

Hindustan Zinc beats consensus on all-time high silver prices, lowest cost of production

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UDAIPUR: Hindustan Zinc Ltd (HZL), India's only and the world's largest integrated zinc producer, reported its results for Q1 FY26. The company registered its highest ever first quarter mined metal production of 265 KT.

The company also registered record quarterly production from Hindustan Zinc Alloys (HZAPL), taking overall share of value-added products to 24 per cent.

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The company clocked lowest ever first quarter zinc cost of production at \$1,010/MT, better 9 per cent YoY

cost of production at \$1,010/MT, better 9 per cent YoY. The company delivered a profit, beating estimates to Rs 2,234 crores with an industry leading EBITDA margin of 50 per

cent. Hindustan Zinc's silver segment continued to contribute significantly to profitability with 41 per cent.

During the quarter, the company secured two critical mineral blocks – Potash & Halite in Rajasthan and Rare Earth Elements (REEs) in Uttar Pradesh. In the same period, the company's renewable energy consumption increased to 19 per cent, on track to progressively achieve 70 per cent by FY28.

Along with that, Hindustan Zinc's Board approved the first

phase of plans towards doubling the production capacity with an investment of Rs 12,000 crores to set up a new 250 KTPA integrated smelting complex alongside similar expansion of mines & mills capacities.

The company also declared an interim dividend of Rs 10/share, amounting to Rs 4,225 crores. Historically, Hindustan Zinc Ltd has maintained investment grade rating 'AAA' and recently received ratings reaffirmation at CRISIL AAA/Stable/CRISIL A1+.

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