



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

23rd July 2018

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, 2018.

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, 2018 duly adopted in the meeting of the Board of Directors held on **23rd July, 2018**.

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, 2018.

Copy of press release issued is attached for information.

The meeting of the Board of Directors of the Company dated July 23, 2018 commenced at 12.00 Noon and concluded at 15.15 hrs.

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, 2018
(Rs in Crore, except as stated)

PARTICULARS	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	Unaudited	Audited (refer note 5)	Unaudited	Audited
1 Revenue from operations (net of excise duty)	5,310	6,277	4,576	22,084
Add: Excise duty	-	-	437	437
Revenue from operations (gross of excise duty)	5,310	6,277	5,013	22,521
2 Other income	299	486	514	1,751
Total Income	5,609	6,763	5,527	24,272
3 Expenses				
a. Changes in inventories of finished goods & WIP	41	18	125	498
b. Employee benefits expense	232	182	174	776
c. Depreciation and amortisation	387	459	326	1,483
d. Power and fuel	440	442	387	1,653
e. Mining royalty	631	829	549	2,647
f. Finance costs	15	45	137	283
g. Excise duty	-	-	437	437
h. Other expenses	1,253	1,186	957	4,238
Total expenses	2,999	3,161	3,092	12,015
4 Profit before tax and exceptional item	2,610	3,602	2,435	12,257
5 Exceptional item	-	(51)	-	240
6 Profit before tax	2,610	3,551	2,435	12,497
Tax Expense				
Current tax	546	758	520	2,647
Deferred tax	146	288	26	574
7 Net Profit for the period	1,918	2,505	1,889	9,276
A.(i) Items that will not be reclassified to profit or loss	(19)	12	(1)	3
(ii) Income tax relating to above	6	(4)	-	(1)
B.(i) Items that will be reclassified to profit or loss	62	234	25	(118)
(ii) Income tax relating to above	(29)	(86)	(3)	36
8 Other Comprehensive Income	20	156	21	(80)
9 Total Comprehensive Income for the period	1,938	2,661	1,910	9,196
10 Paid up Equity Share Capital (face value Rs 2 each)	845	845	845	845
11 Reserves as shown in the Audited Balance Sheet				35,087
12 Earnings per share in Rs (of Rs 2 each) (not annualised except for year ended March):				
a. Basic	4.54	5.93	4.47	21.95
b. Diluted	4.54	5.93	4.47	21.95



REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED				
				Rs in Crore
PARTICULARS	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	Unaudited	Audited (refer note 5)	Unaudited	Audited
1 Segment Revenue *				
a) Zinc, Lead and Silver				
(i) Zinc, Lead and others	4,674	5,547	4,479	20,000
(ii) Silver Metal	547	637	435	2,148
Total	5,221	6,184	4,914	22,148
b) Wind Energy	56	22	62	162
Sales/Income from operations	5,277	6,206	4,976	22,310
2 Segment Result				
a) Zinc, Lead and Silver				
(i) Zinc, Lead and others	1,900	2,661	1,698	8,999
(ii) Silver Metal	473	547	341	1,822
Total	2,373	3,208	2,039	10,821
b) Wind Energy	41	10	49	120
Profit before interest, tax and exceptional item	2,414	3,218	2,088	10,941
Less: Interest	15	45	137	283
Add : Exceptional item	-	(51)	-	240
Add : Other unallocable income net of unallocable expenditure	211	429	484	1,599
Profit before Tax	2,610	3,551	2,435	12,497
Segment Assets				
a) Zinc, Lead and Silver	18,100	16,911	16,209	16,911
b) Wind Energy	712	698	806	698
c) Unallocated	24,296	25,323	27,235	25,323
	43,108	42,932	44,250	42,932
Segment Liabilities				
a) Zinc, Lead and Silver	4,812	5,034	4,121	5,034
b) Wind Energy	12	11	14	11
c) Unallocated	414	1,955	7,399	1,955
	5,238	7,000	11,534	7,000
Capital Employed	37,870	35,932	32,716	35,932
* Export incentives have been included under respective segment revenue				
NOTES:				
1) The above results for the quarter ended June 30, 2018 have been reviewed by Audit Committee and approved by the Board of Directors in its meeting held on July 23, 2018.				
2) Exceptional item in FY 2017-18 includes gain of Rs 291 Crore representing reversal of royalty provision related to District Mineral Foundation pursuant to Supreme Court ruling as reduced by past service cost of Rs 51 Crore pursuant to change in Gratuity limit.				
3) Ind AS 115 Revenue from Contracts with Customers, has been recently introduced effective April 1, 2018 and its application did not have any significant impact on recognition and measurement of revenue and related items in the financial results including the retained earnings at 1 April, 2018.				
4) Figures for previous quarters and previous year have been revised or reclassified, wherever necessary, to conform to current quarter's figures.				
5) The figures of the quarter ended March 31, 2018 are the balancing figures between audited figures for the full financial year ended March 31, 2018 and nine months unaudited published figures up to December 31, 2017.				
By Order of the Board				
 Sunil Duggal CEO & Whole-time Director				
Date: July 23, 2018				
Place: Mumbai				



HINDUSTAN ZINC LIMITED



Regd Office: Yashad Bhawan, Udaipur - 313004

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

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2018

(Rs in Crore, except as stated)


PARTICULARS	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	Unaudited	Audited (refer note 5)	Unaudited	Audited
1 Total income from operations	5,310	6,277	5,013	22,521
2 Net Profit for the period (before tax and exceptional item)	2,610	3,602	2,435	12,257
3 Net Profit for the period before tax (after exceptional item)	2,610	3,551	2,435	12,497
4 Net Profit for the period (after tax and exceptional item)	1,918	2,505	1,889	9,276
5 Total Comprehensive Income for the period [comprising Profit for the period (after tax) and Other Comprehensive Income (after tax)]	1,938	2,661	1,910	9,196
6 Equity Share Capital	845	845	845	845
7 Reserves as shown in the Audited Balance Sheet of the previous year	-	-	-	35,087
8 Earnings Per Share in Rs (of Rs 2 each) for continuing and discontinued operations				
Basic :	4.54	5.93	4.47	21.95
Diluted:	4.54	5.93	4.47	21.95

Note :

- 1 The above is an extract of the detailed format of quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the quarterly Financial Results are available on the Exchange websites www.nseindia.com & www.bseindia.com and on the Company's website www.hzlindia.com
- 2 Exceptional item in FY 2017-18 includes gain of Rs 291 Crore representing reversal of royalty provision related to District Mineral Foundation pursuant to Supreme Court ruling as reduced by past service cost of Rs 51 Crore pursuant to change in Gratuity limit.
- 3 Ind AS 115 Revenue from Contracts with Customers, has been recently introduced effective April 1, 2018 and its application did not have any significant impact on recognition and measurement of revenue and related items in the financial results including the retained earnings at 1 April, 2018.
- 4 Figures for previous quarters and previous year have been revised or reclassified, wherever necessary, to conform to current quarter's figures.
- 5 The figures of the quarter ended March 31, 2018 are the balancing figures between audited figures for the full financial year ended March 31, 2018 and nine months unaudited published figures up to December 31, 2017.

By Order of the Board

Date: July 23, 2018
Place: Mumbai



Sunil Duggal
CEO & Whole-time Director

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, 2018 (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'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('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 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 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 recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized 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



Place: Gurugram
Date: July 23, 2018

Hindustan Zinc Limited

Results for the First Quarter Ended June 30, 2018

"EBITDA up 16% y-o-y on strong metal prices"

Highlights for the quarter

- EBITDA at Rs. 2,785 Crore, up 16% y-o-y
- Refined silver production at 138 MT, up 20% y-o-y
- Refined lead production at 42kt, up 20% y-o-y

Udaipur, July 23, 2018: Hindustan Zinc Limited today announced its results for the first quarter ended June 30, 2018.

Mr. Agnivesh Agarwal, Chairman –

"We are steadily increasing production from underground mines to fill the gap caused by closure of open-cast operation. As the year progresses, we will deliver record performance. As the journey towards 1.2 million MT output accelerates, we have started planning for our next phase of expansion."

Operational Performance

Mined metal production from underground mines was 212kt, up 13% y-o-y and 7% sequentially even as the closure of open-cast operations caused total mined metal production to decline 9% y-o-y and 17% sequentially.

Integrated zinc production was down 11% y-o-y and down 17% sequentially to 172kt on account of lower availability of zinc mined metal. Integrated lead production of 42kt was achieved during the quarter, up 20% y-o-y in line with the availability of lead mined metal and down 16% sequentially due to maintenance related shutdowns. Integrated silver production was 138 MT, up 20% y-o-y on higher SKM production and better silver grades. Sequentially, silver production declined by 19% in line with lead production.

Financial Summary

Particulars	Q1			Q4	
	2019	2018	Change	2018	Change
Sales					
Zinc	3,814	3,446	11%	4,564	-16%
Lead	729	531	37%	867	-16%
Silver	547	401	36%	637	-14%
Others	168	146	15%	106	58%
Total	5,258	4,524	16%	6,174	-15%
EBITDA	2,785	2,404	16%	3,660	-23.9%
Profit After Taxes	1,918	1,889	2%	2,505	-23%
Earnings per Share (Rs., not annualised)	4.54	4.47	2%	5.93	-23%
Mined Metal Production ('000 MT)	212	233	-9%	255	-17%
Refined Metal Production ('000 MT)					
Total Refined Metal					
Zinc	172	194	-11%	206	-17%
Saleable Lead ¹	42	35	20%	50	-16%
Zinc & Lead	214	228	-7%	256	-17%
Saleable Silver ^{2,3} (in MT)	138	115	20%	170	-19%
Wind Power (in million units)	139	156	-11%	58	140%
Zinc CoP without Royalty (Rs. / MT) ⁴	69,907	62,698	11%	59,569	17%
Zinc CoP without Royalty (\$ / MT) ⁴	1043	973	7%	925	13%
Zinc LME (\$ / MT)	3,112	2,596	20%	3,421	-9%
Lead LME (\$ / MT)	2,388	2,161	11%	2,523	-5%
Silver LBMA (\$ / oz.)	16.5	17.2	-4%	16.8	-1%
USD-INR (average)	67.04	64.46	4%	64.31	4%

- (1) Excluding Captive consumption of 1,778 MT in Q1 FY 2019 as compared with 1,956MT in Q1 FY 2018 and 1,570 MT in Q4 FY2018.
(2) Excluding captive consumption of 9.4 MT in Q1 FY2019 as compared with 10.2 MT in Q1 FY 2018 and 8.2 MT in Q4 FY2018.
(3) Silver occurs in Lead & Zinc ore and is recovered in the smelting and silver-refining processes.

Financial Performance

Revenue from operations during the quarter was Rs. 5,310 Crore, an increase of 16% y-o-y primarily due to higher zinc LME price, rupee depreciation and higher lead & silver volumes, partly offset by lower zinc volume. Lower metal volumes led to a sequential decline in revenue.

The cost of production before royalty (COP) for zinc during the quarter was Rs. 69,907 (\$1,043), up 11% (7% in USD) y-o-y and up 17% (13% in USD) from previous quarter. The y-o-y increase was primarily on account of lower overall volume due to open-cast closure, about 20% increase in prices of metcoke, coal & diesel and also due to the impact of long-term wage settlement. The sequential increase was on

account of lower volume, higher power costs, maintenance related shutdown costs and impact of wage settlement. The Company concluded a five-year long-term settlement with its recognised union impacting COP by \$33 per tonne.

EBITDA for the quarter was Rs. 2,785 Crore, up 16% y-o-y and down 24% q-o-q.

The resultant Net Profit for the quarter was Rs. 1,918 Crore, up 2% y-o-y and down 23% sequentially, in line with EBITDA. Additionally, Net Profit was impacted by lower investment income on account of mark-to-market loss on debt investments due to spike in interest rates.

Outlook

Mined metal and refined zinc-lead production in FY 2019 is expected to increase progressively during the year with the continued ramp-up of underground mines and be slightly higher than that of last year despite closure of open-cast operations. Silver production is expected to be in the range of 650 to 700 MT and COP before royalty is projected to be in the range of USD 950 to 975 per MT in FY 2019. This is in line with our earlier guidance.

Expansion Projects

Capital mine development increased by 18% y-o-y to over 10.4 km during the quarter.

Rampura Agucha underground mine continued with high development of 5.6 km during the quarter. The ventilation system has been commissioned, off shaft development is on track and production from main shaft is expected to start from Q3 FY 2019.

Sindesar Khurd has received Environment Clearance by the Ministry of Environment, Forest & Climate Change to increase ore production from 4.5 to 6.0 mtpa. During the quarter, the main shaft skip winder was cold commissioned and production from the shaft is expected to start in Q3 FY2019. Civil work and equipment erection of the new 1.5 mtpa mill is progressing well and is expected to commission by Q3 FY 2019.

At **Zawar**, civil construction of the new 2 mtpa mill is on track and expected to commission by Q4 FY2019. The **Fumer project** is 75% complete and expected to commission in Q3 FY 2019.

Planning for the next phase of expansion from 1.2 to 1.35 mtpa mined metal capacity announced in April 2018 is underway. The Chanderiya zinc-lead pyrometallurgical smelter is being modified to produce standalone lead to cater to the increasing lead mined metal and pilot trial has been successfully completed. Zinc smelting configuration and basic engineering is under finalisation.

Liquidity and investment

As on June 30, 2018, the Company's cash and cash equivalents was Rs. 21,283 Crore invested in high quality debt instruments and the portfolio is rated "Tier -I" (implying Highest Safety) by CRISIL.

Earnings Call on Monday, July 23, 2018 at 4:00 pm (IST)

The Company will hold an earnings conference call on Monday, July 23, 2018 at 4:00 pm IST, where senior management will discuss the Company's results and performance.

Dial In: +91 22 6280 1340

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 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 324 MW including 274 MW of wind power, 16 MW of solar power and 35 MW of waste heat power. The Company has an operating workforce of nearly 17,600 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.