Excluding captive consumption of 8.9 MT in Q1 FY2022 as compared with 6.2 MT in Q1 FY 2021 and 9.1 MT in Q4 FY2021.

(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 up 9% y-o-y to 221kt on account of higher ore production, partly offset by lower overall grade. Sequentially, MIC production was down 23% on account of lower ore production and overall grades.

Integrated metal production was 236kt for the quarter, up 17% y-o-y in line with higher mined metal availability. Sequentially it was down 8% in-line with lower ore production due to lack of operator availability at the mines in view of second wave of COVID-19.

Integrated zinc production was 188kt, up 20% y-o-y and down 4% sequentially. Integrated lead production was 48kt, up 9% y-o-y and down 21% sequentially.

Integrated silver production was 161 tons, up 37% from a year ago in line with higher lead production, partly offset by lower grades at Sindesar Khurd (SK) mine, while it was down 21% sequentially primarily in-line with lower lead production.

Financial Performance

Revenue from operations during the quarter was INR 6,378 Crore, an increase of 64% y-o-y led by higher metal & silver volumes, higher zinc, lead & silver prices. Zinc sales volume increased 15% y-o-y and lead by 9% y-o-y in line with higher production and robust demand.

Sequentially, revenue was down 5%, primarily driven by lower zinc, lead and silver volumes, lower metal premium, partly offset by higher zinc & lead LME prices and rupee depreciation. Zinc volume was down 5% and lead & silver volumes were both down 21% each. This was mainly due to lack of operator availability in view of second wave of covid-19. Zinc LME prices were sequentially up 6%, while lead prices were up 5%.

Zinc cost of production before royalty (COP) during the quarter was \$1,070 (Rs. 78,952) per ton, higher by 5% y-o-y, (up 3% in INR terms and up 13% sequentially in USD terms (up 14% in INR terms). The increase in COP is primarily due to surge in input commodity prices.

Sequentially there was an increase in coal and diesel prices, cement prices as well as higher power costs coupled with lower volumes leading to an upward pressure on COP which was only partly offset by higher sulphuric acid credits and lower met coal cost.

EBITDA for the quarter soared to INR 3,558 Crore, up 123% y-o-y and down 8% sequentially. Year-on-Year EBITDA was up on account of higher Zinc Lead LME and increase in Silver prices as well as higher metal premiums. Sequentially EBITDA was lower on account of lower revenue, and higher costs.

Net profit for the quarter was INR 1,983 Crore, up 46% y-o-y and down 20% sequentially. Increase was mainly driven by recovery in metal prices and higher volumes.

Outlook for FY22

We maintain our below mentioned guidance on operational & financial metrics for the fiscal year 2022. In light of rising input commodity prices, management is closely monitoring the situation and taking all necessary actions to combat it.

Both mined metal and finished metal production in FY2022 is expected to be c.1025-1050 KT each.

FY2022 saleable silver production is projected at c.720 MT.

Zinc cost of production in FY2022 is expected to remain below \$1000 per MT.

The project capex for the year is expected to be approximately US\$100 million.

Projects Update

Digitalisation drive across all mines continued during the quarter. Initiatives such as setting up of digital control room with short interval control to Reducing stope cycle time, Online analyser for impurity tracking to maintain higher current efficiencies are underway.

Post integration, the shafts at Rampura Agucha mine and Sindesar Khurd mine are fully operational. Ventilation & cooling systems (chiller units) have been deployed to facilitate the same in a seamless manner. Moreover, increased usage of Advanced Process Control (APC) at both SK and RD Mills for purpose of grinding are used to improve recoveries.

Covid-19 restrictions including stringent visa guidelines for Chinese nationals continued during the quarter which resulted in a delay in the commissioning of the Fumer plant at Chanderiya. We expect Fumer commissioning to be completed by end of November 2021.

Liquidity and investment

As on June 30, 2021, the Company's gross investments and cash & cash equivalents were Rs.23,902 Crore as compared to Rs.22,308 Crore at the end of the fourth quarter (Mar'21).

The Company's net investments and cash & cash equivalents as at end of June 30, 2021 was Rs.17,249 Crore as compared to Rs.15,130 Crore at the end of the fourth quarter (Mar'21) and was invested in high quality debt instruments.

Earnings Call on Thursday, July 22, 2021 at 4:00 pm (IST)

The Company will hold an earnings conference call on Thursday, July 22, 2021 at 4.00 pm IST, where senior management will discuss the Company's results and performance.

Conference Dial-In Information:

[Express Join via internet registration](#)

Please dial the below number at least 5-10 minutes prior to the conference schedule.

Universal Access +91 22 6280 1340, +91 22 7115 8241

Playback Dial-In Numbers +91 22 71945757, +91 22 66635757

Jul 22 - Jul 29, 2021 Playback Code: 60204

For further information, please contact:

Shweta Arora
Head-Investor Relations
shweta.arora@vedanta.co.in
+91 9538453097

About Hindustan Zinc Limited:

Hindustan Zinc (NSE & BSE: HINDZINC), a Vedanta Group Company, is one of the world's largest and India's only integrated producer of Zinc-Lead and Silver. The Company has its Headquarter at Udaipur in the State of Rajasthan where it has its Zinc-Lead mines and smelting complexes. Hindustan Zinc is self-sufficient in power with captive thermal power plants and has ventured into green energy by setting up wind power plants. The Company is ranked 1st in Asia-Pacific and 7th globally in the Dow Jones Sustainability Index 2020 in the metal & mining sector. Hindustan Zinc is a certified Water Positive Company, a member of the FTSE4Good Index and has scored 'A' rating by CDP for climate change.

Being a people-first company, Hindustan Zinc believes in inculcating the values of Trust and Excellence to have a culture of high-performance in its workforce. The company takes pride in having some of the best-in-class people practices and employee centric initiatives, which have certified Hindustan Zinc as - 'Great Place to Work 2021', 'Company with Great Managers 2020' by People Business and the PeopleFirst HR Excellence Award.

As a socially responsible corporate, Hindustan Zinc has been relentlessly working to improve the lives of rural and tribal people residing near its business locations. The company is amongst the Top 15 CSR Spenders in India and are currently reaching out to 500,000 people in 184 core villages of Rajasthan and 5 in Uttarakhand.

Learn more about Hindustan Zinc on - <https://www.hzindia.com/home/> and follow us on [LinkedIn](#), [Twitter](#), [Facebook](#), and [Instagram](#) for more updates.

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 businesses 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, London Bullion Metal Association, 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 and/or business operations to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements and investors should take their own decisions.