

HZL/2023-SECY/

October 20, 2023

BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400001

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex,
Mumbai – 400051

Kind Attn: - General Manager,
Dept. of Corporate Services

Kind Attn:- Head - Listing & Corporate
Communications

Scrip Code: 500188

Trading Symbol: HINDZINC-EQ

Dear Sir/Ma'am,

Sub: Outcome of Board meeting held on October 20, 2023 - Press Release and Investor Presentation

In continuation to our Letter No. HZL/2023-SECY/ dated October 20, 2023, on declaration of the unaudited Consolidated and Standalone Financial Results of the Company for the second quarter and half year ended September 30, 2023 ("**Financial Results**"), please find enclosed herewith the copy of Press Release and Investor Presentation issued on the Financial Results.

Same shall also be made available on the website of the Company at www.hzindia.com.

You are requested to take the above on your records.

Thanking you,

For **Hindustan Zinc Limited**

Rajendra Pandwal
Company Secretary and Compliance Officer

Encl.: as above



Hindustan Zinc Limited

Results for the Second Quarter and Half Year Ended September 30, 2023

“Robust H1 backed by strategic growth projects, sustained cost optimization and ESG excellence.”

Highlights

Q2 FY24

- Mined metal production: 252 kt
- Refined metal production: 241 kt
- Saleable silver production: 181 MT
- Zinc COP: US\$ 1,137 per MT

H1 FY24

- Mined metal production: 509 kt
- Refined metal production: 501 kt
- Saleable silver production: 360 MT
- Zinc COP: US\$ 1,167 per MT

Udaipur, October 20, 2023: Hindustan Zinc Limited, the leading global integrated producer of zinc, lead and silver, reported its results for the second quarter and half year ended September 30, 2023.

Commenting on the performance, **Mr. Arun Misra, CEO**, said: *“Hindustan Zinc witnessed significant milestone achievements in its expansion efforts during the quarter. I am pleased to share the **commissioning of our Fumer plant, Rajpura Dariba concentrator and Zinc Alloy facility** ensuring a more sustainable, circular and efficient operations. Catalysing growth, our plants and assets are also geared up to maximise performance. With delivery of steady operational performance in first half of the year and ramped up facilities, we are confident of delivering a standout financial year. Advancing swiftly towards our sustainability goals, this quarter we commissioned another 4,000 KLD zero liquid discharge plant at Zawar mines and entered in an agreement for 180 LNG vehicles for green transportation. I am happy to share that our ambitious net zero targets are now approved by SBTi making Hindustan Zinc the only Indian company in mining sector with validated targets.”*

Mr. Sandeep Modi, CFO, said: “With our persistent focus on cost optimisation, operational efficiencies and working capital management, Hindustan Zinc delivered another quarter of steady margins and financial performance despite the complex economic landscape. I am happy to share that driven by our cost optimisation efforts, we have **successfully achieved third consecutive quarter of sustained cost improvement and the lowest cost in last six quarters**. We are well positioned to execute our strategic priorities in FY24 revolving around cost optimisation, digital advancement enhancing our competitive edge, healthy cash flows and robust balance sheet thereby generating long-term sustainable value for shareholders.”

Financial Summary Standalone

INR Crore or as stated

Particulars	Q2			Q1		H1		
	2024	2023	Change	2024	Change	2024	2023	Change
Sales¹								
Zinc	4,034	5,824	-31%	4,668	-14%	8,702	12,689	-31%
Lead	1,117	991	13%	961	16%	2,078	1,978	5%
Silver	1,297	1,079	20%	1,298	-0%	2,595	2,188	19%
Others	344	442	-17%	335	3%	699	868	-19%
Total	6,792	8,336	-18%	7,282	-7%	14,074	17,723	-21%
EBITDA	3,120	4,390	-29%	3,360	-7%	6,481	9,668	-33%
Profit After Taxes	1,737	2,681	-35%	1,970	-12%	3,707	5,774	-36%
Earnings per Share (INR, not annualised)	4.11	6.35	-35%	4.66	-12%	8.77	13.67	-36%
Mined Metal Production ('000 MT)	252	255	-1%	257	-2%	509	507	0%
Refined Metal Production ('000 MT)								
Total Refined Metal								
Zinc	185	189	-2%	209	-12%	394	395	0%
Saleable Lead	57	57	0%	51	12%	107	110	-3%
Zinc & Lead	241	246	-2%	260	-7%	501	506	-1%
Saleable Silver ² (in MT)	181	194	-7%	179	1%	360	371	-3%
Wind Power (in million units)	157	124	27%	121	29%	278	274	2%
Refined Metal Sales (kt)								
Zinc (kt)	185	189	-2%	208	-11%	393	395	-0%
Lead (kt)	57	57	0%	50	13%	107	110	-3%
Silver (MT)	181	194	-7%	179	1%	360	371	-3%
Zinc CoP without Royalty (INR/MT)	93,981	1,00,307	-6%	98,103	-4%	96,144	98,748	-3%
Zinc CoP without Royalty (\$/MT)	1,137	1,259	-10%	1,194	-5%	1,167	1,260	-7%
Zinc LME (\$/MT)	2,428	3,271	-26%	2,526	-4%	2,476	3,580	-31%
Lead LME (\$/MT)	2,170	1,976	10%	2,117	2%	2,145	2,083	3%
Silver LBMA (\$/oz.)	23.6	19.2	23%	24.1	-2%	23.8	20.9	14%
USD-INR (average)	82.68	79.69	4%	82.16	1%	82.42	78.38	5%

(1) Including other operating income

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

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

Financial Summary Consolidated

INR Crore or as stated

Particulars	Q2			Q1		H1		
	2024	2023	Change	2024	Change	2024	2023	Change
Sales¹								
Zinc	4,033	5,824	-31%	4,668	-13%	8,701	12,689	-31%
Lead	1,117	991	13%	961	16%	2,078	1,978	5%
Silver	1,297	1,079	20%	1,298	0%	2,595	2,188	19%
Others	344	442	-22%	355	3%	699	868	-19%
Total	6,791	8,336	-19%	7,282	-7%	14,073	17,723	-21%
EBITDA	3,122	4,387	-29%	3,359	-7%	6,481	9,665	-33%
Profit After Taxes	1,729	2,680	-35%	1,964	-12%	3,693	5,772	-36%
Earnings per Share (INR, not annualised)	4.09	6.34	-35%	4.65	-12%	8.74	13.66	-36%
Mined Metal Production ('000 MT)	252	255	-1%	257	-2%	509	507	0%
Refined Metal Production ('000 MT)								
Total Refined Metal								
Zinc	185	189	-2%	209	-12%	394	395	0%
Saleable Lead	57	57	0%	51	12%	107	110	-3%
<i>Zinc & Lead</i>	241	246	-2%	260	-7%	501	506	-1%
Saleable Silver ² (in MT)	181	194	-7%	179	1%	360	371	-3%
Wind Power (in million units)	157	124	27%	121	29%	278	274	2%
Refined Metal Sales (kt)								
Zinc (kt)	185	189	-2%	208	-11%	393	395	-0%
Lead (kt)	57	57	0%	50	13%	107	110	-3%
Silver (MT)	181	194	-7%	179	1%	360	371	-3%
Zinc CoP without Royalty (INR/MT)	93,981	1,00,307	-6%	98,103	-4%	96,144	98,748	-3%
Zinc CoP without Royalty (\$/MT)	1,137	1,259	-10%	1,194	-5%	1,167	1,260	-7%
Zinc LME (\$/MT)	2,428	3,271	-26%	2,526	-4%	2,476	3,580	-31%
Lead LME (\$/MT)	2,170	1,976	10%	2,117	2%	2,145	2,083	3%
Silver LBMA (\$/oz.)	23.6	19.2	23%	24.1	-2%	23.8	20.9	14%
USD-INR (average)	82.68	79.69	4%	82.16	1%	82.42	78.38	5%

(1) Including other operating income

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

Operational Performance

Mined metal production for the quarter was 252 kt, down 1.4% y-o-y and 2.0% sequentially mainly due to lower ore production at Rampura Agucha and Kayad mine partly offset by better overall metal grades. H1 FY24 mined metal production stood at 509 kt, marginally up y-o-y on account of higher ore production largely at Rampura Agucha supported by better overall metal grades.

Refined metal production for the quarter was 241 kt, down 1.8% y-o-y and 7.1% sequentially on account of scheduled maintenance activity. Metal production for H1 FY24 stood at 501 kt, marginally down y-o-y, in line with plant availability.

Integrated zinc production for the quarter was 185 kt, down 2.3% y-o-y and 11.7% sequentially. Refined lead production for the quarter was 57 kt, flat as compared to Q2 FY23 and up 11.7% sequentially on account of pyro plant operations on lead mode during the quarter. H1 FY24 integrated zinc production stood at 394 kt, marginally down y-o-y. Refined lead production was at 107 kt, down 2.7% y-o-y in line with the plant availability.

Saleable silver production for the quarter was 181 MT, marginally up sequentially and down 6.8% y-o-y due to accumulation of WIP in Q2 FY24. H1 FY24 saleable silver production stood at 360 MT, down 3.0% y-o-y in line with lead metal production.

Financial Performance

Revenue from operations during the quarter was INR 6,791 Crore, down 18.5% y-o-y, on account of significantly lower zinc prices, lower zinc and silver volumes and differential strategic hedging impact partly offset by higher lead and silver prices and favourable exchange rates.

Sequentially revenue witnessed a decline of 6.7%, primarily due to lower zinc prices & volume and lower silver prices while being offset by favourable exchange rate, higher lead prices and improved lead & silver volumes.

H1 FY24 revenue from operations stood at INR 14,073 Crore, down 20.6% y-o-y, on account of significantly lower zinc prices, lower metal and silver volumes and differential strategic hedging impact partly offset by higher lead and silver prices and favourable exchange rates.

Zinc cost of production before royalty (COP) for the quarter was US\$ 1,137 (INR 93,981) per MT, lower by 9.7% (6.3% lower in INR terms) y-o-y and lower by 4.8% (4.2% lower in INR terms) sequentially. Zinc COP for H1 FY24 was US\$ 1,167 (INR 96,144) per MT, lower by 7.4% (2.6% lower in INR terms) y-o-y. Cost improvement is majorly on account of softened coal and input commodity prices, better domestic coal (linkage) availability, further supported by better grades sequentially.

EBITDA for the quarter was INR 3,122 Crore, down 28.8% y-o-y and 7.1% sequentially and for H1 FY24 EBITDA was INR 6,481 Crore, down 32.9% y-o-y, mainly on account of lower revenue being partially offset by cost improvement.

Net profit for the quarter was at INR 1,729 Crore, down 35.5% y-o-y and 12.0% sequentially and for H1 FY24 Net Profit was at INR 3,693 Crore, down 36.0% y-o-y, primarily on account of lower EBITDA partly offset by lower tax expense.

Key Strategic Updates

On 29th September'23, the Board authorized 'Committee of Directors' to evaluate value unlocking measures. External advisors to assist in the evaluation exercise have been appointed by the management and work is underway.

Projects Update

- Fumer plant commissioned in Q2 FY24 through remote support of OEM and HZL team from China, making it the first such kind of innovative commissioning across Hindustan Zinc. Full ramp up under progress and targeted by early Q3 FY24
- Rajpura Dariba Mill commissioned. Complete ramp up under progress, targeted by early Q3 FY24
- For Hindustan Zinc Alloys Private Limited (HZAPL), hot commissioning complete and first alloy metal produced in first week of Oct'23
- For the new Roaster at Debari, all orders placed. Engineering and procurement activities ongoing and EPC contractor mobilized at site
- For Hindustan Zinc Fertilisers Private Limited (HZFPL), major orders placed and technology partner onboarded. Engineering and procurement activities are ongoing

ESG Update

- Hindustan Zinc became the first metal and mining company in India to have validated Science Based Targets in line with 1.5° C with approved targets of 50% reduction in Scope 1 & 2 and 25% reduction in Scope 3 GHG emissions by 2030 and net zero by 2050 from base year 2020
- Hindustan Zinc signed a landmark agreement for deploying 180 LNG vehicles for inter-unit and finished goods movement reducing Scope 3 emissions
- Inaugurated a 4,000 KLD Zero Liquid Discharge (ZLD) Plant at Zawar mines to facilitate water recovery and reduction in freshwater dependency, reaffirming the Company's vision of zero waste & zero discharge and 5x water positivity by 2025
- HZL launched its second battery electric vehicle in the underground mines of Sindesar Khurd (SK)
- Selected to pilot the world's first Science-Based Targets for Nature
- Rajpura Dariba mine flagged off a wildlife rescue van as a part of the wildlife conservation plan. The van was handed over to the forest department of Rajsamand district
- Zawar Mines received CII National Award in Innovation Project Category for Environment Best Practices
- DSC recognized with Platinum award in metal and mining sector at Apex India Occupational Health and Safety Awards 2023

Liquidity and Investment

Company generated cash flow of INR 2,648 Crore during the quarter. As on September 30, 2023, the Company's gross investments and cash & cash equivalents were INR 11,393 Crore as compared to INR 9,709 Crore at the end of June'23 which was invested in high quality debt instruments.

Total borrowings outstanding as on Sep'23 was INR 11,323 Crore.

During the quarter, the company paid dividend of INR 2,958 Crore.

Outlook for FY24

We would like to reiterate our guidance for FY24.

Mined metal is expected to be between 1,075-1,100 kt and refined metal production in the range of 1,050-1,075 kt. Saleable silver production is projected to be between 725-750 MT.

Zinc cost of production in FY24 is expected to be in between US\$ 1,125-1,175 per MT. Project capex for the year is expected to be in the range of US\$ 175-200 million.

Earnings Call on Friday, October 20, 2023, at 16:30 hours (IST)

The Company will hold an earnings conference call on Friday, October 20, 2023, at 16:30 hours IST, where senior management will discuss the Company's results and performance.

Conference Dial-In Information:

[Express Join via internet registration](#)

Please dial the below number at least 5-10 minutes prior to the conference schedule.

Universal Access +91 22 6280 1340, +91 22 7115 8241

Playback Dial-In Numbers +91 22 7194 5757

October 20 - October 27, 2023 Playback Code: 78287

For further information, please contact:

Jhalak Rastogi

Associate Director - Investor Relations

jhalak.rastogi2@vedanta.co.in

+91 8287262850

Maitreyee Sankhla

Interim Head - Corporate Communications

maitreyee.sankhla@vedanta.co.in

+91 7742161333

Rahul Challa

Team Member - Investor Relations

hzl.ir@vedanta.co.in

About Hindustan Zinc

Hindustan Zinc, a Vedanta Group company in Zinc-Lead and Silver business is world's 2nd largest integrated Zinc producer and 5th largest Silver producer. The company governs about ~75% of the growing Zinc market in India with its headquarters at Udaipur along with Zinc-Lead mines and smelting complexes spread across the state of Rajasthan.

Hindustan Zinc is self-sufficient in power with captive thermal power plants and has ventured into green energy by setting-up wind power plants. The company is ranked 1st in Asia-Pacific for the fourth consecutive year and globally 3rd in S&P Global Corporate Sustainability Assessment in 2022 amongst Mining & Metal companies. Hindustan Zinc is a certified Water Positive company and is the only Indian company to be recognized at the S&P Global Platts Metal Award 2022 winning two prestigious awards for 'Industry Leadership Award - Base, Precious & Specialty Metals' Award and 'Corporate Social Responsibility' Award. Hindustan Zinc is also the only Indian company in mining sector with validated & approved SBTi targets in alignment with 1.5 °C target.

The company takes pride in having some of the best-in-class people practices and employee-centric initiatives, which have certified Hindustan Zinc as - 'Great Place to Work 2023', 'Company with Great Managers 2022' by People Business and the 'People-first HR Excellence Award'.

As a socially responsible corporate, Hindustan Zinc has been relentlessly working towards transforming lives of 1.7 million people in 237 villages in the states of Rajasthan and Uttarakhand. The company is amongst the Top 15 CSR Spenders in India.

Learn more about Hindustan Zinc on - <https://www.hzindia.com/home/> and follow us on [LinkedIn](#), [Twitter](#), [Facebook](#), and [Instagram](#) for more updates.

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

Investor Presentation

October 2023

Q2 FY24

Earnings Presentation



Cautionary Statement and Disclaimer

The views expressed here may contain information derived from publicly available sources that have not been independently verified.

No representation or warranty is made as to the accuracy, completeness, reasonableness, or reliability of this information. Any forward-looking information in this presentation including, without limitation, any tables, charts and/or graphs, has been prepared on the basis of a number of assumptions which may prove to be incorrect. This presentation should not be relied upon as a recommendation or forecast by Hindustan Zinc Limited. Past performance of Hindustan Zinc cannot be relied upon as a guide to future performance.

This presentation 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', 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 environmental, climatic, natural, 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. We caution you that reliance on any forward-looking statement involves risk and uncertainties, and that, although we believe that the assumption on which our forward-looking statements are based are reasonable, any of those assumptions could prove to be inaccurate and, as a result, the forward-looking statement based on those assumptions could be materially incorrect.

This presentation is not intended, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities in Hindustan Zinc or undertakings or any other invitation or inducement to engage in investment activities, nor shall this presentation (or any part of it) nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision.



Unique Positioning in Metal & Mining Landscape



*as of November 18, 2022

Q2 FY24 performance backed by strategic growth projects, sustained cost optimization and ESG excellence

Sustainability

- SBTi validated the targets of 50% reduction in Scope 1 & 2 and 25% reduction in Scope 3 emissions by 2030
- Landmark agreement signed between Hindustan Zinc and GreenLine for 180 LNG vehicles for internal finished goods movement
- Zero liquid discharge plant of 4,000 KLD capacity inaugurated at Zawar mines
- Dariba smelting complex recognized with Platinum award in metal and mining sector at Apex India Occupational Health and Safety Awards 2023



Operational

- Q2 refined metal down 7% sequentially on account of scheduled maintenance activity, silver production up 1% sequentially
- Cost of Production (COP) down by 10% YoY and 5% QoQ, lowest cost in last 6 quarters and over \$150/t improvement in back-to-back three quarters
- Fumer commissioned and stabilized in Q2 FY24
- Rajpura Dariba Mill commissioned enhancing the RD ore treatment capacity to 1.1 mtpa



Financial

- EBITDA of c.INR 3.1k Cr & PAT of c.INR 1.7k Cr, down by 35% YoY on account of significantly lower LME partly offset by lower input commodity prices
- Robust EBITDA margin of 46%
- Strong liquidity supported by healthy free cash flow from operations of c.INR 2.6k Cr during the quarter



A photograph of two workers in safety gear (hard hats, high-visibility vests, and gloves) inspecting a large array of solar panels on a roof. The worker in the foreground is wearing an orange high-visibility vest and a white hard hat with a red stripe. The worker in the background is wearing a yellow high-visibility vest and a white hard hat. The solar panels are arranged in a grid pattern on a flat roof. In the background, there are some utility structures and trees. A blue and green graphic overlay is on the left side of the image, containing the text 'SUSTAINABILITY UPDATE'.

SUSTAINABILITY UPDATE



Climate Change

0.5 mn tCO₂e GHG emission savings from base year 2017



Water Stewardship

5x water positive company and 25% reduction in freshwater consumption



Circular Economy

3x increase in gainful utilisation of smelting process waste



Biodiversity Conservation

Protect and enhance biodiversity throughout the life cycle



Sustainability Goals 2025



Diversity in Workforce

Inclusive and diverse workplace with 30% diversity



Ensuring Zero Harm

Zero work-related fatalities and 50% reduction in TRIFR



Responsible Sourcing

100% responsible sourcing in the supply chain



Social Impact

Positively impact one million lives



Roadmap to Net-zero

SBTi Approved
Hindustan Zinc's **Near-Term & Long-Term Net Zero Targets**

Hindustan Zinc is the **only Indian Company in Mining** - Iron, Aluminium, Other metals sector with validated and approved SBTi targets in alignment with 1.5°C target

Near-Term **50% reduction** in Scope 1 & 2 GHG emissions and **25%** of Scope 3 emissions by FY2030

Long-Term **Net Zero Emissions** by FY2050

2026 - Transition to Clean Energy

- Firm Renewable Energy
- Efforts on Scope 3

Scope 1 & 2 - 18%
Scope 3 - 20%

2030 - In line with NDC

- Firm Renewable Energy
- Explore Hydrogen Fuel & others
- Efforts on Scope 3

Scope 1 & 2 - 50%
Scope 3 - 25%

2040 - Scaling Up

- Firm Renewable Energy
- Hydrogen Fuel
- Carbon Capture Utilization and Storage
- Circular Economy

2050 - Delivering Commitment

- Firm Renewable Energy
- Hydrogen Fuel
- Carbon Capture Utilization and Storage
- Circular Economy

Scope 1 & 2 - 100%
Scope 3 - 100%



Move towards Green Transportation

- **MoU signed with GreenLine** for 180 Liquefied Natural Gas (LNG) vehicles
- **Utilisation:** Inter unit movements and finished goods transportation
- **Impact:** 30% reduction in carbon footprint and reduction of Scope 3 emissions, as compared to traditional diesel vehicles



Towards 5x Water Positivity by 2025

- **Inaugurated state-of-the-art zero liquid discharge plant of 4,000 KLD capacity** (phase 1) in collaboration with Ion Exchange (India) Ltd at Zawar mines to help in water conservation
- **Impact:** To facilitate water recovery through reduction in freshwater dependency using advanced technology

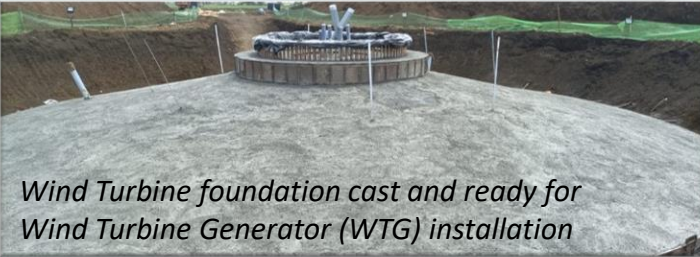


Renewable Power Update : Hindustan Zinc entered into Power Delivery Agreements (PDA) with Serentica Renewables India Private Ltd (SRIPL4 and SRIPL5) for Dariba (200 MW) and Chanderiya (250 MW) plant locations respectively. SRIPL4 & SRIPL5 are part of Serentica group which is developing ~4GW of Renewable Energy across multiple states to provide round-the-clock power to industries.

Piers ready for tracker and module mounting



Wind Turbine foundation cast and ready for Wind Turbine Generator (WTG) installation



Isolator & Current Transformer raft casting



Inverter Control Room (ICR) ready for equipment installation



Main Control Room getting ready for equipments



Salient Features of the Project

- Solar project is being constructed in Rajasthan
- Wind project is being developed in Maharashtra
- Power flow through ISTS network and delivery to HZL through dedicated transmission lines
- Higher reliability flow of power from ISTS network

Project Updates and Milestones

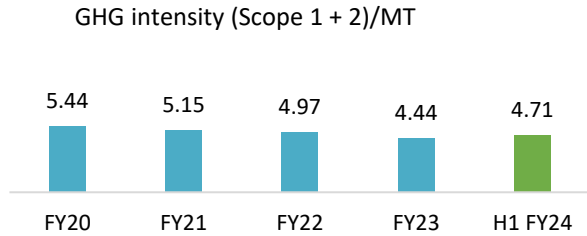
- Land acquisition and statutory approvals are on track
- Transmission connectivity secured
- OEM, EPC & vendor partners tied-up and construction activity at site under progress
- Phased completion starting from Mar'24 with complete commissioning by Jun'25

Key Priorities: Sustainability Goals 2025

Climate Change



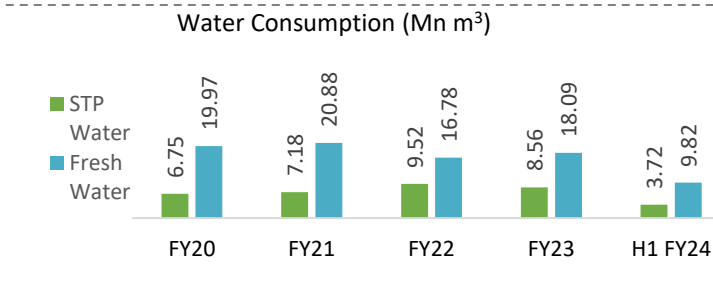
Progress



Major Actions

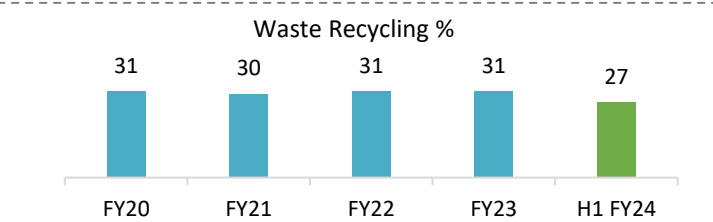
- PDA signed for 450 MW Renewable Energy (work initiated)
- 100% RE power consumption at Pantnagar Metal Plant
- Use of biomass (5%) in power plant
- Energy efficiency programs/ISO 50001 certification
- Switching to electrical mobility- two UG battery electric vehicles (BEV) inaugurated, 29 EVs across HZL
- MoU signed for 180 LNG vehicles for inter unit & finished goods movement

Water Stewardship

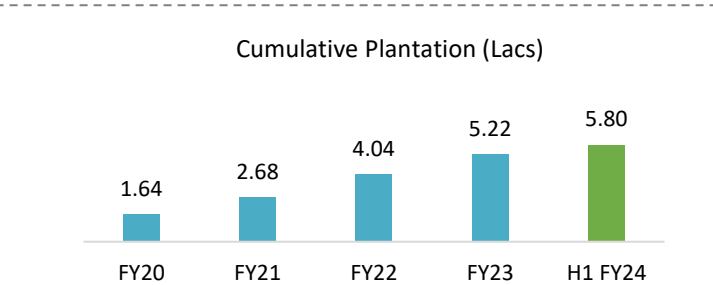
- Utilization of Municipal sewage treated water (Udaipur STP)
- Maintaining zero discharge across HZL
- Water recycling: Integrated water treatment facilities (ETP-RO- MEE/MVR)
- Shifting from wet tailing disposal to dry tailing disposal, zero liquid discharge (ZLD) plants at CLZS, DSC, ZSD & Zawar Mine
- Rainwater harvesting
- Water risk assessment

Circular Economy

- Fumer for Hydro Smelters
- 100% utilization of Jarosite in cement (H1 FY24: ZSD- 55,631 MT)
- Jarofix utilization in road construction (H1 FY24: CLZS- 38,814 MT)
- Metal recovery from waste
- Green capping of Jarofix yard

Biodiversity Conservation

- Three years engagement with International Union for Conservation of Nature (IUCN)
 - IBAT assessment & ecosystem service review
 - 2 season biodiversity assessment completed
- Launch of 'Coffee Table Book' featuring bird biodiversity
- Miyawaki afforestation and wildlife conservation plan
- 1 million plantation drive by 2025
- Restoration of Jarofix yard
- Piloting Science-Based Targets for Nature



Key Priorities: Sustainability Goals 2025

Progress

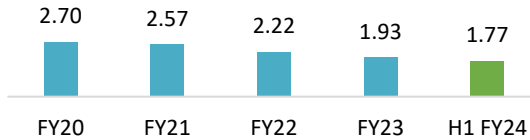
Major Actions

Zero Harm



One year of zero Fatalities

TRIFR (number per Mn hours worked)

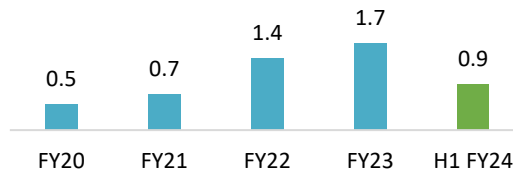


- Critical Risk Management (CRM) implementation
- Community of Practice for Structural Integrity & Inframatrix Implementation
- Safety governance structure for business partners
- Elimination of high-risk manual activities
- Industrial hygiene - QLEA and QNEA
- Mining mate competency enhancement
- ERCP gap assessment

Social Impact



CSR Outreach (Beneficiaries) in Mn

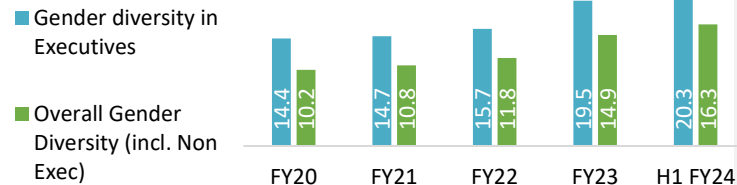


- Outreach 200 villages ~0.9 Mn beneficiaries through sustained CSR initiatives
- Enhancing the local economy by sustainable livelihood practices
- Improving quality of life of communities including the lifecycle approach in education sphere & developing model villages
- Evolving grassroots institutions & promoting microenterprises

Diversity & Inclusion



Gender Diversity Trend (%)



- Improving diversity - (Gender and sexual orientation) through focused drive - Launched "Aahvaan" : initiated hiring of TGs in Finance and Commercial function
- Mandating gender diversity ratio in campus recruitment
- Launched 'Zinclusion - Embracing Differences'
- V-Build program exclusively for women to build leadership pipeline

Responsible Sourcing



- Incorporating ESG into the commercial process
 - ESG questionnaire in prequalification criteria
 - Supplier's due diligence
 - Standard ESG expectations in the contracts, single use plastic, Modern Slavery Act declaration in RFQ, incorporating subcontractor approval during RFQ
- Launched vendor grievance through ROBOS portal
- Integrated carbon loading tool for product level emission calculation in ARIBA RFQ
- Conducted webinars for ESG, COC, Ethics, Labor Law



Skill Development

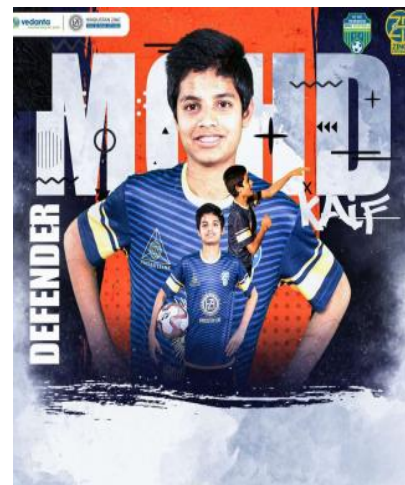
- 286 Successful Placements:
 - 10 trainees from Unarmed Security Guard trade from Zinc Kaushal, Hurda at TCS
 - 11 customer care trainees from Zinc Kaushal, Debari at Teleperformance
 - 8 microfinance trainees from Zinc Kaushal, Kayad in RBL Bank
- International Youth Day celebrated with 400+ youths of Zinc Kaushal Kendra

Sports

- Zawar based defender Mohammed Kaif selected in the India Under-16 Football squad for the SAFF U-16 Championship in Bhutan
- 4 ZFA players selected for U-16 boys national team preparatory camp in J&K
- CLZS Junior Security Officer, Pinal Prajapati qualified to represent Rajasthan in National Shooting Championship 2023

Women Empowerment

- Launched website of the marketing entity “Hearts with Fingers”
- Crafted 10 hand-printed rakhi for unboxing, launched by HZL Chairperson
- Launched new range in home textile product and grey khadi with fine embroidery products



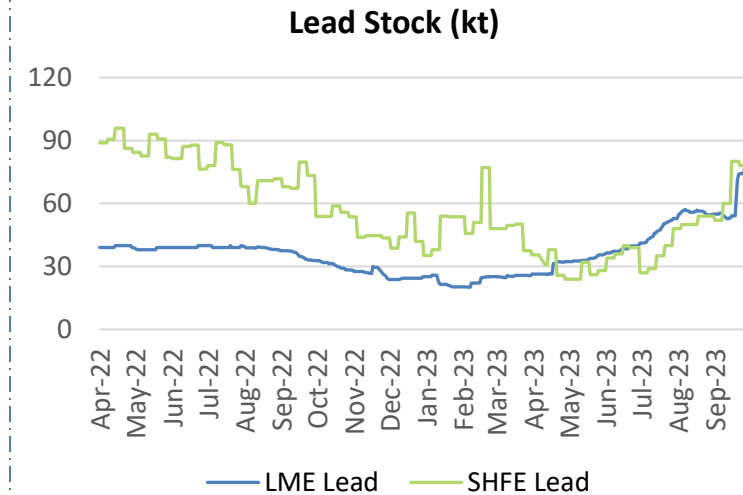
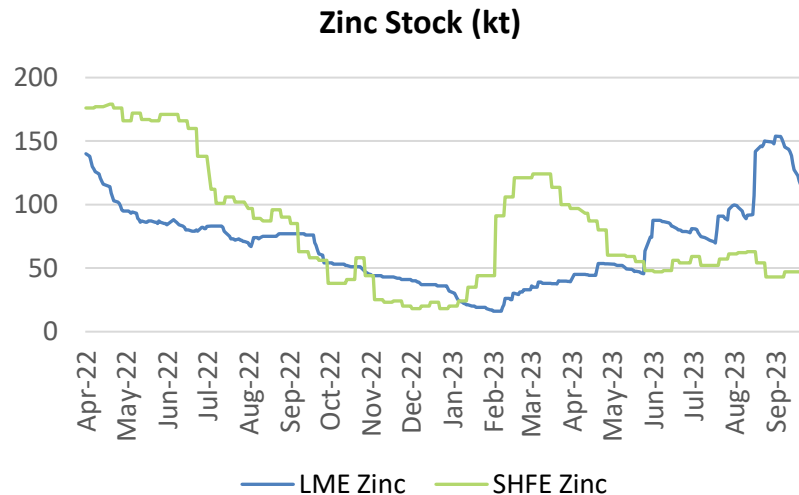
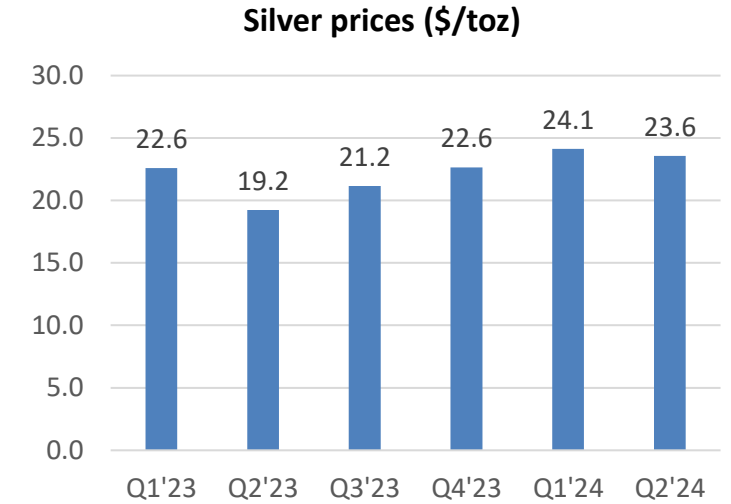
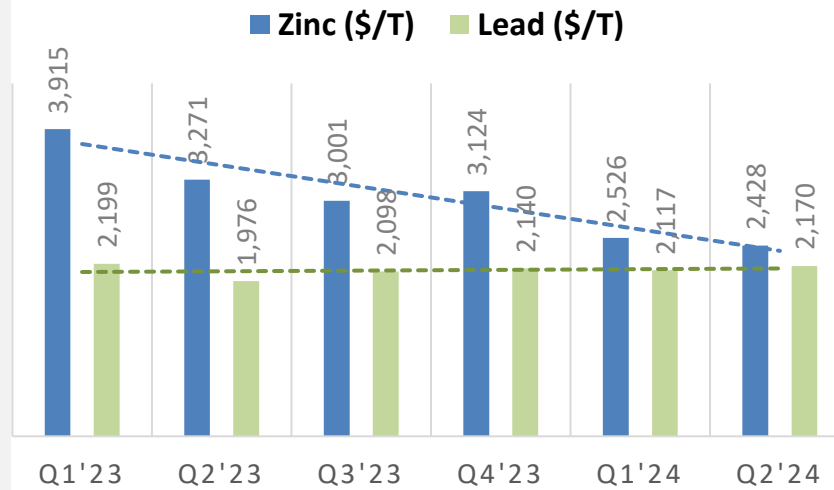


**OPERATIONAL
REVIEW & BUSINESS
UPDATE**

Mr. Arun Misra
CEO HZL

Market Update

- Substandard economic performance in US, Europe, and China counterbalanced by optimistic outlook of increased efforts by Chinese authorities to support growth
- Global zinc demand likely to remain impacted by macro-economic factors
- Domestic zinc demand remains resilient owing to fiscal thrust on construction & infrastructure projects, Indian economy resilient, strengthened by strong consumer demand & growth in manufacturing output
- Domestic lead and silver demand remains robust
- Supply: Though the price pressures have compelled a few mines and smelters to close/suspend, the surplus in refined market is higher due to subdued demand
- Zinc inventories in LME warehouses stood at 105 kt (vs 81 kt as of Jun'23) and in SHFE warehouses at 32 kt (vs 59 kt as of Jun'23) at the end of Sep'23



Operational Highlights : Record H1 mined metal production

Mined Metal



H1 FY24
509 kt
(flat y-o-y)

Q2 FY24
252 kt
(down 1% y-o-y)

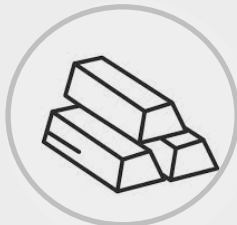
Refined Metal



H1 FY24
501 kt
(down 1% y-o-y)

Q2 FY24
241 kt
(down 2% y-o-y)

Saleable Silver



H1 FY24
360 MT
(down 3% y-o-y)

Q2 FY24
181 MT
(down 7% y-o-y)

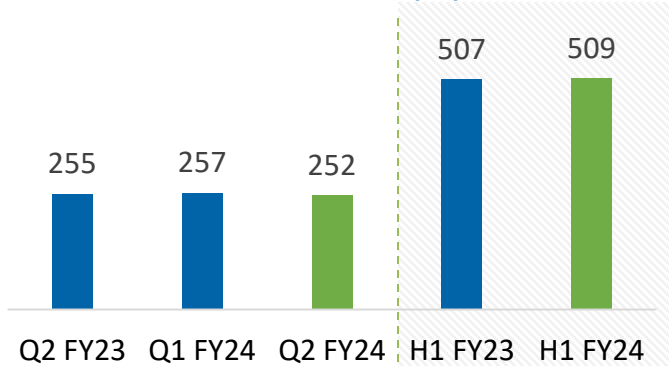
Q2 FY24

- Mined metal marginally down y-o-y and 2% down q-o-q on account of lower ore production at Rampura Agucha and Kayad mine partly offset by better overall grades
- Refined metal down by 2% y-o-y and 7% q-o-q on account of a scheduled maintenance activity
- Saleable silver production up 1% q-o-q & down 7% y-o-y on account of WIP accumulation in the quarter
- Marking third consecutive quarter of cost optimisation, Q2 FY24 Zinc COP* at \$1,137/t, down 10% y-o-y and 5% q-o-q. Improvement on account of lower coal and input commodity prices and better linkage coal availability, further supported by better grades sequentially

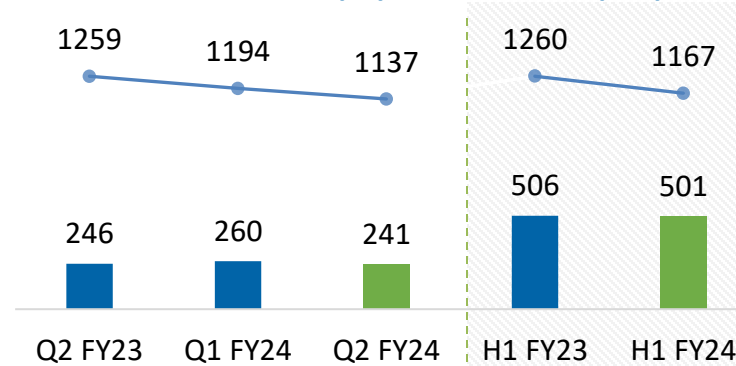
H1 FY24

- Highest-ever first half mined metal, up y-o-y, on account of higher ore production at Rampura Agucha Mine supported by better overall metal grades
- Refined metal down marginally y-o-y in line with plant availability
- Saleable silver production down 3% y-o-y in line with lead metal production
- Zinc COP* at \$1,167/t, down 7% y-o-y due to lower coal and input commodity prices and better linkage coal availability

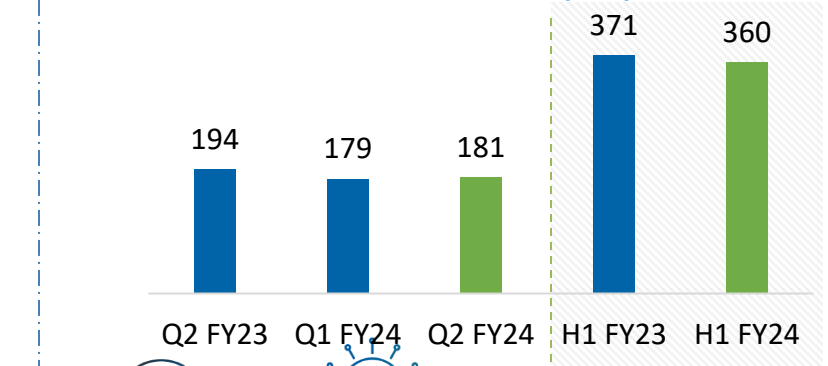
Mined Metal (kt)



Refined Metal (kt) & Zinc COP* (\$/t)



Saleable Silver (MT)



I. Fumer Project for Hydrometallurgical Smelters:

Fuming operations as a technology generate an environment-friendly saleable slag. India's first Fumer plant at Chanderiya using fuming technology, aims at converting jarosite to clean slag enabling waste recycling and recovery of additional silver and base metal



Innovative **commissioning done** by internal team through online support from Chinese experts

Better volume recovery - **additional 30TPA+ silver and 7kt+ metal**

Enabling circular economy by treatment of waste

Better waste management by reducing the continuous land requirement for Jarofix storage

Full ramp up under progress and targeted by early Q3 FY24

II. Hindustan Zinc Alloy Private Limited:

Transitioning from commodity-based to product-based Company - 26% of Indian zinc market is addressed by imports (including alloys). Hindustan Zinc Alloy Plant, one of the largest zinc alloy facility in India, enables self-reliance and will help boost the market share by catering to niche applications of zinc alloys and deliver international quality products commanding a premium in the domestic market.



Production Capacity
30 ktpa

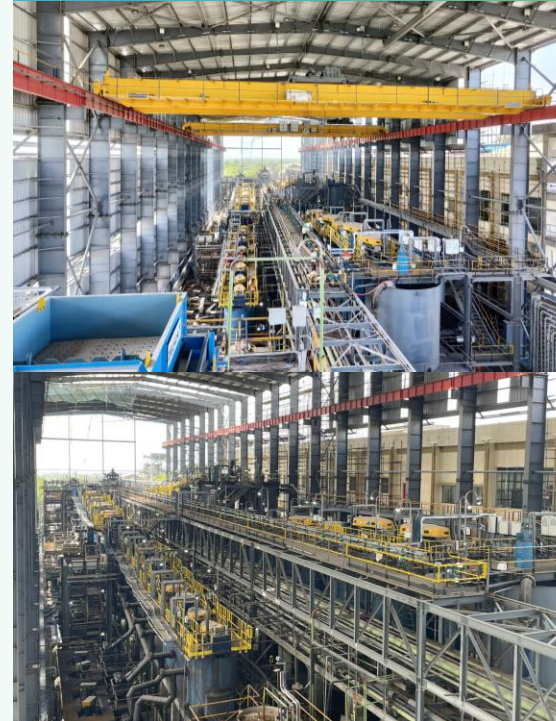
Target VAP
20% - 25%

Status Update

- Hot commissioning complete and first alloy metal produced in first week of Oct'23

III. Rajpura Dariba Mill capacity expansion:

Ore treatment capacity expansion from 0.9 mtpa to 1.1 mtpa using advanced technology and latest filtration technique to enhance metal recoveries, thereby ensuring a more sustainable and efficient operation.



Ore treatment capacity enhancement to **1.1 mtpa**

Recovery improvement from **86% to 91%**

Status Update

- Mill commissioned. Complete ramp up under progress, targeted by early Q3 FY24



IV. New Roaster at Debari:

Roasting is an essential part of the process of producing saleable zinc in hydrometallurgical smelters.

The new roaster at Debari will enable Hindustan Zinc to attain long term sustainable operations making it future ready for 1.2+ million tonne refined metal.

Production Capacity
160 ktpa

Status Update

- All orders placed. Engineering and procurement activities ongoing and EPC contractor mobilized at site

V. Hindustan Zinc Fertilisers Private Limited:

India's annual requirement of DAP/NPK Fertilizer is 19+ million TPA and the country imports almost 6+ million TPA of DAP/NPK based on the demand supply scenario.

Hindustan Zinc's DAP/NPK Fertiliser Plant at Chanderiya aims to support farmers' needs through production and sale of fertilisers currently being imported and to better utilise sulphuric acid generated in operations through production of fertilisers, making the country future-ready. This will contribute to nation building, enabling us to fetch right margins.

Production Capacity
510 ktpa

Product
DAP/NPK Fertiliser

Status Update

- Major orders placed and technology partner onboarded. Engineering and procurement activities are ongoing



Value Unlocking Measures & Shareholder Value Creation

Considering the scale, nature, and potential opportunities for various business verticals of the Company, the Board of Directors decided to undertake a comprehensive review of the corporate structure for unlocking potential value.

With the idea of creating separate legal entities for undertaking the zinc, lead & silver and recycling business of the Company, on 29th September'23, the Board authorized the "Committee of Directors" to evaluate and recommend such options and alternatives to the Board of Directors.

The management has appointed external advisors to assist in evaluating the options and the work is underway. Way forward along with the possible options will be updated to the Board upon completion of the evaluation exercise.

STRATEGIC OBJECTIVES

Unlocking value for all stakeholders

Creation of businesses which are positioned to better capitalize on their distinct market positions, deliver long-term growth

Distinct investment profiles to attract deeper and broader investor bases

Accelerate towards sustainability goals focused on waste to wealth, emissions reduction and strong ESG practices

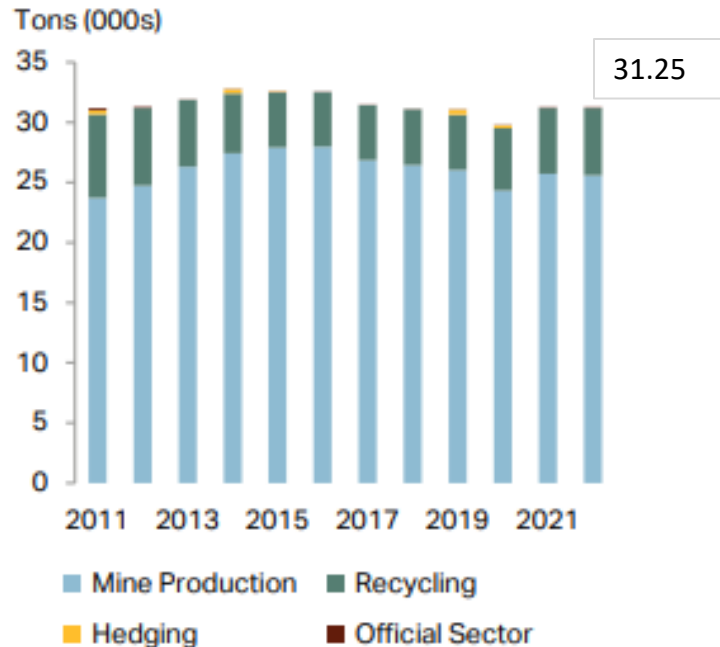
Appropriate capital structure and capital allocation policies based on business specific dynamics

Sharpen focus on core competencies and appropriate realignment of the Company's resources



Silver market globally was in 7kt deficit in 2022. There has been a strong demand gains across a number of key segments, while supply had been effectively unchanged. India’s silver consumption is driven by jewellery segment with industrial demand low as compared to global levels. However, the demand from industrial sector is expected to increase significantly due to new-age technological developments like the electrification of vehicles and the roll-out of 5G networks and shift to renewable energy supplies.

Global Supply



Global Demand



2023 Silver Estimate:

- Global demand of 36.3 kt driven by industrial usage and physical investments
- Global supply of 31.88 kt



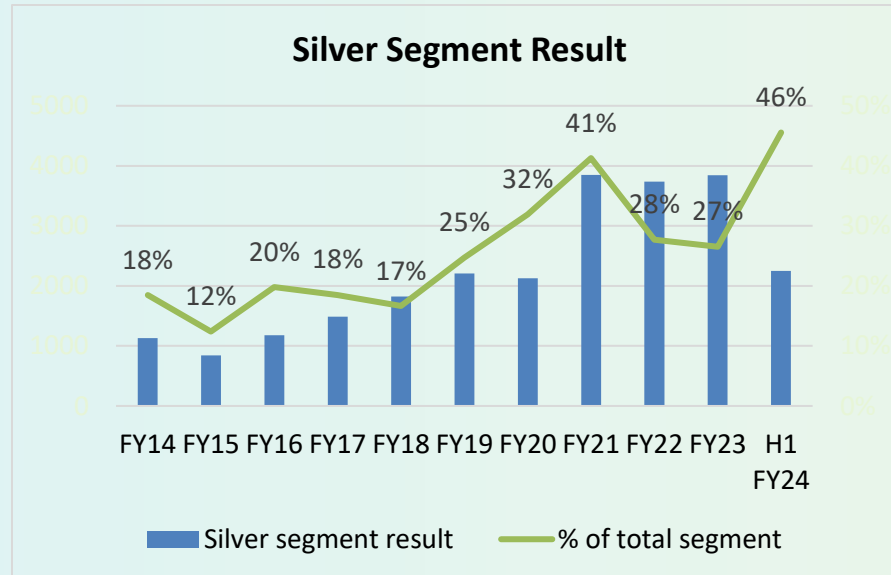
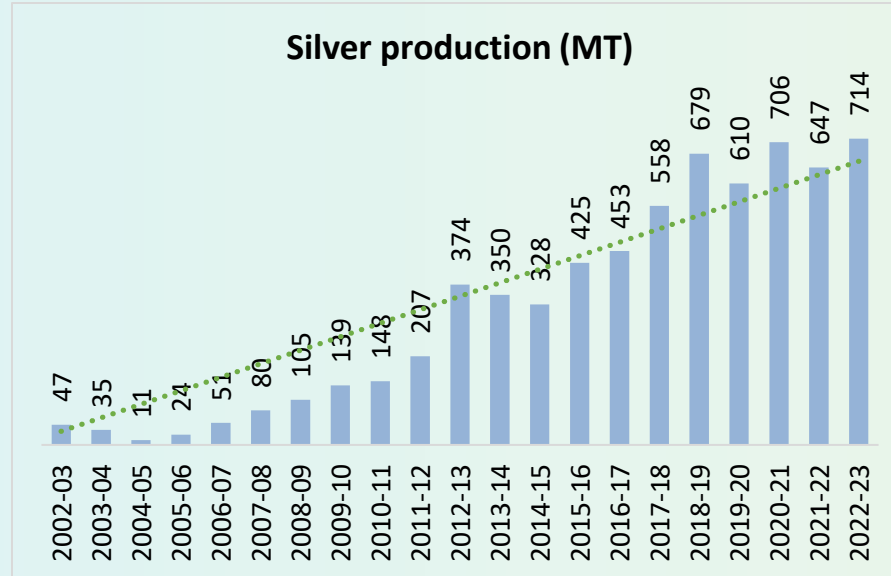
HZL Silver Segment - Growth Chronicle & Future Potential

India's only silver producer and 5th largest silver producer globally*, progressing from 23rd position in 2016 to 5th largest in 2023

With FY24 estimate of 725-750 MT of silver, production has doubled in last 10 years and has increased over 15 times in last 2 decades

Silver segment results improved 3.4 times in last decade, contributing c.30% of Company's profits

Future Potential: Backed by sustained mine life of 25+ years, robust R&R and fuming technology taking the center stage, making India self-reliant in silver is the future pursuit











FINANCIAL REVIEW

Mr. Sandeep Modi
CFO HZL

Financial Highlights

(All figures in INR Cr unless stated otherwise)

 <p>Revenue*</p> <table border="0"> <tr> <td>H1 FY24</td> <td>Q2 FY24</td> </tr> <tr> <td>14,073</td> <td>6,791</td> </tr> <tr> <td>(down 21% y-o-y)</td> <td>(down 19% y-o-y)</td> </tr> </table>	H1 FY24	Q2 FY24	14,073	6,791	(down 21% y-o-y)	(down 19% y-o-y)	 <p>EBITDA</p> <table border="0"> <tr> <td>H1 FY24</td> <td>Q2 FY24</td> </tr> <tr> <td>6,481</td> <td>3,122</td> </tr> <tr> <td>(down 33% y-o-y)</td> <td>(down 29% y-o-y)</td> </tr> </table>	H1 FY24	Q2 FY24	6,481	3,122	(down 33% y-o-y)	(down 29% y-o-y)	 <p>Profit After Tax</p> <table border="0"> <tr> <td>H1 FY24</td> <td>Q2 FY24</td> </tr> <tr> <td>3,693</td> <td>1,729</td> </tr> <tr> <td>(down 36% y-o-y)</td> <td>(down 35% y-o-y)</td> </tr> </table>	H1 FY24	Q2 FY24	3,693	1,729	(down 36% y-o-y)	(down 35% y-o-y)
H1 FY24	Q2 FY24																			
14,073	6,791																			
(down 21% y-o-y)	(down 19% y-o-y)																			
H1 FY24	Q2 FY24																			
6,481	3,122																			
(down 33% y-o-y)	(down 29% y-o-y)																			
H1 FY24	Q2 FY24																			
3,693	1,729																			
(down 36% y-o-y)	(down 35% y-o-y)																			
 <p>Gross Investments & Cash and Cash Equivalents</p> <p>11,393</p>	 <p>EBITDA Margin</p> <table border="0"> <tr> <td>H1 FY24</td> <td>Q2 FY24</td> </tr> <tr> <td>46%</td> <td>46%</td> </tr> </table>	H1 FY24	Q2 FY24	46%	46%	 <p>Earnings Per Share</p> <table border="0"> <tr> <td>H1 FY24</td> <td>Q2 FY24</td> </tr> <tr> <td>INR 8.74</td> <td>INR 4.09</td> </tr> </table>	H1 FY24	Q2 FY24	INR 8.74	INR 4.09										
H1 FY24	Q2 FY24																			
46%	46%																			
H1 FY24	Q2 FY24																			
INR 8.74	INR 4.09																			

Note: All financials are at consolidated level



Consolidated Financial Review

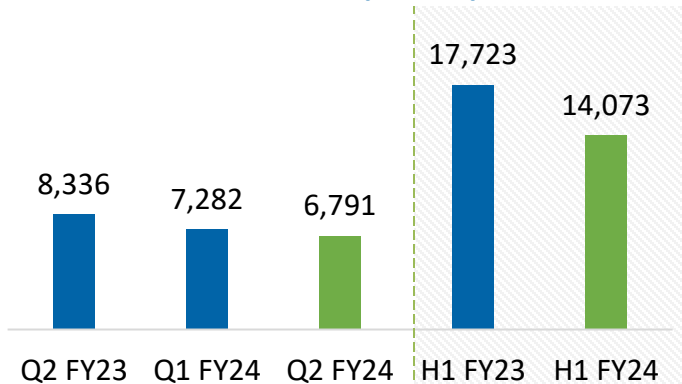
Q2 FY24

- Revenue* down 19% y-o-y, due to significantly lower zinc LME, lower zinc & silver volumes partly offset by higher lead & silver prices and favorable Fx rates
- EBITDA down 29% y-o-y, on account of lower zinc LME partly offset by lower costs and better lead & silver prices
- Consolidated PAT down 35% y-o-y, due to lower EBITDA partly offset by lower tax expense
- Effective tax rate of c.25% for Q2 FY24

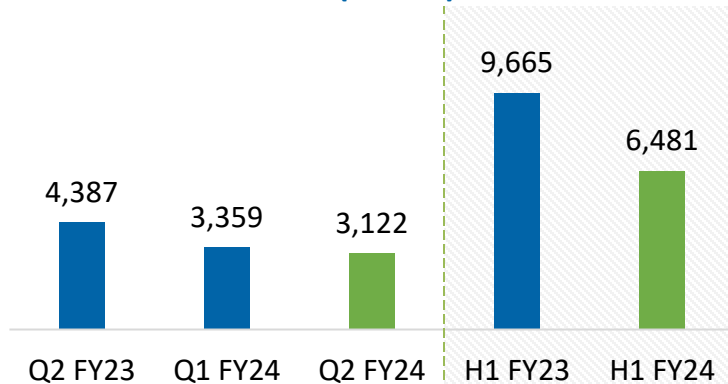
H1 FY24

- Revenue* down 21% y-o-y, on account of significantly lower zinc LME, lower metal & silver volumes partly offset by higher lead & silver prices and favorable Fx rates
- EBITDA down 33% y-o-y, on account of lower revenue partly offset by cost improvement
- Consolidated PAT down 36% y-o-y, due to lower EBITDA partly offset by lower tax expense
- Effective tax rate of c.25% for H1 FY24

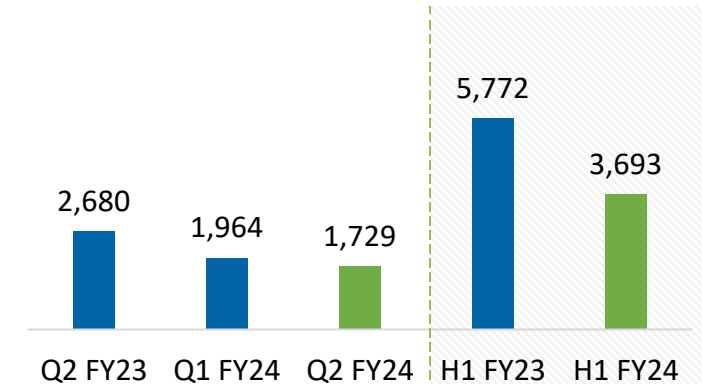
Revenue* (INR Cr)

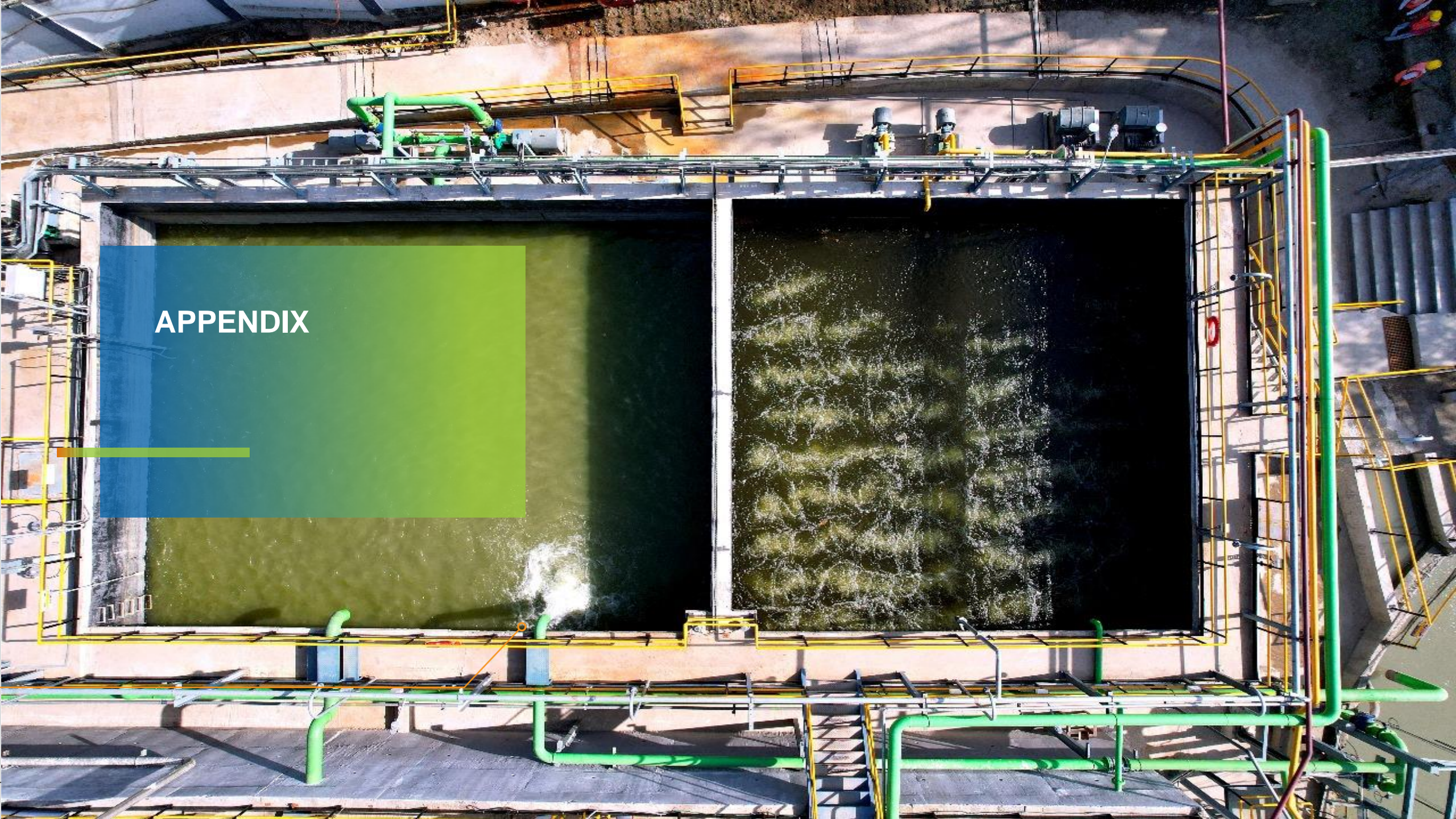


EBITDA (INR Cr)



Profit After Tax (INR Cr)

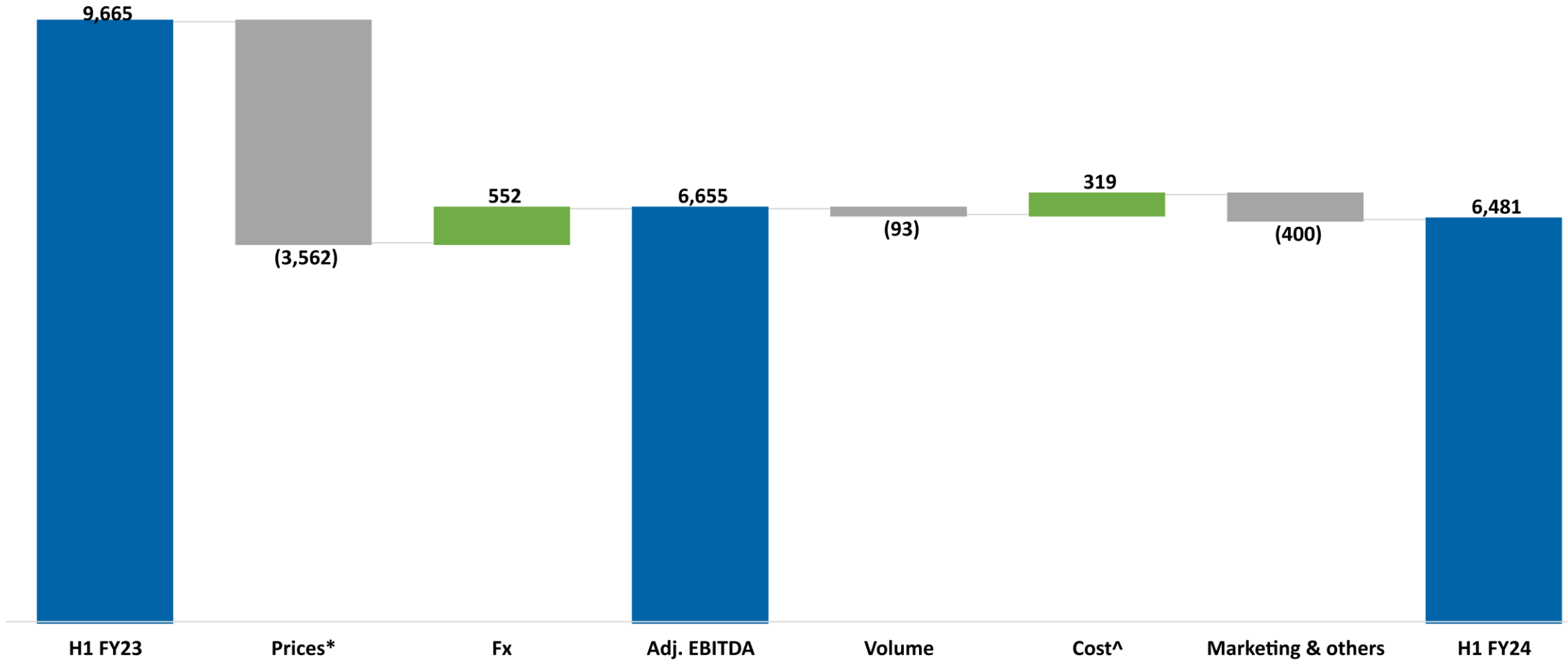




APPENDIX

EBITDA Bridge (H1 FY24 vs H1 FY23)

(All figures in INR Cr unless stated otherwise)



*Inclusive of gains from Strategic Hedging in previous period

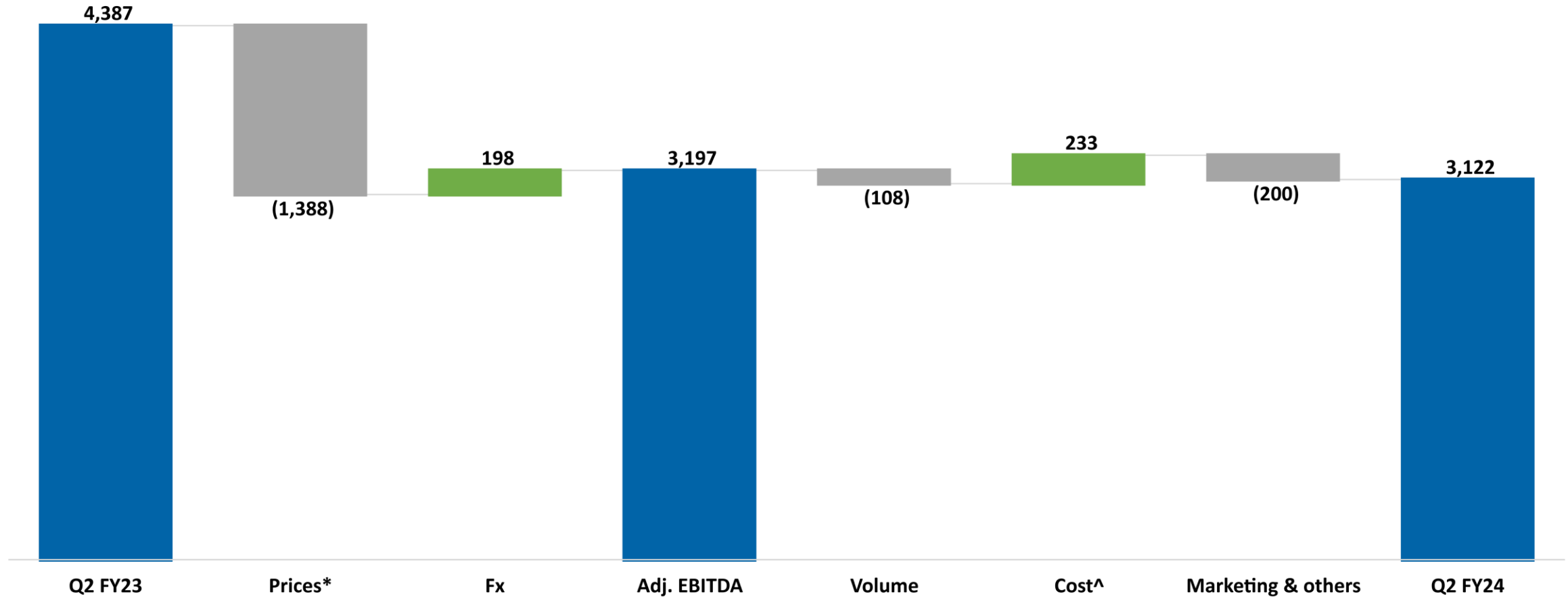
^Inclusive of input commodity inflation

Note: All financials are at consolidated level



EBITDA Bridge (Q2 FY24 vs Q2 FY23)

(All figures in INR Cr unless stated otherwise)



*Inclusive of gains from Strategic Hedging in previous period

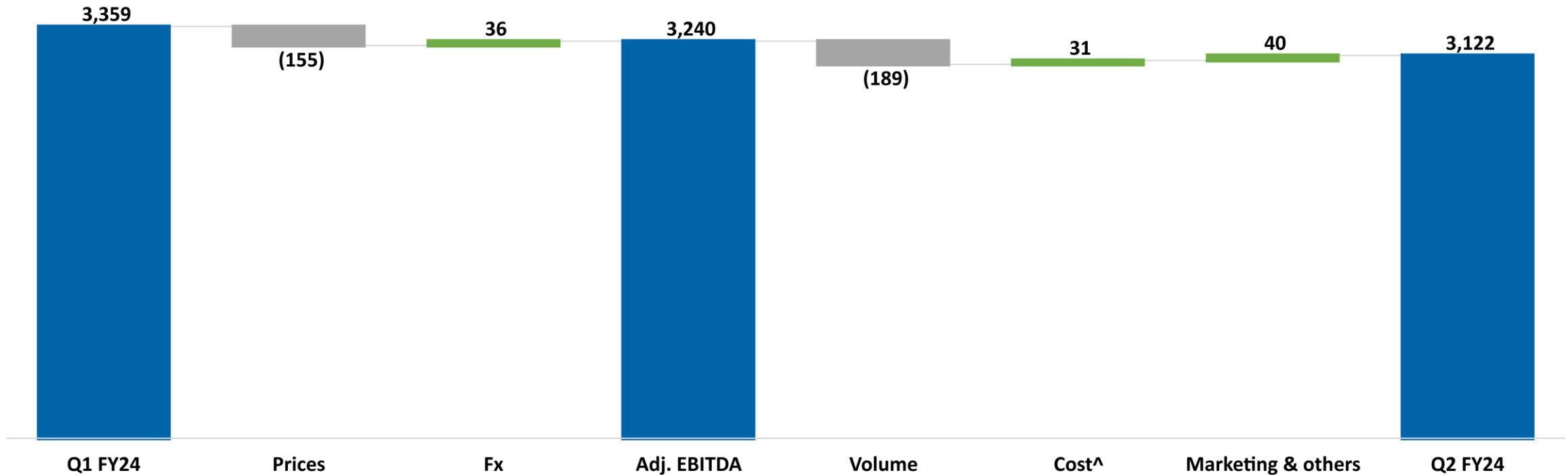
^Inclusive of input commodity inflation

Note: All financials are at consolidated level



EBITDA Bridge (Q2 FY24 vs Q1 FY24)

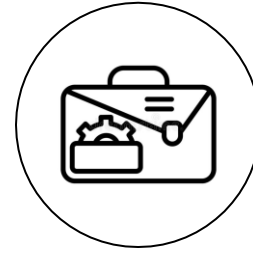
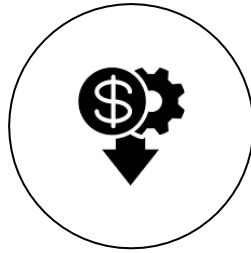
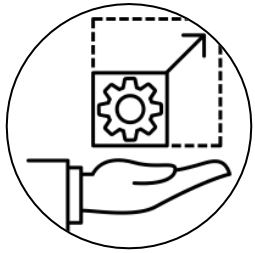
(All figures in INR Cr unless stated otherwise)



[^]Inclusive of input commodity inflation
Note: All financials are at consolidated level



Fundamental Growth Strategy



Expansion of Capacities

- Expand mined metal capacity (currently at 1.2 Mtpa) and ramp up UG mines to deliver on it
- Scale smelters to 1,050-1,075 kt

Maintaining a Portfolio of Mines with Long Life

- Increased exploration to enhance Mineral Resource by 15 Mt Ore by FY24 & another 40 Mt Ore by FY25
- Retain/acquire new potential areas through auction

Strengthen Cost Leadership

- Drive production efficiency
- Undertaking alternate fuel innovation and pushing operational efficiencies to control the costs

Expansion of Product Portfolio through Customer Centricity

- Scale capacities for minor metal recovery
- Enhancing value added portfolio share
- HZAPL 30ktpa Alloy plant commissioned

Progressing towards Sustainable Future

- Commitment to audacious Sustainability Goals 2025 in place
- Efforts in GHG emissions reduction, water stewardship, circular economy, biodiversity conservation and waste management

MAXIMISING SHAREHOLDER VALUE



- ❖ Zawar group of mines has been awarded the CII National Award in Innovation Project Category for Environment Best Practices
- ❖ Hindustan Zinc's Dariba Smelting Complex won Platinum Award at Apex India Occupational Health and Safety Awards 2023 in Metal & Mining Sector
- ❖ Sindesar Khurd Mine won Mining Innovation Award by Federation of Indian Mineral Industries
- ❖ Hindustan Zinc recognized at ET Edge Times Group - 6th Edition of the Iconic Brands of India Conclave
- ❖ HZL's Sakhi Utpadan Samiti recognized by BW Emerging Business Summit & Awards & India CSR & Sustainability Conclave
- ❖ Hindustan Zinc's 7 locations won the Bhamashah Vibhushan Award for educational initiatives/projects
- ❖ Hindustan Zinc Triumphs at Quality Concept Forum of India, Rajsamand Chapter under three categories: Allied Concepts, Kaizen, and Quality Circle
- ❖ HZL's Management recognized with 'Top 30 CEOs of India' list by StartupLanes, 'India's Impactful CXO' by ET Edge, Dun & Bradstreet Finance Elite 2023, 'Top 20 CSR Leaders' at the 4th ESG Summit & Awards 2023, MGMI Award of Excellence for Non-Coal Mining

Metal Prices and Exchange Rate trends

Zinc Prices (\$/t): Impacted by macro-economic factors



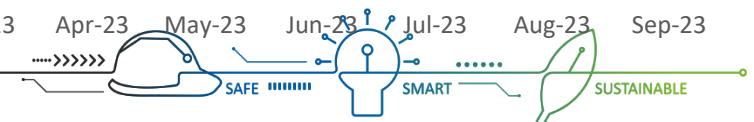
Lead Prices (\$/t): Range bound in last 9 months



Silver Prices (\$/oz): Volatile in last 9 months



USD - INR



THANK YOU



vedanta
transforming for good



HINDUSTAN ZINC
Zinc & Silver of India

HINDUSTAN ZINC LIMITED

Yashad Bhawan, Udaipur-313 004, Rajasthan

T: +91 294 6604000-02

www.hzlindia.com