

Hindustan Zinc Limited

Production Release for the Fourth Quarter and Full Year Ended 31 March 2016

Udaipur, April 11, 2016: Hindustan Zinc Limited today announced its production for the fourth quarter and full year ended March 31, 2016.

Highlight

- FY 2016 mined metal production in line with guidance
- Record annual integrated zinc, lead and silver production

Operational Performance

Mined metal production in Q4 was 188kt, 30% lower y-o-y and 17% lower than Q3. The decrease was on account of lower production primarily from Rampura Agucha open pit as per the mining plan, which was partially offset by significantly higher production from all the underground mines especially Sindesar Khurd and Kayad mines, resulting in higher lead and silver volumes. For the full year period, mined metal production was marginally higher in line with guidance.

Refined zinc metal production during the quarter was 29% lower y-o-y and 25% lower than Q3 in line with the mined metal production. Integrated lead and silver metal production during the quarter increased by 16% and 65% respectively compared to corresponding prior quarter primarily due to higher volumes from the Sindesar Khurd mine.

Refined metal production during the year was higher than mined metal production primarily on account of conversion of existing mined metal inventory and enhanced smelter efficiencies. Integrated zinc, lead and silver metal production during the year increased by 5%, 33% and 58% respectively from previous year.

Production Summary (Unaudited)

(In '000 MT, except as stated)

Particulars	Q4			Q3	Full Year		
	2016	2015	Change	2015	2016	2015	Change
Mined Metal Production ('000 MT)	188	269	-30%	228	889	887	0%
Refined Metal Production ('000 MT)							
Total Refined Zinc	154	217	-29%	206	759	734	3%
- Refined Zinc – Integrated	154	217	-29%	206	759	721	5%
Total Saleable Refined Lead¹	38	36	6%	35	145	127	14%
- Saleable Lead – Integrated	38	33	16%	35	140	105	33%
Total Refined Saleable Silver^{2,3} (in MT)	122	81	51%	116	425	328	30%
- Saleable Silver – Integrated	122	74	65%	116	422	266	58%
Wind Power (in million units)	62	73	-15%	67	415	444	-7%

(1) Excluding captive consumption of 909 MT in Q4 FY2016 and 6,657 MT in FY2016 as compared with 1,910 MT and 7,755 MT in respective corresponding prior period.

(2) Excluding captive consumption of 4.7 MT in Q4 FY2016 and 34.5 MT in FY2016 as compared with 9.9 MT and 40.2 MT in respective corresponding prior period.

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

Note: Numbers may not add up due to rounding off.



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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 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.