



Hindustan Zinc Limited

Production Release for the Third Quarter Ended 31 December 2016

Udaipur, January 16, 2017: Hindustan Zinc Limited today announced its production for the third quarter ended December 31, 2016.

Highlights

- Record mined metal production at 276kt in Q3; up 44% q-o-q
- Integrated metal production increased q-o-q: zinc 38%, lead 26% and silver 10%
- Environment clearances received for expansion of Zawar and Sindesar Khurd mines

Operational Performance

Highest ever mined metal production was achieved during the quarter, up 44% from previous quarter and 21% y-o-y. The sequential increase was on account of higher volumes from Rampura Agucha open cast mine in accordance with mine plan and the y-o-y increase was driven by higher volumes from Rampura Agucha underground and open cast mines. In line with the plan of substantially higher mined metal production in H2, mined metal production during the nine month period was lower by 15% y-o-y and will be higher than FY 2016 for full year with Q4 being higher than Q3. During the nine month period, underground mines ramped by significantly to achieve a substantial 60% y-o-y increase in ore production and 55% y-o-y increase in mined metal production.

Integrated zinc metal production during the quarter was at 205kt, up 38% from previous quarter, and flat y-o-y on account of accretion of mined metal inventory. Integrated saleable lead metal production during the quarter was 39kt, up 26% sequentially and 10% y-o-y. The y-o-y increase was in line with mined metal production, while the sequential increase was accentuated on account of enhanced smelter efficiencies. Integrated saleable silver production during the quarter increased by 10% to 118 MT from previous quarter and 2% y-o-y.

In line with the Company's on-going expansion to reach 1.2 mtpa mined metal production capacity, environmental clearances were received for Sindesar Khurd expansion of ore production capacity from 3.75 mtpa to 4.5 mtpa and for Zawar mine to 4 mtpa.

Production Summary (Unaudited)
(In '000 MT, except as stated)

Particulars	Q3			Q2		Nine Month		
	2017	2016	Change	2017	Change	2017	2016	Change
Mined Metal Production ('000 MT)	276	228	21%	192	44%	595	700	-15%
Refined Metal Production ('000 MT)								
Integrated Refined Metal								
Zinc	205	206	0%	149	38%	456	605	-25%
Saleable Lead ¹	39	35	10%	31	26%	94	102	-8%
Zinc & Lead	244	242	1%	179	36%	550	707	-22%
Saleable Silver ^{2,3} (in MT)	118	116	2%	107	10%	314	300	5%
Total Refined Metal								
Zinc	205	206	0%	150	37%	457	605	-24%
Saleable Lead ¹	39	35	10%	31	26%	94	106	-12%
Zinc & Lead	244	242	1%	181	35%	551	711	-22%
Saleable Silver ^{2,3} (in MT)	118	116	2%	107	10%	314	303	4%
Wind Power (in million units)	53	67	-22%	172	-69%	373	353	6%

(1) Excluding captive consumption of 1,731 MT in Q3 FY2017 as compared with 2,050 MT in corresponding prior period and 837 MT in previous quarter. For nine month period, it was 3,652 MT as compared with 5,748 MT a year ago.

(2) Excluding captive consumption of 8.9 MT in Q3 FY2017 as compared with 10.7 MT in corresponding prior period and 4.3 MT in previous quarter. For nine month period, it was 18.7 MT as compared with 29.7 MT a year ago.

(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.

For further information, please contact:

Ekta Singh
 Manager - Investor Relations
hzi.ir@vedanta.co.in
 Tel: +91 292 26 52 628

Pavan Kaushik
 Associate Vice President - Corporate Communications
pavan.kaushik@vedanta.co.in
 Tel: +91 99288 44499

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 389.9 million MT and average zinc-lead reserve grade of 11.7%. 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 17,000 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.

Hindustan Zinc Limited

Registered Office: Yashad Bhawan, Udaipur (Rajasthan) - 313 004
 T+91-294 660 4000 F+91-294 242 7734 www.hzindia.com
 CIN: L27204RJ1966PLC001208