



STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2014
PART I
(Rs. in Crore, except as stated)

PART I	PARTICULARS	Quarter ended			Year ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
		Unaudited	Audited (refer note 3)	Unaudited	Audited
1	Income from operations				
	a) Net sales/Income from operations (Net of excise duty)	2,962.65	3,588.69	2,939.41	13,458.95
	b) Other Operating Income	44.54	53.99	44.75	177.09
	Total income from operations (net)	3,007.19	3,642.68	2,984.16	13,636.04
2	Expenses				
	a) Cost of materials consumed	149.89	314.22	145.20	501.26
	b) Purchase of Stock in Trade	52.30	-	-	-
	c) Changes in inventories of finished goods and work in progress	72.99	(63.38)	(208.49)	(155.16)
	d) Employee benefits expense	161.74	166.32	178.05	680.06
	e) Depreciation and amortisation expense	202.29	204.11	184.33	784.59
	f) Consumption of Stores and spares	296.20	326.82	326.48	1,333.55
	g) Power and Fuel	227.64	291.39	264.85	1,155.13
	h) Mining Royalty	198.68	249.81	252.97	1,027.25
	i) Other Mining and Manufacturing expenses	366.54	425.96	377.90	1,557.01
	j) Other expenses	128.80	176.32	148.43	575.42
	Total expenses	1,857.07	2,091.57	1,669.72	7,459.11
3	Profit from operations before other income, finance costs and exceptional items	1,150.12	1,551.11	1,314.44	6,176.93
4	Other Income	717.37	588.66	620.28	1,899.39
5	Profit from ordinary activities before finance costs and exceptional Items	1,867.49	2,139.77	1,934.72	8,076.32
6	Finance Costs	7.60	20.25	6.66	44.94
7	Profit from ordinary activities after finance costs but before exceptional Items	1,859.89	2,119.52	1,928.06	8,031.38
8	Exceptional items (VRS expenses)	-	-	0.52	61.67
9	Profit from ordinary activities before tax	1,859.89	2,119.52	1,927.54	7,969.71
10	Tax Expense (Including deferred tax and net of MAT credit entitlement)	242.22	238.32	267.09	1,065.09
11	Net Profit from ordinary activities after tax	1,617.67	1,881.20	1,660.45	6,904.62
12	Extraordinary items (Net of tax expenses)	-	-	-	-
13	Net Profit for the period	1,617.67	1,881.20	1,660.45	6,904.62
14	Paid up Equity Share Capital - (Face value Rs. 2/- each)	845.06	845.06	845.06	845.06
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year				36,572.55
16.i	Earnings per share (before extraordinary items)				
	(of Rs 2/- each)(not annualised except for year ended March):				
	a) Basic	3.83	4.45	3.93	16.34
	b) Diluted	3.83	4.45	3.93	16.34
16.ii	Earnings per share (after extraordinary items)				
	(of Rs 2/- each)(not annualised except for year ended March):				
	a) Basic	3.83	4.45	3.93	16.34
	b) Diluted	3.83	4.45	3.93	16.34
	See accompanying notes to the financial results				
PART II					
A PARTICULARS OF SHAREHOLDING					
1	Public shareholding				
	- Number of shares	14821,64,690	14821,64,690	14821,64,690	14821,64,690
	- Percentage of shareholding	35.08	35.08	35.08	35.08
2	Promoters and promoter Group shareholding				
(a)	Pledged/Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of share (as a % of the total share capital of the company)	-	-	-	-
(b)	Non-encumbered				
	- Number of shares	27431,54,310	27431,54,310	27431,54,310	27431,54,310
	-Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100	100	100	100
	-Percentage of shares (as a % of the total share capital of the company)	64.92	64.92	64.92	64.92
Particulars		3 months ended (30.06.2014)			
B INVESTOR COMPLAINTS					
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	6			
	Disposed of during the quarter	6			
	Remaining unresolved at the end of the quarter	Nil			



REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED				
(Rs. in Crore)				
PARTICULARS	Quarter ended			Year ended
	30.06.2014	31.03.2014	30.06.2013	31.03.2014
	Unaudited	Audited (refer note 3)	Unaudited	Audited
1 Segment Revenue				
(Net sales/income from operations)				
a) Zinc, Lead and Silver				
(i) Zinc and Lead	2,586.15	3,183.89	2,466.04	11,778.26
(ii) Silver Metal	317.69	375.03	408.01	1,502.79
Total	2,903.84	3,558.92	2,874.05	13,281.05
b) Wind Energy	58.81	29.77	65.36	177.90
Net sales/Income from operations	2,962.65	3,588.69	2,939.41	13,458.95
2 Segment Result (Profit before interest and tax)				
a) (i) Zinc and Lead	945.44	1,289.58	1,017.01	5,038.34
(ii) Silver Metal	185.92	255.02	271.83	1,131.81
Total	1,131.36	1,544.60	1,288.84	6,170.15
b) Wind Energy	18.84	(12.28)	28.53	19.78
Total	1,150.20	1,532.32	1,317.37	6,189.93
Less: Interest	7.60	20.25	6.66	44.94
Less: Exceptional Items (VRS in respect of zinc, lead and silver)	-	-	0.52	61.67
Add: Other unallocable income net of unallocable expenditure	717.29	607.45	617.35	1,886.39
Total Profit before Tax	1,859.89	2,119.52	1,927.54	7,969.71
3 Capital Employed				
(Segment Assets – Segment Liabilities)				
a) Zinc, Lead and Silver	10,921.19	10,743.45	9,841.27	10,743.45
b) Wind Energy	817.42	819.24	998.50	819.24
c) Unallocated	27,300.32	25,854.92	23,078.25	25,854.92
Total	39,038.93	37,417.61	33,918.02	37,417.61
NOTES:				
1) The above results for the quarter ended 30th June 2014 have been reviewed by Audit Committee and approved by the Board of Directors at their meeting held on 21st July 2014. The auditors have carried out "Limited Review" of the above results.				
2) The Company has chosen to early adopt Accounting Standard (AS) 30 - Financial Instruments: Recognition and Measurement effective 1st April 2007 alongwith consequential revisions to other Accounting Standards as have been announced by the Institute of Chartered Accountants of India.				
3) The figures of the last quarter are the balancing figures between audited figures in respect of full financial year ended 31st March 2014 and unaudited published year to date figures up to the third quarter ended 31st December 2013, in the financial year ended 31st March 2014. Figures for the prior year/periods have been regrouped and/or reclassified wherever considered necessary.				
By Order of the Board				
 Akhilesh Joshi CEO & Whole-time Director				
Date: 21st July 2014				
Place: Mumbai				



**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
HINDUSTAN ZINC LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **HINDUSTAN ZINC LIMITED** ("the Company") for the Quarter ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) together with the early adoption of Accounting Standard 30, Financial Instruments: Recognition and Measurement effective April 1, 2007, and the consequential limited revisions as has been announced by the Institute of Chartered Accountants of India to certain Accounting Standards, as stated in note 2 of the Statement and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter Ended June 30, 2014 of the Statement, from the details furnished by the Management..

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jitendra Agarwal
Partner
(Membership No. 87104)

New Delhi, July 21, 2014

Hindustan Zinc Limited

Results for the First Quarter Ended June 30, 2014

Mumbai, July 21, 2014: Hindustan Zinc Limited today announced its results for the first quarter ended June 30, 2014.

Mr. Agnivesh Agarwal (Chairman, Hindustan Zinc) – “Zinc prices are looking up as market sentiments are improving and metal balance remains favourable. Our expansion projects will enhance our market leadership and we are aggressively accelerating our mine development efforts to increase future production.”

Financial Summary

(In Rs. Crore, except as stated)

Particulars	Q1			Q4
	2015	2014	Change	2014
Net Sales/Income from Operations				
Zinc	2,057	1,986	4%	2,591
Lead	452	402	12%	536
Silver	318	408	-22%	375
Others	136	143	-5%	87
Total	2,963	2,939	1%	3,589
EBITDA	1,352	1,506	-10%	1,736
Profit After Taxes	1,618	1,660	-3%	1,881
Earnings per Share (Rs.)	3.83	3.93	-3%	4.45
Mined Metal Production ('000 MT)	163	238	-31%	200
Refined Metal Production ('000 MT)				
Total Refined Zinc	141	174	-19%	183
- Zinc – Integrated	139	173	-20%	179
Total Saleable Refined Lead ¹	31	31	-1%	36
- Saleable Lead – Integrated	22	27	-21%	29
Total Refined Saleable Silver ^{2,3} (in MT)	82	96	-15%	91
- Saleable Silver – Integrated	56	77	-28%	68
Wind Power (in million units)	146	162	-10%	76
Zinc CoP without Royalty (Rs. / MT)	60,093	46,765	29%	55,467
Zinc CoP without Royalty (\$ / MT)	1,005	836	20%	899
Zinc LME (\$ / MT)	2,074	1,840	13%	2,029
Lead LME (\$ / MT)	2,096	2,049	2%	2,106
Silver LBMA (\$ / oz.)	19.6	23.1	-15%	20.5
USD-INR	59.8	55.9	7%	61.8

(1) Excluding captive consumption of 1,689 MT in Q1 FY 2015, as compared with 1,644 MT in corresponding prior period.

(2) Excluding captive consumption of 8,777 MT in Q1 FY 2015, as compared with 8,844 MT in corresponding prior period.

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

Operational Performance

Mined metal production was 163,131 MT in Q1, as compared with 237,825 MT a year ago. The decrease is in-line with our mine plan, which involves lower mined metal production on a year-on-year basis in the first half of the year where we excavate more waste than ore. With higher production planned in second half, the transition to underground mining is progressing well.

Integrated refined metal production of zinc-lead during the quarter was lower by ~20% compared to a year ago, in-line with mined metal production.

The zinc metal cost of production before royalty during the quarter was Rs. 60,093 (\$1,005), which is 29% higher in Rupee and 20% higher in USD term from a year ago. The lower production volumes significantly impacted costs, accentuated by rupee depreciation, planned plant shutdowns and higher mine development.

Financial Performance

Revenues were up 1% to Rs. 2,963 crore in Q1 FY 2015 as compared with the corresponding prior period. The increase was driven by higher zinc LME price & premium and rupee depreciation, offset by lower volumes.

EBITDA decreased by 10% to Rs. 1,352 crore in Q1 FY 2015 due to lower production volumes and higher production cost.

Net profit decreased by 3% to Rs. 1,618 crore in Q1 FY 2015. The impact of lower EBITDA was partly offset by strong other income during the quarter.

Expansion Projects

During the quarter, total mine development increased by 15%. Rampura Agucha and Sindesar Khurd shaft projects are progressing well. India's first paste-fill plant is under commissioning at Rampura Agucha mine. Mine design and planning for further deepening of the pit at Rampura Agucha is under progress to explore extension of mine life.

Liquidity and investment

As on June 30, 2014, the Company had cash and cash equivalents of Rs. 26,272 crore, out of which Rs. 22,172 crore was invested in mutual funds, Rs. 2,049 crore in bonds and Rs 2,000 crore were in fixed deposits with banks. The Company follows a conservative investment policy and invests in high quality debt instruments.

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 total reserve & resource of 348.3 million MT and average zinc-lead reserve grade of 12.0%. 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 15,000 including contract workforce.

Hindustan Zinc is a subsidiary of the BSE and NSE listed Sesa Sterlite Limited (ADRs listed on the NYSE), a part of London listed diversified metals and mining major, Vedanta Resources plc.

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 behavior 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 that those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.