



June 6, 2016

BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street, Fort
Mumbai – 400 001

National Stock Exchange of India Limited
“Exchange Plaza”
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400 051

Scrip Code 500188

Scrip Code HINDZINC

Sub:- Submission of Notice of the 50th Annual General Meeting and Annual Report for Financial Year 2015-16.

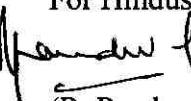
Dear Sir(s),

Pursuant to Regulation 36(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 please find enclosed the Notice of the 50th Annual General Meeting of the Company scheduled to be held on Tuesday June 28, 2016 and soft copy of the Annual Report for the Financial Year 2015-16.

This for your information and records.

Thanking you,

Yours Sincerely,
For Hindustan Zinc Ltd.


(R. Pandwal)

Company Secretary

cc:-

National Securities Depository Limited
4th -5th, Trade World,
Kamal Mills Compound,
Senapati Bapat Marg,
Lower Parel,
Mumbai – 400 013

Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
28th Floor
Dalal Street,
Mumbai – 400 001

Hindustan Zinc Limited

Registered Office: Yashad Bhawan, Udaipur (Rajasthan) - 313 004
Tel.: (91-294)6604000-02, Fax: (91-294) 2427739
CIN: L27204RJ1966PLC001208
www.hzindia.com



HINDUSTAN ZINC LIMITED

Registered Office: Yashad Bhawan, Udaipur-313004
CIN: L27204RJ1966PLC001208, www.hzlindia.com

NOTICE

Notice is hereby given that the 50th Annual General Meeting of the Members of the Company will be held on Tuesday, June 28, 2016 at 2.30 PM at Yashad Bhawan, Udaipur to transact the following businesses:

ORDINARY BUSINESSES

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the reports of the Board of Directors and Auditors thereon.
2. To approve total dividend for the financial year 2015-16.
3. To appoint a Director in place of Ms. Sujata Prasad (DIN: 06587461), who retires by rotation and, being eligible, offers herself for re-appointment as per Article 70 of the Articles of Association of the Company.
4. To appoint M/s S.R. Batliboi & Co. LLP as Statutory Auditors of the Company to hold office for a period of 5 years and to pass, the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee, M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301300E) be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Auditors M/s Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W100018). They will hold office from the conclusion of this Annual General Meeting until the conclusion of the 55th Annual General Meeting of the Company (subject to ratification of the appointment by the members of the Company at every Annual General Meeting held after this Annual General Meeting) at such remuneration as shall be fixed by the Board of Directors of the Company in accordance with the recommendation of the Audit Committee in consultation with the Auditors."

SPECIAL BUSINESSES

5. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017 and in this regard to consider and if thought fit to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s)

thereof, for the time being in force), the payment of remuneration of Rs. 1.80 lacs (Rupees One lakh eighty thousand only) to M/s K.G. Goyal & Company, Cost Accountants (Firm Registration No. 000017) who were re-appointed by the Board of Directors of the Company as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017, be and is hereby approved.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

6. To appoint Mr. Sudhir Kumar (DIN: 00267742) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Appointment & Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 129 of the Articles of Association of the Company read with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sudhir Kumar (DIN 00267742), a non-executive Director of the Company, was appointed as an Additional Director on November 30, 2015 pursuant to the provisions of Section 161(1) of The Companies Act, 2013. Mr. Kumar holds office up to the date of this Annual General Meeting and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director. Being so eligible, Mr. Sudhir Kumar be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 3 (three) years with effect from the date of approval of his appointment by the Board of Directors, i.e. from November 30, 2015 up to November 29, 2018.”

7. To approve extension in the tenure of Mr. Akhilesh Joshi (DIN: 01920024) as Whole-time Director for a period of 1 year and in this regard to consider and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules notified thereunder, (including any statutory modification(s) or re-enactment(s) thereof for time being in force) and all other statutory provisions if any, the approval of the shareholders be and is hereby accorded for the extension in the tenure of Mr. Akhilesh Joshi, as Whole-time Director of the Company up to September 30, 2016, with effect from October 1, 2015, on the terms, conditions and stipulations, including remuneration as set out in the Explanatory Statement annexed here to, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby

- authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”
8. To approve appointment of Mr. Sunil Duggal (DIN:07291685) as Chief Executive Officer & Whole-time Director for a period of 3 years and in this regard to consider and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof for time being in force) and all other statutory provisions if any, the approval of the shareholders be and is hereby accorded for the appointment of Mr. Sunil Duggal as Chief Executive Officer and Whole-time Director of the Company for a period of 3 (three) years w.e.f. October 1, 2015 to September 30, 2018, on the terms, conditions and stipulations, including remuneration as set out in the Explanatory Statement annexed here to, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration , subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board
For Hindustan Zinc Limited

Place: Mumbai
Date: April 21, 2016

R. Pandwal
Company Secretary

NOTES

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the ensuing Annual General Meeting is appended hereto.
 2. A member entitled to attend and vote at the meeting is entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member of the Company (a copy of the proxy form is attached). The instrument appointing a proxy in order to be effective should be duly stamped, filled, signed and must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
 3. Corporate members are requested to send a duly certified copy of the board resolution or power of attorney authorizing their representative to attend and vote at the Annual General Meeting.
 4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
 5. Annual Report and AGM Notice is available at the website of the Company at www.hzlindia.com in the Investor Relation section.
 6. In terms of Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Ms. Sujata Prasad, Director of the Company, retires by rotation at the ensuing meeting & being eligible, offers herself for re-appointment. The Board of Directors of the Company recommend her re-appointment.
Brief resume of the Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships & memberships or chairmanships of board committees, shareholding & relationships between Directors inter-se as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are provided in the Annexure to the Notice.
 7. The Notice of AGM along with the Annual Report 2015-16 is being sent by electronic mode to those members whose email address is registered with the Company / Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies are being sent by the permitted mode.
 8. The members who have not registered their email address so far, are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
 9. The Company has engaged the services of CDSL as Agency to provide e-voting facility.
 10. The Register of Members and Share Transfer Books of the Company will remain closed from June 4, 2016 to June 6, 2016 (both days inclusive).
- Relevant documents referred to in the accompanying Notice and the Statement including Register of Members and Share Transfer Books are open for inspection by the members at

the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial year 2007-08 (Final) on due dates, to the Investor Education and Protection Fund established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.hzlindia.com), as also on the website of the Ministry of Corporate Affairs.

11. Shareholders who are yet to encash their earlier dividend warrants for the years from 2008-09 to 2015-16 (Interim and Special Interim dividend) are requested to contact the Company Secretary for revalidation of the dividend warrant or issue of fresh demand draft.

Members are requested to:

- (a) notify the change in address if any, with Pin Code numbers immediately to the Company (in case of shares held in physical mode).
 - (b) bring their copy of the Annual Report and Attendance Slip with them at the Annual General Meeting.
 - (c) quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent.
12. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on June 21, 2016.
 13. CS Manoj Maheshwari, FCS 3355, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and poll process to be carried out at the AGM in a fair and transparent manner.
 14. The final results including the poll and remote e-voting results of the AGM of the Company shall be declared within 48 hours from the conclusion of the Annual General Meeting. The final results along with the scrutineers report shall be placed on the Company's website www.hzlindia.com immediately after the result is declared by the Chairman.
 15. The facility for voting through polling paper shall be made available at the AGM & members who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The members who have ceased their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 16. In compliance with provisions of the Companies Act, 2013, the Company is also offering remote e-voting facility to the members to enable them to cast their votes electronically. Please note that remote e-voting is optional and not mandatory. Remote e-voting facility would remain open only from June 24, 2016 (11.00 AM) to June 27, 2016 (up to 5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of June 21, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.
 17. A person who has acquired shares & become a member of the company after the dispatch

of notice of AGM & holding shares as of cut-off date, may obtain the login ID & password by sending a request at sharecellhzl@vedanta.co.in. However, if the person is already registered with the CDSL for remote e-voting then the existing user ID & password can be used for casting vote. The instructions for members relating to remote e-voting which inter alia would contain details about user ID & password are provided separately along with Annual Report.

The instructions for shareholders for voting electronically are as under:-

- (i) The voting period begins on June 24, 2016 (11.00 AM) and ends on June 27, 2016 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of June 21, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to

- share your password with any other person and take utmost care to keep your password confidential.
- (x) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xi) Click on the EVSN of Hindustan Zinc Limited.
 - (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement Pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”)

The following Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice.

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and recommended remuneration of M/s K.G. Goyal & Company, Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs 1.80 lacs payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Special Business Item No. 5 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends, the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item No. 6

The Board of Directors of the Company (“the Board”) at its meeting held on January 21, 2016 on the basis of the recommendation of the Nomination & Remuneration Committee, approved the appointment of Mr. Sudhir Kumar as Additional Independent Director of the Company in terms of Sections 149, 152 and 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). In terms of the provisions of Section 161(1) of the Act, Mr. Sudhir Kumar would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Sudhir Kumar for the office of Director of the Company. Mr. Sudhir Kumar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Independent Director.

The Company has received from him (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013; and (iii) a declaration to the effect that he meets with the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

As Independent Director he is entitled to sitting fees and commission, as approved by the

members in 46 Annual General Meeting held on July 6, 2012 and as may be determined by the Board from time to time.

Brief resume of the Director and additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as Annexure-I. Keeping in view his vast expertise and knowledge, it will be in the interest of all the stakeholders that Mr. Sudhir Kumar is appointed as Independent Director. It is proposed to appoint him for a period of 3 (three) years, from the date of approval of appointment by the Board of Directors, i.e. from November 30, 2015 to November 29, 2018.

Save and except Mr. Sudhir Kumar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7

The Board of Directors of the Company in its meeting held on September 18, 2015, subject to the Shareholders' approval, has approved extension in the tenure of Mr. Akhilesh Joshi as Whole-time Director of the Company for a further period of one year w.e.f. October 1, 2015 to September 30, 2016 on terms and conditions including remuneration as detailed below.

The material terms of extension in tenure and remuneration payable to Mr Joshi is as under:

Tenure	12 months w.e.f. October 1, 2015 to September 30, 2016	
Remuneration and other entitlements	(a)	All inclusive annual fee of Rs. 275.60 lakhs p.a.
	(b)	Annual performance bonus.
	(c)	Medical and Accident insurance policy as per Company's rule.
	(d)	Company maintained car as per Company policy.
	(e)	Stock options as per the rules of the Company.
	(f)	Leave as per Company rules.

Explanation:

- i Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost to the Company.
- ii. For the purpose of perquisites stated here in above, 'family' means self and spouse.

I. Other Benefits:

- i. The Company shall provide him with car, expenses relating to fuel, maintenance and driver will be reimbursed on actuals. Further the Company shall also provide telephones and other communication facility (for official business).
- ii. Such other benefits as may be decided by the Board or its Committee from time to time.

II. Minimum Remuneration:

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall remunerate by way of salary, perquisites or any other allowance as specified above.

Apart from the remuneration aforesaid, he shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

III. Other Terms and Conditions:

- i. The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors of the Company or its Committee as it may, at its discretion deem fit, so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) or any amendments made thereto.
- ii. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.
- iii. He shall not so long as he function as such, become interested or otherwise concerned directly or through his wife and/or children in any selling agency of the Company in future without prior approval of the Central Government.
- iv. The agreement may be terminated by giving not less than 90 days prior notice in writing in that behalf to the other party or 90 days salary in lieu thereof and on the expiry of the period of such notice, this Agreement shall stand terminated.

Mr. Akhilesh Joshi satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Sub-section (3) of Section 196 of the Act for being eligible for extension, and is not disqualified from being appointed as Director in terms of Section 164 of the Act.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Akhilesh Joshi is concerned or interested in the said resolution set out at Special Business Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

Item No. 8

The Board of Directors of the Company in its meeting held on September 18, 2015, subject to the Shareholders approval has approved appointment of Mr. Sunil Duggal as Chief Executive Officer and Whole-time Director of the Company for a period of 3 years, on terms and conditions including remuneration as detailed below.

The material terms of appointment and remuneration payable to Mr. Duggal is as under:

Tenure	3 years w.e.f. October 1, 2015
Basic Pay	Rs. 5,42,410 p.m.
HRA	40% of basic pay
Personal Allowance	As per Company Policy
Others	As per Company Policy
LTA	One month basic pay
Medical	Rs. 50000
Gratuity	As per Company Policy
Provident Fund	12% of basic pay
Superannuation Fund	15% of basic pay
Vehicle Reimbursement – Actual, Personal Accident Insurance, Mediclaim hospitalization, Credit Card, Professional Body Membership Fee, Location Specific Allowance, Leaves, Annual Performance Bonus, Stock option of holding company etc. as per Company Rules.	

Explanation:

- i. Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost to the Company.

ii. For the purpose of perquisites stated hereinabove, 'family' means self and spouse.

I. Other Benefits:

- i. The Company shall provide him with car, expenses relating to fuel, maintenance and driver will be reimbursed on actuals. Further the Company shall also provide telephones and other communication facility (for official business).
- ii. Such other benefits as may be decided by the Board or its Committee from time to time.

II. Minimum Remuneration:

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall remunerate by way of salary, perquisites or any other allowance as specified above.

Apart from the remuneration aforesaid, he shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

III. Other Terms and Conditions:

- i. The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors of the Company or its Committee as it may, at its discretion deem fit, so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) or any amendments made thereto.
- ii. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.
- iii. He shall not so long as he function as such, become interested or otherwise concerned directly or through his wife and/or children in any selling agency of the Company in future without prior approval of the Central Government.
- iv. The agreement may be terminated by giving not less than 90 days prior notice in writing in that behalf to the other party or 90 days salary in lieu thereof and on the expiry of the period of such notice, this Agreement shall stand terminated.

Mr. Sunil Duggal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Sub-section (3) of Section 196 of the Act for being eligible for extension and is not disqualified from being appointed as Chief Executive Officer & Whole-time Director in terms of Section 164 of the Act.

None of the Directors or Key Managerial Personnel of the Company or their relatives, except Mr. Sunil Duggal is concerned or interested in the said resolution set out at Special Business Item No. 8 of the Notice.

The Board recommends, the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

By Order of the Board
For Hindustan Zinc Limited

Place: Mumbai

Date: April 21, 2016

R. Pandwal
Company Secretary

Name	Ms. Sujata Prasad	Mr. Sudhir Kumar	Mr. Akhilesh Joshi	Mr. Sunil Duggal
Date of birth	7.4.1958	31.5.1955	25.1.1954	14.7.1962
Qualification	B.A., M.A. and Diploma Harvard School of Public Health	B.Sc., M.Sc., Diploma in Management, Diploma in French	B.E. (Mining), post graduate Diploma in economic evaluation of mining projects from School of Mines, Paris.	B.E. (Electrical), alumni of IMD, Lausanne-Switzerland and IIM, Kolkata
Specialised Expertise	<p>She is Joint Secretary & Financial Advisor in Ministry of Mines, Corporate Affairs and Youth Affairs & Sports, Government of India. She is also Director of Coal India Ltd., Hindustan Copper Ltd. and Bharat Aluminium Company Ltd.</p> <p>She has held senior managerial positions in different ministries and departments of the Central Government, including her last stint as Head of Training & Research Institute of the Ministry of Finance. More over, she has been Senior Financial Advisor of the All India Institute of Medical Science for five years.</p>	<p>He has held senior managerial position in different ministries and departments of the Central Governments, including his last stint as Secretary, Department of Food and Public Distribution in Ministry of Consumer Affairs, Food and Public Distribution. He holds Masters of Science with specialisation in Physics and Bachelor of Science with specialisation in Physics, Chemistry and Maths.</p>	<p>He joined the Company in 1976 and held various positions. He was Chief Operating Officer & Whole-time Director from October, 2008 to January, 2012 and thereafter Chief Executive Officer & Whole-time Director from February, 2012 to September, 2015 and thereafter continuing as Whole-time Director. He has more than 40 years of rich experience in mining and smelting. He has actively contributed in the Company's growth and was fully involved in strategic business, expansion projects etc. Due to his effective leadership and forward looking vision achieved the desired capacity of 1 million mark in zinc and lead metal and the capacity of the mines were increased considerably under his stewardship</p>	<p>He joined the Company in August, 2010 and has held different positions in the last five years as Executive Director, Chief Operating Officer and his last stint was Deputy Chief Executive Officer of the Company. He has 32 years of rich manufacturing industry experience in project management, operations, HR and supply chain management and has been a significant driver of Hindustan Zinc's growth in recent years. He has put in outstanding efforts on sustainability & safety awareness developed best -in-class mining and smelting practices, accelerated mechanisation and automation of operational activities and has played a lead role in successful ramp up of underground mining projects and commissioning of new smelting & refining units of the Company.</p>
Number of shares held in the Company	NIL	NIL	NIL	NIL
Directorship in other companies	1) Hindustan Copper Limited 2) Bharat Aluminium Company Limited 3) Coal India Limited 4) Neyveli Lignite Limited	1) Madanpur South Coal Company Ltd. 2) Skill Council for Mining Sector		
Committee Position	Chairman:	Neyveli Lignite Limited: 1) Stakeholders Relationship Committee Member: Coal India Limited: 1) Audit Committee 2) Nomination & Remuneration Committee 3) Empowered Sub-Committee	Hindustan Copper Limited: 1) Nomination & Remuneration Committee	



FORM NO. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L27204RJ1966PLC001208

Name of the Company: HINDUSTAN ZINC LIMITED

Registered Office-Yashad Bhawan, Udaipur-313004

Name of the member(s) : _____

Registered address : _____

E-mail Id : _____

Folio No./Client Id : _____

DP ID : _____

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____

or failing him

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____

or failing him

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 50th Annual general meeting of the Company, to be held on the Tuesday, June 28, 2016 at 2.30 PM at Udaipur and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Businesses	
1.	To consider and adopt the Audited Financial Statements & other documents
2.	To approve total dividend for FY 2015-16
3.	To re-appoint Ms. Sujata Prasad as Director
4.	To appoint S.R. Batliboi & Co. LLP as Statutory Auditors
Special Businesses	
5.	To approve the remuneration of the Cost Auditor
6.	To appoint Mr. Sudhir Kumar as Independent Director
7.	To extent tenure of Mr. Akhilesh Joshi as Whole-time Director
8.	To appoint Mr. Sunil Duggal as CEO & Whole-time Director

Signed this _____ day of _____, 2016

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp Rs. 1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



HINDUSTAN ZINC LIMITED
Registered Office- Yashad Bhawan, Udaipur- 313004

ATTENDENCE SLIP

50th ANNUAL GENERAL MEETING, TUESDAY, JUNE 28, 2016 AT 2.30 PM

Name and Address of the Member _____

Reg. Folio/Client ID No. _____

I certify that I am a registered shareholder of the company and hold _____ shares.

Please indicate whether Member/Proxy _____

I hereby record my presence at the **50th ANNUAL GENERAL MEETING** of the Company held on Tuesday, June 28, 2016 at 02.30 P.M. at Yashad Bhawan, Udaipur

Member's/ Proxy Name in BLOCK Letters

Member's/Proxy's Signature

Note: Shareholder/Proxy holder must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.



HINDUSTAN ZINC LIMITED
Registration of e-mail address for future communication

Name of shareholder: _____ e-mail id: _____

Address: _____

Client ID/ Folio Number (in case physical holding): _____

DPID: _____

Signature: _____

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses with the Company.



HINDUSTAN ZINC

ANNUAL REPORT
2015 - 16

We all have **ZINC** in our lives...



Vision

To be the world's largest and most admired Zinc, Lead and Silver Company

Mission

Enhance stakeholder value through exploration, innovation, operational excellence and sustainability

Be the lowest cost producer

Maintain market leadership and enhance customer delight

Values

Entrepreneurship

Our people are our most important assets. We actively encourage their development and support them in pursuing their goals.

Excellence

Our primary focus is delivering value of the highest standard to our stakeholders. We are constantly motivated on improving our costs and improving our quality of production in each of our businesses through a culture of best practice benchmarking.

Trust

We actively foster a culture of mutual trust in our interactions with our stakeholders and encourage an open dialogue which ensures mutual respect.

Innovation

We embrace a conducive environment for encouraging innovation that leads to a zero harm environment and exemplifying optimal utilization of natural resources, improved efficiencies and recoveries of by-products.

Integrity

We place utmost importance to engaging ethically and transparently with all our stakeholders, taking accountability of our actions to maintain the highest standards of professionalism and complying with international policies and procedures.

Respect

We lay consistent emphasis on Human Rights, respect the principle of free, prior, informed consent, while our engagements with stakeholders give local communities the opportunity to voice their opinions and concerns.

Care

As we continue to grow, we are committed to the triple bottom line of People, Planet and Prosperity to create a sustainable future in a zero harm environment for our communities.

Contents

Corporate Overview

Zinc in our lives	2
Highlights - FY 2016	9
Chairman's Message	16
Board of Directors	18
Executive Committee	20



Statutory Reports

Directors' Report	53
Corporate Governance Report	78
Business Responsibility Report	94



Business Review

Industry Outlook	21
Operations	27
Human Resources	35
Sustainability	37
Corporate Social Responsibility	45
Risk Management Framework	48



Financial Statements

Independent Auditors' Report	103
Balance Sheet	110
Statement of Profit & Loss	111
Cash Flow Statement	112
Notes	114

Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclaimer : The information related to the historical importance of zinc provided in this report has been obtained from various sources within the public domain. While the sources have been selected carefully, Hindustan Zinc does not take any responsibility of its completeness or accuracy.

ZINC in our history

an age-old relationship

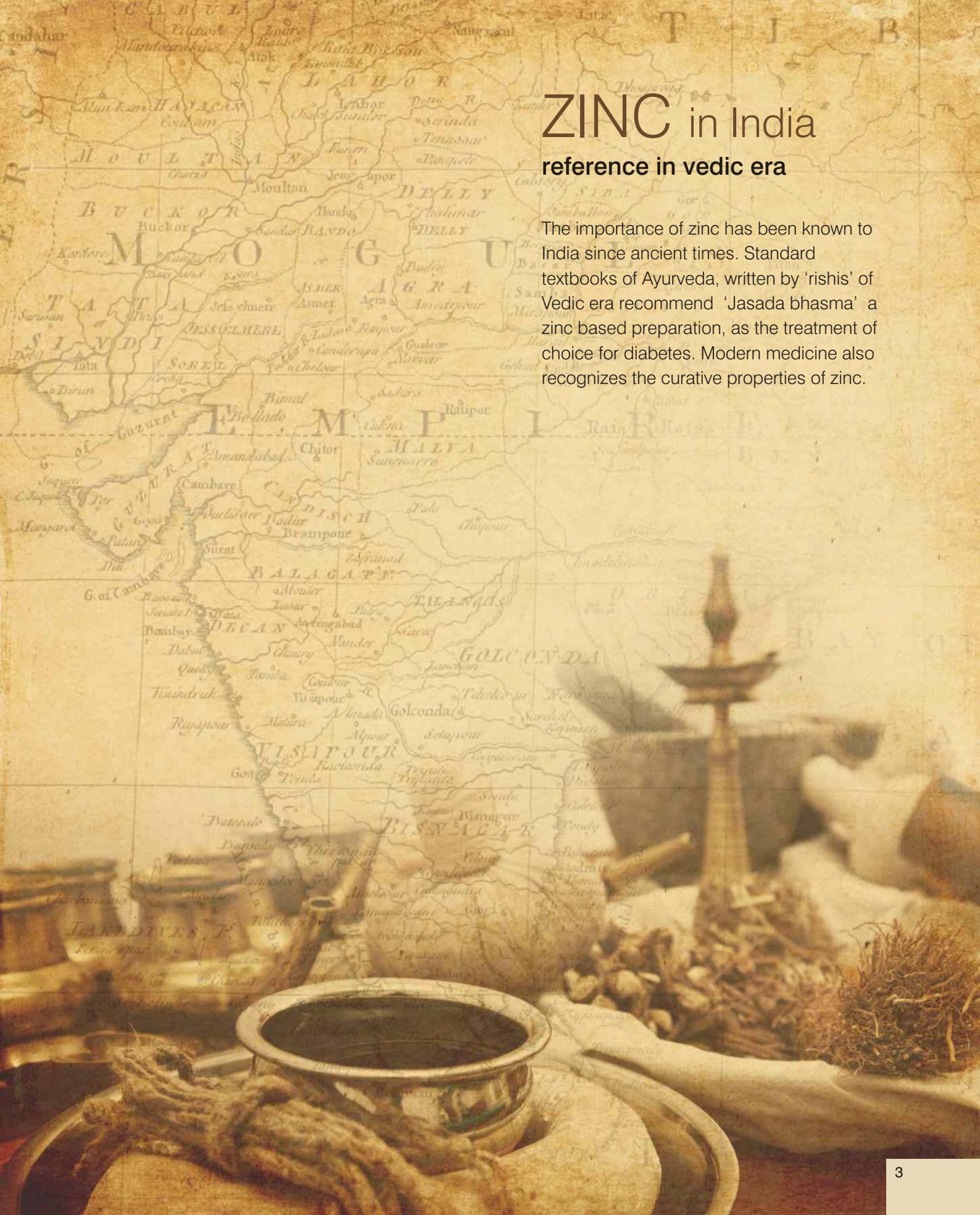


Long before being identified as an element, Zinc was used for making brass and for medicinal purposes. Metallic zinc and zinc oxide were produced in India sometime between the 11th and 14th centuries and in China in the 17th century. Andreas Marggraf, a German chemist is credited with the discovery of pure metallic zinc who isolated the element in 1746.

ZINC in India

reference in vedic era

The importance of zinc has been known to India since ancient times. Standard textbooks of Ayurveda, written by 'rishis' of Vedic era recommend 'Jasada bhasma' a zinc based preparation, as the treatment of choice for diabetes. Modern medicine also recognizes the curative properties of zinc.

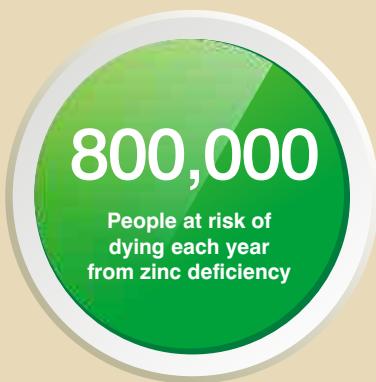
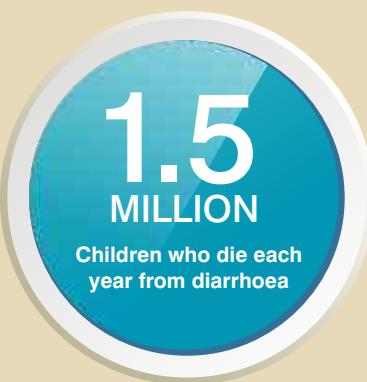


We all have ZINC in our lives...

8th known metal to mankind
4th most consumed metal



Zinc Deficiency, a Global Concern



Zinc, besides its major usage in galvanizing and as alloys like brass, as insect repellent, in paints, rubber, cosmetics, plastics, inks, soaps, batteries, textiles, electrical equipments to name a few.

Zinc has numerous health benefits and is essential for immune system, for preventing lower-respiratory infections, treating acne, as a protein, improving eyesight, healing wounds, for sense of taste & smell, in sunscreen and pharmaceuticals.

Zinc occurs naturally throughout the earth in plants and animals and the food we eat. Every cell requires zinc to multiply, which is why zinc is used to reduce infant mortality and for fortifying fertilizers in agriculture to improve crop yields.

HISTORY says it all...

There is recorded evidence showing that even before zinc was officially recognized as an individual element, people knew of brass, which is made by mixing copper and zinc. Some records show the presence of brass in West Asia prior to 1,000 BC. According to the International Zinc Association, evidence of the use of copper and zinc has been found in Roman times, during Augustus Caesar's reign, around 20 BC.

The traces of mining and smelting of zinc in India date back to about 2,500 years at Zawar, about 45 km from the city of lakes, Udaipur in Rajasthan. Historical records present that zinc was mostly used to make brass at that time while zinc oxide was an important ingredient in medicines.

It is understood that in the 13th century, Marco Polo the Italian merchant traveller, talked about the manufacture of zinc oxide in Persia.

Fathi Habashi, Professor of Extractive Metallurgy at the Department of Mining and Metallurgy, University Laval, Canada, in his research mentions about scrolls of papyrus as well as ancient pages describing zinc and the processes of extracting and its uses. A 13th century thesis on metallurgy 'Rasaratna Samuchchaya', describes the production process of metallic zinc, which was written around 1,200 AD. This book describes how the new 'tin-like' metal was made by indirectly heating calamine with organic matter in a covered crucible fitted with a condenser. The Professor suggests that the Hindu civilisation had recognized zinc as a new metal, the 8th known to man at that time.



2,500 years old zinc smelting retorts at Zawar

From India, zinc made its journey to China, though China was late in recognising the uses of zinc metal. Zinc travelled further and entered Europe through Arab and Portuguese traders.

During 17th-18th century, Europe's first zinc smelter was established in the United Kingdom, using vertical retorts. Traces of this technology have been found in the Zawar area near Udaipur.

It is also interesting to know that the idea of cathodic protection against corrosion was first proposed in London by Sir Humphry Davy (1778-1829), a British chemist best known for his experiments in electro-chemistry and invention of a miner's safety lamp.

According to researchers and scholars, in the 17th and 18th centuries, Germans called zinc metal as 'Counterfeitem' or 'mock-silver' because of its silvery white lustre. In Europe, where the use of tin was well-known, zinc was also regarded as low-cost option to tin.

In the early 20th century, zinc smelting technology took great leap when the electrolytic process was introduced in 1916 as a replacement of the old pyrometallurgical process, making it the de-facto global standard till the Imperial method or the modern Pyro process made a comeback. Today, hydrometallurgical, a further latest technology is most prevalent. Hindustan Zinc uses both hydrometallurgical and pyrometallurgical processes.



US penny uses 98% zinc coated with copper



...ZINC is all around us

Zinc in our HEALTH an essential trace element

It may come as a surprise to many, but we need zinc even before we are born. Zinc is beneficial to our body as it :

- Regulates the immune function
- Treats diarrhoea
- Improves learning and memory
- Helps treat the common cold
- Heals wounds
- Ensures proper growth
- Prevents age-related macular degeneration (AMD)
- Improves fertility
- Helps in dental and skin care

Zinc in GALVANISING a boon for steel industry



Zinc corrodes preferentially to give cathodic protection to iron when both are exposed to water or humidity. Not only that, if a zinc coating gets damaged, the bare area will still be protected by the zinc surrounding it thus facilitating a unique steel corrosion protection system. More than 50% of the zinc produced is used for galvanising steel used by industries for making automobiles, aviation, shipping, construction and more.

Zinc in AGRICULTURE a requisite nutrient for crops



Zinc is an important component of various enzymes that are responsible for driving many metabolic reactions in all crops. Growth and development of plants would stop if specific enzymes were not present in plant tissue.



...ZINC is all around us

Zinc in RUBBER a life extending additive

Since its inception, rubber industry has been using Zinc Oxide, due to its optical, physical and chemical properties. Our automobile tyres, for heavy pneumatic duty and durability, require high loading of zinc oxide for high heat conductivity as well as reinforcement.

Zinc in COSMETICS a skin friendly chemical

Zinc Oxide is used in a wide range of cosmetics and personal care products including makeup, nail products, baby lotions, bath soaps and foot powders. It works as a sunscreen agent by reflecting UV radiation. Sunscreen products reduce sunburn and premature aging of the skin. Preventing sunburn is an important factor in reducing the risk of getting skin cancer.



Zinc in ENVIRONMENT a sustainable material



Zinc is the 23rd most abundant element on earth. Zinc's ability to self-heal allows for a long life span. Its unique patination process, which occurs naturally over time, protects the zinc's surface thus reducing maintenance efforts. The amount of energy required to produce zinc strip is significantly less than that of other metals. It can be recycled again and again without suffering any degradation.

Galvanisation of rail tracks will ensure longer life, safety

By Kunal Bose, an eminent columnist



India's rail tracks, spanning 115,000 km, happen to be the world's third largest. The country has built capacity to meet full demand for rails of the Indian Railways and thanks largely to manufacturers like Bhilai Steel Plant which makes and plans to double its length.

Every railway minister, including Suresh Prabhu, promises comprehensive modernisation of the network, which has an annual freight carrying capacity of one billion MT and daily passenger carrying capacity of 21 million. What, however, continues to escape the attention of mandarins in

Rail Bhavan is the need to lay only galvanised rail tracks to ensure long life and safety. It is long known that corrosion of old cars, collapsing structures and rail tracks causes losses equivalent to four per cent of GDP.

Even while this calls for the urgent attention of the government, we have allowed the malaise to continue and suffer big losses.

The International Zinc Association (IZA) has done well to write to Prabhu saying "galvanising of railway tracks would not only be a significant initiative towards safety, but would make tracks last much longer." Elaborating the longevity, he says,

"The economic cost due to corrosion of rails is significant. Rails have a life of 800 gross million MT, which works out to 12-13 years under Indian traffic conditions. Corrosion, however, reduces its life to nearly half the expected life."

The shorter life of rail resulting from absence of galvanising increases track maintenance workload. More disturbingly, corrosion increases the pace of rail replacement and interferes with normal railway movement causing inconvenience to passengers and freight movers and revenue losses to the organisation. Frequent replacement is one reason why the operating ratio of the railways falls short of its target. The importance of galvanising rail becomes apparent as the country aims at lifting the average speed of trains from 70 km to a level that will cut journey time by at least 20 per cent and raise daily passenger movement capacity to 30 million and annual freight transportation capacity to 1.5 billion MT.

The government has decided to fast-track the 508 km Mumbai-Ahmedabad bullet train corridor laying corrosion-free galvanised tracks using Japanese technology and funding the estimated project cost of Rs 70,000 Crore.

At present, the use of galvanized steel in automobile body in India is only around 7% while around 80% of cars manufactured for exports have galvanized sheet body.

The Automotive Corrosion Trends: Car Survey Results
Prof. A.S. Khanna, IIT Mumbai



The survey reveals a good correlation between the imperfections in automotive body and the age of the vehicle. Body parts close to the road are most prone to imperfections such as blisters and surface rust. The survey reasonably establishes that the conversion of car body panels manufactured in India from painted cold rolled steel to painted galvanized steel will significantly improve the corrosion performance as was the case in North America.

RECOGNITIONS

We are committed to strive for continual improvement.

Sustainability

- 'CII-ITC Sustainability Award 2015' for Corporate Excellence - Outstanding Accomplishment
- CII's '**Sustainable Platinum Plus Label'**
- 'Frost & Sullivan - Green Manufacturing Excellence Award 2015' in mega large business and 'Certificate of Merit for Safety Excellence' to Chanderiya Lead Zinc Smelting Complex
- 'Global Water Award 2015' (UK) for Sewage Treatment Plant at Udaipur
- International Research Institute for Manufacturing's '**India Green Manufacturing Challenge 2014**' Gold Award
- India Climate Disclosure Leadership Index (CDLI) 2015
- Bureau of Energy Efficiency, Ministry of Power & Government of India's '**National Energy Conservation Award 2015**' - Second Prize, for Thermal Power Stations Sector (Coal fired plants < 100 MW capacity) to Zawar Mine captive power plant

Industry Excellence

- 'Platts Industry Leadership for Base Metals Award 2015' (London), for operational and financial excellence
- 'Dun & Bradstreet Best Corporate Award 2015' in non-ferrous category
- **ICONIC IDC Insight Award** for demonstrating Innovations, Transformation, Customer Experience, Supply Chain Management and Employee Engagement
- Government of Rajasthan's '**Export Excellence Award**' in the metal category
- Institution of Engineers India's '**Industry Excellence Award 2015**'

Social

- 'World CSR Congress' '**Sustainable Business of the Year Award 2015**' to Chanderiya Lead Zinc Smelter
- ABP News' **Global CSR Excellence & Leadership Awards**
- '**Greentech CSR Gold Award**' 2015
- NGOBOX's **CSR Impact Awards 2015** under WASH (Water, Sanitation & Hygiene) category

CII's 'Sustainable Platinum Plus Label'



Leading BY EXAMPLE

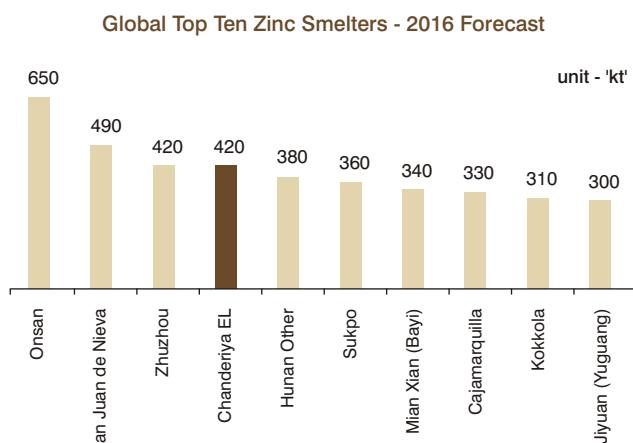
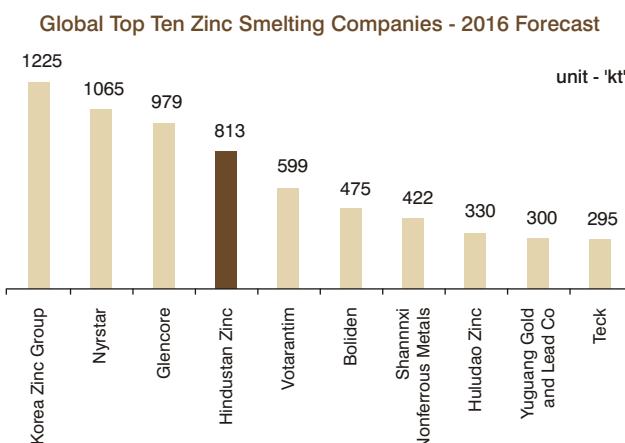
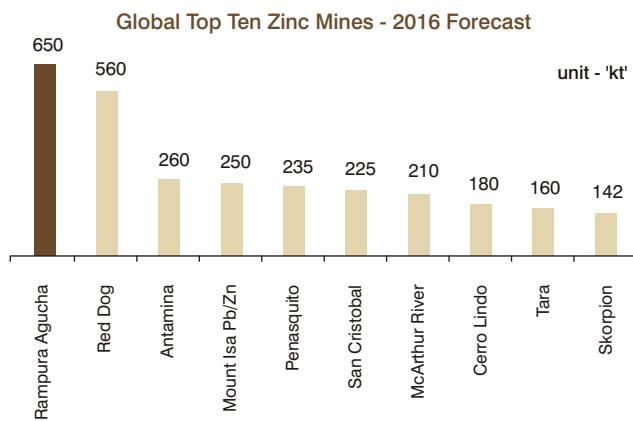
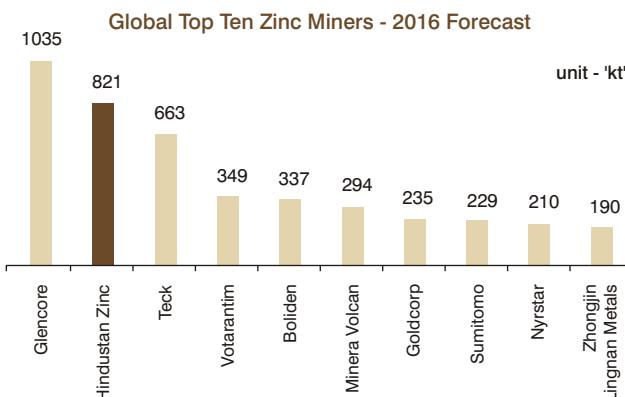
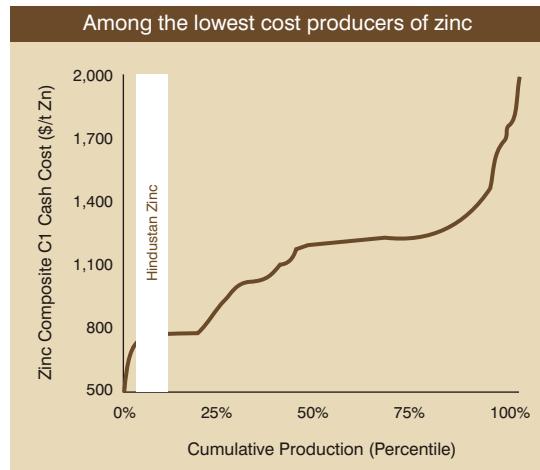


Mr. Anil Agarwal, Chairman - Vedanta Resources, inspiring the team to work for 'The Greater Good'

Our CURRENT STANDING

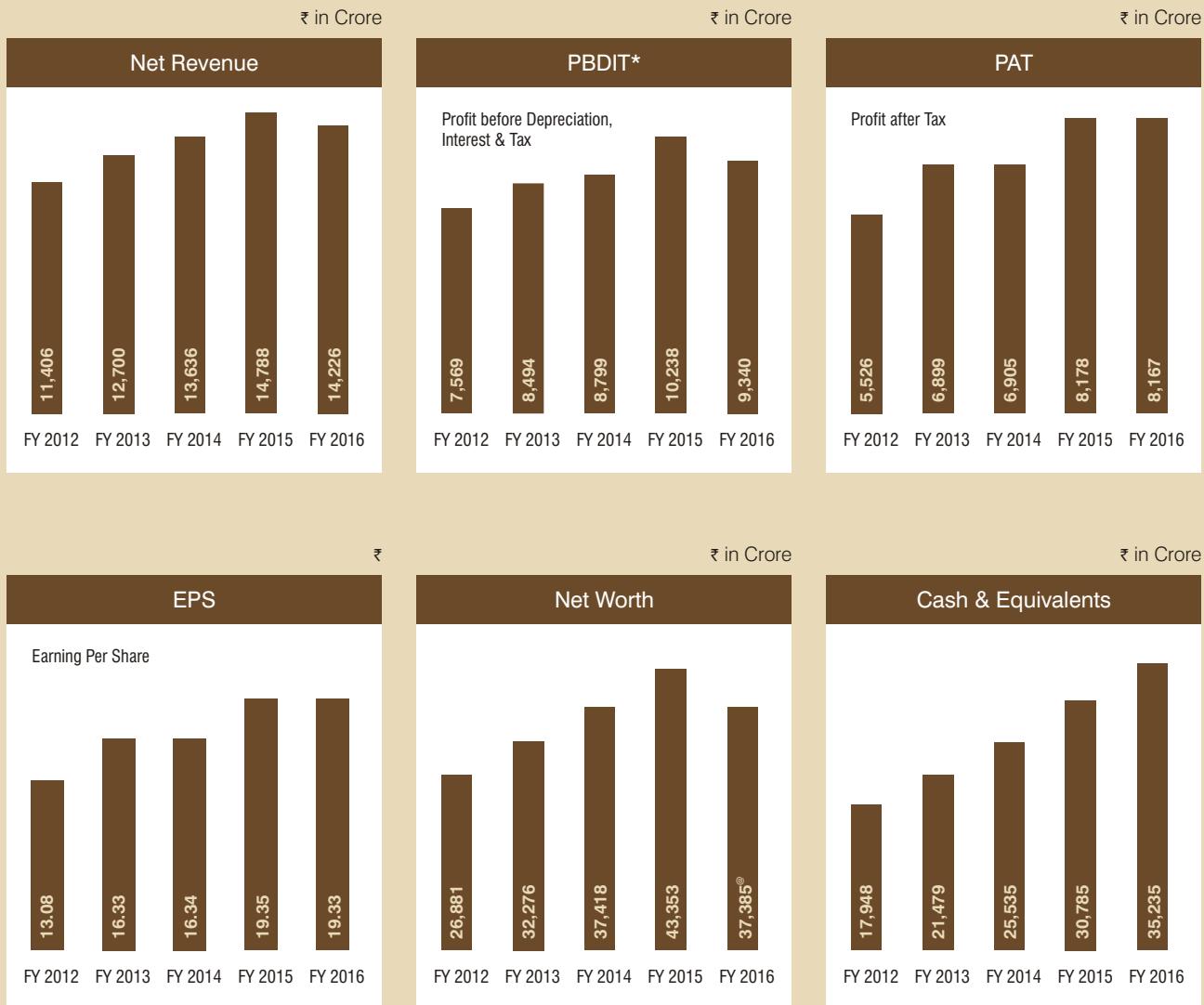
We are...

- ... operating the **world's largest** zinc mine - Rampura Agucha Mine
- ... **India's largest** and **world's second largest** zinc miner
- ... **fourth largest** zinc metal producer in the world
- ... one of the **lowest cost** zinc producers in the world
- ... unique, with fully **integrated operations** and **mine life of over 25 years**



FINANCIALS

We are committed to deliver value to our stakeholders



* Includes Other Income and Extraordinary Income

** Includes Cash and Cash Equivalents and Current Investments

@ Reduction of ₹ 12,205 Crore due to Special Golden Jubilee Dividend provided, which was paid in April 2016

PRODUCTION

We are committed to optimise our productivity.

Mined Metal

	MT				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Total	830,432	870,200	879,718	887,082	888,924
Zinc	738,569	764,671	769,897	774,330	744,271
Lead	91,863	105,529	109,821	112,752	144,653

Total Refined Metal*

	MT				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Zinc	758,716	676,921	749,167	733,803	758,938
Lead	98,724	124,816	129,858	134,898	151,576
Silver	242	408	388	368	459

* Includes captive consumption

BUSINESS MODEL

We are committed to grow responsibly

With five decades of experience in core mining business, we have learnt that the key to longevity is the ability to evolve and reach out for the 'next-level'.

Our strategy is to maintain a portfolio of predominantly long mine life and low cost assets that can remain profitable through various stages of the demand supply cycle.

We leverage our expertise in metallurgical processing to integrate our metal production and are committed to maintaining a safe environment for our people, operating and developing mines in line with good environmental practices. Creating awareness and respect for safety measures with a planned course of action is an important feature of our business model.

HINDUSTAN ZINC LTD. has a strong history of exploration success and is committed to the discovery of new ore bodies and acquiring early stage access to new development opportunities. Current exploration activities continue to target resource additions proximate to existing infrastructure to extend the life of mines in our portfolio as well as to look for greenfield prospects.

To be self-sufficient across the process chain has always been a priority for us. We are achieving this to a substantial extent through our own power generation projects which feed our power intensive plants through wind (renewable) and thermal power generation. Our energy management systems help us in bringing down the costs and in countering the energy crisis faced by many of our counterparts.

The fact that mineral resources are finite and can only be extracted to certain extent drives our research & development initiatives to focus on maximising productivity through innovation, waste prevention methods and use of best available technologies.

Our business initiatives amalgamate with our efforts to build lasting relationships with the communities in which we operate. We pride in being a responsible mining company and believe that our growth has true meaning when we create betterment opportunities for the people, regions and environmental elements directly or indirectly related to our business.

Hindustan Zinc averted a major disaster when ammonia gas leaked in acid factory in Udaipur

A major disaster was reported in April 2016, when ammonia gas leaked out of an ice factory at Sunderwas, Udaipur, a thickly populated area, which also has a petrol filling station nearby. Unit Head of our Debari zinc smelter received an SOS from the factory Inspector requesting for help in the rescue operation and support the local administration. The leakage was rapidly spreading and local authorities were unable to get the situation under control due to lack of required equipment.

Our rescue safety team was immediately alerted and it reached the site along with Head-Safety, Head-Security and officials from process and administration with required rescue equipment, fire tender etc. The rescue team was briefed enroute about the situation and severity of potential risks.

Our safety professional, Mr. Ranu Barnwal, was assigned the task to reach the gas leakage spot and arrest the gas leakage while emergency backup team from the Rajpura Dariba Complex also rushed to the spot. The leaking valves

were shut-off immediately and isolated from the system to arrest gas leakage. The efforts and preparedness of our rescue team averted a major disaster and this was much appreciated by the District Collector and public.



Chanderiya fire & safety team's war footing rescue operation saved lives and property

Chanderiya fire & safety team immediately came into action when they were informed about a fire in Nibahera town in Chittorgarh at 7:20 pm on March 10, 2016. Our fire tenders along with the crew reached the incident site where the warehouse and owner's residence was already smouldering and the fire was rapidly spreading posing a threat to people and property in proximity. The intensity of fire can be gauged by the fact that our fire tenders, along with local administration and other tenders

were able to get the situation under control by next day late afternoon. Due to the presence of class A combustible material in massive

quantity at the warehouse, the situation was not just grave but also needed action on war footing, to which the team successfully rose.



OPERATIONAL Assets

Rampura Agucha Mine

Reserve	51.1 million MT
Resource	52.7 million MT
Reserve Grade Zn	14.0 %
Reserve Grade Pb	1.8 %
Ore Production Capacity	6.15 mtpa

Sindesar Khurd Mine

Reserve	33.2 million MT
Resource	76.3 million MT
Reserve Grade Zn	4.7 %
Reserve Grade Pb	3.2 %
Ore Production Capacity	3.0 mtpa

Zawar Mining Complex

Reserve	9.5 million MT
Resource	82.3 million MT
Reserve Grade Zn	3.4 %
Reserve Grade Pb	1.7 %
Ore Production Capacity	1.20 mtpa
Captive Power Plant	80 MW

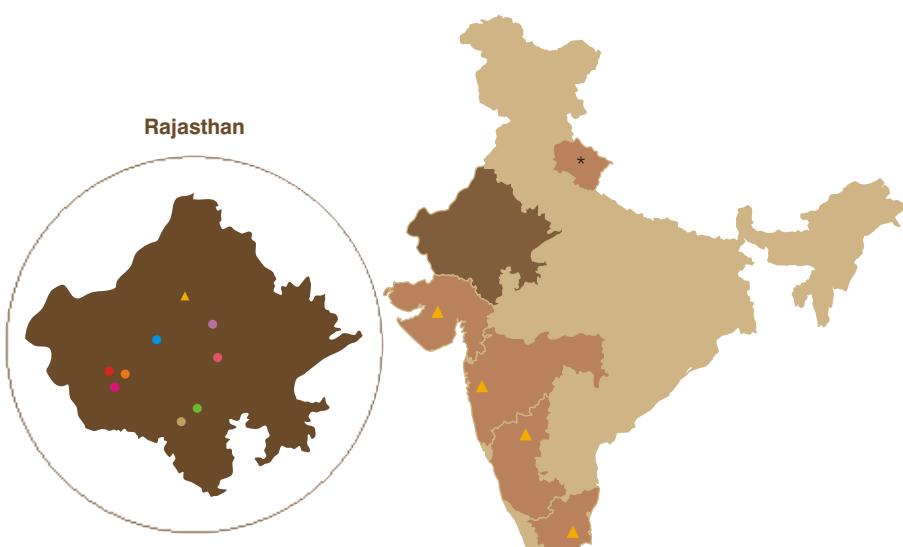
Rajpura Dariba Mine

Reserve	9.3 million MT
Resource	49.4 million MT
Reserve Grade Zn	6.3 %
Reserve Grade Pb	1.6 %
Ore Production Capacity	0.90 mtpa

Kayad Mine

Reserve	3.9 million MT
Resource	2.0 million MT
Reserve Grade Zn	13.4 %
Reserve Grade Pb	1.8 %
Ore Production Capacity	1.00 mtpa

(mtpa = million MT per annum)



Rajasthan

Chanderiya Lead Zinc Smelter

Pyrometallurgical Lead	105,000 tpa	Zinc Smelter	85,000 tpa
Hydrometallurgical	420,000 tpa	Zinc Smelter	
Captive Power Plant	234 MW		

Wind Power Plants by State (MW)

Rajasthan	88.8
Gujarat	88.8
Maharashtra	25.5
Karnataka	49.4
Tamil Nadu	21.0

Dariba Smelting Complex

Hydrometallurgical	
Zinc Smelter	210,000 tpa
Lead Smelter	100,000 tpa
Captive Power Plant	160 MW

Smelting and Power Summary

Zinc Smelting	823,000 tpa
Lead Smelting	185,000 tpa
Silver Refining	518 tpa
Captive Power	474 MW
Wind Power	274 MW

(tpa: MT per annum)

Zinc Smelter Debari

Hydrometallurgical	88,000 tpa
Zinc Smelter	

Note

We also have a Rock-Phosphate mine at Maton near Udaipur in Rajasthan with annual production capacity of 0.18 million MT and Reserve & Resource (R&R) of 8.5 million MT.

Additional facilities in the state of Uttarakhand for processing and refining of zinc, lead and silver (*). These do not add to our overall smelting capacity.

R&R Summary

	Tonnage	Grade		
	million MT	Zn (%)	Pb (%)	(Ag) (g/t)
Reserve	107.1	9.5	2.2	96
Resource	282.8	6.1	2.2	75

CHAIRMAN'S Message

We are committed to pursue excellence



At the onset, I am proud to be a part of Hindustan Zinc team that has created enormous value for its shareholders and public at large over the last decade and last fifty years. Despite a volatile commodity environment, several new regulatory headwinds and a challenging on-going transition to an underground mining company, the team delivered the best ever free cash flow in its history. Today, it is one of the largest zinc producing companies in the world. As your Company celebrated its Golden Jubilee this year, the Board of Directors declared a special dividend 1200% to its shareholders, which is the largest single dividend in India's private sector and second largest in Indian corporate history. We will continue to demonstrate our commitment towards delivering value for our shareholders.

Our unwavering focus on production growth is evident from our resolute performance which continued in FY 2016.

While the market conditions remained challenging, we continued to report healthy financial performance with ₹ 6,655 Crore of EBITDA and ₹ 8,167 Crore of net profit for the year. We will maintain our operational growth over the next few years as we execute the next phase of growth, which will enhance our global market share in zinc, lead and silver.

The zinc market was not immune to the volatility of global commodities markets. Zinc prices collapsed to the level of \$1,500-\$1,600 per MT for a period of nearly three months before regaining ground towards end of the year. The demand for zinc was steady during the year, as emerging economies led the growth in metal consumption, though at a slower pace, while demand in developed economies of USA and some European countries was better than what we had expected. At the same, significant tightness in mine

Our strategy to tide over the current commodity market challenges has been to increase production, control costs, maintain our domestic market share and increase our presence in our focus regions of emerging markets.

supply is anticipated with the closure of certain high profile mines as well as production cuts owing to difficult commodity environment.

Our strategy to tide over the current commodity market challenges has been to increase production, control costs, maintain our domestic market share and increase our presence in our focus regions of emerging markets.

I am happy to report that we delivered record mined metal and integrated metal production during the year, reduced cost of production, enhanced efficiencies, improved the productivity of our mines and smelters, as well as accelerated mine development across our expansion projects.

We are committed to increase our reserve & resource base by continuous exploration and adding more than we deplete to maintain a mine-life of 25+ years. We are fortunate to be in a resource rich country, which is still largely unexplored. It will be our endeavour to create an offshoot of the 'Make in India' programme to 'Mine in India' programme, taking our exploration programme well beyond the boundaries of our mining leases and the mineral rich Rajasthan. We will develop our existing tenements and also participate in select auctions, leveraging the era of transparent and investor friendly mining policies now in vogue.

During the year, we revisited some parts of our current phase of expansion and made certain adjustments in the mine plan based on the current environment and geo-technical conditions of the rock, ensuring that our road map to increase our zinc-lead mined metal production capacity to 1.2 million MT annually is not compromised, despite the vacuum created by volume reduction from our flagship open pit mine. We have the confidence to march ahead with our plans as our mining projects are low-risk and we are expanding at our existing locations where we have adequate land, ore bodies are well-explored and regulatory clearances are largely in place. The mine expansions are being undertaken using best-in-class technology and

equipment that will accelerate the pace of ramp-ups and make us the benchmark in the country and in the years ahead, globally.

Our efforts towards sustainability and governance were recognised by leading organisations. During FY 2016, we were awarded CII ITC Corporate Excellence - Outstanding Accomplishment and significantly reduced total recorded injuries. Despite our best efforts towards safety, I regret to report that we had four fatalities during the year in our operations. We have tightened our review system and safety practices towards hazard identification and near-misses to achieve our target of zero harm, we are focusing on culture change at grass-root level.

Going beyond business, we have made sustainable efforts to uplift rural communities in the vicinity of our operations. In FY 2016, we invested over ₹ 63 Crore in our social programmes, and plan to increase it in the coming years. We focus on providing education to children, vocational training for sustainable livelihood, promoting women empowerment, organising health and medical camps, providing water and sanitation facilities, encouraging sports and culture, environment preservation, and community development among others. These programmes are bringing significant changes in the lives of over 500,000 rural people in Rajasthan.

Overall, the stage is set for sustainable growth in future and with sustainability as the centre stone of our operations, I am confident that going forward team Hindustan Zinc will continue to move ahead and outperform expectations, while continuing to create value for all our stakeholders.

Warm Regards,

Agnivesh Agarwal
Chairman

DIRECTORS' Profile



Mr. Agnivesh Agarwal

Chairman

Mr. Agarwal was appointed on the Board with effect from November 15, 2005. He is an eminent industrialist with rich knowledge of business operations and extensive experience in efficiently managing large projects, business restructuring and strategic planning. Over the years, Mr. Agarwal has successfully developed excellent commercial acumen.

Mr. Agarwal is also the Director of Sterlite Iron and Steel Company Ltd., Agarwal Galvanizing Pvt. Ltd., Twinstar Overseas Ltd., Twinstar Infrastructure Ltd., Twinstar Investment Ltd., Primex Healthcare and Research Pvt. Ltd. and Caitlyn India Pvt. Ltd.

Mr. Agarwal is a graduate in Commerce from Sydenham College, University of Mumbai.



Mr. Sunil Duggal

CEO & Whole-time Director

Mr. Sunil Duggal was appointed as CEO & Whole-time Director w.e.f. October 1, 2015. He joined the Company in the year 2010 as Executive Director, became Chief Operating Officer in the year 2012 and was Dy. CEO from 2014, before becoming CEO & Whole-time Director. Mr. Duggal is also Vice Chairman of International Zinc Association and President of India Lead Zinc Development Association.

Mr. Duggal is a result oriented professional with over 32 years of experience in leading high performance teams and more than 18 years in leadership positions. He is known for his ability to keep a level head at all times, nurture and grow a business, evaluate opportunities & risks and successfully drive efficiency & productivity whilst reducing costs & inefficiencies and deliver innovative solutions to challenges.

He has Electrical Engineering Degree from Thapar Institute of Engineering & Technology, Patiala.

Mr. Duggal has been honoured with the Rajiv Gandhi Award for Environment Excellence in 1998 and has also published various articles in science & technology sections of newspapers.



Mr. Akhilesh Joshi

Whole-time Director

Mr. Joshi has been appointed as Whole-time Director of the Company and President Global Zinc Business of the group on October 1, 2015. Prior to this, he was CEO & Whole-time Director of the Company. He was appointed on the Board in October, 2008 and has been with the Company since 1976.

Mr. Joshi is also the Director of Madanpur South Coal Company Ltd. and NSDC's Skill Council for Mining Sector. He has a Mining Engineering Degree from MBM Engineering College, Jodhpur and a Post Graduate Diploma in Economic Evaluation of Mining Projects from School of Mines, Paris and first class Mine Manager Certificate of Competency.

Mr. Joshi is the recipient of many prestigious awards, including Government of India's 'National Mineral Award, 2006' Business Today Group's 'Best CEO Award (Core Sector), 2013', 'Lifetime Achievement Award, 2013' by the Indian Mining Engineering Journal, Gold Medal by Indian Institute of Metals and was felicitated by the Institution of Engineers (India) for his contribution to Mining Industry in 2013.



Mr. Navin Agarwal

Director

Mr. Navin Agarwal is the Executive Chairman of Vedanta Ltd. and Chairman of Cairn India Ltd., and Executive Vice Chairman of Vedanta Resources Plc. He has been with the Vedanta group since its founding, and has extensive experience in the natural resources industry. Mr. Agarwal plays a key role in the strategic and governance framework of the Vedanta Group, and provides leadership for its long-term planning, business development and capital planning. He has been instrumental in the growth of the group, through world-scale organic projects, as well as acquisitions. Mr. Agarwal is passionate about developing leadership talent for the group by identifying and nurturing future leaders.



Mr. A. R. Narayanaswamy

Director

Mr. Narayanaswamy was appointed on the Board with effect from March, 2009. He is a member of The Institute of Chartered Accountants of India and has an extensive industry experience. He is also on the Board of Sterlite Technology Limited, IBIS Softec Solutions (P) Limited, IBIS Systems & Solutions (P) Limited, Sterlite Grid 1 Ltd., Bharat Aluminium Company Ltd., Malco Energy Ltd., Sesa Resources Ltd., Sesa Mining Corporation Ltd. and Vizag General Cargo Berth (P) Ltd.



Mr. Sudhaker Shukla

Director

Mr. Sudhaker Shukla was appointed on the Board in November, 2014. Mr. Shukla is an Indian Economic Services Officer, presently holding the post of Economic Advisor in Ministry of Mines. He has held senior managerial positions in different ministeries and department of the Central Government, including his last stint as Advisor to ED at African Development Bank, Tunisia. He is also on the Board of Bharat Aluminium Company Ltd.



Ms. Sujata Prasad

Director

Ms. Prasad was appointed on the Board in May, 2013. She is currently Joint Secretary & Financial Advisor in Ministry of Mines, Government of India. She has held senior managerial positions in different ministries and departments of the Central Government including her last stint as Head of Training & Research Institute of the Ministry of Finance. She is also on the Board of Coal India Ltd., Hindustan Copper Ltd. and Bharat Aluminium Company Ltd.



Mr. Arun L. Todarwal

Director

Mr. Todarwal was appointed on the Board in March, 2015. He is a member of the Institute of Chartered Accountants of India and has extensive experience in Taxation, Statutory Audits, Due Diligences, Arbitration and Joint Ventures. He is also on the Board of Sterlite Technologies Ltd., Graviss Hotels & Resorts Ltd., Anuh Pharma Ltd., SREI Mutual Fund Trust Pvt. Ltd., Welspun India Ltd., Welspun Global Brands Ltd., Sterlite Grid 1 Ltd., Sterlite Grid 2 Ltd. and Lakecity Ventures Pvt. Ltd.



Mr. Sudhir Kumar

Director

Mr. Sudhir Kumar was appointed on the Board with effect from November 30, 2015. He has held senior managerial position in different ministries and departments of the Central Governments, including his last stint as Secretary, Department of Food and Public Distribution in Ministry of Consumer Affairs, Food and Public Distribution. He holds Masters of Science with specialisation in Physics and Bachelor of Science with specialisation in Physics, Chemistry and Mathematics.

Executive Committee

Mr. Sunil Duggal

Chief Executive Officer

With Hindustan Zinc From: August 16, 2010

Industry Experience: 32 years

Previous Companies: Ambuja Cement and Cement Corporation of India

Mr. L. S. Shekhawat

Chief Operating Officer - Mines

With Hindustan Zinc From: October 20, 1990

Industry Experience: 26 years

Mr. Dilip Pattanayak

Vice President – HR

With Hindustan Zinc From: October 20, 2015

Industry Experience: 20 years

Previous Companies: Reliance Industries Ltd., Vedanta Aluminium, Sesa Goa, BALCO, L&T, IPCL, Siemens

Mr. Amitabh Gupta

Chief Financial Officer

With Hindustan Zinc From: November 23, 2011

Industry Experience: 29 years

Previous Companies: Ranbaxy Lab, Cargill India, TeleTech India (Bharti Group) and Moser Baer Solar

Mr. Vikas Sharma

Chief Operating Officer - Smelters

With Hindustan Zinc From: August 2, 2012

Industry Experience: 28 years

Previous Companies: JSW Steel Limited, Jindal Praxair Oxygen Co., Praxair India Pvt. Ltd and HMT

Mr. Naveen Singhal

Director - Projects

With Hindustan Zinc From: January 6, 2003

Industry Experience: 30 years

Previous Companies: Swaraj Mazda, Duncan Goenka Group, Shriram Group

Mr. Ramakrishnan Kasinathan

Chief Commercial Officer

With Hindustan Zinc From: September 23, 2015

Industry Experience: 24 years

Previous Companies: SKF India Ltd, J&J, South India Corporation, Best & Crompton Engg. Ltd.

INDUSTRY Outlook

We are committed to retain our market leadership and keep pace with the growing demand of zinc, lead and silver in the country

ZINC

Zinc market in 2015 was characterized by mine closures and output cuts, further strengthening its fundamentals. The global demand is expected to grow at a steady pace of 2-3% per annum, while domestic demand is expected to grow at 6-7% per annum.

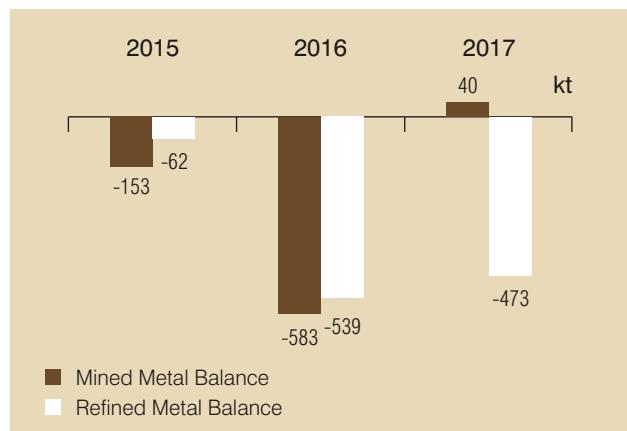
Calendar Year	2013		2014		2015	
	Volume kt	Growth %	Volume kt	Growth %	Volume kt	Growth %
Mine Production	12,835	0.9	12,956	0.9	13,302	2.7
Smelter Requirement for Zinc	12,492	3.3	12,896	3.2	13,409	4.0
Mine Supply Implied Surplus (+)/Deficit (-)	338		57		-111	
Refined Production	12,935	3.9	13,281	2.7	13,903	4.7
Consumption	13,295	3.6	13,887	4.5	13,989	0.7
Refined Implied Surplus (+)/Deficit (-)	-360		-606		-86	

Source: Wood Mackenzie, Long Term Outlook Q1 2016

kt='000MT



Zinc prices showed high degree of resilience during the first quarter of the year owing to better fundamentals than peer metals with high level of investor interest and tight physical availability. However, the strengthening of US Dollar and concerns over slowdown in Chinese economy triggered a collapse in the commodity market with zinc prices falling to their lowest since 2009 during the period from November, 2015 to January, 2016. However, prices have again started trending up in-line with fundamentals.



After three years of abnormal market dynamics with surpluses in the concentrate market and deficits in the refined market, the dynamics returned to normal in 2015 with deficits in both the concentrate and refined markets as anticipated.

The year witnessed closure of two major mines, Century and Lisheen, taking away close to 0.5 million tonnes of mined metal from the market, which was followed by production cuts by few other major miners. Tightness in concentrate availability is evident from the pressure on the treatment charges paid by miner to the smelter, which decreased by 26% from last year. Any delay in new supply to bridge this gap would depend on the zinc price performance, which also remains a major risk for the mined metal market in the near to medium term, creating an element of uncertainty for the refined market.

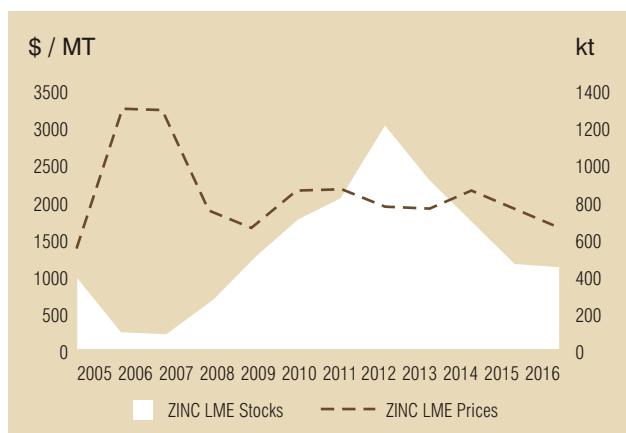
As per Wood Mackenzie research, the global zinc demand witnessed a growth of 3.2% in 2015 against 0.9% in 2014, thus substantiating zinc's strong fundamentals. The rallies in early 2014 and 2015 were pre-emptive, anticipating the shift to supply deficit which is finally expected to come about. With price collapse in the third quarter, inventory

liquidation took place ending the quarter at 596 kt, which by year end, fell further to 462 kt.

While the Chinese economy is on a downtrend, zinc demand continues to grow in Asia, including China, although at a slower pace than projected earlier. China remains the most important factor in zinc consumption constituting 47% of global demand even as some of the world's largest zinc consuming economies, like European Union and the US, have seen improved growth in zinc demand after a disappointing previous year. The market expectation is that this trend will continue in the current year as well.

Indian Zinc Market Outlook

The Indian zinc demand failed to match expectation as the domestic steel industry struggled to compete with cheap imports, especially during the first half of the year. However, the Government's extended measures to curb imports in the form of safeguard duty and proposed minimum import price will help the domestic producers to increase production. The domestic zinc demand is expected to grow at a steady pace of 6-7% in the coming years and is estimated to reach 900 kt in 2020. Hindustan Zinc continues to be the market leader in India and is working



Source: Wood Mackenzie, Long Term Outlook Q1 2016

with industry associations such as International Zinc Association (IZA) on developing new applications for zinc in the country, particularly galvanized rebar, galvanized auto car body, zinc in fertilizers etc., which will further boost demand.

LEAD

Increasing use of lead batteries due to growth in vehicles, e-bikes, telecom towers and solar power will continue to support lead demand growth.

Global Lead Market

Calendar Year	2013		2014		2015	
	Volume kt	Growth %	Volume kt	Growth %	Volume kt	Growth %
Mine Production	4,943	10.9	5,346	8.1	5,421	1.4
Smelter Requirement for Lead	4,887	11.5	5,292	8.3	5,421	2.4
Mine Supply Implied Surplus (+)/Deficit (-)	56		54		0	
Refined Production (including Secondary)	11,209	5.2	11,451	2.2	11,768	2.8
Consumption	11,049	4.1	11,539	4.4	11,768	2.0
Refined Implied Surplus (+)/Deficit (-)	160		-88		0	

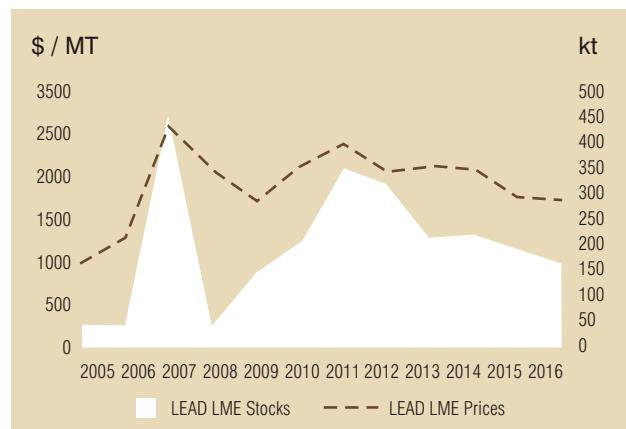
Source: Wood Mackenzie, Long Term Outlook Q1 2016

kt = '000MT

Despite the commodity market facing headwinds from demand glut, lead market was balanced with modest demand growth and lead prices depreciating the least amongst base metals complex in 2015. The lead demand is forecasted to grow at 2-3% per annum in the long run. During the last six years, the market has seen a surplus in the lead mined metal market after more than a decade of tightness. The market is anticipated to move into deficit in the coming two years due to an undersupply of mined metal.

Over 120 mines producing in 2015 are expected to close over the period of 2015-2035, removing 1.9 million MT of supply. The closure of Century could take 60,000 tonnes of lead mined metal out of the market and Lisheen around 23,000 tonnes. Combined with the likelihood that low lead prices reduce the availability of scrap metal suggests that both primary and secondary supply will tighten in the months ahead. Higher lead prices are however likely to prompt a pick-up in scrap supply, which in turn will boost secondary supply capping any significant upside potential. While demand is expected to remain sluggish, mine supply is projected to grow at an even slower rate, potentially resulting in firmer prices. Over the longer term, pollution concerns in China are likely to boost the market share of electric cars & e-bikes and thus batteries.

India's growing telecoms industry and on-going infrastructure development will support industrial battery demand, as should the expanding Photo-voltaic market. Medium term industrial sector growth is estimated at 5.8% per annum and the key to this progression is sustained investment in the relevant sectors. India has the second largest number of mobile subscribers in the world after China and is currently ranked sixth in global vehicle production having overtaken Brazil in 2011.



Source: Wood Mackenzie, Long Term Outlook Q1 2016



SILVER

On the global front, silver mine supply increased by 2.1% in 2015 from a year ago, while the growth in demand was a strong 3.4%.

Calendar Year	2013	2014	2015
Mine Production	823.7	868.3	886.7
Refined Supply (including Secondary)	988.9	1,053.3	1,040.6
Consumption	1,137.9	1,131.9	1,170.5
Physical Surplus (+)/ Deficit (-)	-149.0	-78.6	-129.8

Source: *The Silver Institute, Thomson Reuters Market Report 2016*

(Moz = million ounce)

Silver is majorly seen as investment option in the country with industrial demand being only 4%. Silver imports in 2015 increased despite freeing up of the gold trade which essentially suggests a strong underlying demand of silver in the market. The year witnessed record imports of about 7,954 MT, up by 16% from previous year on back of softened silver prices which reduced by 18% from previous year.

The surge in domestic demand is attributed to jewellery, silver coins & bars and silverware segments. Solar is one of the high potential segments in India where the solar cells being imported at present, could gradually move to domestic production.

Demand was mainly driven by coin and bar investment, which surged 24% from 2014 to reach a record high of

9,092 MT and is expected to remain elevated in the current year as well. Demand from solar segment increased by 22% from 2014. Global coin sales also hit a record high in Q3 2015 and registered a 1.5% increase in 2015 compared to previous year.

While the stage is set for a modest increase in global demand, the mine supply is forecasted to decrease in the coming years which will be the key driver of annual deficits in the silver market going forward.

Reported stock levels are expected to dwindle going forward amid a chronic shortfall of supply against physical demand, which is expected to provide support to prices in the long run.

Sindesar Khurd Mine - Mission IMpossible

Achieving 3 Million Tonne Ore Production at Sindesar Khurd Mine, Up 55%

SKM's journey of achieving 3 Million MT ore production in FY 2016 is a true reflection of realization of human potential, capabilities and its determination. Once self-motivated team starts believing in themselves, it can aspire to achieve anything.

The team produced 545 kt in Q1 and 644 kt in Q2. It shows that even though the performance was continuously improving yet it was short of the targets of 750 kt per quarter. The self-driven team decided to tighten their belts to meet the ever increasing asking rate, if they really wanted to realize their mission of 3 million MT.

SKM team initiated 'Mission 3 Million' and conducted a day long workshop in September 2015 to brainstorm on innovative ideas for achieving the target. A SWOT analysis was conducted as a precursor to implement the right tactics.

Pep talk by CEO inspired the team to take on the challenge of achieving 800 kt in Q3.

An idea creation platform 'MeriSoch' was launched in Q3 to further sharpen the strategy. Structured recognition programme was initiated in all categories and the pipeline of ideas overflowed.

The successful achievement of 800 kt boosted the moral of the team in its own abilities. At the end of Q3 the cumulative achievement was 1.95 million MT, which meant that the team had to produce over a million MT in Q4 to realise the DREAM.



Team SK set out on its 'Mission Possible' journey; 'Mission 3 Million' logo was passionately pasted on helmets and mobiles, 24X7 war room was established and multiple WhatsApp groups were created connecting 190 employees. Under guidance of COO Mines and Location Head, the team worked tirelessly and created history by achieving 1.03 million MT of production in Q4.

Everyone counted.

Tyres That Never Get Tired...

In a mineral resource company like ours, dump truck tyres play a significant role towards productivity and operational efficiency. Our annual consumption of tyres is close to ₹ 100 Crore.

At any given point in time, running dumpers at RAM open cast mine have 132 tyres in 40R57 make and 181 tyres in 27R49 make. In the year FY 2011, average tyre-life of 40R57 was 2,875 hours while in 27R49 make, the tyre-life was 4,396 hours. These figures were far below the international benchmark.

The project "Tyres That Never Get Tired" was envisaged. The team decided to focus on designing haul-roads, super elevation, operational width and reducing resistance. They also worked towards improving haul-road maintenance by regular grading & dozing and removing any spillage on haul-roads. Regular checking of air-pressure, temperature monitoring, rim inspection for cracks or flange, checking of tyre alignments, suspension component and use of rock knockers etc. was felt necessary and thus implemented.

A decision was also taken to re-design the tyres as per the site conditions. Accordingly the team invited tyre

manufacturers on the site to introduce them to the ground conditions that included rock conditions, ambient temperature and mine gradient. The tyre manufacturers now visit twice a year for taking feedback and checking efficiency with a view to further improve design.

The average tyre-life of 40R57 type tyres has increased from 2,875 hours in FY 2011 to 3,889 hours in FY 2016, a significant increase of 35% in tyre-life. The tyre-life of 27R49 type tyres has increased from 4,396 hours in FY 2011 to 5,845 hours in FY 2016, a significant increase of 32%.

This has not only saved the cost of tyres but also smoothed the operation of trucks, thereby favourably impacting safety, volumes, productivity and efficiencies.

We All Have Zinc In Our Lives



Sindesar Khurd Mine

OPERATIONS

We are committed to continuously outperform ourselves

MINES

Performance in FY 2016

	Rampura Agucha	Sindesar Khurd	Rajpura Dariba	Zawar	Kayad	Total
Ore Mined ('000 MT)	4,705	2,970	669	1,350	760	10,453
FY 2015	5,451	1,910	573	1,056	372	9,363
Zinc Feed Grade %	12.0	3.9	5.1	2.8	8.9	7.9
FY 2015	13.0	3.6	5.3	2.8	9.1	9.3
Mined Metal ('000 MT)	510.1	91.0	31.8	33.3	78.0	744.3
FY 2015	640.9	65.1	25.4	27.4	15.6	774.5
Lead Feed Grade %	1.9	2.2	1.2	2.1	1.1	1.8
FY 2015	1.7	1.9	1.3	1.7	1.1	1.7
Mined Metal ('000 MT)	55.2	49.2	7.3	24.9	7.9	144.7
FY 2015	57.4	32.4	5.4	16.3	1.3	112.8

Rampura Agucha Mine

Mining Method	Open Cast & Underground
Reservet	51.1 million MT
Resource†	52.7 million MT
Total Mined Metal Production	550,589 MT

† Reserve and Resource as on March 31, 2016

depth, two declines from surface, two ventilation shafts and a paste fill plant. Further deepening of the open pit by 48 metres to 420 metres is progressing satisfactorily and will extend the life of the open pit till 2020. This effectively mitigates the delay in ramp up of production from underground mine which should reach a capacity of 3.75 million MT per annum on sustainable basis by 2019.

The underground mine achieved 12.1 km of mine development during FY 2016, crossing 1,400 metres per month benchmark in March. In the main shaft sinking project, focus has shifted to off shaft development work at the depth of 860 metres of the final depth of 950 metres. During the year, the north ventilation shaft of 460 meter depth was completed and the south ventilation shaft reached the depth of 366 meters. Two additional raises have been planned on northern and southern ends of the pit for enhancing upfront ventilation to the underground workings; the north raise of 370 meters was completed during the year.

Rampura Agucha Mine (RAM) is the largest zinc-lead mine in the world, with high zinc-lead reserve grades averaging 15.8%. During the year, RAM produced 4.71 million MT of ore as against 5.45 million MT last year as per the mine plan wherein we are gradually transitioning to underground mining. At present, mining operation is through both open cast and underground routes, commercial stoping commenced this year from underground. The underground mine project includes a production shaft of 950 metres

Sindesar Khurd Mine

Mining Method	Underground
Reserve†	33.2 million MT
Resource†	76.3 million MT
Total Mined Metal Production	140,248 MT

† Reserve and Resource as on March 31, 2016

Sindesar Khurd Mine (SKM) is a highly mechanised silver rich zinc-lead mine with state-of-the-art infrastructure facilities. From a production capacity of 0.3 million MT at start of operations in 2006, the mine has undergone several phases of expansions to reach a production of 3.0 million MT as compared to a production of 1.9 million MT last year. It is the largest underground mine in India.

The average silver grade during the year was 116 parts per million compared to 101 parts per million last year, contributing to the substantial growth of silver production

for the Company. The mine consists of multiple standalone deposits, or auxiliary lenses, which gives us three standalone production centres at present. We are already producing from the main lode which has an annual capacity of 2.3 million MT & SKA2 auxiliary lens which has an annual capacity of 0.7 million MT. The ore production capacity will be enhanced to 3.75 million MT in 2016 by simultaneous mining in the auxiliary lenses.

Main shaft sinking has been completed up to the ultimate depth of 1,052 meter along with significant off shaft development, well ahead of schedule. SKM beneficiation plant was debottlenecked to enhance its capacity from 2.0 million MT per annum to 2.75 million MT per annum and a 1.5 million MT capacity mill is expected to be ready by end of the financial year.

SKM's accelerated ramp up has largely replaced planned lost capacity from RAM OC and has positioned it well to significantly contribute to the Company's integrated lead and silver production.

Rajpura Dariba Mine

Mining Method	Underground
Reserve†	9.3 million MT
Resource†	49.4 million MT
Total Mined Metal Production	39,120 MT

† Reserve and Resource as on March 31, 2016

Ore production capacity at Rajpura Dariba Mine (RDM) is planned to progressively increase from 0.90 million MT per annum to 1.20 million MT per annum by FY 2018.

During the year, the mine produced 0.67 million MT of ore as compared to 0.57 last year. New service equipment including raise borer, personal carriers and scissor-lifters were added to achieve higher production targets.

Kayad Mine

Mining Method	Underground
Reserve†	3.9 million MT
Resource†	2.0 million MT
Total Mined Metal Production	85,969 MT

† Reserve and Resource as on March 31, 2016

It was gratifying to see Kayad Mine (KM) come of age, surpassing the targeted production capacity of 1 million MT per annum in the last quarter. The ahead of schedule ramp up at KM is one of the fastest ramp ups of an underground mine globally and is a testimony of the Company's underground mining prowess. Although a small deposit, its shallow depth and high grades makes it an attractive addition to our portfolio of underground mines.

During the year, KM produced 0.76 million MT of ore, double of 0.37 million MT produced last year. The ore from KM is treated at Rampura Agucha Mills. Further exploration activities continue to make us feel optimistic.

Zawar Mine

Mining Method	Underground
Reserve†	9.5 million MT
Resource†	82.3 million MT
Total Mined Metal Production	58,204 MT

† Reserve and Resource as on March 31, 2016

During the year, production from Zawar Mine (ZM) increased to 1.3 million MT of ore as compared to 1.1 million MT in FY 2015.

ZM is a heritage mine where we still continue to add R&R. We plan to progressively expand ZM over the next few years by enhanced mechanisation and expect this expansion to significantly contribute to the Company's lead mined metal production.

Proactive measures averted a potential disaster at Rampura Agucha Shaft

High-volume of hot water, with ingress rate of 25 cubic meters per hour, was waiting to enter RAM underground shaft

The RAM shaft sinking project includes sinking of one production shaft of 7.5 meter in diameter with depth of 950 meter and two ventilation shafts. As the production shaft sinking work was in progress, the team detected a serious geological fault at a depth of 600 meters which continued upto 630 meters. Large quantities of water started gushing out, which could have serious implications on the safety of people working in the mine as well as on project time lines.

RAM shaft sinking has a system of advance hole drilling known as Cover

Drilling process, a methodology to establish any water bearing zones, with the potential to adversely impact the safety and progress of sinking, 40 meters ahead of sinking. Using this method, the RAM shaft team had identified and established the presence of high volume of hot water with an estimated ingress rate of 25 cubic meters per hour containing high total dissolved solids and chlorides. Immediately, with the help of the geological and

engineering teams, the RAM Shaft team swung into a contingency action plan which included cementation, sealing and supporting the geological structures. Working day and night, high pressure grout pumps were used to create cement curtain around shaft with multiple rounds of cement injection along with re-drilling through grout to prevent the water from entering the shaft. Combination of speciality cements was used extensively for sealing small fissures and to strengthen the rocks around identified zone. The cementation work was spread over three months using 200 tonnes of cement to arrest the seepage. Thereafter, the project and geology teams monitored every blast to mitigate any further threat. To ensure

further safety, additional supports were also installed to ensure long term stability of the shaft and monitoring instruments have been fitted to detect any ground movement or pressure build-up in the identified zone. The efforts have been successful and the shaft sinking has progressed successfully to 900 meters depth. Our vigilant teams and proactive approach successfully averted a potential disaster.



Dariba Smelting Complex



SMELTERS

Hindustan Zinc has a fully integrated business model which ensures stable feed reliability to optimise recoveries and costs due to its customised design. Proximity of mines and smelters also provides inherent advantages. We have world class smelters across three locations with a cumulative capacity of over 1 million MT per annum, which is one of the

largest in the world. During FY 2016, we achieved highest ever production of integrated zinc, lead and silver metals.

We are India's largest manufacturer of sulphuric acid, which is a by-product of our smelting operations.

Performance in FY 2016

	Chanderiya Lead-Zinc Smelter	Dariba Smelting Complex	Zinc Smelter Debari	Total
Refined Zinc (MT)	488,470	203,704	66,764	758,938
FY 2015	464,724	199,694	69,385	733,803
Refined Lead (MT)*	51,219	100,357	-	151,576
FY 2015	40,763	94,135	-	134,898
Sulphuric Acid	618,426	499,222	224,675	1,342,323
FY 2015	547,165	480,542	251,408	1,279,115

*includes captive consumption of 6,657 MT Lead in FY 2016 and 7,755 MT Lead in FY 2015.

Chanderiya Lead- Zinc Smelting Complex

Pyrometallurgical Lead-Zinc Smelter	105,000 tpa Zinc and 35,000 tpa Lead
Hydrometallurgical Zinc Smelter	420,000 tpa Zinc
Ausmelt™ Smelter	50,000 tpa Lead
Captive Power Plant	234 MW

With lead-zinc smelting capacity of 610,000 MT per annum, Chanderiya Lead Zinc Smelter (CLZS) continues to maintain its position as one of largest smelting complexes in the world. The facility includes two hydrometallurgical zinc smelters, one pyrometallurgical lead zinc smelter, one Ausmelt plant and captive power plants. During the year, CLZS produced 488,470 MT of zinc and 51,219 MT of lead as compared to 464,724 MT of zinc and 40,763 MT of lead last year.

During the year, several initiatives were undertaken to increase recoveries from waste and to improve the reliability and availability of our smelting operations. At hydro plant, the melting and casting section was revamped and roaster availability was improved. Hydro I achieved record recovery and roaster availability while Hydro II achieved record cathode and calcine production. Similarly, at pyro plant, sinter plant availability improved and ISF operations stabilised. Special emphasis was given to workplace safety and environment initiatives.

During the year, CLZS received several accolades including "Sustainable Business of the Year Award 2015" in the India Sustainability Leadership Summit & Awards 2015 conducted by World CSR Congress, "IMC RBNQ Certificate of Merit 2015" in the Manufacturing Category conducted by IMC Ramkrishna Bajaj National Quality Award Trust, "Best Overall Excellence in CSR" under National Award for Excellence in CSR & Sustainability endorsed by World Federation of CSR Professionals and "India Manufacturing Excellence – Gold Award" by Frost & Sullivan.

Dariba Smelting Complex

Hydrometallurgical Zinc Smelter	210,000 tpa Zinc
Lead Smelter	100,000 tpa Lead
Captive Power Plant	160 MW

Dariba Smelting Complex (DSC) includes hydro metallurgical zinc smelter, lead smelter and captive power plants and is located in the Dariba complex which includes Sindesar Khurd and Rajpura Dariba mines. In FY 2016,

DSC achieved a production of 203,704 MT of refined zinc metal and 100,357 MT of refined lead metal as compared to 199,694 MT of zinc and 94,135 MT of lead last year.

The lead smelter achieved benchmark levels of performance with increase in throughput with enhanced efficiency of the fuming furnace. There was substantial improvement in recoveries with lead at 98.66%, zinc at 94.26% and silver at 99.53%. The zinc smelter further improved its environmental footprint by elimination of fresh water usage and improved availability & reliability through asset optimisation and Kaizen projects.

Other Facilities

The Zinc Smelter Debari (ZSD) continues to operate efficiently even as it approaches its fifty years of existence having increased its capacity from 18,000 MT per annum to 88,000 MT per annum. During the year, ZSD produced 66,764 MT of refined zinc metal as compared to 69,385 MT last year. An additional roaster at Debari also supplies surplus calcine, an intermediate product, to other zinc smelters.

The Company also has facilities at Haridwar and Pantnagar, in the state of Uttarakhand for processing and refining of zinc, lead and silver as well as for nationwide distribution of finished products making it a centralized finished goods centre for our customers. These facilities do not add to the overall smelting capacity.

During the year, we produced 422 MT of integrated refined saleable silver against 266 MT last year. Sulphuric acid production was 1,342,323 MT in FY 2016 as compared 1,279,115 MT last year.

Dariba Lead Smelter – a new global benchmark

The Dariba lead plant was commissioned in July 2011 and includes oxygen bottom-blowing smelting, reduction smelting in blast furnace, slag volatilization in fuming furnace, pyrometallurgical refining of lead bullion, electrolytic refining, precious metals recovery from anode slime, oxygen bottom-blowing smelting, off-gas treatment for acid production and oxygen station.

Benchmark production, operational efficiency and cost reduction have been achieved through driving various continuous improvement projects like Focused Improvement Projects and KAIZEN.

Key achievements include:

- Lead and silver recovery of the plant is now more than 98%
- Lance Life Improvement from 8 days to 35 days by undertaking in-house design modification of refractory block and lance position installation as well as change in metal of construction of lance pipe resulted in furnace availability increase by 1% and cost benefit of ₹ 1.4 Crore
- Blast Furnace Campaign Life has been improved from 15 days to 60 days by modification of furnace and automation in slag charging, resulting in continuous

operation of the furnace

- Fuming furnace jacket life and availability of fuming furnace has been increased by changing anchor fixing pattern and some other operational parameters, resulting in improved zinc recovery of 90% against design of 85%
- Coal consumption has been reduced from 241 Kg/MT of slag to 205 Kg/MT of slag by improving fuming efficiency through optimization of electric arc furnace operating temperature, resulting in reduction in cost of production by ₹ 2.6 Crore. Detailed study was done in-house to improve bag filters efficiency and to reduce coal spillage
- Specific Furnace Oil Consumption reduced from 39 Kg/MT of cathode to 30 Kg/MT of cathode, resulting in reduction in cost of production by ₹ 2.65 Crore
- An ancillary unit has been set up to improve recovery of minor metal from residue, which has resulted in additional realization of metals worth ₹ 9 Crore

As per NFC, lance life and fumer operations of the plant are benchmark for them. After delivering exemplary performance, the vision of the team is on achieving "Negative Cost" in the coming years.

POWER

We are committed to being self-sufficient in our energy needs

Captive Power

Availability of cost effective and reliable power is crucial for our business operations. Hindustan Zinc operates thermal Captive Power Plants (CPP) at Chanderiya, Dariba and Zawar, with total power generation capacity of 474 MW. We generated 3,468 units of power compared to 3,380 million units in FY 2015.

The primary driver of our smelting operations is power, which in turn is largely a function of price and quality of coal. We meet most of our coal requirements through imports with limited coal linkages available for Zawar and Dariba. A large part of our coal imports is high GCV coal from Indonesia. The price of coal during the year remained benign benefitting our costs significantly.

During the year we successfully commissioned the second line from discom at CLZS, improving reliability and curtailing redundancy. At Zawar CPP we achieved power load factor of over 100%. We achieved 100% recycling of bottom ash at all CPPs. We retrofitted one of our turbines with brush seals instead of using conventional fins, the first in India, to reduce the specific steam consumption and are looking at improving turbine blade design & steam flow path to further optimise the same. Other initiatives during the year include optimised blending of coal, centralised inventory management and reduction in specific water consumption, auxiliary power consumption & fuel consumption by using excess process steam. We were recognised with Second Prize in the National Energy Conservation Awards 2015 in the Thermal Power Plant Category.

Green Energy - Wind Energy

We are a significant wind power producer in India with a capacity of 273.5 MW. During FY 2016, the Company produced 415 million units of wind power as compared to

444 million units last year, all of which is sold to discoms in five states. The Company's wind power capacity is registered under the United Nations Framework Convention on Climate Change for Clean Development Mechanism (CDM) and has Certified Emission Reduction Potential of 583,685 per annum of CO₂.

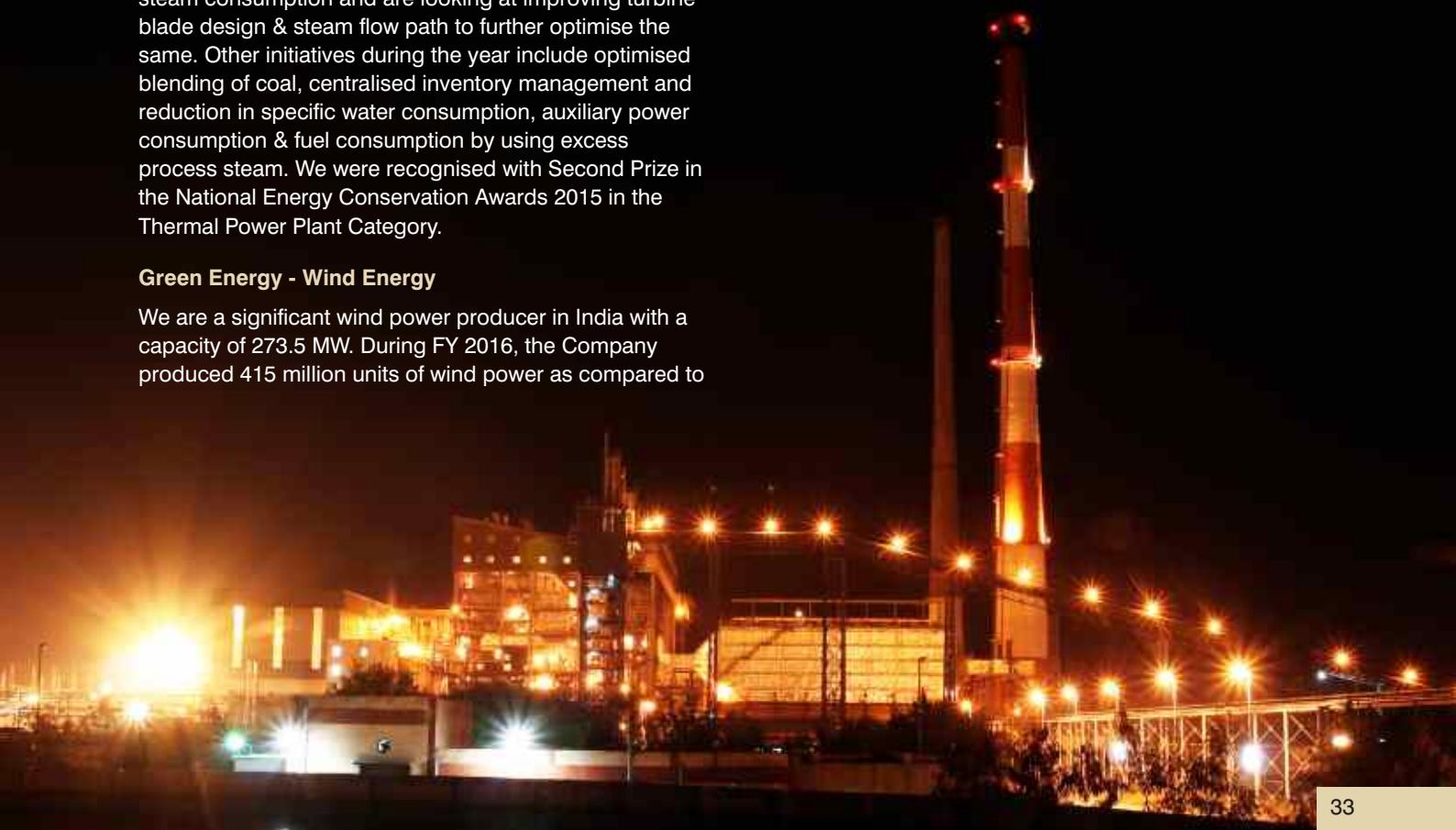
During the year, the Company received "Best Performing Wind Farm" for Zone-4 (Gujarat) by the Indian Wind Power Association.

Waste Heat Recovery Power Plants

We have waste heat recovery power plants with a capacity of 35.4 MW registered under Rajasthan Renewable Energy Corporation as a source of renewable energy. We also have 21 TPH LCV boilers for steam generation projects registered under CDM.

Solar Roof Top Projects

We have increased the green power portfolio by adding solar panels. During the year, we installed a modest 200 KW in two solar roof top projects at Head Office in Udaipur and CLZS.



EXPLORATION

We are committed to replace every tonne of ore mined

Ore Reserve and Mineral Resource (R&R) as on March 31, 2016

(The R&R position has been independently reviewed and certified as per the JoRC standard)

Mine	Ore Reserve				Mineral Resource								Total R & R Million MT	
	Proved & Probable				Measured & Indicated				Inferred					
	Million	Grade %	g/t	Million	Grade %	g/t	Million	Grade %	g/t	Million	Grade %	g/t		
	MT	Zinc	Lead	Silver	MT	Zinc	Lead	Silver	MT	Zinc	Lead	Silver		
Rampura Agucha (O/P)	8.8	13	1.9	52										
Rampura Agucha (U/G)	42.3	14.1	1.8	60	14.8	15.2	2	63	37.9	9.4	2.3	72	103.8	
Rajpura Dariba	9.3	6.3	1.6	61	22.8	6.9	2.3	66	26.6	6.7	1.9	89	58.7	
Sindesar Khurd	33.2	4.7	3.2	187	23.6	4.7	2.8	138	52.7	3.9	2.1	98	109.5	
Bamnia Kalan*					5.4	4.5	1.6	67	14.7	3.7	1.8	56	20.1	
Zawar	9.5	3.4	1.7	32	26.2	4.7	1.8	41	56.1	4.8	2.6	50	91.8	
Kayad	3.9	13.4	1.8	43	1.7	12.3	1.8	35	0.4	7.6	1.3	20	6.0	
Total	107.1	9.5	2.2	96	94.4	7	2.2	76	188.4	5.7	2.2	74	389.9	

Notes: Mineral Resource is reported exclusive of the Ore Reserve. *Part of Bamnia Kalan lease is under litigation

We are one of India's largest explorers with a successful track record of R&R addition over the years. We focus on replacing every tonne of ore mined through brownfield exploration as well as undertaking greenfield discoveries. Our successful exploration is a result of the efforts made by a team of highly motivated and best in class explorers who are supported by state-of-the-art exploration technologies.

A total of about 185,120 metres of total drilling was carried out across all mine sites during the year to sustain and

increase the R&R base of the Company. This brownfield drilling added gross R&R of 25.3 million MT during the year, augmenting the overall R&R to 389.9 million MT after depletion of 10.5 million MT. This contains 27.46 million MT of zinc metal, 8.67 million MT of lead metal and 1,007 Moz of silver metal and grading 7.0% zinc, 2.2% lead and 80.3 g/t silver. The current R&R supports an overall mine life of +25 years.



HUMAN Resources

We are committed to meet the aspirations of our employees

As on March 31, 2016, the Company had a permanent workforce of about 4,700 personnel and contractual workforce of over 12,400 personnel.

We want to become one of India's most admired employers, where every employee is our 'brand ambassador'. Towards this aim, we strive to enrich the quality of life of our employees, provide them a safe work place, develop their potential and offer fair opportunities for growth and development.

Attracting and Retaining Talent

Attracting, developing and retaining a highly talented and diverse workforce are few strategic business priorities. To achieve this, we are committed to creating an inclusive culture – one that welcomes, values, and celebrates a workforce comprising employees of different ages, languages, nationalities, cultures and genders. We encourage a culture of innovation and work beyond boundaries learning from each other. World-class infrastructure and work practices like, maternity & paternity leaves, day care centres, recognizing professional qualification through role enhancement, job rotations and much more are steps towards becoming an employer of choice.

Our focussed hiring practices enable us to hire the right person for the job, which is a challenge in mining industry as the mines are usually located in remote areas and the activity involves competencies not easily available.

Safety, a way of life

We uphold 'care' as a value. Six 'Life Saving Rules' have been implemented during the year thus promoting the zero harm to workforce culture. The Zero Harm concept is not just encouraged at the workplace but also during travel, at employee homes, for site & office visitors and for our partners. All employees were covered under the training to enable them to understand and follow Life Saving Rules.

Learning and Development

We provide ample learning opportunities to enhance individual growth. There are initiatives like education support at reputed institutes, coaching and mentoring, leaders connect programme, technical programmes, engagement programmes etc. Classroom sessions, practical demonstrations and on-the-job training are the key methods for strengthening our talent pool. We encourage our employees to understand and compete with global standards.



We have developed an academy for underground mining skill training in collaboration with 'Indian Institute of Skill Development' and NGO partner 'PDI'. The purpose of this academy is to counter the shortage of skilled manpower in the mining industry. Presently two centres have been set up at Bhilwara and at Rajsamand which have delivered three batches of trained local youths on various skills required for mining operations, thereby not only enhancing their employability through full time residential programmes but also getting them engaged fruitfully with mining companies. Till date, 46 successful candidates of Underground Mining Academy have got employment with different companies.

Employee Engagement

We conduct various activities to garner feedback and suggestions from our employees and implement practical ones. A grievance handling cell is in place that addresses difficulties being faced by any employee. Our workforce is updated on the latest developments and key initiatives through Town Hall meetings, monthly newsletters, corporate intranet, and other online portals. Foundation Day, excursions, family get-togethers, sporting events and several other programs are organised as part of regular employee engagement activities. We have a well defined framework called 'Accelerated Competency Tracking & Up-gradation Program' (ACT UP), to identify stars from amongst the highly talented professional workforce. These stars are provided with developmental inputs and accelerated career path ensuring a robust talent pipeline and leadership benchstrength. Chanakya, a business simulation game, in its second year provided platform to over 85 teams to unleash their business skills while participating in-house and few to represent at the regional as well as national level. Rewards, recognitions and performance management activities form the integral part of our employee engagement initiatives.

BUSINESS Excellence

We are committed to achieve optimum utilisation of resources and processes

Business Excellence (BE) is a common platform for all Hindustan Zinc's operations, integrating excellence into all its operations. The BE cell anchors key initiatives such as benchmarking, Asset Optimisation and innovation across our manufacturing processes.

The BE cell is the nodal agency for our sustaining capex and has added tremendous value in terms of design, synergy and standardisation. Process excellence has contributed through technologies such as Fumer for hydro smelters and has developed mechanisms for tighter process and quality control.

BE cell also drives inventory management process through the Central Inventory Control Cell, which has reduced insurance spares from 1,800 to 800 and optimised spare management process, lowering non-moving inventory.

Asset Optimisation, a group wide change management programme, has introduced various improvement initiatives under Focused Improvement Projects resulting in savings of over ₹ 100 Crore during FY 2016. Substantial improvement is seen in specific energy consumption, specific fuel consumption, specific water consumption, recovery, current ratings, overall equipment effectiveness, pull per blast, mining cycle time etc. and has further strengthened the reliability of our smelters. At Zawar mines, pull per blast improved from 2 to 2.25 metres, energy consumption at Kayad which was 12 KWH/MT has come down to less than 9 KWH/MT ore. Under the flagship

programme "Utkrisht", more than 2,000 Kaizen initiatives have been implemented.

Efforts to reduce maintenance, repair & operations costs by development of cost effective sources of critical equipment has resulted in savings of ₹ 8 Crore by technical evaluation of ideas through a series of workshops. Concept and roadmap for the model mill and smelter has been prepared after continual efforts such as ore dressing and smelters community workshops and audits. A total of 10 Community of Practices has been launched across the organisation for sharing best practices. Some of the process excellence initiatives are improvement in leaching & purification, conveyor belt audits, feasibility study for debottlenecking of mills & smelters, refinement of anode mud treatment, online sampling of powder lime, zinc dust production by utilising PW zinc as well as support in plant troubleshooting.

Technical service, also a part of BE, has facilitated development of different shapes of Special High Grade & CGG Jumbos and various grades of zinc and alloys like EPG & ZAMAK based on market demand. It plays pivotal role while timely capturing market potential and converting into technical requirements. It has helped achieving increased customer satisfaction by providing technical consultancy to customers for better usage of zinc, lead, silver and arranging customer visits to plant and plant teams to visit customers.

Research & Development

Our Central Research & Development Laboratory (CRDL) is focused on the enhancement of our business deliverables either tangible or intangible as well as driving quality assurance and control. CRDL is certified with ISO 9001:2008, 14001:2004, OHSAS 18001:2007 and 5-S work place management systems and is recognized by the Department of Scientific and Industrial Research, Government of India and is listed in American Society for Testing and Materials.

The centre strongly supports plant operation by providing technical solutions in the areas of mineral processing and metal smelting with a vision to conserve resources and protect environment by innovation and technology. Repeatability, reproducibility, accuracy at low turnaround

time and high quality work are the core values of the laboratory. It is well equipped for providing assistance for geo-metallurgical ore characterization, reagents testing, batch & continuous floatation testing, feasibility studies and flow-sheet development. The developed processes are validated at bench scale and optimized at pilot plants. We have fully operational pilot plant for beneficiation and leaching process validation.

CRDL is currently working on several projects including generating metals from old tailings. A quality assurance programme is now in its second phase for up-gradation of plant process laboratories and streamlining quality assurance for incoming materials. For major R&D initiatives undertaken during the year, refer Annexure A to Directors' Report.

SUSTAINABILITY

We are committed to ensure a zero harm culture for our people and environment.

Highlights of the Year



We believe in growing responsibly and making a conscious effort to amalgamate our business priorities with actions that will minimise our environmental footprint and maximise positive impact on communities around us. Our sustainability framework has been designed to ensure that it remains a stakeholder driven process and it integrates social and environmental aspects for sustaining our business.

The four pillars of our sustainability framework are Responsible Stewardship, Building Strong Relationships, Adding & Sharing Value and Strategic Communication. All these pillars enable us to take steps towards ensuring long-term, successful future for our business – meeting our strategic goals of growth, long-term value and sustainable development. Continuous internal auditing and the Vedanta

Sustainability Assurance Programme (VSAP) ensure that we remain on-track.

Stakeholder Engagement

We have a structured stakeholder identification and engagement process for all our business locations, allowing us to build deep and long-lasting partnerships. Our engagement programme categorises our stakeholders into specific groups: employees, contract employees, local communities, governments, regulators etc. We conduct regular meetings and also public hearings to understand and prioritise the issues as well as communicate the major project plans and impacts. The outcomes of these meetings are evaluated and time bound action plan, prepared and implemented.



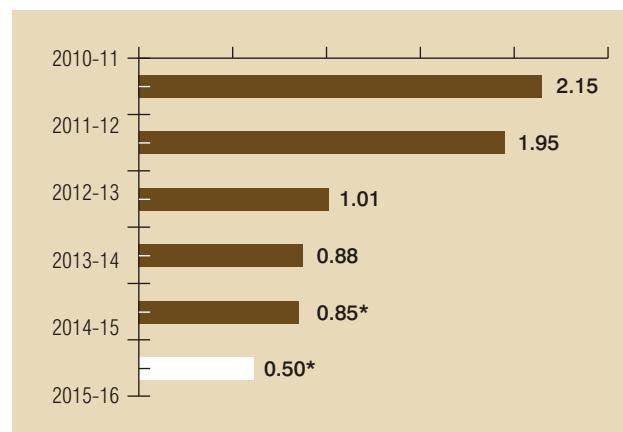
Health, Safety and Environment (HSE)

Compliance with global and local regulations and standards, and protecting our people, communities and the environment from harm are our key focus areas. We have appropriate policies and standards in place to mitigate and minimise any HSE-related occurrences. Structured monitoring & review and a system of positive compliance reporting are in place. A sustainability assurance programme continues to operate in all units. It covers environment, health, safety, community relations and human rights aspects embedding our operational commitment to HSE. There is a strong focus on safety with adequate thrust on contract employees' safety. We are implementing programmes to eliminate fatalities and injuries. Our leadership remains focused on a zero harm culture across the organisation.

In FY 2016, 283,071 hours of safety training were delivered to employees and contractors on high risk areas including working at height, permit to work, job safety analysis, first aid, incident reporting and safe behaviour. Our Aarohan journey with DuPont for establishing a positive safety culture change has completed two years. This has enabled us to focus on high potential incidents and improved reporting of leading indicators. We are continuously evaluating the Aarohan – DuPont engagement to improve the cultural

transformation of our workforce. We regret to inform that during the year, four of our colleagues died due to work related causes viz. Cage Operations, Fall of Ground, Traffic and Work at Height. All four incidents have been thoroughly investigated; root causes analysed, corrective actions put in place and learnings implemented across our operations.

LTIFR



*Data as per new ICMM guidelines 2014

Our efforts towards reinforcing a positive safety culture have resulted in reduction of total Lost Time Injuries (LTI) incidences dropped from 30 last year to 23 this year. Lost Time Injury Frequency Rate (LTIFR) reduced by 41% from last year.

We continue to dedicate considerable time and effort in training our people with an aim to achieve – and maintain – zero harm. We have made steady progress in managing safety over the last two years with Aarohan Journey and are committed towards achieving an improved performance in our major risk areas.

Quarterly Safety Themes

With a focus to improve the behaviour and continued efforts to embed a zero harm culture, we have rolled out quarterly themes for our high-risk activities. Various programmes were conducted across our operations to make these themes a success. As a part of this theme based campaign, we conducted various training and awareness sessions along with various competitions across our operations.

Safety Themes during FY 2016

Q1



Hand & Eye

Q2



FOG/Traffic

Q3



Material Handling

Q4



Working at Height

Safety Videos

Two safety videos to create awareness on Safety Interaction Process and Life Saving Rules were developed. These videos are now part of initial as well as refresher trainings.

E-Learning Modules

Comprehensive seventeen e-learning modules for self-learning and assessment covering entire workforce have been introduced in Hindi and English language. The online portal contains a series of 30-40 minute modules on a wide range of subjects which anyone can access and work through, at their own pace and time. Topics covered include forklift basics, slips, trips and fall: taking the right steps, chemical handling safety, electrical safety, personal fall protection, LOTO, scaffold safety, confined space entry, machine guarding, PPEs etc. E-learning offers the ability to achieve high levels of coverage among target audience and ensures the message communicated is consistent.

During the year various innovative initiatives were taken to

spread awareness about various safety themes and standardisation of SOPs, Standards and training modules across units.

Safety Standards

To strengthen safety on high risk activities and to reduce associated risks, we rolled out eight safety standards. There are dedicated champions for all standards to ensure uniform implementation across units.

Standards

1. Scaffolding
2. Working at Height
3. Personal Protective Equipment
4. Confined Space
5. LOTO
6. Permit to work
7. Electrical

Working at Height

Working at height is a critical activity at our sites. To prevent injuries due to fall, we ensure that all work at height tasks are planned and performed in a safe manner through appropriate risk management and the implementation of suitable controls.

- Roll-out of work at heights standard and scaffolding standard.
- Mechanized safe life-line arrangement for general pipeline network- Permanent standard mechanized life line arrangement provided for safe working at height.
- Permanent platform made for sampling furnace oil and acid from tankers with provision of life-line and safety belt.
- Tarpaulin removal with retractable fall protection.
- Vertigo structure installations for height phobia testing.
- Various class room trainings for personal protective equipment and fixed line system for work at heights.
- Work at heights rescue drills under the expert guidance.
- Standardisation of scaffold.





Safety interaction

Contractor Safety Management

Contractor performance has shown tremendous improvement since the launch of Aarohan journey. It was felt in Corporate Safety Council that a next level of improvement is required wherein contractors demonstrate more maturity with recalibration of the performance scorecard parameters.



Release of Safety Passport - A new step to ensure Safety

On the occasion of Aarohan Second Anniversary celebration 'Employee Safety passport' was released. Safety passport is for all employees and will have records of safety trainings and other skill development trainings undertaken by an employee.

Safety Stand-Down

As a standard practice, Safety Stand-Downs were conducted at all the sites by site leaders to discuss and share learning of the all serious incidents across the company. Main objective of safety stand-down is to communicate about the incident, bring awareness among the working teams towards the hazards, precautions to be taken while executing similar activities and encourage for

suggestions for improvement. This also emphasizes the importance of safety much ahead of performing any activity.

Life Saving Rules (LSR)

Adherence to six LSR is mandatory for all employees including contract employees. 100% employees underwent LSR trainings during the reporting year through various sessions. A video on understanding the LSR was developed and pocket leaflets were provided to all employees for raising awareness on LSR.

HINDUSTAN ZINC

LIFE SAVING RULES

	Do not over-ride & interfere with any safety features/devices
	Follow permit to work system
	Immediately report all incidents to management
	Always fasten seat-belt while travelling
	No person shall enter the plant under the influence of alcohol or drugs of abuse
	Mandatory and Job specific PPEs must be used

Occupational Health

We have established occupational health centres at all mines and smelters, manned with experts for regular health examination of employees and contract employees. We have an appropriate policy in place for occupational health-related matters, supported by structured processes, controls and technology. Our operations ensure the issue of operational health and consequential potential risks are mitigated. Depending on the nature of exposure and surrounding risk, our operations have different levels of processes, controls and monitoring mechanisms. Our health management processes include a pre-employment medical check-up followed by periodic medical check-ups with on-site medical professionals to monitor the occupational exposure limits. We invest in technologically advanced processes that reduce possible exposure levels, including pollution control equipments, effluent treatment, sewage treatment and the proper storage of hazardous chemicals.

During the year, 18,487 persons underwent periodic and initial medical examinations. No occupational illness related cases were reported.

40

Celebration of successful completion of two years of Aarohan Journey

Celebration of successful completion of two years of Aarohan Journey was done across units. This journey was initiated on October 29, 2013. Several activities like Cake Cutting, Skit, Poster Making, Selfie with Aarohan, Video Shooting, Safety marching, Cultural Programme, Quiz, message from Sr. Management and site leadership on highlighting the achievements of two years were conducted

during the celebration. All employees from executives to non-executives and contract employees participated. Reward and recognition was also done on this occasion.

Our safety initiatives and Aarohan journey has established a positive safety culture in the company. The awareness amongst workforce improved as evident from multi fold increase in reporting of leading indicators and reduction in injuries.



Pledge for access to safe Water, Sanitation and Hygiene (WASH) at the workplace

We have joined WASH pledge, an initiative of the World Business Council for Sustainable Development, which brings businesses together to create a sustainable future. Company is committing to implementing access to safe water, sanitation and hygiene at the workplace at an appropriate level of standard for all employees in all premises under direct control within three years.

Various initiatives undertaken for WASH implementation:

- Conducted awareness-cum-training session on WASH pledge for employees
- Displayed boards and signage to create awareness
- Signature campaign for WASH pledge for employees and their families
- Ensure safe drinking water supply and improved workplace hygiene and sanitation facility to employees



Sustaining Environment

We are committed towards sustainable business and also demonstrate our responsible stewardship by reducing our environmental footprint and meeting community expectations to support sustainable development. We constantly look to improve our performance through consistent implementation of different initiatives and projects.

We understand that the nature of our operations could have implications on the environment in different ways – through the emission of particulates, wastes generated in mining, refining and smelting processes, water consumption and changes in land use. We are committed to minimize our environmental footprint from the start of operations to closure and beyond.

We manage our footprint to the most stringent global standards throughout the process. In FY 2016, we invested ₹ 42 Crore to research new and innovative ways of protecting the environment and to bring efficiency savings.

We have developed specific environmental objectives and targets and review performance particularly with regard to energy and water management. We are proud to report zero serious environmental incidents over the year. All units through VSAP have been assessed with environmental gaps identified in energy, water management, greenhouse gas emissions and biodiversity management.

All our mining and smelting operations are based on environment friendly technologies resulting in conserving natural resources in our operations. The operations are working on zero-discharge principle and Company is

committed for efficient utilization of waste generated at its mines and smelters. All our major operational sites have robust environment management system and are ISO: 14001 certified. We have been constantly enhancing technical capabilities for better recoveries of main products and by-products. Our sustainability policies guide us to proactively address the impact of climate change and other global environmental issues. We are also evaluating the Fumer technology in our existing leaching circuit of hydrometallurgical process which will eliminate generation of Jarosite and help us to minimize waste generation in zinc smelting. We are exploring opportunities for gainful utilization of waste in eco-friendly manner like bio remediation pilot projects, waste segregation to produce compost and recycling of recyclables etc.

We are committed to measuring, controlling and reducing air emissions at each of our site and are implementing systems & procedures to address the concerns of local communities as well as to comply with the environmental license conditions. Through advanced mitigation, measurement and management strategies, we continue to identify, reduce and wherever possible, eliminate any potential impacts to air quality caused by our operational activities. During the reporting year as per regulatory guidelines, we have installed online monitoring systems for emissions and effluents to transmit data directly to servers of central and state pollution control authorities. During the year, the energy consumption of our mines has marginally gone up due to increase in their depth. We have been able to bring down our overall Specific Water Consumption by 16 % from FY 2011 to FY 2016.

Conserving Climate

Minimizing our contribution in global Climate Change is an important aspect of our sustainability program.

We have 274 MW wind farms, in Gujarat, Karnataka, Rajasthan, Maharashtra and Tamil Nadu which are registered under Clean Development Mechanism (CDM) programme by United Nations Framework Convention on Climate Change (UNFCCC).

We also have 34.4 MW of power capacity through waste heat recovery from roasters and Steam Turbo Generator (STG) and 21 TPH LCV boilers for steam generation projects registered under CDM. Our 10 UNFCCC registered projects reduce our carbon footprint by 583,685 tonnes CO₂ emission per annum while our unregistered projects reduce our carbon footprints by 116,992 tonnes CO₂ emissions per annum. In continuation of investment in green energy this

year we have commissioned two solar roof top project and one solar water heater with the capacity of 1,000 LPD. Wherever feasible we have introduced the solar/energy efficient lights.

Hindustan Zinc Ltd. voluntarily participates in Carbon Disclosure Project programme since the year 2011. We are regularly improving our performance by achieving the set targets, taking new energy saving projects and improving our disclosure standards. This year we have scored 95 (last year 77) and also we have been awarded with India Climate Disclosure Leadership Index (CDLI) 2015.

Udaipur Sewage Treatment Plant (STP) expansion by another 20 MLD

Successful implementation of 20 MLD Sewage treatment plant is a proof that such a complex, technology intensive public-private partnership deal can be reached and has the potential to deal with the water scarcity problems of state like Rajasthan. This initiative has resulted into improving the ecosystem of the lake and fresh water consumption has correspondingly reduced. The results and overall impact of this particular initiative has been appreciated by State Government and other authorities. With the success of Phase-1, we are looking at doubling of STP Plant to 40 MLD.

Conserving Biodiversity

The Company has a separate policy on biodiversity and stays committed to prevent risk on biodiversity throughout its business by conserving rare and endangered species and high priority conservation areas.

In order to promote a best practice management approach to biodiversity, we have reviewed all operations through the mapping tool – Integrated Biodiversity Assessment Tool (IBAT) to identify which of our sites are operating within close proximity of protected International Union for Conservation of Nature (IUCN) areas, important bird areas and key biodiversity hot spots. The results of the biodiversity risk screening programme have led us to prioritise the subsequent biodiversity management processes. All our sites have biodiversity management plans in place.

Intensive plantation has been carried out in last five years across all our operations and as on date total plantation is more than 1.4 million. Few major initiatives undertaken during the reporting year are:

Butterfly Park at Pantnagar

Butterfly being responsible for pollination of more than 3% of the world's plants, plays a very important role in the ecosystem. A record 117 species of butterflies during Biodiversity study at PMP demonstrated the richness though the number of the species are still low, signifying the need to improve the habitats for attracting this ecologically important insect group.



Signatory to Indian Biodiversity Business Initiative (IBBI):

To mainstream sustainable management of biodiversity into business, we have become signatory to IBBI, which is a leading national platform hosted by CII with the support of German Development Corporation. Natural Capital Action Plan for RAM was finalized with IBBI as a pilot project.

Medicinal Plant Training and Herbal Plant Nursery Development

Class room training programme on 'Enrichment of Industrial Green Spaces with Medicinal Plants for Health and Happiness' was conducted.

One Herbal Nursery has been developed at Debari Zinc Smelter Colony area having around 1,000 medicinal plants of 22 medicinal species like Tulsi, Lemon grass, Marwa, Alloy, Aloe Vera, Amla, Sitaphal etc. for enriching the nature and conservation of the herbal species.

Endangered Plant Species Distribution

Due to the increasing pressure on the local land and water resources, several local plant species (fodder, fruit trees, fuel-wood, herbs, medicinal plants, etc.) are becoming endangered and threatened. To conserve the endangered local plant species, a nursery was set up at Rampura Agucha Mine in the year 2013 on the occasion of Environment Day. This year, we have started distribution of these species at our different locations and till date we have distributed around 5000 saplings of various endangered species. The objective is to conserve biodiversity unique to the state through preservation of ecosystem.



CORPORATE Social Responsibility

We are committed to enhance the quality of life and social well-being of communities

The company has integrated 'Corporate Social Responsibility' (CSR) with its objective of operational excellence and sustainability. Our license to operate comes not only from the Government but also from the communities surrounding our operations and people of Rajasthan. Our growth has true meaning when it creates betterment opportunities for the people around us.

CSR Governance

Hindustan Zinc Board has a separate CSR sub-committee that meets twice a year. It approves the annual CSR plan, ensures that the CSR activities being undertaken are as per the Board policy and reviews the progress of the projects.

Other than the Board sub-committee, the Company also has an internal Implementation Monitoring Committee consisting of cross-functional members, which meets every month and is responsible for approvals and oversight. There is also a dedicated internal auditor who does a monthly field review of all expenditures.

And above all, the CSR teams based at all the seven locations stay in constant touch with local community and stakeholders to prioritize programmes and track impact.

CSR Assessment

Our CSR policy, as approved by Board, mandates a baseline and impact assessment to be done once every three years. Accordingly, Total Synergy Consulting Pvt. Ltd. was engaged in 2014-15 to undertake this exercise. They reached out to all locations, surveying nearly 18,000 households. The study pointed to the need for the Company to focus on high impact programmes like child care and education, while de-emphasizing the investments on infrastructure. We are now working on taking forward these recommendations.

Stakeholder Engagement

Over the years we have identified the following key stakeholder groups for the Company, with neighbouring communities being paramount. All programmes are carried out in close collaboration with local government and civil society organizations. We are planning to strengthen the engagement of our employees in our CSR initiatives.



Some of our key initiatives during FY 2015-16:

Education

- Shiksha Sambal Project, providing additional teaching support to students of classes X and XII; the project reached out to over 8000 students across 60 government schools
- Coaching support to students appearing for various government competitive exams (teachers, patwaris, police constables, etc.); about 400 students attended classes held across four locations
- Project Utkarsh a joint initiative with the District Administration, offering a quiz based learning system for students, rolled out in 316 government schools, reaching about 30,000 students
- Providing infrastructure support to government schools (construction of additional classrooms, play areas, boundary walls, furniture, etc.)
- Supporting various educational institutions working for specially abled students (Viklang Kalyan Samiti, Badhir Bal Kalyan Vikas Samiti)
- Scholarship support to students from economically weaker sections (through College for Technology and Agriculture Engineering, Sumedha, Vedanta PG Girls College)
- For early childhood care, MoU signed with the Government of Rajasthan for providing nutrition and learning support to 3,055 Anganwadis in five districts



Sustainable Livelihoods

- Building capacities of farmers on improved methods of agriculture; reached 3,000 till date
- Providing doorstep services of artificial insemination, timely veterinary and vaccination camps; 12,000 families have benefitted till date from veterinary care to 1.8 lakh cattle on an average every year
- Vocational training of 37 rural youth trained as Jumbo Drill Operators; 32 of them presently working and earning an average of ₹ 20,000 per month



Women Empowerment

- Working with close to 200 women's self-help groups (SHG), reaching more than 2500 women
- Trainings provided in tailoring, candle making, masala, papad making, etc.
- Several trained women are now self-employed
- Models in a much acclaimed fashion show held in Jaipur, walked the ramp wearing clothes made through the SHGs



Sports & Culture

- Various sports tournaments supported at district, block and village level benefitting over 5,000 people.
- Sponsored Udaipur World Music Festival held from February 13, 2016 to February 14, 2016; 100 musicians from 15 different countries held live concerts attended by over 25,000 people
- Support for Maharana Kumbha Sangeet Sammelan, Pandit Chatur Lal Memorial Concert

Environment

- Project Gulshan in joint collaboration with Urban Improvement Trust, Udaipur – towards plantation and Flower Show in Udaipur
- Another 3,500 plants were planted at different locations in the operational areas

Community Development

- Construction of community centres, culverts, drains, roads etc.
- Repair and renovation of schools, construction of GLR tanks, overhead tanks, digging of bore wells
- 311 solar lights installed in 49 villages

Health, Water & Sanitation



- Over 700 health and awareness camps conducted, covering approximately 90,000 people.
- Collaboration with the local PHED department to lay water pipelines in 14 villages.
- MoU with the District Administration for construction of toilets in government schools; so far 318 toilets constructed in 264 schools. Another 1,142 household toilets were also constructed.
- Vedanta Zinc Heart Hospital, Udaipur, treats an average of 350 patients every month, especially from economically weaker ones.

RISK MANAGEMENT Framework

Hindustan Zinc is exposed to a variety of risks inherent to global mining and resource organization. The philosophy of risk management in Hindustan Zinc encompasses strategy & operations and seeks to pro-actively identify, address and mitigate existing and emerging risks.

The Company has a robust risk management framework to identify and mitigate risks arising out of internal as well as external factors. Risk Management is embedded in our critical business activities, functions and processes. Materiality and tolerance of risk is key considerations in our decision making. There is a formal monitoring process at unit and company level, wherein new risks are identified, categorised as per impact & likelihood, mapped to key responsibilities of select managers and managed with appropriate mitigation plan. Formal discussion on risk management happens in unit level review meetings on quarterly basis. The respective units review the risks, change in nature and quantum of major risks since the last assessment, control measures established for mitigation and further action plans. The control measures stated in the risk register are periodically reviewed to verify their effectiveness.

To ensure transparency and critical assessment, we have a Group Management Assurance System that co-ordinates the risk management system. The risk management framework is reviewed annually by the Audit Committee on behalf of the Board which in turn is supported by a Board level Risk Management Committee comprising of CEO, CFO and Chairman of the Audit Committee. Head of Group Management Assurance along with COO Mines and COO Smelters are permanent invitees.

Our principal risks, which have been assessed based on impact and likelihood, are described below. The order in which these risks appear does not necessarily reflect the likelihood of their occurrence or the potential magnitude of their impact on our business. While our Risk Management Framework is designed to help the organisation meet its objective, there can be no guarantee that our risk management activities will mitigate or prevent these or other risks from occurring.

1 Project Risk on Mining Projects

The Company's current and future mining projects may be significantly delayed by failures to receive timely regulatory approvals or their renewals, technical difficulties, natural disasters, human resource, technological and other resource constraints, resulting in significant cost overruns and delays. Timely execution of underground mining projects is critical to sustain output in future, considering the planned tapering of Rampura Agucha open cast mine and transition from predominantly open cast operations to fully under-ground operations in next five years.

The Company continues to invest in ensuring the best-in-class human resources to complete large projects on time and within budgeted cost. Leading international consultants have been engaged for geotechnical modelling and optimization to endorse mining projects' technical feasibility and mine stability, particularly considering the simultaneous operation of underground and open-cast mines at Rampura Agucha. Renowned global contractors for shaft sinking, paste fill plant and mine development have been engaged for timely execution of the projects.

The project progress is closely monitored both at individual mine level and Company level. As an example, when we encountered unanticipated geotech conditions at Rampura Agucha underground project resulting in slippages in timelines, corrective actions were taken at mine level by bringing in expatriate crew for rapid development of declines while at Company level it was decided to go for deepening of the open pit at Rampura open cast mine and other underground

mines project were put on fast track, ensuring overall company's growth remained on track.

2 Operational Risk

Disruptions in mining and production due to natural calamities, equipment failures, unexpected interruptions, non-availability of input materials at appropriate price & quality and industrial unrest will negatively impact business operations.

The Company's operational profitability is dependent upon the ability to produce metals at a low cost. Any disruption in the operations will impact production and costs. For this, the Company proactively undertakes process improvements programme, benchmarks with best-in-class peers, increase automation to reduce manual-interface and focuses on asset optimization & utilization. We are also pursuing savings and synergy initiatives in commercial activities, in order to further reduce costs and improve overall financial performance of our operations. These initiatives include aspects such as optimising supplier portfolio, consolidating purchases, combining logistics activities and develop closer relationships with key vendors to get benchmark performance and reduce costs.

The Company maintains cordial relations with employee unions and has comprehensive insurance programme to reduce risks.

3 People Risk

The Company's inability to recruit and retain skilled manpower will hamper operations and projects.

Our highly skilled workforce and experienced management team is critical in maintaining our current operations, implementing our development projects and achieving long-term growth. We continue to invest in initiatives to widen our talent pool. Looking at our multi-fold increase in underground operations, there

could be a potential shortage of underground mining professionals. The Company is proactively engaging international contractors and recruiting expatriates & experts and is also supporting local skill development through a mining academy in Rajasthan. There are robust processes and systems in place for leadership development - to nurture and promote talent from within the company. Succession plan is in place for most key positions. Besides, the Company follows best practices to retain employees including several employee engagement initiatives, reward & retention schemes and fast track growth for high-potential employees.

4 Reserve & Resource (R&R) and Discovery Risk

The Company's growth and profitability depends on its ability to access mineral resources that have desired geological characteristics enabling mining at competitive costs.

Our strategic priority is to extend our resources at a faster rate than we deplete them, through continuous focus on drilling and exploration programmes. In order to achieve this, we have a strong exploration organisation, latest tools & technologies and right fit contractors. The Company has more than doubled its R&R in last one decade and maintained overall mine life of greater than twenty-five years. The Company also engages the services of independent global experts annually to ascertain and verify the quantum and grade of R&R.

Additionally, the Company has a robust exploration programme for new tenements where it has an active portfolio and it has preferential right under MMDRA Act 2015 at different stages of approval. Company is also looking at participating in mineral auctions opened up by the Government recently.

5 Health, Safety and Environment Risks (HSE)

The resource sector has inherent hazards and is therefore subject to extensive health, safety and environmental laws, regulations and standards.

Any failure may result in property damages, injuries and potential fatalities as also adversely impact surrounding communities and environment. Such incidents may result in litigation, disruption of operations, penalties and loss of goodwill.

Our focus on HSE goes well beyond complying with international & local regulations and standards. Our key priorities are to protect our people, communities & the environment from harm and our business operations from interruptions. The Company has implemented a set of standards that align our sustainability framework to globally accepted international practices like IFC, ICMM and OECD standards. We are now midway through a four-year journey with DuPont to enhance our safety culture. The Company regularly monitors occupational health; hazard identification & analysis has been incorporated in all critical operations. We focus on capturing leading indicators to eliminate accidents while continuing to invest in training our employees and contractors, remaining focused on creating a zero-harm culture across the organization. All safety and environmental incidents are thoroughly investigated for root cause analysis and to eliminate recurrence.

The Company has undertaken several initiatives to control air, water and sound pollution including dust suppression by water sprinklers and tankers, delayed blasting for minimal vibrations & dust, regular air monitoring, waste and tailing dam management to maintain greenery and zero discharge etc.

6 Community Relations Risk

Inability to provide inclusive growth to the communities and any disruption to their lives due to the Company's operations will cause discontent and can have negative impact on the Company's reputation and social license to operate.

Establishing and maintaining close links with stakeholders is an essential part of our sustainability journey. The Company regularly

engages with local bodies and communities to help them identify their priorities through need assessment and articulate programmes around assessed needs. We also seek to identify and minimise potential negative impact caused by our operations and act transparently and ethically. We promote dialogue with communities and have developed grievance cells at each of our locations. Further details of CSR activities are included in the sustainability section and also covered in our Sustainability Report.

7 Currency and Price Risk

Price and demand of the Company's finished products are inherently volatile and remain strongly influenced by global economic conditions. Any fluctuation in finished product prices or currency has direct impact on the Company's revenue and profits.

The Company considers exposure to commodity price fluctuations to be an integral part of our business and its usual policy is to sell its products at prevailing market prices. The Company has a well-defined policy framework wherein no speculative positions are taken and limited commodity hedging is done with an endeavour to achieve month-average rates both in currency and metal prices. The Company follows the policy of taking forward cover for net foreign exposure, if the net is payable in foreign currency, with negligible exposure in non USD currencies. Company also takes forward cover for next twelve months for projects on a rolling basis. All policies are periodically reviewed basis local and international economic environment.

8 Financial Risk

Like any large and complex business, the Company's operations are prone to interest rate volatility on treasury funds, counter party risk and insurance risk. If the financial policies are not designed well or not implemented rigorously, it could lead to control breakdown and impact the Company's cash reserves, profitability, growth and image.

The Company follows a conservative treasury policy revolving around capital protection and yield maximisation, in that order. Treasury operations are managed in an overall framework encompassing segregation of duties, third party confirmations and supplementary management assurance audits. The Company policy restricts trading or speculative calls and dealing in exotic structured products.

Furthermore, the Company has defined policies to mitigate counter party risks by making substantially all its sales on a secured basis while its investments are only in highly rated debt instruments with defined counter party limits. The Company's investment portfolio is periodically reviewed by an external agency certifying 'highest' credit quality basis evaluation of underlying portfolio and exposures. The Company runs a well-structured insurance programme balancing risks and costs and encompassing loss of profits and project risks, in addition to traditional asset risks.

9 Water, Energy and Land

Natural resource companies such as ours are highly dependent on availability of water, energy and land. Lack of availability of these resources will hamper Company operations and impact future projects.

The Company endeavours to minimise its environment footprint and has several structured programs to reduce energy and water consumption, and maximise utilization of solid waste.

Supporting water conservation efforts of the government is a stated priority of Hindustan Zinc and the Company maintains several water sources in conjunction with the Government. A Sewage Treatment Plant (STP) was also set up in Udaipur which not only reduces inflow of sewage into local lakes but also provides a sustainable water source to its operations. Second phase of STP project is being planned to double the current capacity.

The Company is self-sufficient in power through coal-based captive power generation for which it

sources high calorific value coal from the global market in addition to established linkages from indigenous sources. The Company has also invested in wind energy. Fly ash generated in power plants is sold to cement industry while our major waste from zinc smelters is neutralised in an environment friendly manner for which trials are ongoing for usage in construction and infrastructure industry.

10 Political, Legal and Regulatory Risks

Non-compliance with applicable laws & regulations as well as changes in the Government policies, such as changes in royalty mechanism or rates, reduction in export incentives, changes in tax structure, cancellation or non-renewal of mining leases & permits and reduction or curtailment of duty & tax benefits available may adversely impact operations and hamper growth.

The Company has a strong team of professionally qualified experts to manage compliance with laws and has built-in adequate checks and balances to monitor compliance through technology. The Company's well thought out tax planning strategies may sometimes get challenged resulting in long disputes which may not always go in Company's favour.

The Company proactively communicates with all government functionaries to ensure that its suggestions on industry-view are heard before policy making which may impact the industry and the Company's business. The Company believes in responsible policy advocacy.

The Company does not contribute funds to any political party.

11 Fraud and Cyber Security

With ever increasing reliance on information technology, there is enhanced risk of security breaches resulting in misappropriation of funds or assets. Such breaches could bring the operations to a standstill or worse.

The Company has an IT security framework in place and same is periodically reviewed. Several safeguards and policies have been put in place to protect its network from cyber security attack. They are firewalls, intrusion detection & prevention systems, incident management system, content filtering, anti-spamming system, anti-virus and anti-spywares, password policy, encryption, backup, failover systems, disaster-recovery policy etc. Company carries out periodic penetration testing and vulnerability assessment.

There is a strong Code of Conduct and the Company encourages reporting of irregularities through its strong and well communicated whistleblower mechanism and is governed by an Ethics Committee.

The weakest link in the security chain is the human element and we are further automating our

processes and internal controls to minimise human intervention in all our operations.

Internal Controls

We have effective and adequate internal audit and control systems, commensurate with our business size. Regular audits of our operations are undertaken to ensure that high standards of internal controls are maintained at each level. These consist of comprehensive internal and statutory audits, which are conducted by internationally reputed audit firms. Independence of the audit and compliance function is ensured by the auditors reporting directly to the Audit Committee wherein majority are independent directors. Details on the composition and functions of the Audit Committee can be found in the chapter on Corporate Governance of the Annual Report.

DIRECTORS' Report

Dear Members,

The Directors are pleased to inform that your Company achieved new operational performance benchmarks during the year. On the occasion of the Golden Jubilee of your Company, a special one-time dividend was declared at the end of March 2016, the highest ever by any company in the country's private sector and second highest in Indian corporate history.

Presenting the 50th Annual Report, together with the statement of Audited Financial Statements for the year ended March 31, 2016, the Company's performance is summarized below:

I. Financial Performance

Financial information is presented in accordance with the Accounting Standards (AS). Our reporting currency is Indian Rupees (₹).

Financial Information		(₹ in Crore)	
Particulars		FY 2016	FY 2015
Total Revenues (including Other Income)		16,956	17,609
Profit before depreciation, interest and tax		9,340	10,238
Less: Interest		17	24
Less: Depreciation and amortization expense		713	644
Profit before tax		8,610	9,570
Net tax expense/(benefit)		444	1,392
Profit for the year		8,167	8,178
Earnings per equity share, ₹		19.33	19.35

Total Revenue including Other Income

The Company reported total revenue including other income of ₹ 16,956 Crore, a decrease of 3.7% compared to FY 2015. The decrease was primarily on account of 16% and 13% lower zinc and lead LME respectively & 16% silver prices, largely offset by higher volumes and 7% rupee depreciation.

The other income was ₹ 2,729 Crore during the year, down 3.2% as compared to the previous year. The decrease in other income was on account of lower mark-to-market gains in long term debt mutual funds and bond investments.

Production Cost

Net zinc metal cost, without royalty, during the year,

was lower by 1.1% in INR and 7.6% in USD term, at ₹ 52,646 (\$804), compared with the previous year. The decrease was due to higher volumes of integrated production, better smelter efficiencies, lower coal & commodity costs, partly offset by lower average grades due to change in mining mix and higher mine development.

Operating Margin

The Company achieved profit before depreciation, interest and tax (PBDIT) of ₹ 9,340 Crore in FY 2016, down 8.8% from ₹ 10,238 Crore a year ago, as a result of total revenue (including other income) and higher royalty, partially offset by decrease in cost of production.

Net Profit

The Company reported profits of ₹ 8,167 Crore for the year, flat from the previous year. The impact of lower PBDIT was mostly offset by lower tax during the year. The tax rate during the year reduced significantly largely due to higher proportion of tax efficient operational and investment income with significant investments now becoming long-term. In addition, substantial liquidation of investments took place at year end for payment of Golden Jubilee dividend, with corresponding realised profits being set off by carried forward tax losses. The higher silver volumes in the second half of the year also lowered the tax rate. Also, LME fall & shortfall in anticipated volume in the last quarter reduced the profit in taxable units thus reducing tax, since the Company maximised production from tax exempt units.

Earnings per Share (EPS)

The basic EPS for the year was ₹ 19.33 per share as compared to ₹ 19.35 per share in FY 2014-15.

Dividend

On March 30, 2016, the Board of Directors declared a Special Golden Jubilee dividend of 1200% i.e. ₹ 24 per share on share of ₹ 2 each. This

dividend entails an outflow of ₹ 12,205 Crore, including dividend distribution tax (DDT). The special dividend was in addition to the first interim dividend paid (₹ 3.80 per share) in October 2015. The total dividend outflow including DDT for FY 2016 was ₹ 14,137 Crore (₹ 27.80 per share or 1390%) against ₹ 2,207 Crore (₹ 4.40 per share or 220%) a year ago. In view of the special dividend paid, the Board of Directors have not recommended any final dividend.

Credit Rating and Liquidity

CRISIL has reaffirmed the Company's long-term rating of AAA/Stable and short-term & CP rating of A1+. The Company's strong financial profile is driven by its sustained strong liquidity and conservative capital structure as well as its integrated operations, highly competitive cost position and high-grade reserves.

The Company follows a conservative investment policy and invests in debt instruments. As at March 31, 2016, cash and cash equivalents were ₹ 35,235 Crore, out of which ₹ 31,413 Crore was invested in mutual funds and ₹ 3,769 Crore in bonds. This was before payment of Special dividend of ₹ 12,205 Crore, including DDT.

Cash Flows

Particulars	(₹ in Crore)	
	FY 2016	FY 2015
Opening Cash*	30,785	25,535
Add: EBITDA**	6,655	7,447
Add: Net Interest Income	2,699	2,798
Less: Income Tax & Dividend	-5,025	-3,912
Less: Capital Account Payments	-1,597	-1,617
(Increase) / Decrease in Working Capital & Others	1,718	534
Closing Cash Balance	35,235	30,785

(*) Includes Cash and Cash Equivalents (refer Note 16 of the Audited Financial Statements) and Current Investments (refer Note 13 of the Audited Financial Statements)

(**) Earnings before Interest, Tax, Depreciation and Amortization expenses and Income on investments

Gross Working Capital

Gross working capital represented by inventory, sundry debtors and loans & advances decreased from ₹ 2,303 Crore to ₹ 1,812 Crore as at March 31, 2016 due to depletion of ore & own mined-metal inventory and reduction in debtors. The working capital cycle was 67 days in FY 2016 as compared to 57 days in FY 2015.

Gross Block

The gross block during the year increased from ₹ 16,555 Crore to ₹ 18,105 Crore. This was largely due to the on-going mining projects.

Capital Employed

The total capital employed as at March 31, 2016 was ₹ 2,114 Crore, as compared to ₹ 12,568 Crore at the end of previous fiscal year, reduction was caused primarily due to year end provision for Special Golden Jubilee dividend, despite efficiencies in working capital.

Contribution to the Exchequer

Your Company has contributed ₹ 4,738 Crore, in terms of royalties, taxes and duties to the exchequer on cash basis.

II. Operational Performance

Production

Mined metal production was 888,924 MT, marginally higher from a year ago and the highest ever. While the production from the open cast mine at Rampura Agucha reduced by 17% during the year to 528,751 MT, the gap was bridged by higher production from underground mines which increased by 45% to 360,175 MT during the year.

Integrated refined zinc and saleable lead production this year were a record 758,938MT and 140,408 MT, an increase of 5% and 33% respectively. 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. The total refined zinc was 758,938 MT, up by 3% compared to previous year, while total saleable lead production was 144,919 MT, an increase of 14% compared to FY 2015.

During the year, production of integrated saleable silver increased substantially by 58% to an all-time high of 422 MT on account of higher volume from Sindesar Khurd mine, supported by enhanced recovery. Total saleable silver production during the year was 425 MT, up 30% from a year ago.

Our total power generation in FY 2016 increased marginally to 3,468 million units while wind power generation was down 7% at 415 million units.

We delivered highest ever integrated metal production in FY 2016.

Sales

Refined zinc metal sales in the domestic market during the year was 525,763 MT, while export sales accounted for 234,637 MT. Global concerns around cheaper imports of steel and related value added products from China contained growth in domestic demand during the first half of the year, resulting in higher exports during that period. However, improved sentiments in the second half encouraged high tonnages in domestic market resulting in overall lower exports during the year compared to previous year.

Lead metal sales in the domestic market during the year increased marginally at 109,740 MT, with export sales being higher to reach 35,677 MT. Silver sales were 426 MT in FY 2016, all in the domestic market.

III. Reserve & Resource

Our exploration activity has consistently added to our R&R base over the last several years. Additionally, we have an active green field exploration strategy to add new tenements. We have added 25.3 million MT to our reserve and resource this year, prior to a depletion of 10.5

million MT during the period. Total R&R on March 31, 2016 was 389.9 million MT containing 36.13 million MT of zinc-lead metal and 1,007 million ounces of silver.

Our active exploration has led to over 25+ years of mine life.

IV. Projects

The Company remains on track for achieving 1.2 mtpa mined metal capacity in the next three years.

The transition to underground mining is going on satisfactorily with about 40% of total mined metal production in FY 2016 coming from underground mining as against 28% a year ago. This is further expected to climb to around 60% in FY 2017 while the cost of production excluding royalty is expected to remain stable.

The ramp up of Rampura Agucha underground mine, which was slower than planned at the beginning of the year, has picked up pace and achieved its highest ever decline development in the month of March. The main shaft sinking project at Rampura Agucha has reached a depth of 860 metres where off shaft development work has commenced. The pit deepening work at Rampura Agucha open cast mine to increase the depth of the pit to 420 metres, or 'Stage V', commenced during the year and is progressing well.

During the year, two of our mines, Sindesar Khurd and Kayad, outperformed the plan and ramped up ahead of schedule to reach production capacity of 3 mtpa and 1 mtpa respectively. At Sindesar Khurd mine, work for the new 1.5 mtpa capacity mill is at full swing and is expected to be commissioned by end of the financial year in-line with the mine production ramp up. The main shaft has sunk to its ultimate depth of 1,052 meter and off shaft development is currently underway, which also continues to be ahead of schedule. Environment clearance of 3.75 mtpa capacity for Sindesar Khurd mine was received during the year.

V. Outlook

In FY 2017, mined metal is expected to be marginally higher from FY 2016. First half of the year will be weak with Q1 being significantly weaker due to waste and ore sequence at Rampura Agucha open cast mine, partly offset by ramp up of underground mines. Volumes will gradually ramp up as the year progresses, as per mine plan. Integrated lead and silver metal production in FY 2017 will be higher from FY 2016, while integrated zinc metal production will be at similar levels of FY 2016 due to skewed availability of zinc mined metal.

Cost of production is expected to remain stable benefitting from various efficiency improvement programmes and cost reduction initiatives aided by a benign commodity environment, despite additional regulatory levies and lower average grades resulting from change in mining mix.

VI. Health, Safety and Environment (HSE)

The Company's efforts towards reinforcing a positive safety culture have resulted in reduction of total Lost Time Injuries from 30 last year to 23 even as the Lost Time Injury Frequency Rate reduced from 0.64 a year ago to 0.50. However, despite all our earnest efforts, the Company lost four valued lives, two permanent and two contract employees, in work-related incidents.

During the year, no occupational illness case was reported and over 283,071 man-hours of training related to sustainability were imparted.

Due to our continued efforts towards conservation of water, specific water consumption reduced by 2.5% to 13.56 m³ per MT during the year. Specific energy consumption during the year was 21.88 GJ per MT against 21.44 GJ per MT in previous year.

HSE initiatives have been discussed in detail from page no. 38 to 44 in 'Business Review', which forms a part of this Annual Report.

VII. Corporate Social Responsibility (CSR)

Company's CSR policy focuses in the areas of (a) education (b) sustainable livelihood (c) women empowerment (d) health, water & sanitation (e) sports & culture (f) environment (g) community development including community asset creation.

During the year, ₹ 63.25 Crore was incurred on account of expenditure towards CSR excluding tax foregone of ₹ 16.27 Crore but including depreciation on assets amounting to ₹ 3.16 Crore. Details of the same are provided in Annexure 5.

For details on existing CSR projects, please refer to page 45 to 47 of 'Business Review', which forms a part of this Annual Report. Detailed CSR policy is available on our website
http://hzlindia.com/social_policy.aspx

VIII. Directors

During the year under review, following changes took place in the Board of Directors of your Company.

Mr. Sudhir Kumar was appointed as an Independent Director during the year. Ms. Sujata Prasad retires by rotation and being eligible, offers herself for reappointment at the ensuing Annual General Meeting. Your Directors recommend her reappointment and none of the retiring Directors hold any shares in the Company. Further, during the year, Mr. Sunil Duggal was appointed as CEO & Whole-time Director for a period of three years w.e.f. October 1, 2015. Mr. Akhilesh Joshi continues as Whole-time Director w.e.f. October 1, 2015 to September 30, 2016.

IX. Management Discussion and Analysis

The Business Review section of this Annual Report gives a detailed account of your Company's operations and the market in which it operates, including its initiatives in areas such as human resources, sustainability and risk management.

X. Corporate Governance And Business Responsibility Report

As a listed company, necessary measures are taken to comply with the listing agreements of the Stock exchanges. A report on Corporate Governance, along with a certificate of compliance from the statutory auditors, forms part of this report. Further, Business Responsibility Report, describing the initiatives taken by your Company from an Environmental, Social and Governance perspective, also forms a part of this report. Various disclosures as required under section 134 and 135 of the Companies Act 2013 are annexed to this report or covered in the Corporate Governance Report such as related party transactions, information and details on conservation of energy, technology absorption, foreign exchange earnings and outgo, extract of annual return, constitution of various board level committees, CSR Policy & initiatives taken during the year, Board evaluation etc.

XI. Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departure from the same.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- iv. The Directors have prepared the annual accounts on a 'Going Concern' basis.
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, and
- vi. The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

XII. Auditors

The Company had appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as Statutory Auditors of the Company to conduct audit of Financial Statements for the year ended March 31, 2016. Their term of appointment expires at the conclusion of the forthcoming Annual General Meeting. The Board has approved the appointment of S. R. Batliboi & Co. LLP (part of Ernst & Young LLP) as Statutory Auditors for audit of financial statements for FY 2016-17 subject to shareholder approval. Batliboi & Co. LLP have confirmed their eligibility.

The notes to financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark, except for not fulfilling the criteria of adequate number of independent Directors as prescribed which is expected to be complied soon.

Pursuant to the orders issued by the Central Government under section 148 of The Companies Act, 2013, the Board of Directors of the Company has appointed M/s K G Goyal & Co. Cost Accountants for conducting the audit of the cost accounting records maintained by the Company for all its products. As per provisions of Section 136 of The Companies Act, 2013, the Annual Report including the audited accounts for the year will be sent to all the shareholders.

XIII. Particulars of Employees

Disclosures pertaining to remuneration and other

details as required under Section 197(12) of the Act, read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report [Annexure 1].

In terms of the provisions of Section 197(12) of The Companies Act, 2013 read with Rules 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of the Report.

However, having regard to the provisions of the first proviso to Section 136(1) of The Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. The said information is available for inspection at Registered Office of the Company during working hours. Any member interested in obtaining such information may write to the Company Secretary, at the registered office and the same will be furnished on request. Further the details are also available on the Company's website: www.hzlindia.com.

XIV. Acknowledgements

The Board of Directors places on record its sincere appreciation of the contribution made by the employees and the employees' unions in the success of the Company. The Directors also sincerely thank the Central Government and the State Governments of Rajasthan, Andhra Pradesh, Gujarat, Karnataka, Tamil Nadu, Maharashtra, Jharkhand and Uttarakhand; and the bankers, auditors, vendors, customers and the shareholders of the Company for their continued support.

For and on behalf of the Board of Directors

Sunil Duggal
CEO & Whole-time Director

A R Narayanaswamy
Director

Place: Mumbai
Date: April 21, 2016

Annexure 1

Particulars of technology absorption and foreign exchange earnings and outgo, as per Section 134(3) (m) of The Companies Act, 2013, and the rules made therein and forming part of the Directors' Report for the year ended March 31, 2016.

A) Conservation of Energy

1. LPG heaters replaced by electrical burners at Pantnagar Metal Plant to reduce LPG consumption during Jumbo casting.
2. Installation of vacuum fluorescent display (VFD) in sinter crusher ID fan at Chanderiya Lead Zinc Smelter (CLZS).
3. Replacement of existing street and plant lights with LED at CLZS.
4. Use of Roaster Air Blower for providing secondary air by stopping circulating air fan at CLZS.
5. Installation of VFD in pump motors of lead gas cleaning plant at Dariba.
6. Replacement of High Pressure Sodium Vapour street lights with LED at Debari.
7. Roof top solar plant installed at CLZS (100 KW) and Head Office at Udaipur (100 KW)
8. Solar water heater installed at CLZS guest house (Capacity 1,000 LPD).
9. VFD installed to thickener underflow pump at Rampura Agucha Mine (RAM) milling unit.

B) Technology Absorption

a. Specific areas in which R&D has been carried out by the Company in FY 2016

1. Establishment of process flow-sheet to recover Copper and Bismuth by leaching of Copper Bismuth Slag generated at Pantnagar Metal Plant (PMP). Copper is recovered as Copper Sulphate solution suitable for consumption in mines. The flow-sheet was successfully tested at bench scale and one year pilot plant operation is planned.

2. Successful implementation of Antimony dust treatment flow-sheet at ancillary industry. Antimony dust at PMP is leached in controlled conditions to recover antimony as Potassium Antimony Tartarate (PAT) reagent, used in zinc hydro plants purification section and enriched lead silver residue.
3. At the zinc hydrometallurgical plant, Copper cement treatment along with pyrometallurgical Copper dross was successfully implemented at Copper recovery plant. Process parameters are established to generate Copper Sulphate by ammonical leaching of Copper cement followed by solvent extraction for consumption at the mines.
4. Purging of impurities like copper, cadmium, bismuth, antimony etc. from various dusts/slag generated during pyrometallurgical operation.
5. Optimizing Jarosite treatment flow-sheet developed at lab scale. Targeting recovery of zinc, lead and silver from Jarosite and purging of iron.
6. Floatation circuit surveys at Sindesar Khurd and Zawar beneficiation plants to optimize plant operation and improve recovery.
7. Enhancing Sindesar Khurd grinding circuit throughput from 140 MT per hour to 140 MT per hour by modelling and simulation studies.
8. Evaluation of alternate frother to reduce specific reagent consumption and improve performance.
9. Generated bulk concentrate of 12.5% grade by floatation of Rampura Agucha tailing at CRDL pilot plant. Plant trials are planned with optimized parameters to establish economic feasibility of the process.

b. Benefits derived as result of above R&D

1. Production of in-house low cost reagents and exploring new alternate low cost reagents to reduce COP and improve plant performance.
2. Process improvement by developing treatment

procedures to purge out impurities from main circuit.

3. Improvement in beneficiation plant performance by optimization of process parameters to enhance capacity and reduce specific energy and reagent consumption by mineralogical studies, plant audits and simulation - modeling studies.

c. Future Projects for R&D in FY 2017

1. Exploring cost effective reagents to reduce COP
2. Flotation and grinding circuit modeling and simulation studies to optimize plant operations.
3. Evaluation of use of fly ash and jarosite as a partial replacement of cement in paste fill and bricks.
4. Developing process flow-sheet for recovery of

precious metals from secondaries.

5. Establishing alternate Zinc leaching flow-sheet incorporating leaching of Zinc secondaries like Waelz Kiln zinc oxide and generate enriched lead silver residue.

C) Foreign Exchange Earnings and Outgo

During the year, foreign exchange outgo was ₹ 1,392 Crore (which include import of capital goods, stores & spares, coal, consumables, consultancy, traveling etc.), while foreign exchange earned was ₹ 3,369 Crore. The details have been given under item numbers 42 to 43B of Notes to Financial Statements.

Form 'A' Form for disclosure of particulars with respect to conservation of Energy

Particulars	Unit	Year ended March 31, 2016	Year ended March 31, 2015
A Electricity, Power Generation & Fuel consumption			
Purchase Units	Million Kwh	261	198
Total Amount	₹ Cr	139.31	108.85
Average rate of purchasing	₹/kwh	5.34	5.50
CPP - Units generated from fuel oil			
Own Generation Units (From Fuel Oil)	Million Kwh	3	8
Quantity Consumed			
LSHS/FO	MT	274	275
HSD	KL	797	1,869
Total Amount	₹ Cr	5.07	11.15
Average cost of fuel per Kg	₹/kg	54.64	61.71
Average cost of generation	₹/kwh	16.43	14.21
Unit generated per unit of fuel (LSHS/FO/HSD)	kwh/kg	3.32	4.34
CPP - Units generated from Coal			
Own Generation Units (From Coal)	Million Kwh	3,348	3,268
Quantity Consumed			
Coal	MT	16,32,488	16,06,446
LDO	KL	397	697
Total Amount	₹ Cr	965.98	1,042.69
Average cost per Kg (Coal)	₹/kg	5.92	6.47
Average cost per Kg (LDO)	₹/kg	58.54	58.82
Average cost of generation	₹/kwh	3.49	3.38
Unit generated per unit of fuel (Coal)	kwh/kg	2.25	2.24
B Fuel consumption for Metal Production			
(a) L.P.G./Propane			
Quantity	Million Kg	5.39	5.81
Total Amount	₹ Cr	20.27	34.00
Average cost per Kg	₹/Kg	37.60	58.56
(b) L.D.O./LSHS/FO			
Quantity	KL	11,602	13,358
Total Amount	₹ Cr	26.79	50.08
Average cost per Ltr	₹/Ltr	23.09	37.49
(c) Coal for Steam & Others			
Quantity	MT	30,888	27,834
Total Amount	₹Cr	18.82	18.69
Average cost per MT	₹/MT	6,092	6,714
(d) Met Coke & Coke breeze			
Quantity	MT	1,27,018	1,31,874
Total Amount	₹ Cr	205.55	198.36
Average cost per MT	₹/MT	16,183	15,042

Certificate of Compliance with the Code of Conduct Policy

As provided under clause 17 (5) (a) of the SEBI (LODR) Regulation 2015 all Board Members and the Senior Management personnel have confirmed compliance with the Business Ethics and Code of Conduct for the year ended on March 31, 2016.

For **Hindustan Zinc Limited**

Sunil Duggal

CEO & Whole-time Director

Place: Mumbai

Date: April 21, 2016

Form No. MR-3

Secretarial Audit Report

For The Financial Year Ended March 31, 2016

[Pursuant to Section 204(1) of The Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Hindustan Zinc Limited
Yashad Bhawan, Udaipur.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hindustan Zinc Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the

Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (repealed w.e.f. May15, 2015)
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit Period)

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period)
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)
 - i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and
 - j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The following other laws specifically applicable to the Company for which the Company has taken certificates/reports from designated professionals for its due compliances under the said laws:
- a) The Mines Act, 1952 and Rules made thereunder; and
 - b) The Mines and Minerals (Development and Regulation) Act, 1957 and the Rules made thereunder.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company

Place: Jaipur

Date: April 21, 2016

Note: This report is to be read with our Letter of even date which is annexed as Annexure A and forms an integral part of this report

with BSE Ltd and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors except that with regard to the requirement of having at least one half of the Board of Directors comprising of Independent Directors in terms of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company falls short by two Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For V. M. & Associates
Company Secretaries

CS Manoj Maheshwari
Partner
FCS No: 3355
C P No. : 1971

Annexure A

To,
The Members
Hindustan Zinc Limited
Yashad Bhawan, Udaipur.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

Place: Jaipur
Date: April 21, 2016

For **V. M. & Associates**
Company Secretaries

CS Manoj Maheshwari
Partner
FCS No: 3355
C P No. : 1971

Annexure 2

Particulars of contract or arrangements with related parties

Form No. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of The Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL

- a) Name(s) of the related party and nature of relationship
- b) Nature of the contracts/arrangements/transactions
- c) Duration of the contracts / arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, If any
- e) Justification for entering into such contracts or arrangements or transactions
- f) Date(s) of approval by the board
- g) Amount paid as advances, if any
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of the material contracts or arrangements or transactions at arm's length basis: NIL

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts / arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, If any
- e) Date(s) of approval by the board
- f) Amount paid as advances, if any

For and on behalf of the Board of Directors

Sunil Duggal

CEO & Whole-time Director

A.R. Narayanaswamy

Director

Place: Mumbai

Date : April 21, 2016

Note: In item 2, material is defined as greater than 10% of the turnover

Annexure 3**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) of The Companies Act, 2013 and rule 12(1) of The Companies (Management and Administration) Rules, 2014]

I. Registration And Other Details:

i)	CIN	:	L27204RJ1966PLC001208
ii)	Registration Date	:	January 10, 1966
iii)	Name of the Company	:	Hindustan Zinc Ltd.
iv)	Category / Sub-Category of the Company	:	Public Ltd. Co.
v)	Address of the Registered office and contact details	:	Yashad Bhawan, Udaipur - 313004 (Rajasthan) Email: hzl.ir@vedanta.co.in Phone: 0294-6604000
vi)	Whether listed company Yes / No	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Sharepro Services (India) Pvt Ltd. 13 AB, Samitha Warehousing Complex, Behind Sakinaka Telephone Exchange, Kurla Andheri Road, Sakinaka Mumbai – 400072 Phone: 022-66720329, 66720354

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

- **Mining and Smelting of Non-Ferrous metals (Zinc, Lead, Silver).**
- **Wind energy**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the product/ service	% to total turnover of the company
1.	Zinc	27204	72.7%
2.	Lead	27209	13.5%

III. Particulars of Holding, Subsidiary and Associate Companies –

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Vedanta Limited	L13209GA1965PLC00044	Holding	64.92%	2(46)

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A. Promoters								
(1) Indian								
a) Individual/HUF								
b) Central Govt								
c) State Govt (s)								
d) Bodies Corp. – Vedanta Limited								
e) Banks / FI								
f) Any Other								
Sub-total (A) (1):-	2743154310	0	2743154310	64.92	2743154310	0	2743154310	64.92
(2) Foreign								
a) NRIs - Individuals								
b) Other Individuals								
c) Bodies Corp.								
d) Banks / FI								
e) Any Other								
Sub-total (A)(2):-	-	-	-	-	-	-	-	-
Total shareholding of Promoter								
(A) = (A)(1)+(A)(2)	2743154310	0	2743154310	64.92	2743154310	0	2743154310	64.92
B. Public shareholding								
1. Institutions								
a) Mutual Funds/ UTI	34775891	267000	35042891	0.83	52019445	267000	52286445	1.24
b) Financial Institutions / Banks	751251	45000	796251	0.02	758729	45000	803729	0.02
c) Central Government/ State Government(s)	1247950590	0	1247950590	29.54	1247950590	0	1247950590	29.54
d) Venture Capital Funds	-	-	-	-	-	-	-	-
e) Insurance Companies	22995953	0	22995953	0.54	20573084	0	20573084	0.49
f) Foreign Institutional Investors	106098335	0	106098335	2.51	63586278	0	63586278	1.51
g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
h) Any Other (specify)	-	-	-	-	-	-	-	-
(h-i)								
Sub-Total (B)(1)	1412572020	312000	1412884020	33.44	1384888126	312000	1385200126	32.80
2. Non-Institutions								-0.66
a) Bodies Corporate	24221748	137000	24358748	0.58	20397007	135000	20532007	0.49
b) Individuals								-0.09

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	35141907	1806387	36948294	0.87	31990564	1745251	33735815	0.80	-0.08
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	3041931	60000	3101931	0.07	2124887	-	2124887	0.05	-0.02
c) Any Other (specify)									
c-i) NRI	1389847	0	1389847	0.03	1062109	0	1062109	0.03	-0.01
c-ii) NRI-COMPANY	0	804000	804000	0.02	0	801000	801000	0.02	0
c-iii) foreign individual	1250	0	1250	-	1250	0	1250	-	-
c-iv) foreign corporate Bodies	2676600	0	2676600	0.06	38707496	0	38707496	0.92	0.85
Sub-Total (B)(2)	66473283	2807387	69280670	1.64	94283313	2681251	96964564	2.29	0.66
Total Public Shareholding	1479045303	3119387	1482164690	35.08	1479171439	2993251	1482164690	35.08	0
(B) = (B)(1)+(B)(2)									
C. Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A)+(B)+(C)	4222199613	3119387	4225319000	100.00	4222325749	2993251	4225319000	100.00	0

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	Pledge/encumbered to total shares	No. of Shares	% of total Shares of the company	Pledge/encumbered to total shares	
1.	Vedanta Limited	2743154310	64.92	0	2743154310	64.92	0	0
Total	2743154310	64.92	0	2743154310	64.92	0	0	0

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Shareholding at the beginning of the year	Shareholding at the end of the year		Cumulative Shareholding during the year
		No. of shares	% of total shares of the company	
1.	At the beginning of the year	2743154310	64.92	2743154310
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease /allotment/ transfer/bonus/sweat equity etc.)	-No Change-	-No Change-	-No Change-
3.	At the end of the year	2743154310	64.92	2743154310

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

		Shareholding at the beginning of the year	
Sr. No.	For Each of the Top 10 Shareholder's	No. of shares	% of total shares of the company
At the Beginning of the Year (April 1, 2015)			
1.	President of India	1247950590	29.53
2.	Life Insurance Corporation of India	11880593	0.28
3.	Janus Overseas Fund.	8907410	0.21
4.	General Insurance Corporation of India	8700000	0.20
5.	QVT Mauritius West Fund	8588768	0.20
6.	ICICI Prudential Dynamic Plan	7262798	0.17
7.	HDFC Standard Life Insurance Company Limited	7190637	0.17
8.	Eastspring Investments India Equity Open Limited	6691274	0.15
9.	PICTET Country Fund (Mauritius) Limited	5681106	0.13
10.	Goldman Sachs Investments (Mauritius) I Ltd	5368765	0.12
Net Increase/Decrease in shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) (March 31, 2016)			
1.	Life Insurance Corporation of India	(-) 10939321	(-) 0.26
2.	Janus Overseas Fund	(-) 48042	-
3.	QVT Mauritius West Fund	(-) 7341904	(-) 0.17
4.	ICICI Prudential Dynamic Plan	3009744	0.07
5.	HDFC Standard Life Insurance Company Limited	9734	-
6.	Eastspring Investments India Equity Open Limited	(-) 1576923	(-) 0.04
7.	Pictet Country Fund (Mauritius) Limited	(-) 1575114	(-) 0.04
8.	Goldman Sachs Investments (Mauritius) I Ltd	(-) 2001298	(-) 0.05
9.	ICICI Prudential Focused Bluechip Equity Fund	1929264	0.05
10.	HSBC Bank (Mauritius) Limited	5443337	0.01
11.	India Capital Fund Limited (op. Balance 5000000)	(-) 30000	-
Change in holding is due to purchase / sale of Shares.			
At the end of the year (or on the date of separation, if separated during the year) (March 31, 2016)			
1.	President of India	1247950590	29.53
2.	ICICI Prudential Dynamic Plan	10272542	0.24
3.	Life Insurance Corporation of India	9412724	0.22
4.	Janus Overseas Fund.	8859368	0.21
5.	General Insurance Corporation of India	8700000	0.21
6.	HDFC Standard Life Insurance Company Limited	7293717	0.17
7.	ICICI prudential Focused Bluechip Equity Fund	6592826	0.16
8.	HSBC Bank (Mauritius) Limited	5443337	0.13
9.	Eastspring Investments India Equity Open Limited	5114351	0.12
10.	India Capital Fund Limited	4970000	0.12

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
For Each of the Directors and KMP				
At the beginning of the year (March 1, 2015) – Rajendra Pandwal	101000	0.0024	101000	0.0024
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/bonus/sweat equity etc.)	No change	No change	No change	No change
At the end of the year (March 31, 2016)	101000	0.0024	101000	0.0024

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2015)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year (31.03.2016)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD / Manager		Total Amount (₹)			
		Mr. Akhilesh Joshi	Mr. Sunil Duggal* w.e.f. 1.10.2015				
1.	Gross salary						
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,83,09,600	1,46,54,451	5,29,64,051			
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-			
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-			
2.	Stock Option	-	-	-			
3.	Sweat Equity	-	-	-			
4.	Commission	-	-	-			
	- as % of profit	-	-	-			
	- Others, specify	-	-	-			
5.	Others, please specify (ESOP of ultimate Holding Co.)	15,28,828	11,46,916	26,75,744			
Total (A)		3,98,38,428	1,58,01,367	5,56,39,795			
Ceiling as per the Act		10% of Profit after tax i.e. ₹ 816.66 crore					
* Full year total remuneration including ESOP of ultimate holding company is ₹. 3,20,26,339.							
B. Remuneration to other directors:							
Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount (₹)			
1.	Independent Directors	Mr. A. R. Narayanaswamy	Mr. Arun L Todarwal	Mr. Kannan R. Mr. Sudhir Kumar			
	• Fee for attending board / committee meetings	6,50,000	4,50,000	1,25,000 14,75,000			
	• Commission	10,00,000	10,00,000	4,68,493 3,36,986 28,05,479			
	• Others, please specify	-	-	-			
	Total (1)	16,50,000	14,50,000	7,18,493 4,61,986 42,80,479			

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount (₹)
2.	Other Non-Executive Directors	Mr. Navin Agarwal	Mr. Agnivesh Agarwal	
	• Fee for attending board / committee meetings	3,00,000	1,00,000	4,00,000
	• Commission	10,00,000	20,00,000	30,00,000
	• Others, please specify	-	-	-
	Total (2)	13,00,000	21,00,000	34,00,000
	Total (B) = (1+2)	29,50,000	35,50,000	4,61,986
	Overall Ceiling as per the Act	1% of Profit after tax i.e. ₹ 81.67 Crore		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars Of Remuneration	Key Managerial Personnel Mr R Pandwai	Chief Financial Officer Mr Amitabh Gupta	Total Amount (₹)
1.	Gross salary	72,02,025	2,50,06,288	3,22,08,313
	a) Salary as per provisions contained in section 17(1) of the Income-taxAct, 1961			-
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961			-
	c) Profits in lieu of salary under section 17(3) the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify (ESOP of ultimate Holding Co)	2,59,744	23,07,026	25,66,770
	Total	74,61,769	2,73,13,314	3,47,75,083

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In					
Default					
Penalty					
Punishment					
Compounding					

NIL

Annexure 4**Disclosure on the Remuneration of the Managerial Personnel.**

- i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year -

Name of Director	Mr. Akhilesh Joshi	Mr Sunil Duggal
Mean	1:37	1:30
Median	1:59	1:48

- ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; -

Name	Annual Performance appraisal increment (%)
Mr. Akhilesh Joshi	10
Mr. Sunil Duggal	22
Mr. Amitabh Gupta	12
Mr. R Pandwal	11

- iii) The percentage increase in the median remuneration of employees in the financial year; - Mean 7.3%, Median 16.6%
- iv) The number of permanent employees on the rolls of Company; - 4690 (including 38 expats & retainers)
- v) The explanation on the relationship between average increase in remuneration and Company performance;- During the year the Company's profit after tax has been flat.
- vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company; Remuneration of the KMPs as % of the PAT for FY 2015-16 is 0.11%. The Company's PAT during the year is almost flat.
- vii) Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies the variations in the net worth of the Company as at the close of the current financial year and previous financial year.-

Date	Market Price in ₹	EPS (₹)	P/E ratio	Market Capitalisation, ₹ Crore	%Change
March 31, 2015	162.15	19.35	8.4	68,514	
March 31, 2016	183.50	19.33	9.49	77,534	13.16

Percentage increase over the last public offer price is not relevant as there has never been any public offer by the Company.

- viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;
 - Average increase in the remuneration of all employees excluding KMPs: 6%
 - Average increase in the remuneration of KMPs: 16%
 - Justification: KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.
- ix) Comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company; Each KMP is granted salary based on his qualification, experience, nature of job, industry benchmark, earlier salary and many other factors, comparison of one against the other is not feasible. Performance of the Company has been quite satisfactory this year.
- x) The key parameters for any variable component of remuneration availed by the Directors; Only Whole-time Directors are given variable component. Please refer point (viii).
- xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year; and - Nil
- xii) Affirmation that the remuneration is as per the remuneration policy of the Company. - Yes

Note: For Director, only WTD and CEO & WTD, has been considered. All remuneration figures are for Executives only.

Annexure 5**Annual Report on the CSR activities pursuant to the Companies (Corporate Social Responsibility Policy) Rules 2014.**

A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes

Company's vision on CSR is to enhance the quality of life and the economic well being of communities around our operations. For detailed policy, please refer our website www.hzlindia.com. For projects please refer to section on CSR under Sustainability (Business Overview section)

The composition of the CSR committee	Mr. A R Narayanaswamy - Chairman Ms. Sujata Prasad Mr. Akhilesh Joshi Mr. Sunil Duggal
Average net profit of the Company for last three financial years	₹ 8,503 Crore (PBT, as prescribed)
Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 170.05 Crore
Details of CSR spent during the financial year	
a) Total amount to be spent for the financial year	₹ 170.05 Crore (approx. ₹ 126.33 on CSR + ₹ 43.72 Crore tax foregone)
b) Amount Spent	₹ 63.25 Crore, Including ₹ 3.16 Crore on depreciation on CSR assets
c) Amount unspent, if any	₹ 63.08 Crore
d) Manner in which the amount spent during the financial year is detailed below	
In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reason for not spending the amount in its Board report	While the CSR spend at ₹ 63.25 Crore is lower than the recommended minimum 2%, it is higher than the ₹ 59.28 Crore spent in the previous year (excluding capital expenditure of ₹ 11.62 Crore incurred on sewage treatment plant for the city of Udaipur). The Company identified several new projects which are in different phases of implementation and the outgo will substantially increase in the coming years. In addition to the above, as outlined in Note 30 of Notes to Financial Statement, the Company has also provided ₹ 366.05 Crore as contribution to District Mineral Foundation which will be utilised by the Government for the interest and benefit of persons and areas affected by mining related operations, which is also quasi CSR.
A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance of CSR objectives and policy of the Company	Yes

CSR Project or Activity Identified	Sector in which the project is covered	Project or Programme		Amount Outlay in lakhs (budget)	Amount Spent (in lakhs)	Cumulative Spend till reporting period (in lakhs)	Amount Direct or implementing agency	Name of Implementing Agency
		1. Local area or otherwise	2. Specify the district*					
A. CSR Ongoing Projects								
Vedanta Bal Chetna Anganwadi & Child care Project	Education	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara & Ajmer	1,040	152	0	966	Implementing Agency Vedanta Foundation
Rural education Programme & Company run School	Education	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	1,180	931	0	4,166	Direct HZL, Viklang Kalyan Samiti, SUMEDHA
Health,water & Sanitation including company run hospitals	Health,Water & Sanitation	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	1,465	1,283	0	3,657	Implementing Agency HZL, FINISH,HelpAGE India, Arpan Seva Sansthan
Social Forestry	Bio-Investment	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	20	137	0	286	HZL
Agriculture Project	Sustainable Livelihood	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	0	0	0	277	
Animal Husbandary project	Sustainable Livelihood	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara	115	49	0	247	Implementing Agency BAIF
Rural Infrastructure Projects	Infrastructure /Otherwise	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer & Uttarakhand	550	1,608	0	5,175	Direct/ Implementing Agency HZL/Govt./ Panchayats
Programme Management & Admin	Programme	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	240	0	269	780	Direct HZL
Others	All sectors	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	375	673	0	2,085	
B. CSR New Projects								
Integrated Health Programme	Health,Water & Sanitation	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	800	0	0	0	1
Integrated Agriculture Project	Sustainable Livelihood	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	900	0	0	0	1
Vocational training for youth	Sustainable Livelihood	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	200	72	0	316	Implementing Agency PDISANKALP
Hospital Upgradation	Health,Water & Sanitation	Local area	Udaipur	40	371	0	608	Direct HZL
Impact study for social audit	Programme & Admin	Local area	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer	0	0	0	54	
CSR at Uttrakhand units	All sectors	Local area	Pantragar & Haridwar	70	7	0	7	Direct HZL
C. Others				10,010	774	0	774	1,283
Total CSR (A+B+C)				17,005	6,056	269	6,325	19,908
				CSR FY15-16	6,325	37%	19,908	

CORPORATE Governance

Company's Philosophy on Code of Governance

The Company's philosophy of Corporate Governance is the application of continued best management practices assisting the management of the company in the efficient conduct of its business, continued compliances of law and adherence to highest ethical standards to achieve the Company's objective of enhancing shareholder value and its image. Adopting high standards with transparency gives comfort to all existing and potential stakeholders including government & regulatory authorities, customers, suppliers, bankers, employees and shareholders. The Company remains resolute in its commitment to conduct business in accordance with the highest ethical standards and sound Corporate Governance practices. This approach to value creation emanates our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. Company's Business Ethics & Code of Conduct provides the overarching philosophy of its Corporate Governance practices. All Directors and employees are bound by Code of Conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the Company.

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (earlier, Clause 49 of the listing agreement of the Stock Exchanges). The Company has adopted best practices mandated in SEBI (LODR) Regulations, 2015. This chapter, along with those in the Business Review Section and Additional Shareholder Information, reports the Company's compliance with SEBI (LODR) Regulations, 2015.

Board of Directors

The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision of the company.

As trustees, the Board has a fiduciary responsibility towards all the shareholders and ensures that the company has clear goals aligned to shareholder value and its growth. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils all stakeholders'

aspirations and societal expectations. The Board, as part and parcel of its functioning, also periodically reviews its role.

(I) Composition of the Board

The composition of the Board of Directors of the company is an appropriate combination of executive and non-executive Directors with right element of independence. As on March 31, 2016, the Company's Board comprised of nine Directors, two of whom are nominee Directors from Government of India including one woman Director, two executive Directors and two promoter Directors. In addition, there are three independent Directors on the Board. In terms of clause 17(1)(b) of SEBI (LODR) Regulations, 2015, the company is required to have one half of total Directors as independent Directors, however at the year end, the Company is having two independent Directors short. The non-executive Directors are appointed or re-appointed based on the recommendation of the Nomination & Remuneration Committee which considers their overall experience, expertise and industry knowledge. One third of the non-executive Directors other than independent Directors, are liable to retire by rotation every year and are eligible for reappointment, subject to approval by the shareholders.

(ii) Number of Board Meetings

The Board of Directors met six times during the financial year, on April 20, July 20, September 18 and October 19 in 2015 and on January 21 and March 30 in 2016. The maximum time gap between any two meetings was less than four months. The agenda for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors.

(iii) Attendance and Directorships Held

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time directors in any listed company, then they do not serve as independent director in more than three listed companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the

number of Directorships and Committee memberships held by them in other companies are shown in Table 1.

Table 1: Composition of the Board of Directors

Name of Director	Relationship with other Directors	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Outside Directorships of Public Companies	No. of Committee Member-ships#	No. of Committee Chairmanships#
Mr. Agnivesh Agarwal, Chairman	Nephew of Mr. Navin Agarwal	NED	6	2	No	1@	--	-
Mr. Navin Agarwal	Uncle of Mr. Agnivesh Agarwal	NED	6	6	No	3@	-	-
Mr. Akhilesh Joshi	None	ED	6	6	Yes	2	-	-
Mr. A. R. Narayanaswamy	None	ID& NED	6	6	Yes	6	6	1
Ms. Sujata Prasad\$	None	NED	6	4	No	3	2	-
Mr. Sudhaker Shukla\$	None	NED	6	6	No	1	-	-
Mr. Arun L. Todarwal^	None	ID & NED	6	6	Yes	7	4	3
Mr. Kannan R.*	None	ID & NED	3	3	Yes	4	1	2
Mr. Sunil Duggal**	None	ED	3	3	No	-	-	-
Mr. Sudhir Kumar\$***	None	ID & NED	2	2	No	-	-	-

Notes:

* Ceased to be Director on September 18, 2015

** Appointed as Director w.e.f. October 1, 2015

*** Appointed as Director w.e.f. November 30, 2015

\$ Nominees of Government of India

Only Audit Committee and Stakeholder Relationship Committee considered

@ Excludes foreign companies: Mr. Agnivesh Agarwal – 3, Mr. Navin Agarwal – 2

ID Independent Director, NED: Non-executive Director, ED: Executive Director

^ Holds 700 shares through Ms. Mala Todarwal

(iv) Information Supplied to the Board

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CEO is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the

Company and the Accounting Policy

- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring
- Materially important notices of show cause, demand, prosecution and penalty, if any

- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Any issue involving possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Details of any joint venture or significant collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Sale of material nature like equity investments and fixed assets, which is not in the normal course of business, if any
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any

- Quarterly review of compliance status under various laws applicable to the Company
- Notices in respect of (a) Show case (b) Demand (c) Penalty and (d) Prosecution, which are materially important
- Corporate Social Responsibility activities
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Near term outlook
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including Clause 49 of the Listing Agreement with Stock Exchanges.

(v) Remuneration to Directors

Non-executive Directors, except Government Directors in the employment of the Government are paid a remuneration in the form of commission and a fixed sitting fee for each meeting, as approved by the Board and within statutory limits. The remuneration paid to Mr. Sunil Duggal, CEO & Whole-time Director and Mr. Akhilesh Joshi, Whole-time Director is as per the approval granted by the Board and subject to shareholders approval. For FY 2016, the total remuneration is as shown in Table 2A and Table 2B. Payment of commission to non-executive Directors and independent Directors has been approved by the shareholders upto the limit specified under The Companies Act, subject to the annual amount approved by the Board of Directors.

Table 2 A: Sitting fee and Commission of Directors for FY 2016 (₹)

Name of Director	Category	Sitting fees*	Commission
Mr. Agnivesh Agarwal, Chairman	Non-Executive	100,000	2,000,000
Mr. Navin Agarwal	Non-Executive	300,000	1,000,000
Mr. A.R. Narayanaswamy	Independent	650,000	1,000,000
Mr. Arun L. Todarwal	Independent	450,000	1,000,000
Mr. Kannan R.	Independent	250,000	468,493
Mr. Sudhir Kumar	Independent	125,000	336,986

Table 2 B: Remuneration paid to Executive Director for FY 2016

Name of Director	Category	Salary perquisites & other allowances	Stock option of ultimate holding Company	Total
Mr. Akhilesh Joshi	Whole-time Director	₹ 38,309,600	₹ 1,528,828	₹ 39,838,428
Mr. Sunil Duggal*	CEO & Whole-time Director	₹ 14,654,451	₹ 1,146,916	₹ 15,801,367

*w.e.f. October 1, 2015

Non-executive Directors do not hold any shares and convertible instruments of the Company and there are no pecuniary relationships or transactions of them, vis-à-vis the Company, except as mentioned above. The Company has not granted any stock option to any of its Directors.

During FY 2016, the Company did not advance any loan to any of its Directors.

As per the requirement of SEBI (LODR) Regulations, 2015, separate meeting of the independent Directors was held on March 22, 2016.

(vi) Directors' Familiarisation Programme

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarise with the Company's operations, its procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company/group subsidiaries, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year. Details of the same are available on www.hzlindia.com

(vii) Director Retiring by Rotation

As per law, two-thirds of non-executive and non-independent Directors should retire by rotation. One-third of these Directors are required to retire every year and if eligible, offer themselves for re-appointment. Ms. Sujata Prasad would retire in upcoming AGM and being eligible, has offered herself for re-appointment. A brief profile of Ms. Sujata Prasad is as follows.

Ms. Sujata Prasad

Appointed on the Board w.e.f. May 3, 2013. She is Joint Secretary & Financial Advisor in the Ministry of

Mines, Corporate Affairs and Youth Affairs & Sports, Government of India. She is also on the Board of Coal India Limited, Hindustan Copper Limited and Bharat Aluminium Company Limited. She has held senior managerial positions in different ministries and departments of the Central Government, including her last stint as Head of Training & Research Institute of the Ministry of Finance. Moreover she has been senior financial advisor of the All India Institute of Medical Science for five years.

(viii) Committees of the Board

The Company has five Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee and Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

a) Audit Committee

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations, both domestic and overseas;
- safeguarding of assets and adequacy of provisions for all liabilities;
- reliability of financial and other management information and adequacy of disclosures;
- compliance with all relevant statutes.

As on March 31, 2016, the Audit Committee comprises of three Directors, out of which majority are independent Directors. Mr. A. R. Narayanaswamy is the Chairman of the Committee.

The time gap between any two meetings was less than four months. The Committee met four times in the financial year under review on April 20, July 20 and October 19 in 2015 and on January 21, 2016. The details of the Audit Committee are given in Table 3.

Table 3: Attendance record of Audit Committee Meetings

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended	Sitting fees (₹)
Mr. A. R. Narayanaswamy	Chairman	ID & NED	4	4	100,000
Ms. Sujata Prasad	Member	NED	4	3	-
Mr. Arun L. Todarwal	Member	ID & NED	4	4	100,000
Mr. Kannan R.*	Member	ID & NED	2	2	50,000

* Ceased to be member on September 18, 2015

The Chief Financial Officer, the representative of the Statutory Auditors (Deloitte Haskins & Sells LLP), Internal Auditors (KPMG) and Head of Management Assurance Cell are invitees to the Audit Committee meetings. The Company Secretary is the Secretary to the Committee.

Mr. A. R. Narayanaswamy is a Chartered Accountant and Chairman of the Audit Committee and all the members of the Audit Committee are well versed with financial management. The quorum for the meeting of the Audit Committee is two members. The Chairman of the Audit Committee attended the 49th Annual General Meeting (AGM) held on June 15, 2015. The Audit Committee functions in accordance with its constitution and charter, framed in compliance with Clause 49 and SEBI (LODR) Regulations 2015.

The Role and functions of the Audit Committee include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees
- Approval of payment to statutory auditors for any other services rendered by them
- Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act, 2013
 - changes, if any, in accounting policies and practices and reasons for the same
 - major accounting entries involving estimates based on the exercise of judgement by management
 - significant adjustments made in the financial statements arising out of audit findings, if any
 - compliance with listing and other legal requirements relating to financial statements
 - approval of related party transactions, and their subsequent modifications, if any
 - Scrutiny of inter corporate loans and advances
 - qualifications, if any, in the draft statutory auditor report
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval
- Reviewing with the management, performance of statutory and internal auditors, their independence, effectiveness of audit process and adequacy of the internal financial control systems
- Reviewing the adequacy of internal audit plan
- Discussion with internal auditors on any significant findings and follow up thereof
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal

control systems of a material nature and reporting the matter to the Board

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors, if any
- Reviewing the functioning of the vigil and whistle blower mechanism
- Appointment of the Chief Financial Officer of the Company, as and when required
- Carrying out any other function, as is mentioned in the terms of reference of the Audit Committee
- Valuation of undertaking of the assets of the Company, where ever necessary

The Audit Committee is empowered, pursuant to its terms of reference, to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary

The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:

- Business overview including results of its operations and financial condition

- All related party transactions
- Management letters and letters of internal control weaknesses issued by the statutory auditors
- Internal audit reports relating to internal control weaknesses and review of processes
- The appointment, removal and terms of remuneration of the Auditors.

All related party transactions are pre-approved by the Audit Committee.

During the year all transaction(s) with related parties were at arm's length and in the ordinary course of business and there was no significant material transaction with any of the related parties of the Company.

b) Stakeholder Relationship Committee

The Stakeholder Relationship Committee consists of three members. The Committee met twice during the financial year under review on July 20, 2015 and January 21, 2016. Mr. A. R. Narayanaswamy is the Chairman of the Committee.

The primary function of the Committee is to address investor and stakeholders' complaints pertaining to transfers/transmission of shares, non-receipt of dividend and any other related matters as prescribed under section 178 of the Companies Act, 2013. The minutes of each of the Committee meetings are reviewed by the Board. The attendance details are mentioned in Table 4.

Table 4: Attendance Record of Stakeholder Relationship Committee Meetings

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended	Sitting fees (₹)
Mr. A. R. Narayanaswamy	Chairman	ID & NED	2	2	50,000
Mr. Akhilesh Joshi*	Member	ED	1	1	-
Mr. Sunil Duggal**	Member	ED	1	1	-
Mr. Sudhaker Shukla	Member	NED	2	1	-

*Ceased to be member on October 19, 2015

**Appointed as member w.e.f. October 19, 2015

The matters, if any, requiring Board's attention are informed to the Board by the Committee Chairman. Company secretary is the compliance officer of the Company.

Details of queries and grievances received and addressed by the Company during FY 2016 is given in Table 5.

Table 5: Nature of complaints received and attended to during FY 2016

Number of Complaints	Number
Number of complaints received from the investors comprising non-receipt of dividend warrants, non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on	21
Number of complaints resolved	21
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2016	NIL
Complaints pending as on March 31, 2016	NIL
Number of Share transfers pending for approval, as on March 31, 2016	NIL

The Board of Directors has delegated the power of approving physical transfer and transmission of shares to the CEO & WTD, CFO and Company Secretary.

c) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee as on March 31, 2016 consists of four members. The Committee met thrice during the financial year under review on April 20, July 20, in 2015 and on January 21, 2016. Mr. A. R. Narayanaswamy is the Chairman of the Committee, while Ms. Sujata Prasad, Mr. Akhilesh Joshi and Mr. Sunil Duggal are the members.

The primary function of the Committee is to enhance the quality of life and economic well-being of communities around our operations, facilitate collaborative development for improving the quality of life of people at large, monitor implementation of the CSR projects

approved by it and recommend changes in CSR Policy of the Company to the Board. During the financial year, the Company has spent ₹ 63.25 Crore on CSR activities.

d) Nomination & Remuneration Committee

The Nomination & Remuneration Committee as on March 31, 2016 consists of three members. The Committee met thrice during the financial year under review on July 20, 2015, September 18, 2015 and January 21, 2016. The primary function of the Committee is to recommend to the Board on appointment or reappointment of Directors, remuneration of Key Managerial Personnel (KMPs), formulate criteria for evaluation of independent Directors, Board diversity, identification and selection of persons who could be appointed as independent Directors etc.

Table 6: Attendance Record of Nomination and Remuneration Committee Meetings

Name of the Member	Position	Status	No. of Meetings held	No. of Meetings Attended	Sitting fees (₹)
Mr. Arun L Todarwal	Chairman	ID & NED	3	3	75,000
Mr. A R Narayanaswamy	Member	ID & NED	3	3	75,000
Mr. Agnivesh Agarwal	Member	NED	3	0	-

As per the requirement of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has carried out a performance review of the individual Directors and Board as a whole on the following parameters:

- The size and composition (executive, non-executive, independent members and their background in terms of knowledge, skills and experience) of the Board is appropriate

- The Board conducts itself in such a manner that it is seen to be sensitive to the interests of all stakeholders (including minority shareholders) and it has adequate mechanism to communicate with them
- The Board is active in addressing matters of strategic concerns in its review of the Board agenda with the executive management
- The Board makes well-informed high quality decisions

on the basis of full information and clear insight into Company's business

- The Board is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations
- The Board meets frequently enough and for sufficient duration to enhance its effectiveness
- The Board meeting time is appropriately allocated between management presentation and Board discussion
- The Board has a good understanding of the Company's key drivers of performance and associated risks, threats and opportunities
- The Board devotes considerable amount of time in developing the business strategy and annual business plan
- The Board has clearly defined the mandates of its various Committees and effectively oversees their functioning
- The Board is effective in formulating and monitoring various financial and non-financial policies and plans
- The Board is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities
- The Board pays considerable attention to the quality of financial reporting process and internal financial controls and effectively oversees them
- The Board regularly follows up on its decisions to ensure that action is taken on all its decisions
- The Board gives effective advice and assistance for achieving the Company's mission and vision.

Table 7: Hindustan Zinc's Stock Exchange Codes

Name of the Stock Exchange	Stock Code	ISIN Code
The National Stock Exchange, Mumbai	HINDZINC	INE 267A01025
Bombay Stock Exchange Limited, Mumbai	500188	

The Committee expressed its overall satisfaction on the performance of the individual Board member and the Board in totality.

e) Risk Management Committee

The Risk Management Committee as on March 31, 2016 consists of three members. The Committee met once during the financial year under review on March 21, 2016.

Mr. A. R. Narayanaswamy is the Chairman of the Committee while Mr. Sunil Duggal, Mr. Amitabh Gupta, Mr. Vikas Sharma, Mr. L. S. Shekhawat and Mr. Dilip Golani are the members of the Committee. The primary function of the Committee is to review the major risks identified by the Management, along with its mitigation plan, monitoring and reviewing the Company's risk management plan and to apprise the Board on risk assessment and minimization procedures. Details of the Key risks, its mitigation plan etc is given on page no. 48 to 52 of the annual report.

Shareholders Matters

(i) Dividend

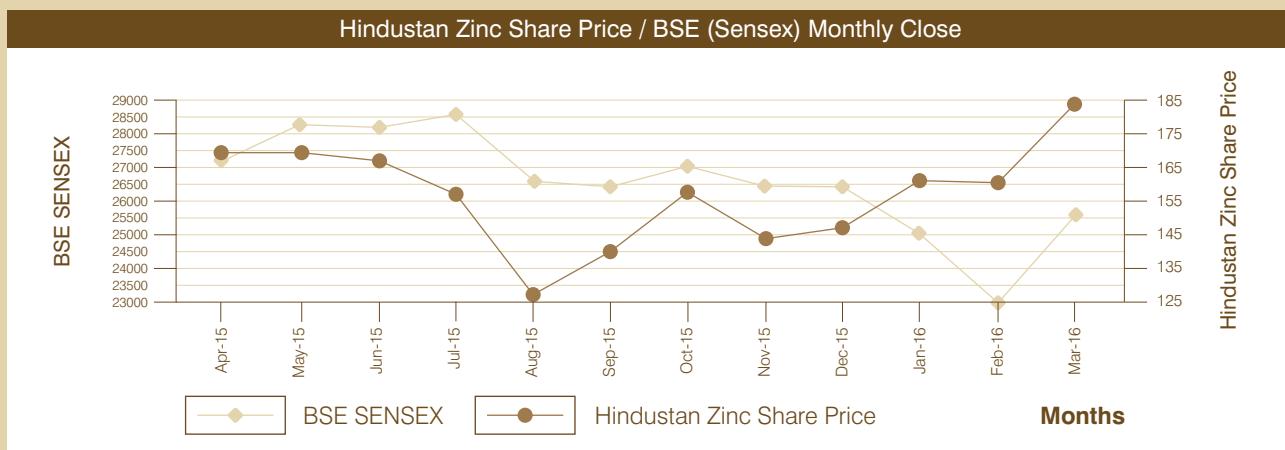
During the year, the Company has paid the following dividend - Interim dividend of 95%, Special Interim of 95% and Golden Jubilee dividend of 1200% ie. total 1390% which converts to ₹ 27.80 per share of face value of ₹ 2 each. Inclusive of the dividend distribution tax, the total amount paid was ₹ 14,138 crore.

(ii) Listing

At present, the equity shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE), and The National Stock Exchange (NSE). The annual listing fees for FY 2016 to NSE and BSE have been paid.

(iii) Stock Market Data**Table 8: High, Lows and Volumes of the Company's Shares for FY 2016**

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
Apr-15	174.70	160.20	2,065,437	175.00	160.50	19,407,553
May-15	183.60	166.80	1,611,372	183.45	166.80	20,179,170
Jun-15	174.90	162.75	1,160,938	174.00	162.50	16,305,839
Jul-15	170.05	153.35	1,543,983	170.40	153.05	15,291,047
Aug-15	162.50	117.20	2,000,416	162.50	117.05	22,058,763
Sep-15	144.00	124.40	1,621,187	144.70	124.35	15,212,887
Oct-15	163.55	136.30	1,667,087	163.75	136.10	21,346,529
Nov-15	160.00	139.40	1,235,784	159.60	140.30	13,818,213
Dec-15	151.40	138.55	1,342,584	151.90	138.55	17,810,680
Jan-16	172.50	135.80	2,050,282	173.00	135.80	32,207,063
Feb-16	171.70	153.00	3,295,355	170.90	153.00	17,019,466
Mar-16	199.80	160.90	4,184,153	196.80	160.95	43,277,416

Chart: Share Performance versus BSE Sensex

(iv) Distribution of Shareholding

Table 9 and 10 list the distribution of the shareholding of the equity shares of the Company by size and by ownership class, as on March 31, 2016.

Table 9: Shareholding Pattern by Size on March 31, 2016

Shareholding value	No. of share holders	% of share holders	No. of shares held	% of share holding
0 - 500	45,132	80.96	5,698,488	0.13
501 - 1000	4,719	8.47	4,115,390	0.10
1001 - 2000	2,346	4.21	3,885,659	0.09
2001 - 3000	884	1.59	2,370,056	0.06
3001 - 4000	467	0.84	1,736,137	0.04
4001 - 5000	601	1.08	2,915,206	0.07
5001 - 10000	755	1.35	5,957,929	0.14
10001 - 20000	421	0.76	6,202,204	0.15
20001 - 30000	102	0.18	2,593,329	0.06
30001 - 40000	50	0.09	1,746,298	0.04
40001 - 50000	39	0.07	1,782,745	0.04
50001 - 100000	76	0.14	5,435,162	0.13
100001 - above	153	0.27	4,180,880,397	98.95
Total	55745	100.00	4,225,319,000	100.00

Table 10: Shareholding Pattern by ownership as on March 31, 2016

	CATEGORY	NO. OF SHARES HELD	% OF SHARE HOLDING
A	Promoter's Holding		
1	Promoters		
-	Indian Promoters: Vedanta Limited	2,743,154,310	64.92
-	Foreign Promoters	0	0.00
	SUB TOTAL	2,743,154,310	64.92
B	Non-promoter Holding		
2	Institutional Investor		
a.	Mutual funds and UTI	52,286,445	1.24
b.	Banks, financial institutions, insurance companies (Central / State Government institutions/ non-Government institutions)	21,376,813	0.51
c.	FII's	63,586,278	1.50
	Sub Total	164,933,430	3.25
3	Others		
a.	Private corporate bodies	19,252,445	0.46
b.	Indian public	35,860,702	0.85
c.	NRI'S/OCB'S	39,759,605	0.94
d.	NRI company	801,000	0.02
e.	Bank foreign	10,000	0.00
f.	Foreign national individual	1,250	0.00
g.	Any other	1,279,562	0.03
h.	GOI - President of India	1,247,950,590	29.54
	Sub Total	1,344,915,154	31.83
	Grand Total	4,225,319,000	100.00

(v) Dematerialisation of Shares

The shares of the Company are compulsory traded in dematerialised form only. The Company's shares are available for trading in the depository system of both NSDL and CDSL. As at the financial year-end 4,222,325,749 equity shares forming 99.93% of the share capital of the Company, stand dematerialised.

The Company's share is actively traded on both the stock exchanges, namely BSE and NSE. Any shareholder desiring to transfer his shares either in physical form or to get the physical shares converted into electronic form may contact the Company Secretary or the RTA for necessary advise and the procedure.

(vi) Outstanding GDRs / ADRs / Warrants/ Options

The Company had not issued any Global Depository Receipts / American Depository Receipts / Warrants / Options.

(vii) Details of Public Funding Obtained in the Last Three Years

No public funding has been obtained in the last three years.

(viii) Communication with Shareholders and others

The Company published its quarterly, half yearly and yearly results in the form as prescribed under Clause 41 of the Listing Agreement / SEBI (LODR) Regulations, 2015 within the prescribed time. The results were sent to stock exchanges where shares are listed and the same were published in The Economic Times and Rajasthan Patrika/Dainik Bhaskar.

The financial results and official news releases are also displayed on the website of the Company (www.hzlindia.com). Annual Report containing inter-alia Audited Annual Accounts, Directors Report, Auditors Report and other important and statutory information are circulated to all members and to others entitled thereto. The Business Review, along with CEO and CFO certificate, forms a part of the Annual Report.

Table 11: Details of the Announcement of the Financial Results for FY 2016

Description	Date
Unaudited Financial Results for the quarter ended on June 30, 2015	July 20, 2015
Unaudited Financial Results for the quarter and half year ended on September 30, 2015	October 19, 2015
Unaudited Financial Results for the quarter and nine months ended on December 31, 2015	January 21, 2016
Audited Financial Results for the quarter and year ended on March 31, 2016	April 21, 2016

In addition to this, if there is any other announcement affecting the shareholders / public, it is duly informed to the stock exchanges and published in newspapers for the benefit of shareholders and public at large. The same are also placed on the website of the Company for information of all.

(ix) General Body Meetings**Table 12 Details of the last three General Body Meetings**

Date	AGM	Location	Time
June 15, 2013	47th AGM	Yashad Bhawan, Udaipur, Rajasthan	2.30 PM.
June 24, 2014	48th AGM	Yashad Bhawan, Udaipur, Rajasthan	2.30 P.M.
June 15, 2015	49th AGM	Yashad Bhawan, Udaipur, Rajasthan	2.30 P.M.

In the last three Annual General Meetings, special resolution was passed only for the reappointment of Statutory Auditors.

Annual General Meeting

Date : June 28, 2016

Time : 2.30 pm

Venue : Yashad Bhawan, Udaipur

Financial Calendar

The Company follows the Financial year ie April to March for the accounting purpose.

For the year ending March 31, 2017, financial results will be announced in the month following the end of the quarter.

Book Closure

The dates of book closure are from June 4, 2016 to June 6, 2016 both days inclusive.

(x) Postal Ballot

During the current year, no approval of shareholders was taken through Postal Ballot.

(xi) Registrar and Transfer Agent

M/s. Sharepro Services (India) Pvt Ltd
13AB, Samhita Warehousing Complex, 2nd Floor,
Sakinaka Telephone Exchange Lane, Off. Andheri-
Kurla Road, Sakinaka, Andheri (East),
Mumbai - 400072
Tel. No. : 022-67720331/ 67720300
Fax No. : 022-28591568

Governance & Compliance

1. Code of Conduct

Our values and principles are enshrined in the Business Ethics & Code of Conduct ('Code') applies to all executives of the Company. All Board members and all executives annually affirm compliance with the Code. This Code also ensures compliance with the provisions of the SEBI (LODR) Regulations, 2015. All executives were imparted classroom training during the year in addition to 100% of new joinees.

These cover:

- Guidelines on corporate communication
- Securities dealing code (Insider Trading Regulations)
- Whistle Blower Policy
- Gift Policy
- The UK Bribery Act

- Foreign Corrupt Practices Act (USA)
- Fraud
- Human Rights
- Antitrust compliance for restricting anti-competitive practices
- Health, Safety & Environment
- Political contribution
- Sexual Harassment

The Code which also covers whistle blower policy and Vigil Mechanism, is available on the website of the Company, www.hzlindia.com. The annual declaration of its compliance by senior management personnel of the Company is given by the CEO & Whole-time Director, the same is annexed.

We adhere to section 184 of The Companies Act, 2013, which requires that every Director of a Company, who is in any way concerned or interested in a contract or arrangement, is required to disclose the nature of his concern or interest annually at a meeting of the Board of Directors.

2. Internal Control System

On the recommendation of the Audit Committee, the Company had appointed KPMG, Chartered Accountants as the internal auditors of the Company for the year 2015-16. Documents, policies and authorisation guidelines comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observations made in internal audit reports on business processes, systems, procedures and internal controls and implementation status of recommended remedial measures by KPMG - Internal Auditors, are presented quarterly to the Audit Committee of the Board through our Group Management Assurance Services. The Company has a well established internal control system and procedures and the same has been working effectively throughout the year.

3. Risk Management

The Company operates in conditions where economic, environment and social risk are inherent to its businesses. To overcome this and as per requirement of SEBI (LODR) Regulations, 2015, Board has formed a Risk Management Committee to oversee the mitigation plan for the key risks faced by the Company.

The Company has developed a very comprehensive risk

management policy under which all key risks and mitigation plans are compiled into a Risk Matrix. The same is reviewed quarterly by senior management and periodically also by the Risk Management Committee of the Board. The Risk Matrix contains the Company's assessment of impact and probability of each significant risk and mitigation steps taken or planned. The Company has unit-wise Risk Matrix which are reviewed quarterly by Unit and Location Management.

For a detailed discussion, please refer to section on Risk Management Framework.

4. Compliance

Our compliance systems cover a multitude of statutory obligations and ensures adherence to all applicable laws and regulations. During FY 2016, no material and uncontested financial or non-monetary sanctions were imposed upon the Company except as disclosed in the Financial Statements. Some of the key compliance aspects are dealt with below:

(a) Disclosure of Related Party Transactions

There have been no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives which have a potential conflict with the interests of the Company. Members may refer to disclosures made in Note No 37 to Financial Statements in compliance of Clause 23 of SEBI (LODR) Regulations 2015 and Accounting Standard 18. All the related party transactions have been done at arm's length price and in the ordinary course of business with the prior approval of the Audit Committee. As per section 177 and 188 of The Companies Act 2013, RPT policy is also available on the company website www.hzlindia.com

(b) Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company follows the guidelines of Accounting Standards referred to in section 133 of The Companies Act, 2013 read with Rule 7 of The Companies (Accounts) Rules, 2014 together with early adoption of Accounting Standard (AS) 30 'Financial instruments: Recognition and Measurement' and the consequential limited revisions to certain Accounting Standards issued by the Institute of Chartered Accountants of India.

(c) Compliance with Capital Market Regulations

The Company has complied with all the requirements of regulatory authorities and no penalties or strictures were imposed on the Company by stock exchanges or SEBI or any other statutory authority on any matter related to capital market during the last three years.

In compliance with SEBI's regulation on prevention of insider trading, the Company has instituted a comprehensive insider trading code for its management and designated executives, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them of the consequences of violations. No violations have been reported during the year.

(d) CEO and CFO Certification

The CEO and CFO certification of the Financial Statements for FY 2016 is enclosed at the end of this report.

(e) The Company has complied with all mandatory requirements of SEBI (LODR) Regulations 2015 including Discretionary requirements. However the ones not yet adopted are as follows:

Maintenance of Chairman' Office: Currently Chairman is Non Executive Chairman.

Communication of half-yearly results to each household of members: Results are placed on company's website and published in leading newspapers.

(f) Additional Shareholder Information

Registered Office

Hindustan Zinc Limited
Yashad Bhawan
Udaipur - 313004
Rajasthan

Plant Locations

Mining Units (all in Rajasthan)

Rampura Agucha Mine	:	Bhilwara District
Sindesar Khurd Mine	:	Rajsamand District
Zawar Mines	:	Udaipur District
Rajpura Dariba Mine	:	Rajsamand District

Kayad Mine : Ajmer District
Maton Mine : Udaipur District

Smelting Units (all in Rajasthan)

Chanderiya Lead Zinc Smelter : Chittorgarh District
Dariba Smelting Complex : Rajsamand District
Debari Zinc Smelter : Udaipur District

Captive Power Plants (all in Rajasthan)

Chanderiya Lead Zinc Smelter : Chittorgarh District
Dariba Smelting Complex : Rajsamand District
Zawar : Udaipur District

Processing & Refining Units

Haridwar Zinc Plant	: Haridwar District, (Uttarakhand)
Pantnagar Metal Plan	: Rudrapur District (Uttarakhand)

Discontinued Units

Vizag Zinc Smelter	: Visakhapatnam District (Andhra Pradesh)
Tundoo Lead Smelter	: Dhanbad District (Jharkhand)

Wind Power Farms

Samana	:	Jamnagar District (Gujarat)
Gadag	:	Gadag District (Karnataka)
Gopalpura	:	Hassan District (Karnataka)
Mokal	:	Jaisalmer District (Rajasthan)
Osiyan	:	Jodhpur District (Rajasthan)
Chakala	:	Nandurbar District (Maharashtra)
Muthiyampatti	:	Tirpur District (Tamil Nadu)

Address for Correspondence

Mr. R. Pandwal
Company Secretary
Hindustan Zinc Limited
Yashad Bhawan,
Udaipur - 313004, Rajasthan

Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015

- A. We, Sunil Duggal, CEO & Whole-time Director and Amitabh Gupta, Chief Financial Officer of Hindustan Zinc Limited, have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee
- (1) Significant changes in internal control over financial reporting during the year;
 - (2) Significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the financial statements; and
 - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Amitabh Gupta
Chief Financial officer

Date: April 21, 2016

Sunil Duggal
CEO & Whole-time Director

INDEPENDENT AUDITOR'S CERTIFICATE

TO THE MEMBERS OF HINDUSTAN ZINC LIMITED

1. We have examined the compliance of conditions of Corporate Governance by **HINDUSTAN ZINC LIMITED** ("the Company"), for the year ended on 31 March 2016, as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchanges for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016and
 - Regulations 17 to 27 (excluding regulation 23(4))and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C , D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, in all material respects, except that the requirement of having at least one half of the Board of Directors of the Company comprising of Independent Directors in terms of Paragraph II A of Clause 49 and Regulation 17(1)(b) of the Listing Regulations, has not been complied with by the Company as the said requirement falls short by two Independent Directors during the year ended March 31, 2016.

4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Jitendra Agarwal
Partner
(Membership No. 87104)

MUMBAI, April 21,2016

BUSINESS RESPONSIBILITY Report

Section A: General Information

1. Corporate Identity Number (CIN) of the Company	L27204RJ1966PLC001208
2. Name of the Company	Hindustan Zinc Limited
3. Registered address	Yashad Bhawan, Udaipur - 313004 (Rajasthan) India
4. Website	www.hzlindia.com
5. E-mail id	hzl.ir@vedanta.co.in
6. Financial Year reported	April 1, 2015 - March 31, 2016
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Mining and Smelting of Non Ferrous metal. National Industrial Classification (NIC) Code: Zinc - 27204 Lead - 27209
8. List three key products/services that the Company manufactures/provides(as in balance sheet)	Zinc, Lead and Silver
9. Total number of locations where business activity is undertaken by the Company	Nil
i. Number of International Locations	Nil
ii. Number of National Locations	11 operating units (excluding wind farms & administrative offices)
10. Markets served by the Company - Local / State / National / International	Our products are sold almost in all the states in India. We also export, primarily to Asia & Middle East

Section B: Financial Details

1. Paid up Capital	₹ 845 Crore
2. Total Turnover	₹ 14,226 Crore
3. Total profit after taxes	₹ 8167 Crore
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 63.25 Crore, equivalent to 0.74% of the profit before tax of the last three years, as prescribed (see also page 76)
5. List of activities in which expenditure in 4 above has been incurred	a. Infrastructure Development b. Community Development, Livelihoods and Environment c. Water, Sanitation and Child Nutrition d. Health, Medical and Education e. Sports and culture f. Women's Empowerment

Section C: Other Details

1.	Does the Company have any Subsidiary Company / Companies?	No
2	Do the subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes Then indicate the number of such subsidiary Company(s)	No
3	Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]	No

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Director(s) responsible for implementation of the BR policy/policies

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	07291685
2.	Name	Mr. Sunil Duggal
3.	Designation	Chief Executive Officer & Whole-time Director
4.	Telephone number	0294 6604000
5.	e-mail id	hzl.ir@vedanta.co.in

b) Details of the BR head same as above

2. Principles of Business Responsibility (BR) Policy as per National Voluntary Guidelines (NVG)

- Principle 1 (P1) Conduct, Governance, Ethics, Transparency and Accountability
- Principle 2 (P2) Safety and Optimal Resource Utilisation across Product Lifecycle
- Principle 3 (P3) Employee Well-being
- Principle 4 (P4) Engaging Stakeholders
- Principle 5 (P5) Respecting and Promoting Human Rights
- Principle 6 (P6) Nurturing the Environment
- Principle 7 (P7) Responsible Policy Advocacy
- Principle 8 (P8) Supporting Inclusive Development
- Principle 9 (P9) Providing Customer Value

Principle-wise (as per NVGs) BR Policy/policies

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Do you have a policy/policies* for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Does the policy conform to any national /international standards? If yes, specify? (50 words) Please refer footnote * below	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Has the policy been approved by the Board*? If yes, has it been signed by MD/Owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5. Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6. Indicate the link for the policy to be viewed online?	http://www.hzlindia.com/code_conduct.aspx								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to the key internal stakeholders and are enshrined in the company website.								
8. Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9. Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, any grievances or the feed-back relevant to the policies can be sent to hzl.ir@vedanta.co.in or hzl.whistleblower@vedanta.co.in								
10. Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency ?	The policies have been evaluated internally. Several of the policies are also included in third party audits.								

* All the policies of the Company emanate from Vedanta Sustainability Governance Standards, which are aligned with International Finance Corporation and meeting the requirement of IMS Standards. Most of these policies are enshrined in the Company's Business Ethics & Code of Conduct, which has been approved by the Board.

2a. If answer to Sr.No. 1 against any principle, is 'No', please explain why

Not Applicable

3. Governance related to BR

- I. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

CEO & Whole-time Director and senior management assess the BR performance on an on-going basis.

- II. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Separate Sustainability report has been published and is hosted on the Company website.

Section E: Principle-wise performance

Principle 1:

Conduct, Governance, Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

No. The Business Ethics and Code of Conduct serves as the guiding philosophy for all employees, suppliers, customers, NGO's and others who have dealings with the Company. All stakeholders are expected to comply with the Business Ethics and Code of Conduct. The same is available on the Company's website.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

21 investor complaints were received during FY 2016 and all were resolved. Other complaints are received by different functionaries in the Company and are suitably addressed. In addition, customer complaints and whistle blower complaints are monitored separately and all have been satisfactorily resolved.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

	2014-15		2015-16	
	Sp. Energy Consumption	Sp. Water Consumption	Sp. Energy Consumption	Sp. Water Consumption
Mines	0.46	0.50	0.42	0.46
Smelters	16.80	8.84	17.13	8.46

Energy (Mines: GJ/MT of Ore treatment, Smelters: GJ/MT of metal production)

Water (Mines: m₃/MT of Ore treatment, Smelters: m₃/MT of metal production)

Principle 2:

Safety and Optimal Resource Utilisation across Product Lifecycle

1. List up to three of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Our three major products are zinc, lead and silver metal. We make all efforts to ensure that we produce in a safe and environmentally responsible manner. Over the year, we have constantly improved our recoveries, reduced hazardous waste generation, improved water and energy consumption and adopted new technologies to optimally use available natural resources to improve our environment footprint. Below are three illustrations:

- Zinc in Jumbo shape helps in lesser zinc wastage, ease of handling, cost efficiency and better safety in customer's operations. The smaller surface area to weight ratio of zinc jumbos compared to small ingot means less turbulence during galvanizing bath and therefore less ash is produced.
- CGG zinc alloy as per customer requirement removes the need to alloy at customer's premises and thus saves energy, cost and improves bath management during galvanizing.
- PW zinc is a pre-alloyed zinc lead combination and with its use there is no need to add lead separately in zinc galvanizing bath reducing occupational hazards of operators in dealing with lead in galvanizing plant.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year ?

Our increased focus on value added products has improved energy consumption at the consumer's end. As an illustration of Jumbo zinc, with innovative design and customization of products, better zinc galvanizing bath management is achieved since melting of uniform bigger blocks is less energy consuming than smaller ingots due to lesser surface area, better transmission of heat and no energy wastage due to lesser splashing in zinc bath.

Substantial amount of energy cost saving has been realized by zinc consumers. Customers get benefit of less dross generation and less recycling cost. Also with Continuous Galvanizing Grade (CGG), Pre aluminum alloyed Zinc etc., the customer gets benefit of avoiding the alloying energy cost. Some customers have reported a saving to the extent of \$15 per Mt of alloy supplied by us.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

i. If yes, what percentage of your inputs was sourced sustainably?

The Company sources its primary raw-material from captive mines. Beneficiation is generally carried on within the mine premises to minimise transportation. For the past several years, the Company has added more to its mining reserves and resources than it has depleted, through systematic exploration efforts.

The company has now developed in conjunction with transporters and third parties, a mechanised shutter for movement of coal, coke and concentrate. This will be proliferated during the coming years and will reduce spillage, pilferage and dust pollution on the roads.

Please also refer to our Environment section from page no. 42 to 44 of Annual Report for details about our water, waste and energy conservation initiatives.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company sources its major inputs from OEMs and

large national and international manufacturers. There is limited industrial activity around our operations. Going forward, we will make further efforts to increase local sourcing. Our direct & indirect employment as also our CSR activities are largely focused on the communities surrounding our operations.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Our primary activities are in the extraction, processing and smelting of various minerals as well as power generation using well-established processes and technologies. Our focus on best available technology helps us to produce these products using efficient energy consumption and maximum mineral recovery. We have in place a Resource Use and Waste Management Technical Standard and the supporting guidance notes which augment us to mitigate the environmental impacts of our products and process.

We have been constantly enhancing technical capabilities for better recoveries of main products and by-products. We also working to introduce a Fumer technology in our existing leaching circuit of Hydrometallurgical process which will eliminate generation of Jarosite and help us to minimize waste generation in our process. Successful commissioning of Paste fill Plant (unique in India) at Sindesar Khurd Mine and Rampura Agucha mine. Its multifold benefits ranging from improvement of ground stability and safety to environmental protection and higher mine extraction productivity, the system surpasses the earlier practise of low density hydraulic filling, ensuring wider Sustainance of mining operations.

Principle 3:

Employee Well-being

1. Please indicate the total number of employees.

4690 as at March 31, 2016

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

12410 as at March 31, 2016

3. Please indicate the number of permanent women employees.

325 as at March 31, 2016

4. Please indicate the number of permanent employees with disabilities

Separate list is not available.

5. Do you have an employee association that is recognized by the management?

Yes, there are recognised trade unions.

6. What percentage of your permanent employees are members of this recognized employee association?

Over 99% of all non-executives

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No	Category financial year	No of complaints filed during the on end of the financial year	No of complaints pending as
1	Child labour / forced labour / involuntary labour	Nil. The Company does not hire child labour, forced labour or involuntary labour	Not applicable
2	Sexual Harassments	1	Nil
3	Discriminatory employment the recruitment process. No reported case.	The Company does not discriminate in	Not applicable

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Category	Safety Training	Total (as on March 31, 2016)	%	Skill Upgradation Training	Total (as on March 31, 2016)	%
Permanent Executives*	2307	2422	95	1237	2422	51
Permanent Women Employees	228	252	90	114	252	45
Contractual Employees	29138*	12410	-	6367*	12410	-
Employees with Disability	Separate list not available					

* Unique No's of contractual employees not available

Principle 4:

Engaging Stakeholders - Sustaining Value

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes. Our primary stakeholders are our employees, vendors, customers, governments, shareholders and the communities around our operations. We continuously engage with each of our stakeholder groups on a pro-active basis and have different grievance redressal mechanism and stakeholder engagement methodologies in place.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

Identification of the disadvantaged, vulnerable & marginalized stakeholders is an on-going process. In particular, for any new proposed project or expansion,

we map and engage with all such stakeholders on a proactive basis, particularly through our CSR activities. Further, we have stakeholder management and grievance mechanism in place at all our locations.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes. We engage with the disadvantaged, vulnerable and marginalised stakeholders through the following project:

1. Widow Care project : We supported 125 widows through our partner NGO Swami Vivekanand Seva Nyas. Medical camps were organised and free medicines were provided to these women. Also vocational training is being provided to widows and pensions to old widows who are not capable of undergoing any training.

2. Badhir Bal Kalyan Vikas Samiti: We supported this school for 130 deaf and dumb children, which is affiliated with Rajasthan Board.
3. Muk Badhir Vidyalaya - We have supported this residential school for 170 deaf and dumb children run by Viklang Kalyan Samiti.
4. Overall Development of Special Children: This is a residential school where we provide support for the development of 35 special children in partnership with Viklang Kalyan Samiti.
5. Slum Project- We supported Mohan Singh Mehta Memorial Trust for running Mobile Slum School with 47 students benefitted.
6. Support to Short Stay Home - We support short stay home run by Seva Mandir in Udaipur wherein 84 women and their children in distress sought professional counselling, skill training and legal help to resolve domestic conflicts Support to Home for Sick and destitute- We are supporting Sapna foundation for creating shelter and long-term care for the sick and needy people who are homeless or abandoned by their families.

Principle 5:

Respecting and Promoting Human Rights

- 1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Our Human Rights policy is aligned to the United Nations Guiding Principles on Business and Human Rights. The policy also covers all its suppliers, contractors and NGOs. The clauses of the Code of Conduct and SA 8000 standards extend to all business partners.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

There have been no stakeholder complaints related to human rights. Please also refer to principle 1, point 2.

Principle 6:

Nurturing the Environment

- 1. Does the policy cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.**

All our Sustainability policies (HSE, Biodiversity, Energy & Carbon, Water Management, HIV/

AIDs, Human Rights and Supplier & Contractor Management and Social Policy) is applicable and extended to the Company/Joint Ventures/Suppliers/ Contractors/NGOs/others. Relevant clauses are mentioned in contracts and they are required to comply with sustainability requirements. Also, induction and refresher trainings are imparted to our contract employees and others to raise awareness on sustainability policies and standards. Contract employees are always our key focus area. Contractor Safety Management programme ensures that contractors are being managed right from the selection of contractor to execution of work at site through a Six Step Process, so that they work in line with our procedures and systems.

- 2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give details.**

Yes, Energy & Carbon policy and HSE policy guides the organisation to proactively address the impact of climate change and other global environment issues through adopting and maintaining global best practices in Energy and Carbon management, Water Management and to minimise greenhouse gas emissions.

Most of our operations are in state of Rajasthan which is water scarce region and we see a climate change as a material concern for our business and stakeholders. Our focus is on both climate mitigation and adaption measures. This includes the diversifying water and energy resources, securing alternative water source for the business, public private partnership for municipal water reuse / recycling, sustainable agriculture, energy use optimization, efficiency improvement, alternative source of energy use etc.

We continuously monitor our greenhouse gas emission intensity for reduction and endeavour to minimize our carbon footprint and voluntarily participate in Carbon Disclosure Project program since 2011. We are regularly improving our performance by achieving the set target of 5% reduction from the base line by 2016, taking new energy saving projects and improving our disclosure standards.

We are also signatory of UNGC and FIMI and submit the communication of progress every year.

- 3. Does the company identify and assess potential environmental risks? Y/N**

Yes, Environmental risks are regularly identified and assessed through the following:

- Environment & Social Impact Assessment (ESIA) studies carried out by recognized and approved third parties to identify risks and based on that mitigation plan is prepared in the form of Environmental & Social Management Plan, which is integral part of ESIA document.
- Environmental risks are being identified and assessed as part of Integrated Management system ISO: 14001.
- Risk register is being maintained by all units under the guidance of Risk Management policy and major risk is being reviewed periodically at corporate level.
- Hazard Identification and Risk assessment are also conducted as part of safety management system to identify potential environmental hazards and risks.
- Environment incidents are being captured through online module. Root cause analysis is being done through Why-Why analysis and learnings are being shared to all units to avoid the reoccurrence.

To effectively manage each of environmental risks, we have a set of Sustainability policies and management and technical standards.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

As a responsible corporate entity, the Company measures its carbon footprint and constantly focuses on reducing the same. We have 274 MW wind farms, in Gujarat, Karnataka, Rajasthan, Maharashtra and Tamil Nadu which are registered under Clean Development Mechanism (CDM) program by United Nations Framework Convention on Climate Change (UNFCCC).

We also have 34.4 MW of power capacity through waste heat recovery from roasters and Steam Turbo Generator (STG) out of which 9.4 MW WHRB project registered under CDM along with 21 TPH LCV boilers for steam generation project. Our 10 UNFCCC registered projects reduce our carbon footprint by 583,685 tonnes CO₂ emission per annum while our unregistered projects reduce our carbon footprints by 116,992 tones CO₂ emissions per annum.

In continuation of investment in green energy this year we have commissioned two solar roof top project 200 kW and one solar water heater with the capacity of 1000 LPD. Wherever feasible we have introduced the solar/energy efficient lights.

Hindustan Zinc Limited voluntarily participates in Carbon Disclosure Project program since 2011. We are regularly improving our performance by achieving the set targets, taking new energy saving projects and improving our disclosure standards. Last year we have awarded with India Climate Disclosure Leadership Index (CDLI) 2015.

Our efforts towards energy savings resulting in receiving the 2nd Prize in the National Energy Conservation Award – 2015 in the Thermal Power Stations Sector (Coal fired plants < 100 MW capacity) constituted by Bureau of Energy Efficiency, Ministry of Power, Government of India to ZM CPP.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give details.

Yes. We have installed 274 MW of wind power and 35 MW of waste heat recovery power plants to give an impetus to green energy. In continuation of investment in green energy this year we have commissioned two solar roof top project 200 kW and one solar water heater with the capacity of 1000 LPD. Wherever feasible we have introduced the solar/energy efficient lights. We focus on energy consumption reduction through various in-process innovations and adoption of best practices like machine productivity and improving throughput to reduce specific energy consumption.

6. Is the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, emissions/waste generated by the company is monitored on monthly basis and are within the limits prescribed by CPCB/SPCB. All the emissions are being monitored on regular basis as per the Environment Clearance, Consent to Operate and standards prescribed by CPCB and SPCB further in our operations all waste are being stored at earmarked places and timely disposed through the approved registered recyclers as per the Hazardous Waste Rule. Ambient air quality including noise is monitored monthly and meets the National Ambient Air Quality standards. During the reporting year as per CPCB guidelines for installation of online monitoring systems (emission and effluent) we have installed online monitoring systems to transmit data from field instrument directly to CPCB/ RPCB servers.

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

Nil

Principle 7:

Responsible Policy Advocacy

- 1. Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with:**

Yes, the Company is a member of the following organisations:

- a. Confederation of Indian Industry
- b. Federation of Indian Chambers of Commerce & Industry
- c. Federation of Indian Mineral Industries
- d. Indian Chamber of Commerce
- e. Associated Chambers of Commerce and Industry of India
- f. India Lead zinc Development Association

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, for economic reforms.

Principle 8:

Supporting Inclusive Development

- 1. Does the Company have specified programmes / initiatives / projects in pursuit of this policy? If yes details thereof**

As a responsible corporate citizen, the Company focuses on community development through its CSR activities. Details of our CSR activities are provided from page no. 45 to 47 of this Annual Report.

- 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

We undertake our CSR activities through all of the above routes.

- 3. Have you done any impact assessment of your initiative?**

Yes, the same is done internally and also at times with external agencies at periodical intervals.

- 4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

The total amount spent on all CSR activities and projects during the FY 2016 was ₹ 63.25 Crore. Details of our CSR activities are provided from page no. 45 to 47 of this Annual Report.

- 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes. Details of our CSR activities are provided from page no. 45 to 47 of this Annual Report.

Principle 9: Providing Customer Value

- 1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

One complaint was pending at the end of FY 2016.

- 2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

Yes, the Company displays the product name, batch number, grade, purity, date of production on the product label, as per industry practice.

- 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No.

- 4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Yes, the Company carries out customer satisfaction survey periodically. The last survey conducted was in FY 2015.

INDEPENDENT AUDITORS' Report

To the Members of Hindustan Zinc Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **HINDUSTAN ZINC LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the

financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable together with the early adoption by the Company of Accounting Standard (AS) 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 (a) and 39.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer to Note 26 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Jitendra Agarwal
Partner
(Membership No. 87104)

MUMBAI, April 21, 2016

ANNEXURE "A" to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Hindustan Zinc Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on control criteria of "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit

evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on control criteria of "the internal control over financial reporting criteria established

by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal

Partner

(Membership No. 87104)

MUMBAI, April 21, 2016

ANNEXURE "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the relevant records provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) In respect of its inventories:

As explained to us, the inventories (excluding inventories with third parties) were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. The Company has not granted any loans in terms of Section 185 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Service Tax, Customs duty, Excise duty, Value added tax, Cess and any other material statutory dues with the appropriate authorities. We are informed that the provisions of Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
 - (b) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Excise duty, Value added tax and Cess which have not been deposited as on March 31, 2016 on account of disputes are given below:

Annexure "B" to the INDEPENDENT AUDITORS' Report

Name of Statute	Assessment year	Nature of dues	Forum pending at	Amount involved	Amount Unpaid
Sales Tax Claims					
Company's appeals	Financial year 1980-81 to 2015-16	Disputes in respect of sales tax rate difference / classification and stock transfers treated as sales/entry tax etc. up to the financial year 2015-16	Deputy Commissioner, Joint Commissioner, CTO,Tribunal and High Court, Supreme court.	170.32	112.05
Sub Total (i)				170.32	112.05
Central Excise Duty claims					
Company's appeals	Financial year 1985-86 to 2015-16	Admissibility of CENVAT credit on inputs, capital goods, alleged duty demand on captive use of intermediate goods, reversal of the amount on dispatch of by-products, duty on valuation and storage/handling losses, classification of coal, Service tax demands etc. upto the FY 2015-16	Commissionerate,CES TAT, High Court, Supreme Court.	476.94	413.28
Sub Total (ii)				476.94	413.28
Income Tax					
Company's appeals	AY 1992-93, AY 1993-1994, AY 1994-95, AY 1996-97, AY1997-98, AY 1998-99, AY1999-2000 to AY 2004-05, AY 2006-07, AY2008-09, AY2010-11 and AY2011-12 to AY 2012-13	Disputes in respect of appeals pending before CIT (A)	Commissioner of Income Tax (Appeals), ITAT, High Court and Supreme Court	1,801.09	1,424.97
Sub Total (iii)				1,801.09	1,424.97
Department's appeals	AY1989-90 to AY1991-92, AY1993-94, AY1998-99, AY2000-01 to AY 2009-10	Relief granted by CIT(A) for differences in computation, allowances of certain expenses and enhancement of rebate etc.	ITAT	631.83	631.83
	AY1990-91 to AY1997-98, AY1999-2000 to AY 2009-10	Relief granted by ITAT for differences in computation, allowances of certain expenses and enhancement of rebate etc.	High Court/ Supreme Court	113.62	113.62
Sub Total(iv)				745.45	745.45
Total(i+ii+iii+iv)				3,193.80	2,695.75

- (viii) The Company has not taken any borrowings from banks, financial institutions or by way of debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Jitendra Agarwal

Partner

(Membership No. 87104)

MUMBAI, April 21,2016

BALANCE Sheet

as at March 31, 2016

(₹ in Crore)

Particulars	Note	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	845.06	845.06
Reserves and surplus	4	36,540.13	42,508.01
Total Shareholders' funds		37,385.19	43,353.07
Non-current liabilities			
Deferred tax liabilities (net)	5	2,571.30	2,518.62
Other long term liabilities	6	111.79	132.08
Total Non-current liabilities		2,683.09	2,650.70
Current liabilities			
Trade payables(Other than acceptances)			
(i) Total outstanding dues of Micro and Small enterprises	7.11		3.12
(ii) Total outstanding dues of creditors other than Micro and Small enterprises"	771.66		627.67
	7	778.77	630.79
Other current liabilities	8	14,283.03	1,045.91
Short-term provisions	10	113.76	1,311.53
Total Current liabilities		15,175.56	2,988.23
TOTAL		55,243.84	48,992.00
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9.A	9,821.27	9,329.05
Intangible assets	9.B	120.06	117.12
Capital work-in-progress		2,362.84	2,004.71
Total Fixed asset (net)		12,304.17	11,450.88
Non-current investments	11	-	-
Long term loans and advances	12	5,850.30	4,337.32
Total Non-current assets		18,154.47	15,788.20
Current assets			
Current investments	13	35,182.40	27,253.59
Inventories	14	1,058.22	1,211.75
Trade receivables	15	244.06	658.82
Cash and Bank Balances	16	52.73	3,531.51
Short term loans and advances	17	441.58	364.14
Other current assets	18	110.38	183.99
Total Current assets		37,089.37	33,203.80
TOTAL		55,243.84	48,992.00

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells LLP

Chartered Accountants

Jitendra Agarwal

Partner

Date: April 21, 2016

Place: Mumbai

Sunil Duggal

CEO & Whole-time Director

Amitabh Gupta

Chief Financial Officer

A.R. Narayanaswamy

Director

R. Pandwal

Company Secretary

Statement of PROFIT AND LOSS

for the year ended March 31, 2016

(₹ in Crore)

Particulars	Note	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue from operations (gross)		15,508.23	16,100.08
Less: Excise duty		(1,281.79)	(1,311.69)
Revenue from operations (net)	19	14,226.44	14,788.39
Other income	20	2,729.42	2,821.05
Total revenue		16,955.86	17,609.44
Expenses:			
Cost of materials consumed	21	51.34	468.45
Purchase of traded goods		-	52.30
Changes in inventories of finished goods and work-in-progress	22	183.46	(145.45)
Employee benefits expense	23	786.17	841.85
Finance costs	24	16.93	23.51
Depreciation and amortisation expense		712.62	644.19
Other expenses	25	6,564.85	6,124.60
Total expenses		8,315.37	8,009.45
Profit before exceptional item and tax		8,640.49	9,599.99
Exceptional item		30.11	29.87
Profit before tax		8,610.38	9,570.12
Tax expense (benefit):			
Current tax expenses		1,805.24	1,984.55
(Less) : MAT credit		(1,410.47)	(1,449.66)
Net current tax expense		394.77	534.89
Deferred tax - for the year		42.35	857.23
Deferred tax - prior year		6.68	-
Deferred tax		49.03	857.23
Net tax expense / (benefit)		443.80	1,392.12
Profit (Loss) for the year from continuing operations		8,166.58	8,178.00
Profit for the year		8,166.58	8,178.00
Earnings per equity share (of ₹ 2 each)			
Basic and diluted		19.33	19.35

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Jitendra Agarwal

Partner

Date: April 21, 2016

Place: Mumbai

Sunil Duggal

CEO & Whole-time Director

Amitabh Gupta

Chief Financial Officer

A.R. Narayanaswamy

Director

R. Pandwal

Company Secretary

CASH FLOW Statement

for the year ended March 31, 2016

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax	8,610.38	9,570.12
Adjustments for:		
Depreciation and amortisation	712.41	644.50
Finance costs	16.93	23.51
Interest Income	(438.98)	(305.33)
Mark to Market adjustment on financial instruments	(1,843.17)	(2,783.62)
Net unrealised Exchange (gain)/loss	(0.45)	1.40
Provision for diminution in value of investments	-	2.81
Provision for expenses written back	(45.10)	(6.24)
(Profit) / Loss on sale of fixed asset (net)	11.97	3.31
(Profit) / Loss on sale of current Investment (net)	(393.68)	319.00
Operating profit before working capital changes	6,630.31	7,469.46
Changes in working capital		
(Increase)/Decrease in Inventories	153.53	(13.51)
(Increase)/Decrease in Trade receivables	415.21	(260.71)
(Increase)/Decrease in short term loans and advances	(77.44)	(80.31)
(Increase)/Decrease in long term loans and advances	(27.08)	(22.70)
(Increase)/Decrease in other current assets	(0.58)	(16.75)
Increase/(Decrease) in trade payables	193.08	126.71
Increase/(Decrease) in other current liabilities	1054.77	286.24
Increase/(Decrease) in other long term liabilities	(20.29)	75.71
Cash generated from operations	8,321.51	7,564.14
Income taxes paid during the year	(1,821.61)	(2,033.44)
Net cash generated from operating activities	6,499.90	5,530.70
(B) CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(1,596.56)	(1,617.35)
Interest and dividend received	513.17	767.82
Bank balances not considered as cash and cash equivalents		
- Placed	(410.00)	(3,590.00)
- Matured	3,889.64	2,911.64
Purchase of current investments	(44,480.60)	(44,989.37)
Sale of current investments	38,788.64	42,703.98
Sale of fixed assets	17.47	6.32
Net cash used in investing activities	(3,278.24)	(3,806.96)

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and finance charges paid	(16.93)	(23.51)
Dividend and tax thereon paid	(3,203.87)	(1,878.50)
Net cash used in financing activities	(3220.80)	(1,902.01)
Net increase in Cash and cash equivalents	0.86	(178.27)
Cash and cash equivalents at the end of the year*	51.04	50.18
Cash and cash equivalents at the beginning of the year	50.18	228.45
	0.86	(178.27)
Reconciliation Cash and cash equivalent with the balance sheet		
Cash and cash equivalent as per balance sheet (refer note 16)	52.73	3,531.51
Less:- Bank balances not considered as cash and cash equivalents	1.69	3,481.33
Cash and Bank balance as at the end of the year	51.04	50.18
* Comprises		
Cash in hand	-	-
Balances with Banks		
Current accounts	51.04	28.18
Deposit accounts	-	22.00
	51.04	50.18

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Jitendra Agarwal

Partner

Date: April 21, 2016

Place: Mumbai

Sunil Duggal

CEO & Whole-time Director

A.R. Narayanaswamy

Director

Amitabh Gupta

Chief Financial Officer

R. Pandwal

Company Secretary

NOTES to the Financial Statements

for the year ended March 31, 2016

NOTE 1

COMPANY OVERVIEW

Hindustan Zinc Limited (HZL or the Company) was incorporated on January 10, 1966 under the laws of the Republic of India and has its registered office at Udaipur (Rajasthan). HZL's shares are listed on National Stock Exchange and Bombay Stock Exchange. HZL is mainly engaged in the mining and smelting of zinc, lead and silver metal in India.

HZL's operations include five zinc-lead mines, four zinc smelters, one lead smelter, one zinc-lead smelter, seven sulphuric acid plants, one silver refinery plant and six captive power plants in the state of Rajasthan. In addition, HZL also has a rock-phosphate mine in Maton near Udaipur in Rajasthan and zinc, lead, silver processing and refining facilities in the State of Uttarakhand. The Company also has wind power plants in the States of Rajasthan, Gujarat, Karnataka, Tamilnadu and Maharashtra.

In view of the scheme of amalgamation and arrangement amongst the group companies and made effective during the financial year 2013-14 with the effective date of August 17, 2013, Vedanta Limited (earlier known as Sesa Sterlite Limited) became the holding Company of HZL.

NOTE 2

SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared as a going concern on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make

estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known or materialise.

c) FIXED ASSETS (TANGIBLE AND INTANGIBLE)

Fixed assets (including research and development assets) are recognised at cost of acquisition including any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use, net of cenvat or value added tax less accumulated depreciation, amortization and impairment loss. Grant received towards fixed assets is reduced from the cost of the related assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase or completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

Mine development expenditure includes leases, costs incurred for acquiring or developing properties or rights up to the stage of commercial production.

d) CAPITAL WORK-IN-PROGRESS

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses.

e) IMPAIRMENT OF FIXED ASSETS

The carrying amount of assets or cash generating units are reviewed at each balance sheet date, if there is any indication of impairment based on internal or external

factors. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is recognised in the Statement of Profit and Loss where the carrying amount of an asset exceeds its recoverable amount. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

f) DEPRECIATION AND AMORTISATION

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except that:

- (i) Additions and disposals are reckoned on the first day and the last day of the month respectively;
- (ii) Individual items of plant and machinery and vehicles costing upto ₹ 25,000 and other assets upto ₹ 5,000 are wholly depreciated in the year of purchase; and
- (iii) Depreciation has been provided over residual life of the respective fixed assets in respect of additions arising on account of insurance spares, on additions or extension forming an integral part of existing plants and on the revised carrying amount of assets identified as impaired.
- (iv) Intangible assets including mining rights or right to use assets are amortized over its expected useful life on straight line method. Amortization of leasehold land has been done in proportion to the period of lease.
- (v) Mine development expenditure is amortized in proportion to the annual ore raised to the remaining mineable ore reserves. In the year of abandonment of mine, the residual mine development expenditure is written off.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

g) FINANCIAL ASSET INVESTMENTS

- (i) Investments are recorded as long term investments

unless they are expected to be sold within one year or held for sale. Investments in joint venture are valued at cost less provision for impairment, if any. Investments are reviewed for impairment at the year end.

- (ii) Investments classified as 'Held for Trading' that have a market price are measured at fair value and gains and losses arising on account of fair valuation are routed through Statement of Profit and Loss. Investments in unquoted equity instruments that do not have a market price and whose fair value cannot be reliably measured, are measured at cost.
- (iii) Investments classified as 'Available for Sale' are initially recorded at cost and then re-measured at subsequent reporting dates to fair value. Unrealised gains/losses on such investments are recognised directly in Investment Revaluation Reserve Account. At the time of disposal, de-recognition or impairment of the investments, cumulative gain or loss previously recognised in the Investment Revaluation Reserve Account is recognised in the Statement of Profit and Loss. Currently no investments are classified as 'Available for Sale'.

h) INVENTORIES

- (i) Ore, concentrate (mined metal), work-in-progress and finished goods (including significant by-products) are valued at lower of cost and net realisable value on weighted average basis.
- (ii) Stores and spares are valued at lower of cost and net realisable value on weighted average basis.
- (iii) Immaterial by-products, aluminum scrap, chemical lead scrap, anode scrap and coke fines are valued at net realisable value.

i) CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit (or loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents

Cash comprises cash at bank and in hand and demand

NOTES to the Financial Statements for the year ended March 31, 2016

deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

i) REVENUE AND EXPENSES

Revenue on sale of products (net of volume rebates) is recognized on delivery of product and/or on passage of title to the buyer.

Revenue relating to insurance or railways claims and interest on delayed or overdue payments from trade receivable for sale of energy is recognised when no significant uncertainty as to measurability or collection exists.

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

For income on financial assets, please refer section on Financial Asset Investments.

Expenditure on projects is:

- capitalised when projects are commissioned
- written off in other cases

Technical knowhow, not directly identifiable to any plans, layout of buildings or plant and machinery, etc. are written off. Expenditure relating to fixed assets not owned by Company is charged to Statement of Profit and Loss.

Prior period and prepaid expenses exceeding ₹ 5 Lacs are appropriately disclosed.

All revenue expenses on research and development are written off.

k) GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants or subsidies will be received.

Export benefits are accounted for in the year of exports based on eligibility and when there is no significant uncertainty in receiving the same.

I) FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of monetary items which are hedged by derivative instruments, the valuation is done as per "Accounting Standard - 30, Financial Instruments: Recognition and Measurement". The fair value of foreign currency contracts are calculated with reference to current forward exchange rates for the contracts with similar maturity profile.
- (iii) Non-monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

m) DERIVATIVE FINANCIAL INSTRUMENTS

In order to hedge its exposure to foreign exchange, interest rate and commodity price risks, the Company enters into forward options or any other derivative financial instruments with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions in foreign currency. The Company does not hold derivative financial instruments for speculative purposes. Derivative financial instruments are initially recorded at their fair value on the date of the derivative transaction and are re-measured at their fair value at subsequent balance sheet dates.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. The hedged item is recorded at fair value and any gain or loss is recorded in the Statement of Profit and Loss and is offset by the gain or loss from the change in the fair value of the derivative.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in equity. Amounts deferred to equity are recycled in the Statement of Profit and Loss in the periods when the hedged item is recognised in the Statement of Profit and Loss.

Derivative financial instruments that do not qualify for hedge accounting are marked to market at the balance sheet date and gains or losses are recognised in the

NOTES to the Financial Statements
for the year ended March 31, 2016

Statement of Profit and Loss immediately.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument recognised in equity is kept in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the year.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the Statement of Profit and Loss.

n) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

o) SEGMENT REPORTING

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit or loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market or fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

p) EMPLOYEE BENEFITS

i) Short term

Short term employee benefits including termination benefits are recognised as an expense at the undiscounted amount incurred during the year.

ii) Long term

1. Defined contribution plan and family pension scheme:

The Company's contribution to family pension scheme paid or payable during the year is recognised to the Statement of Profit and Loss.

2. Defined benefit plan:

(a) Gratuity

The Company accounts for the net present value of its obligations for gratuity benefits based on an independent external actuarial valuation carried out annually and determined using the Projected Unit Credit Method. The Company makes annual contributions to funds administered by trustees and managed by Insurance Company for amounts notified by the said insurance Company. Actuarial gains and losses are immediately recognised in the Statement of Profit and Loss.

(b) Provident fund

The Company's contribution to the Employee provident fund scheme is a defined benefit plan. Both the employee and the Company make monthly contributions to the 'Hindustan Zinc Limited Employee's Contributory Provident Fund' equal to specified percentage of employees' salary. The Company's contribution paid or payable to the Fund is recognised as expenses in the Statement of Profit and Loss. The shortfall, if any, between the return guaranteed by the statute and actual earnings of the Fund is provided for by the Company and contributed to the Fund.

**(c) Other long term benefit plan :
Compensated absences**

The Company has a scheme for leave encashment for employees, the liability for which is determined on the basis of an actuarial valuation carried out at the end of the year using Projected Unit Credit Method.

NOTES to the Financial Statements
for the year ended March 31, 2016

q) VOLUNTARY RETIREMENT EXPENSES

Voluntary retirement expenses are charged to the Statement of Profit and Loss in the year of occurrence.

r) TAXATION

Tax expenses for the year, comprising of current and deferred tax are included in the determination of net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset, if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefits associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves, are recognised in reserves and not in the Statement of Profit and Loss.

s) EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss after tax (including the post-tax effect of extraordinary items, if any) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the

year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss after tax (including the post-tax effect of extraordinary items, if any) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

t) DIVIDEND

Dividend payment including tax thereon is appropriated from profits for the year or surplus in statement of profit and loss. Provision is made for proposed final dividend and tax thereon is subject to consent of the shareholders at the Annual General Meeting.

u) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

v) OPERATING CYCLE

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 3 SHARE CAPITAL

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number	(₹ in Crore)	Number	(₹ in Crore)
Authorised				
Equity shares of ₹ 2 (2015 : ₹ 2) each.	5,000,000,000	1,000.00	5,000,000,000	1,000.00
Issued, subscribed and paid up				
Equity shares of ₹ 2 (2015 : ₹ 2) each fully paid up	4,225,319,000	845.06	4,225,319,000	845.06
Total	4,225,319,000	845.06	4,225,319,000	845.06

- i) Reconciliation of number of shares and amounts outstanding.

Particulars	Equity Shares		Equity Shares	
	Number	(₹ in Crore)	Number	(₹ in Crore)
Equity shares of ₹ 2 (2015 : ₹ 2) each outstanding at the beginning of the year	4,225,319,000	845.06	4,225,319,000	845.06
Equity Shares outstanding at the end of the year	4,225,319,000	845.06	4,225,319,000	845.06

- ii) 2,743,154,310 Equity Shares (2015: 2,743,154,310) are held by Vedanta Limited (earlier known as Sesa Sterlite Limited), the holding company .The ultimate holding company is Vedanta Resources PLC, United Kingdom (VRPLC) . No shares are held by VRPLC or its other subsidiaries or associates.
- iii) Details of Shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2016		As at March 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Vedanta Limited (earlier known as Sesa Sterlite Limited)	2,743,154,310	64.92	2,743,154,310	64.92
Government of India- President of India	1,247,950,590	29.54	1,247,950,590	29.54

- iv) Number of bonus shares allotted during the period of five years immediately preceding

Particulars	Aggregate number of shares	
	As at March 31, 2016	As at March 31, 2015
Equity shares allotted as fully paid up by way of bonus shares without payment being received in cash	2,112,659,500	2,112,659,500

- v) Other disclosures

The Company has one class of equity shares having a par value of ₹ 2 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholder's approval. Dividends are paid in Indian Rupees. In the event of liquidation ,the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their shareholding.

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 4 RESERVES AND SURPLUS

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Capital Reserves		
Balance provisions after adjustment as per Metal Corporation (Nationalisation and Miscellaneous Provision) Act, 1976		
Balance as at the beginning and end of the year	0.61	0.61
General Reserve		
Balance as at the beginning of the year	10,383.18	10,383.18
Add-Transferred from surplus in Statement of Profit and Loss	-	-
Less-Transferred to share capital towards bonus shares	-	-
Balance as at the end of the year	10,383.18	10,383.18
Hedging Reserve		
Balance as at the beginning of the year	(6.94)	(9.83)
Add-Effect of Forex and commodity price variation on hedging instruments outstanding at the end of the year	10.71	4.38
Less-Effect of deferred tax adjustments	(3.64)	(1.49)
Balance as at the end of the year	0.13	(6.94)
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	32,131.16	26,198.59
Less-Decrease in Surplus due to transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life	-	(38.65)
Add-Profit for the year	8,166.58	8,178.00
Less:		
Proposed dividend to Equity shareholders	-	(1,056.33)
Tax on proposed dividend	(3.85)	(211.20)
Interim dividend to Equity shareholders	(11,746.39)	(802.81)
Tax on interim dividend	(2,391.29)	(136.44)
Transfer to general reserves	-	-
Balance as at the end of the year	26,156.21	32,131.16
Total	36,540.13	42,508.01

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 5 DEFERRED TAX LIABILITIES (NET)

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Tax effect of items constituting deferred tax assets		
Deferred tax asset:		
Voluntary retirement expenditure	23.70	25.25
On timing differences on expenses	93.76	32.56
On others	-	6.82
(A)	117.46	64.63
Tax effect of items constituting deferred tax liabilities		
Deferred tax liability:		
On differences between book and tax depreciation	1,781.82	1,517.12
On investments(net)	906.94	1,066.13
On others	-	-
(B)	2,688.76	2,583.25
Total (B- A)	2,571.30	2,518.62

NOTE 6 OTHER LONG TERM LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Security deposits	100.98	82.70
Other liabilities (Royalty ,liquidated damages, etc.)	10.81	49.38
Total	111.79	132.08

NOTE 7 TRADE PAYABLES (OTHER THAN ACCEPTANCES)

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
A) Total outstanding dues of micro enterprises and small enterprises (see note 44)	7.11	3.12
B) Total outstanding dues of creditors other than micro enterprises and small enterprises.	771.66	627.67
Total	778.77	630.79

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 8 OTHER CURRENT LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unclaimed dividends	1.42	1.06
Unclaimed matured deposits and interest accrued thereon	0.08	0.08
Other payables		
Due to related parties	27.96	17.59
Security and other deposits	286.53	212.02
Advance from customers	456.89	91.60
Payables on purchase of fixed assets	106.08	142.03
Interim Dividend payable *	10,140.77	-
Interim Dividend Tax payable	2,064.42	-
Other (includes statutory payables, employee benefits, etc.)	1,198.88	581.53
Total	14,283.03	1,045.91

* Interim dividend payable includes dividend payable to Vedanta Limited ₹ 6583.57 Crore (see note 37)

NOTES to the Financial Statements
for the year ended March 31, 2016
(in Crore)

NOTE 9 FIXED ASSETS

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 01.04.2015	Additions	Deductions/ Adjustments	As at 31.03.2016	Adjustment for grant	As at 31.03.2016	For the year	Deductions/ Adjustments	As at 31.03.2016	As at 31.03.2015
A Tangible Assets										
Land										
Freehold Land	229.78	11.90	(16.00)	257.68	-	257.68	-	-	257.68	229.78
(Previous year)	178.86	50.92	-	229.78	-	229.78	-	-	229.78	178.86
Leasehold Land *	172.30	-	22.10	150.20	-	150.20	-	-	150.20	172.30
(Previous year)	160.84	15.99	4.53	172.30	-	172.30	-	-	172.30	160.84
Buildings	1,267.58	62.91	(8.39)	1,338.88	0.25	1,338.63	212.88	39.24	0.15	251.97
(Previous year)	1,177.59	90.83	0.84	1,267.58	0.25	1,267.33	169.22	44.39	0.73	212.88
Railway siding	59.88	24.98	-	84.86	-	84.86	8.59	3.56	-	12.15
(Previous year)	10.63	49.32	0.07	59.88	-	59.88	8.22	0.44	0.07	8.59
Mine Development expenditure	516.10	681.37	-	1,197.47	-	1,197.47	159.48	68.85	-	228.33
(Previous year)	391.53	124.57	-	516.10	-	516.10	117.50	41.98	-	159.48
Plant and Equipment*	11,935.76	419.49	45.53	12,309.72	14.12	12,295.60	4,526.06	569.12	14.68	5,080.50
(Previous year)	11,309.19	637.80	11.23	11,935.76	14.12	11,921.64	4,014.26	521.32	9.52	4,526.06
Furniture and Fixtures	26.48	2.33	0.25	28.56	-	28.56	14.27	2.34	0.18	16.43
(Previous year)	23.09	1.98	(1.41)	26.48	-	26.48	10.89	3.65	0.27	14.27
Vehicles	28.17	4.69	1.11	31.75	-	31.75	14.05	3.38	0.43	17.00
(Previous year)	28.15	5.86	5.84	28.17	-	28.17	12.24	3.16	1.35	14.05
Office equipment	188.42	15.33	0.91	202.84	1.72	201.12	143.97	14.91	0.66	158.22
(Previous year)	180.93	9.91	2.42	188.42	1.75	186.67	88.93	56.99	1.95	143.97
Total tangible assets	14,424.47	1,223.00	45.51	15,601.96	16.09	15,585.87	5,079.30	701.40	16.10	5,764.60
Previous year	13,460.81	987.18	23.52	14,424.47	16.12	14,408.35	4,421.26	671.93	13.89	5,079.30
B Intangible Assets										
Computer software	24.61	2.35	0.03	26.93	-	26.93	18.13	4.30	-	22.43
(Previous year)	21.87	2.74	-	24.61	-	24.61	14.91	3.22	-	18.13
Right to use Asset #	50.38	11.62	-	62.00	-	62.00	2.36	2.50	-	4.86
(Previous year)	50.38	-	-	50.38	-	50.38	0.34	2.02	-	2.36
Mining Rights	67.17	-	-	67.17	-	67.17	4.55	4.20	-	8.75
(Previous year)	67.17	-	-	67.17	-	67.17	0.35	4.20	-	4.55
Investment in shares	-	-	-	-	-	-	-	-	-	62.62
(Previous year)	-	-	-	-	-	-	-	-	-	66.82
Total intangible assets	142.16	13.97	0.03	156.10	-	156.10	25.04	11.00	-	36.04
Previous year	139.42	2.74	-	142.16	-	142.16	15.60	9.44	-	25.04
GRAND TOTAL (A+B)	14,566.63	1,236.97	45.54	15,758.06	16.09	15,741.97	5,104.34	712.40	16.10	5,800.64
Current Year	13,600.23	989.92	23.52	14,566.63	16.12	14,550.51	4,436.86	681.37	13.89	5,104.34
(Previous year)	-	-	-	-	-	-	-	-	-	9,446.17
Reconciliation of Depreciation and amortisation expenses										
	For the year ended March 31, 2016				For the year ended March 31, 2015					
Depreciation on tangible assets as above		701.40			671.93					
Depreciation on intangible assets as above		11.00			9.44					
Depreciation as above		712.40			681.37					
Less: Depreciation included in Research and development expenditure		-0.22			0.31					
Less: Depreciation for intangible asset adjusted		-			-					
Less: adjusted to Opening retained earnings		-			36.87					
As per Statement of Profit and Loss Account		712.62			644.19					
# Note:- Include assets on which Depreciation has been considered as part of CSR expenses										
	As at 31 March, 2016				As at 31 March, 2015					
	Gross	Net Block	Gross	Net Block						
Plant and Equipment	17.35	15.96	17.35	16.62						
Right to use Asset	62.00	57.14	50.38	48.02						

* Leasehold land is net of amortisation of ₹ 4.43 Crore (PY ₹ 4.53 Crore) appearing under other manufacturing and operating expenses (see note 25)

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 10 SHORT TERM PROVISIONS

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for proposed dividend	-	1,056.33
Provision for tax on proposed dividend	-	211.20
Provision for tax (Net of advance tax)	113.76	44.00
Total	113.76	1,311.53

NOTE 11 NON CURRENT INVESTMENTS (Trade, Unquoted and Available for Sale)

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Equity Investments in Joint Venture - Jointly controlled entity - Madanpur South Coal Company Limited (at cost)(see note 29)		
1,52,266 equity shares of ₹ 10 each (2015: 2,01,362 equity shares of ₹ 10 each)	2.32	2.81
Less:- Provision	(2.32)	(2.81)
Total	-	-

NOTE 12 LONG TERM LOANS AND ADVANCES

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Capital advances	318.60	329.30
MAT credit entitlement	5,069.15	3,658.68
Loans to employees	3.31	5.16
Deposits with Government departments etc.,	147.16	120.88
Claims receivable	23.32	20.67
Taxation (net of provision)	288.76	202.63
Total	5,850.30	4,337.32

NOTE 13 CURRENT INVESTMENTS

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Investments in bonds and debentures	3,769.38	3,921.03
Investments in mutual funds *	31,413.02	23,332.56
Total	35,182.40	27,253.59

* Includes mutual funds amounting to ₹ 20 Crore, secured against Overdraft facility from one Bank

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 13 A. CURRENT INVESTMENTS (Held for Trading) - AT FAIR VALUE

Investments in bonds and debentures - Quoted

Particulars	Face value (in ₹)	Total number of Bonds	As at 31.03.16 (₹ in Crore)	Total number of Bonds	As at 31.03.15 (₹ in Crore)
Tax free secured , Redeemable Non convertible Bonds - National Highways Authority of India	1,000	1,236,188	135.45	1,236,188	133.27
Tax free secured , Redeemable Non convertible Bonds - Power Finance Corporation Limited	1,000	2,123,924	232.91	2,123,924	229.00
Tax free secured , Redeemable Non convertible Bonds - Indian Railway Finance Corporation	1,000	2,237,537	242.22	2,237,537	237.82
Tax free secured , Redeemable Non convertible Bonds - Housing and Urban Development Corporation Limited	1,000	5,000,000	544.95	5,000,000	531.45
Tax free secured, Redeemable Non convertible Bonds - Rural Electrification Corporation	1,000	0	-	2,755,720	293.46
Tax free secured, Redeemable Non convertible Bonds - Indian Railway Finance Corporation	1,000	3,250,000	334.32	5,000,000	502.01
Tax free secured, Redeemable Non convertible Bonds - Housing and Urban Development Corporation Limited	1,000,000	350	39.43	350	38.40
Tax free secured, Redeemable Non convertible Bonds - Housing and Urban Development Corporation Limited	1,000	420,418	43.54	-	-
Tax free secured , Redeemable Non convertible Bonds - National Highways Authority of India	1,000	616,739	63.88	-	-
11.8 %, Tata Iron and Steel Company Perpetual, Non convertible debentures	1,000,000	2,246	242.26	2,246	246.40
Sub Total-bonds (A)			1,878.96		2,211.81
0% Kotak Mahindra Prime Ltd, Non convertible debentures	1,000,000		-	2,000	202.28
0% LIC Housing Finance, Non convertible debentures	1,000,000		-	3,000	303.32
0% Reliance Capital Limited, Non Convertible Debentures	1,000,000	1,000	109.32	1,000	99.84
0% Reliance Capital Limited, Non Convertible Debentures	1,000,000	2,000	219.35	2,000	200.37
0% Tata Capital Financial Services, Non Convertible Debentures	1,000,000		-	3,000	301.72
0% Bajaj Finance Limited, Non Convertible Debentures	1,000,000		-	3,000	300.56
0% IDFC Limited, Non convertible debentures	1,000,000		-	3,000	301.13
0% Reliance Capital Limited, Non Convertible Debentures	1,000,000	3,000	323.47	0	-
0% Bajaj Finance Limited, Non Convertible Debentures	1,000,000	1,500	162.18	0	-
0% IDFC Limited, Non convertible debentures	1,000,000	5,000	538.06	0	-
0% IDFC Limited, Non convertible debentures	1,000,000	5,000	538.04	0	-
Sub Total-debentures (B)			1,890.42		1,709.22
Aggregate of quoted investments (A)+(B)			3,769.38		3,921.03

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
Axis Fixed Term Plan - Series 47 (483 Days)	10	14,200,763	17.17	25,000,000	27.91
Axis Fixed Term Plan - Series 49	10	8,974,566	10.77	35,000,000	38.87
Axis Fixed Term Plan - Series 55	10	-	-	75,000,000	82.99
Axis Fixed Term Plan - Series 59	10	-	-	20,000,000	22.04
Axis Fixed Term Plan - Series 60	10	-	-	35,000,000	38.51
Axis Liquid Fund	1,000	3,345,604	560.70	258,410	40.02
Baroda Pioneer Fixed Maturity Plan - Series G (369 Days)	10	-	-	-	-
Baroda Pioneer Fixed Maturity Plan - Series J (366 Days)	10	14,618,280	17.83	14,618,280	16.38

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
Baroda Pioneer Fixed Maturity Plan - Series M	10	11,772,377	14.06	30,000,000	33.07
Baroda Pioneer Liquid Fund	1,000	-	-	249,787	40.03
Birla Interval Annual Income Fund Plan 9	10	45,526,975	57.23	45,526,975	53.02
Birla Interval Annual Income Fund Plan X	10	18,100,203	22.80	18,100,203	21.10
Birla Life Fixed Term Plan - Series LV	10	24,000,000	27.83	24,000,000	25.62
Birla Life Fixed Term Plan - Series MA 1099 Days	10	25,000,000	28.54	25,000,000	26.27
Birla Life Fixed Term Plan - Series MD (1099 Days)	10	80,000,000	90.07	80,000,000	82.82
Birla Life Fixed Term Plan - Series MK (1105 Days)	10	20,000,000	21.78	20,000,000	20.05
Birla Sun Life Cash Plus	100	40,800,289	990.52	2,007,701	45.03
Birla Sun Life Dynamic Bond Fund	10	48,723,921	128.34	48,723,921	119.09
Birla Sun Life Fixed Term Plan - Series GR	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series GT	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series GV	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series IY	10	-	-	22,000,000	24.77
Birla Sun Life Fixed Term Plan - Series JA	10	27,429,073	33.52	27,429,073	30.88
Birla Sun Life Fixed Term Plan - Series JE	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series JG	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series JL	10	21,939,848	26.71	21,939,848	24.60
Birla Sun Life Fixed Term Plan - Series JL	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series JN	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series JO	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series JQ	10	70,000,000	84.73	70,000,000	77.98
Birla Sun Life Fixed Term Plan - Series JT	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series JU	10	-	-	-	-
Birla Sun Life Fixed Term Plan - Series JX	10	17,956,223	21.62	28,000,000	31.15
Birla Sun Life Fixed Term Plan - Series JY	10	27,357,536	33.02	27,357,536	30.42
Birla Sun Life Fixed Term Plan - Series KE	10	75,000,000	89.90	75,000,000	83.12
Birla Sun Life Fixed Term Plan - Series KG	10	18,221,574	21.88	18,221,574	20.15
Birla Sun Life Fixed Term Plan - Series KH	10	50,000,000	59.89	50,000,000	55.34
Birla Sun Life Fixed Term Plan - Series KJ	10	58,761,312	70.16	75,000,000	82.81
Birla Sun Life Fixed Term Plan - Series KO	10	22,619,726	26.95	60,000,000	66.12
Birla Sun Life Fixed Term Plan - Series KP	10	40,664,365	48.47	60,000,000	66.17
Birla Sun Life Fixed Term Plan - Series KZ	10	13,739,535	16.23	35,000,000	38.17
Birla Sun Life Fixed Term Plan - Series LA	10	9,147,373	10.81	20,000,000	21.83
Birla Sun Life Fixed Term Plan - Series LC	10	9,140,350	10.78	20,000,000	21.78
Birla Sun Life Fixed Term Plan - Series LG	10	86,877,000	102.33	100,000,000	108.49
Birla Sun Life Fixed Term Plan - Series LJ	10	32,057,447	37.68	50,000,000	54.14
Birla Sun Life Fixed Term Plan - Series LK	10	14,643,432	17.22	25,000,000	27.05
Birla Sun Life Fixed Term Plan - Series LQ	10	13,788,159	15.95	20,000,000	21.30
Birla Sun Life Fixed Term Plan Series - GF	10	-	-	-	-
Birla Sun Life Fixed Term Plan Series FW	10	-	-	22,000,000	27.47
Birla Sun Life Fixed Term Plan-Series HY - Direct Growth	10	-	-	-	-
Birla Sun Life Fixed Term Plan-Series IA - Direct Growth	10	-	-	-	-
Birla Sun Life Fixed Term Plan-Series IL	10	9,157,928	11.39	9,157,928	10.49
Birla Sun Life Fixed Term Plan-Series IO	10	-	-	-	-
Birla Sun Life Income Plus	10	9,152,145	60.46	9,152,145	57.75
Birla Sun Life Short Term Fund	10	11,373,640	64.69	11,373,640	59.51
Birla Sun Life Short Term Fund Direct	10	-	-	28,967,987	151.93
Birla Sun Life Short Term Opportunities Fund	10	43,831,680	110.48	43,831,680	101.38
Birla Sun Life Treasury Optimizer Plan	100	11,925,687	226.60	11,925,687	208.06
Birla Sunlife Fixed Term Plan Series HB	10	-	-	-	-
Birla Sunlife Fixed Term Plan Series HL - Direct	10	54,320,764	69.24	54,320,764	63.84
Birla Sunlife Fixed Term Plan Series HS - Direct	10	22,597,236	28.77	22,597,236	26.50
Birla Sunlife Interval Income Fund – Annual Plan VIII	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 23	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 28	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 30	10	-	-	-	-
DHFL Pramerica Interval Fund Annual Series 1	10	9,300,123	11.63	31,184,283	36.03
DSP BlackRock - FMP Series 105 -12 M	10	20,025,669	25.37	20,025,669	23.44
DSP BlackRock - FMP Series 109 -12 M - DIRECT	10	-	-	-	-

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.2015 (₹ in Crore)
DSP BlackRock - FMP Series 117 -12 M	10	-	-	-	-
DSP BlackRock - FTP Series 33 -24 M	10	12,998,558	15.87	15,000,000	16.95
DSP Blackrock FMP Series 103 - 12 M	10	-	-	-	-
DSP BlackRock FMP- Series 104 -12M	10	32,014,635	40.40	32,014,635	37.29
DSP BlackRock FMP- Series 130 -12M	10	-	-	-	-
DSP BlackRock FMP- Series 144 -12M	10	-	-	-	-
DSP BlackRock FMP- Series 146 -12M	10	50,040,943	60.41	50,040,943	55.47
DSP BlackRock FMP- Series 152 - 12.5M	10	22,689,526	27.02	60,000,000	66.04
DSP BlackRock FMP- Series 161 - 12M	10	16,449,473	19.41	30,000,000	32.69
DSP BlackRock FMP -Series 163 - 12M	10	-	-	25,000,000	27.19
DSP Blackrock FMP Series 88 - 12.5 M	10	-	-	-	-
DSP Blackrock FMP Series 89 - 12 M	10	-	-	-	-
DSP Blackrock FMP Series 91 - 12 M	10	-	-	-	-
DSP Blackrock FMP Series 93 - 12 M	10	-	-	-	-
DSP Blackrock FMP Series 95 - 12 M	10	-	-	-	-
DHFL Pramerica Short Maturity Fund	10	72,816,561	203.52	72,816,561	186.80
DHFL Pramerica Fixed Maturity Plan - Series 34	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 36	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 39	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 42	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 43	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 45	10	25,000,000	30.09	25,000,000	27.80
DHFL Pramerica Fixed Maturity Plan - Series 46	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 49	10	17,540,854	21.06	42,000,000	46.52
DHFL Pramerica Fixed Maturity Plan - Series 50	10	-	-	-	-
DHFL Pramerica Fixed Maturity Plan - Series 52	10	-	-	70,000,000	77.38
DHFL Pramerica Fixed Maturity Plan - Series 53	10	-	-	20,000,000	22.04
DHFL Pramerica Fixed Maturity Plan Series 54	10	35,179,301	41.90	40,000,000	43.99
DHFL Pramerica Fixed Maturity Plan Series 82	10	43,000,000	48.26	43,000,000	44.43
DHFL Pramerica Fixed Maturity Plan Series 85	10	46,000,000	50.27	46,000,000	46.18
DHFL Pramerica Fixed Maturity Plan Series 87	10	65,000,000	70.85	65,000,000	65.17
DHFL Pramerica Premier Bond Fund	10	45,532,779	112.94	45,532,779	104.81
DHFL Pramerica Short Maturity Fund Regular Plan Annual Bonus	10	81,772,262	148.28	81,772,262	137.26
DHFL Pramerica Treasury Fund - Investment Plan Regular - Annual Bonus option	10	118,478,636	135.67	118,478,636	125.41
DHFL Pramerica Treasury Fund Cash Plan – Bonus Plan	100	8,097,168	108.71	7,866,500	100.42
DHFL Pramerica Ultra Short Term Fund Direct Monthly Bonus	10	41,461,414	45.40	250,040,176	250.99
DHFL Pramerica Ultra Short Term Fund Direct Plan Annual Bonus Option	10	33,545,565	41.02	33,545,565	37.60
HDFC Floating rate Income Fund - Long Term Plan	10	21,983,047	57.97	46,465,967	113.15
HDFC FMP 1099 D August 2014 (1)	10	25,000,000	29.09	25,000,000	26.73
HDFC FMP 1107 Days Oct 14 (1)	10	16,000,000	18.07	16,000,000	16.59
HDFC FMP 1113 days 1113D August 2014	10	38,000,000	44.27	38,000,000	40.73
HDFC FMP 1125 D September 2014 (1)	10	15,000,000	17.21	15,000,000	15.82
HDFC FMP 1128 D September 2014 (1)	10	15,000,000	17.35	15,000,000	15.94
HDFC FMP 366D April 2013 (1)	10	-	-	-	-
HDFC FMP 366D May 2014 (1)	10	21,101,691	24.69	25,000,000	26.93
HDFC FMP 367 D April 2014 (1)	10	27,460,456	32.31	40,000,000	43.36
HDFC FMP 367D May 2014 (1)	10	-	-	17,000,000	18.42
HDFC FMP 369D April 2014 (1)	10	18,302,615	21.60	30,000,000	32.73
HDFC FMP 369D April 2014 (2)	10	33,865,726	39.90	65,000,000	70.70
HDFC FMP 369D January 2014 (1)	10	59,355,852	71.64	59,355,852	65.99
HDFC FMP 369D June 2013 (1)	10	-	-	-	-
HDFC FMP 370 D April 2014 (4)	10	9,142,689	10.77	16,000,000	17.36
HDFC FMP 370D April 2013 (2)	10	-	-	-	-
HDFC FMP 370D April 2014 (1)	10	50,270,546	59.32	110,000,000	119.94
HDFC FMP 370D April 2014 (2)	10	59,428,571	70.15	80,000,000	87.09
HDFC FMP 370D April 2014 (3)	10	32,016,685	37.72	50,000,000	54.31
HDFC FMP 370D AUGUST 2013 (2) - DIRECT PLAN	10	22,625,663	28.87	22,625,663	26.59
HDFC FMP 370D January 2014 (1)	10	-	-	-	-
HDFC FMP 370D July 2013 (1)	10	-	-	-	-
HDFC FMP 370D July 2013 (3)	10	20,931,545	26.61	20,931,545	24.55

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
HDFC FMP 370D June 2014 (2)	10	28,447,674	33.06	45,000,000	48.10
HDFC FMP 370D May 2014 (1)	10	18,311,664	21.51	25,000,000	27.04
HDFC FMP 370D October 2013 (1)	10	13,688,004	17.10	13,688,004	15.76
HDFC FMP 370D September 2013 (2) - Direct Growth	10	16,312,475	20.65	16,312,475	19.04
HDFC FMP 370D September 2013 (3) - Direct Growth	10	10,874,391	13.76	10,874,391	12.68
HDFC FMP 371D December 2013 (2)	10	24,664,066	30.01	24,664,066	27.69
HDFC FMP 371D January 2014 (1)	10	19,194,033	23.18	19,194,033	21.37
HDFC FMP 371D January 2014 (2)	10	-	-	-	-
HDFC FMP 371D July 2013 (1)	10	22,828,340	28.94	22,828,340	26.68
HDFC FMP 371D June 2014 (3)	10	14,683,344	16.99	32,000,000	34.12
HDFC FMP 371D May 2014 (1)	10	15,573,184	18.19	22,000,000	23.69
HDFC FMP 372D December 2013 (1)	10	43,821,609	53.28	43,821,609	49.09
HDFC FMP 372D FEBRUARY 2014 (1)	10	36,441,156	43.96	36,441,156	40.54
HDFC FMP 372D January 2014 (1)	10	-	-	-	-
HDFC FMP 372D October 2013 (1)	10	16,499,835	20.41	16,499,835	18.81
HDFC FMP 384D March 2013 (1)	10	-	-	-	-
HDFC FMP 398D March 2013 (1)	10	-	-	-	-
HDFC FMP 400D March 2014 (1)	10	43,408,665	51.78	50,000,000	55.09
HDFC FMP 434D February 2014 (1)	10	28,662,534	34.49	55,000,000	60.90
HDFC FMP 435D March 2014 (1) - Series 29	10	34,047,128	40.91	80,000,000	88.37
HDFC FMP 441D FEBRUARY 2014 (1)	10	29,502,217	35.58	70,000,000	77.65
HDFC FMP 491D January 2014 (1) - Series 29	10	15,072,391	18.30	40,000,000	44.73
HDFC FMP 566 D - DECEMBER 2012 - 1	10	-	-	-	-
HDFC FMP 572D October 2013 (1)	10	16,534,967	20.46	24,000,000	27.38
HDFC Medium Term Opportunities Fund	10	169,033,599	279.53	169,033,599	257.33
HDFC Short Term Opportunities Fund	10	77,740,549	128.43	77,740,549	118.45
ICICI Interval Annual Plan - IV	10	8,819,514	16.33	8,819,514	15.01
ICICI Prudential Blended Plan - Plan B	10	94,234,698	212.76	94,234,698	196.36
ICICI Prudential FMP Series 63 - 3 Years Plan M	10	-	-	35,000,000	43.87
ICICI Prudential FMP Series 64 - 3 Years Plan I	10	-	-	15,000,000	18.74
ICICI Prudential FMP Series 65 488 Days Plan D	10	-	-	-	-
ICICI Prudential FMP Series 65 502 Days Plan C	10	-	-	-	-
ICICI Prudential FMP Series 65 505 Days Plan J	10	-	-	-	-
ICICI Prudential FMP Series 66 - 420 Days Plan A	10	-	-	-	-
ICICI Prudential FMP Series 66- 407 Days Plan C	10	-	-	-	-
ICICI Prudential FMP Series 66- 407 Days Plan I	10	-	-	-	-
ICICI Prudential FMP Series 66- 412 Days Plan E	10	-	-	-	-
ICICI Prudential FMP Series 67- 366 Days Plan G	10	-	-	-	-
ICICI Prudential FMP Series 67- 371 Days Plan C	10	-	-	-	-
ICICI Prudential FMP Series 67- 371 Days Plan E	10	-	-	-	-
ICICI Prudential FMP Series 67- 378 Days Plan A	10	-	-	-	-
ICICI Prudential FMP Series 68- 368 Days Plan G	10	67,624,992	86.03	67,624,992	79.33
ICICI Prudential FMP Series 68- 368 Days Plan I	10	73,179,500	93.23	73,179,500	86.03
ICICI Prudential FMP Series 68- 369 Days Plan E	10	-	-	-	-
ICICI Prudential FMP Series 68- 745 Days Plan J	10	65,000,000	82.36	65,000,000	76.43
ICICI Prudential FMP Series 69 - 372 Days Plan K	10	-	-	-	-
ICICI Prudential FMP Series 69 - 366 Days Plan G	10	33,345,407	42.47	33,345,407	39.21
ICICI Prudential FMP Series 70 - 367 Days Plan N	10	17,000,000	21.11	17,000,000	19.48
ICICI Prudential FMP Series 70 - 368 Days Plan K	10	-	-	-	-
ICICI Prudential FMP Series 70 - 369 Days Plan O	10	-	-	-	-
ICICI Prudential FMP Series 70 - 372 Days Plan L	10	-	-	-	-
ICICI Prudential FMP Series 70 - 540 Days Plan S	10	12,700,000	15.71	15,000,000	17.07
ICICI Prudential FMP Series 70 - 367 Days Plan C	10	25,411,346	31.98	25,411,346	29.56
ICICI Prudential FMP Series 70 - 369 Days Plan E	10	-	-	-	-
ICICI Prudential FMP Series 71 - 366 Days Plan C	10	16,475,369	20.20	16,475,369	18.60
ICICI Prudential FMP Series 71 - 368 Days Plan K	10	-	-	-	-
ICICI Prudential FMP Series 71 - 371 Days Plan M	10	-	-	-	-
ICICI Prudential FMP Series 71 - 480 Days Plan L	10	-	-	35,000,000	39.18
ICICI Prudential FMP Series 71 - 505 Days Plan H	10	25,000,000	30.55	25,000,000	28.10
ICICI Prudential FMP Series 71 - 547 Days Plan B	10	13,950,000	17.19	16,000,000	18.15

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
ICICI Prudential FMP Series 71 - 367 Days Plan G	10	-	-	-	-
ICICI Prudential FMP Series 71 - 369 Days Plan E	10	15,000,000	18.33	15,000,000	16.88
ICICI Prudential FMP Series 72 - 368 Days Plan A	10	19,411,253	23.51	19,411,253	21.65
ICICI Prudential FMP Series 72 - 368 Days Plan D	10	15,500,000	18.71	15,500,000	17.22
ICICI Prudential FMP Series 72 - 409 Days Plan S	10	49,550,000	59.60	66,000,000	73.14
ICICI Prudential FMP Series 72 - 366 Days Plan I	10	-	-	-	-
ICICI Prudential FMP Series 72 - 370 Days Plan G	10	-	-	-	-
ICICI Prudential FMP Series 72 - 483 Days Plan J	10	60,000,000	72.56	60,000,000	66.80
ICICI Prudential FMP Series 72 - 500 Days Plan E	10	25,000,000	30.19	25,000,000	27.87
ICICI Prudential FMP Series 72 - 366 Days Plan C	10	9,148,720	11.04	9,148,720	10.17
ICICI Prudential FMP Series 72 - 525 Days Plan B	10	20,000,000	24.03	20,000,000	22.37
ICICI Prudential FMP Series 73 - 369 Days Plan S	10	27,000,000	32.12	40,000,000	43.71
ICICI Prudential FMP Series 73 - 369 Days Plan T	10	13,000,000	15.42	70,000,000	76.36
ICICI Prudential FMP Series 73 - 376 Days Plan Q	10	32,500,000	38.65	68,000,000	74.31
ICICI Prudential FMP Series 73 - 391 Days Plan G	10	77,000,000	91.80	106,000,000	116.67
ICICI Prudential FMP Series 73 - 392 Days Plan F	10	42,500,000	51.00	56,000,000	61.73
ICICI Prudential FMP Series 73 - 407 Days Plan C	10	78,108,142	93.91	81,000,000	89.57
ICICI Prudential FMP Series 74 - 367 Days Plan D	10	86,800,000	102.46	110,000,000	119.43
ICICI Prudential FMP Series 74 - 367 Days Plan H	10	-	-	25,000,000	27.11
ICICI Prudential FMP Series 74 - 368 Days Plan J	10	14,100,000	16.55	25,000,000	26.98
ICICI Prudential FMP Series 74 - 369 Days Plan B	10	29,000,000	34.23	55,000,000	59.67
ICICI Prudential FMP Series 74 - 369 Days Plan F	10	57,500,000	67.88	70,000,000	75.99
ICICI Prudential FMP Series 74 - 369 Days Plan I	10	12,800,000	15.08	40,000,000	43.30
ICICI Prudential FMP Series 74 - 369 Days Plan K	10	17,600,000	20.57	35,000,000	37.65
ICICI Prudential FMP Series 74 - 369 Days Plan T	10	12,700,000	14.77	15,000,000	16.07
ICICI Prudential FMP Series 74 - 370 Days Plan S	10	-	-	17,000,000	18.20
ICICI Prudential FMP Series 74 - 370 Days Plan V	10	-	-	15,000,000	16.04
ICICI Prudential FMP Series 74 - 370 Days Plan X	10	14,200,000	16.44	30,000,000	31.99
ICICI Prudential FMP Series 75 - 1100 Days Plan F	10	27,000,000	31.42	27,000,000	28.92
ICICI Prudential FMP Series 75 - 1100 Days Plan H	10	22,000,000	25.49	22,000,000	23.47
ICICI Prudential FMP Series 75 - 1100 Days Plan J	10	15,000,000	17.30	15,000,000	15.91
ICICI Prudential FMP Series 75 - 1100 Days Plan N	10	51,000,000	57.73	51,000,000	53.21
ICICI Prudential FMP Series 75 - 1100 Days Plan O	10	32,000,000	36.44	32,000,000	33.51
ICICI Prudential FMP Series 75 - 1100 days Plan R	10	80,000,000	90.27	80,000,000	82.93
ICICI Prudential FMP Series 75 - 1100 days Plan T	10	20,000,000	22.49	20,000,000	20.68
ICICI Prudential FMP Series 75 - 1103 Days Plan P	10	60,000,000	67.70	60,000,000	62.23
ICICI Prudential FMP Series 76 - 1100 days Plan G	10	79,000,000	87.05	79,000,000	80.01
ICICI Prudential FMP Series 76 - 1100 days Plan T	10	60,000,000	65.48	60,000,000	60.21
ICICI Prudential FMP Series 76 - 1103 days Plan F	10	40,000,000	44.14	40,000,000	40.60
ICICI Prudential FMP Series 76 - 1120 days Plan U	10	25,000,000	27.20	25,000,000	25.03
ICICI Prudential FMP Series 76 - 1132 days Plan P	10	39,000,000	42.68	39,000,000	39.22
ICICI Prudential FMP Series 76 - 1142 days Plan M	10	24,000,000	26.30	24,000,000	24.23
ICICI Prudential FMP Series 76 - 1155 days Plan K	10	55,000,000	60.62	55,000,000	55.76
ICICI Prudential Income Plan	10	-	-	41,778,773	183.37
ICICI Prudential Interval Fund - Series 6 - Annual Interval Plan F	10	-	-	-	-
ICICI Prudential Interval Fund - Series VI - Annual Interval Plan C	10	-	-	25,000,000	30.07
ICICI Prudential Interval Fund- Annual Interval Plan I - IP	10	18,072,832	29.33	27,354,859	41.03
ICICI Prudential Liquid Plan - Regular - Growth	100	55,722,686	1,247.37	2,176,429	45.02
ICICI Prudential Series 71 - 525 Days Plan D	10	10,900,000	13.39	15,000,000	16.95
ICICI Prudential Short Term Plan	10	71,517,457	225.59	71,517,457	207.33
ICICI Ultra Short term fund- Direct	10	185,051,658	288.80	185,051,658	264.90
IDFC Banking Debt Fund - Reg	10	65,981,714	85.81	65,981,714	79.06
IDFC Cash Fund	1,000	-	-	294,485	50.03
IDFC Dynamic Bond Fund-Regular Plan	10	-	-	72,233,821	122.52
IDFC Fixed Term Plan Series - 74	10	9,913,112	11.92	25,000,000	27.70
IDFC Fixed Term Plan Series - 75	10	-	-	30,000,000	33.20
IDFC Fixed Term Plan Series - 77	10	8,135,144	9.75	30,000,000	33.14
IDFC Fixed Term Plan Series - 84	10	-	-	25,000,000	27.49
IDFC Fixed Term Plan Series 10	10	-	-	-	-
IDFC Fixed Term Plan Series 11	10	-	-	-	-

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
IDFC Fixed Term Plan Series 14	10	-	-	-	-
IDFC Fixed Term Plan Series 2	10	-	-	25,000,000	31.35
IDFC Fixed Term Plan Series 20	10	-	-	-	-
IDFC Fixed Term Plan Series 21 (727 Days)	10	21,253,073	26.49	30,000,000	34.64
IDFC Fixed Term Plan Series 23 Growth Direct	10	29,084,280	36.88	35,000,000	41.19
IDFC Fixed Term Plan Series 27 Growth Direct	10	40,745,369	51.78	40,745,369	47.76
IDFC Fixed Term Plan- Series 34 Growth Direct	10	9,061,829	11.44	9,061,829	10.55
IDFC Fixed Term Plan- Series 49	10	15,073,724	18.40	15,073,724	16.96
IDFC Fixed Term Plan- Series 50	10	22,857,528	27.83	22,857,528	25.65
IDFC Fixed Term Plan- Series 51	10	27,000,000	32.98	27,000,000	30.39
IDFC Fixed Term Plan- Series 54	10	-	-	-	-
IDFC Fixed Term Plan- Series 57	10	14,141,157	17.20	20,000,000	22.42
IDFC Fixed Term Plan- Series 59	10	-	-	-	-
IDFC Fixed Term Plan- Series 60	10	10,618,458	12.88	20,000,000	22.37
IDFC Fixed Term Plan- Series 64	10	-	-	20,000,000	22.27
IDFC Fixed Term Plan- Series 65	10	-	-	-	-
IDFC Fixed Term Plan- Series 67	10	-	-	-	-
IDFC Fixed Term Plan Series 9	10	-	-	-	-
IDFC FTP Series-33 - Direct Growth	10	-	-	-	-
IDFC FTP Series-48 - Direct Growth	10	13,137,859	16.17	20,000,000	22.67
IDFC Money Manager Fund - Investment Plan	10	49,438,380	115.95	76,971,268	166.60
IDFC SSIF- Medium Term Plan	10	107,780,957	279.50	107,780,957	258.19
IDFC Ultra Short Term Fund	10	-	-	135,152,981	264.14
IDFC Ultra Short Term Fund Direct	10	-	-	26,393,860	51.70
IDFC Yearly Series Interval Fund - Series I	10	49,976,083	65.73	49,976,083	60.46
IDFC Yearly Series Interval Fund - Series III	10	14,588,564	19.22	20,003,458	24.26
IDFC Yearly Series Interval Fund Series 2	10	29,298,607	38.51	33,526,670	40.54
JP Morgan India Fixed Maturity Plan - Series 12	10	-	-	-	-
JP Morgan India Fixed Maturity Plan - Series 13	10	-	-	-	-
JP Morgan India Income Fund - Series 301	10	-	-	105,000,000	130.34
JP Morgan India Income Fund - Series 302	10	-	-	27,000,000	33.08
JPMorgan India Active Bond Fund	10	-	-	240,539,367	344.02
JPMorgan India FMP - Series 15 (412 days)	10	-	-	-	-
JPMorgan India FMP - Series 16	10	-	-	-	-
JPMorgan India FMP - Series 18	10	-	-	-	-
JPMorgan India FMP - Series 21 (369 days)	10	-	-	-	-
JPMorgan India FMP Series - 30 (427Days)	10	-	-	36,000,000	39.97
JPMorgan India FMP Series - 33 (398 Days)	10	-	-	25,000,000	27.58
JPMorgan India Liquid Fund	10	93,587,854	106.63	93,587,854	98.88
JPMorgan India Treasury Fund	10	32,430,094	39.11	325,275,021	398.21
Kotak Floater - Short Term	1,000	-	-	174,652	40.04
Kotak FMP Series 100 - 373 Days	10	-	-	-	-
Kotak FMP Series 101 - 371 Days	10	-	-	-	-
Kotak FMP Series 102 - 374 Days	10	-	-	-	-
Kotak FMP Series 104 - 370 Days	10	-	-	-	-
Kotak FMP Series 105 - 370 Days	10	45,420,863	57.67	45,420,863	53.19
Kotak FMP Series 106 - 370 Days	10	30,000,000	38.13	30,000,000	35.12
Kotak FMP Series 107	10	13,649,358	17.31	13,649,358	15.97
Kotak FMP Series 112 - Direct	10	18,094,801	22.97	18,094,801	21.16
Kotak FMP Series 117 - Direct	10	14,439,879	18.32	14,439,879	16.90
Kotak FMP Series 118 - 370 Days - Direct	10	-	-	-	-
Kotak FMP Series 119 - 370 Days	10	-	-	-	-
Kotak FMP Series 122 - 370 Days	10	13,649,285	17.05	13,649,285	15.72
Kotak FMP Series 132 - 546 Days	10	25,357,520	30.72	30,000,000	33.61
Kotak FMP Series 141 - 454 Days	10	55,000,000	66.20	55,000,000	61.03
Kotak FMP Series 142 - 420 Days	10	52,991,426	63.53	55,000,000	60.85
Kotak FMP Series 145 - 390 Days	10	90,000,000	107.47	90,000,000	99.13
Kotak FMP Series 151	10	30,000,000	35.48	30,000,000	32.79
Kotak FMP Series 155 - 370 Days	10	-	-	45,000,000	49.14
Kotak FMP Series 156	10	25,567,261	30.18	60,000,000	65.39

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
Kotak FMP Series 157 - 370 Days	10	-	-	70,000,000	76.20
Kotak FMP Series 158 - 370 Days	10	34,693,711	40.89	50,000,000	54.29
Kotak FMP Series 159	10	36,568,328	43.06	40,000,000	43.38
Kotak FMP Series 163	10	15,000,000	17.39	15,000,000	16.03
Kotak FMP Series 171	10	38,000,000	41.63	38,000,000	38.48
Kotak FMP Series 95 - 400 Days	10	-	-	-	-
Kotak FMP Series 97 - 395 Days	10	-	-	-	-
Kotak FMP Series 98	10	-	-	-	-
Kotak FMP Series 99 - 18 Months	10	-	-	-	-
L & T Cash Fund Direct Growth	1,000	196,948	24.14	196,948	22.32
L&T FMP - Series IX - Plan D - Direct Growth	10	13,730,354	16.84	13,730,354	15.52
L&T FMP - Series IX - Plan E - Direct Growth	10	12,242,257	15.03	20,000,000	22.65
L&T FMP - Series IX - Plan G - Direct Growth	10	-	-	-	-
L&T FMP - Series IX - Plan J - Direct Growth	10	8,801,810	10.73	20,000,000	22.50
L&T FMP - Series VIII - Plan J - Direct Growth	10	-	-	-	-
L&T FMP - Series X - Plan A (368 Days) - Direct Growth	10	-	-	-	-
L&T FMP - Series X - Plan B	10	11,490,291	13.94	20,000,000	22.38
L&T FMP - Series X - Plan D	10	-	-	-	-
L&T FMP - Series X - Plan L	10	-	-	-	-
L&T FMP - Series X - Plan M	10	-	-	25,000,000	27.62
L&T FMP - VII - (January 507DA)	10	-	-	-	-
L&T FMP - VII - March 13M A	10	-	-	-	-
L&T FMP - VII - March 381D A	10	-	-	-	-
L&T FMP Series 8 Plan A	10	-	-	-	-
L&T FMP Series VIII Plan I	10	-	-	-	-
L&T Liquid Fund	1,000	1,327,703	275.40	78,299	15.01
L&T Triple Ace Fund	10	132,480,980	192.98	161,006,767	223.46
L&T Ultra Short Term - Bonus Plan	10	145,187,336	194.70	201,227,829	248.88
LIC Nomura MF Fixed Maturity Plan Series 86	10	17,461,951	20.12	20,000,000	21.30
LIC Nomura MF Fixed Maturity Plan Series 89	10	16,000,000	18.28	16,000,000	16.82
LIC Nomura MF Fmp Series 90 (1100 Days)	10	15,000,000	16.90	15,000,000	15.55
Reliance Dynamic Bond Fund	10	397,901,595	798.34	397,901,595	756.22
Reliance Fixed Horizon Fund - XXIII Series 10	10	25,000,000	31.76	25,000,000	29.35
Reliance Fixed Horizon Fund - XXIII Series 5	10	-	-	-	-
Reliance Fixed Horizon Fund - XXIII Series 7	10	-	-	-	-
Reliance Fixed Horizon Fund - XXIII Series 9	10	-	-	-	-
Reliance Fixed Horizon Fund - XXIV - Series 17	10	-	-	-	-
Reliance Fixed Horizon Fund - XXIV - Series 18	10	10,866,711	13.70	10,866,711	12.65
Reliance Fixed Horizon Fund - XXIV - Series 25	10	23,785,999	29.08	23,785,999	26.82
Reliance Fixed Horizon Fund - XXV - Series 14	10	10,041,994	12.16	10,041,994	11.19
Reliance Fixed Horizon Fund - XXV - Series 16	10	17,891,328	21.59	25,000,000	27.85
Reliance Fixed Horizon Fund - XXV - Series 17	10	9,843,489	11.82	75,000,000	83.51
Reliance Fixed Horizon Fund - XXV - Series 21	10	17,956,062	21.57	35,000,000	38.80
Reliance Fixed Horizon Fund - XXV Series 13	10	15,089,115	18.33	20,000,000	22.35
Reliance Fixed Horizon Fund 26 - Series 6	10	-	-	-	-
Reliance Fixed Horizon Fund XXI - Series 21	10	-	-	13,431,721	16.88
Reliance Fixed Horizon Fund XXII - Series 26	10	-	-	30,000,000	37.46
Reliance Fixed Horizon Fund XXII - Series 33	10	-	-	-	-
Reliance Fixed Horizon Fund XXII - Series 37	10	-	-	-	-
Reliance Fixed Horizon Fund XXII - Series 38	10	-	-	-	-
Reliance Fixed Horizon Fund XXII - Series 39	10	-	-	-	-
Reliance Fixed Horizon Fund XXIII - Series 1	10	-	-	-	-
Reliance Fixed Horizon Fund XXIII - Series 2	10	-	-	-	-
Reliance Fixed Horizon Fund XXIV Series 1	10	-	-	-	-
Reliance Fixed Horizon Fund XXIV Series 11 (369 days)	10	81,424,384	103.56	81,424,384	95.53
Reliance Fixed Horizon Fund XXIV Series 16 367 Days	10	-	-	-	-
Reliance Fixed Horizon Fund XXIV Series 22	10	14,693,807	18.17	25,000,000	28.55
Reliance Fixed Horizon Fund XXIV Series 3 (368 days)	10	37,309,698	47.43	37,309,698	43.77
Reliance Fixed Horizon Fund XXV - Series 11	10	-	-	15,000,000	16.85
Reliance Fixed Horizon Fund XXV - Series 2	10	-	-	-	-

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
Reliance Fixed Horizon Fund XXV Series 1	10	12,941,187	15.96	20,000,000	22.74
Reliance Fixed Horizon Fund XXV Series 27	10	80,000,000	96.35	80,000,000	88.60
Reliance Fixed Horizon Fund XXV Series 28	10	25,257,765	30.40	30,000,000	33.21
Reliance Fixed Horizon Fund XXV Series 30	10	39,393,253	47.21	75,000,000	82.67
Reliance Fixed Horizon Fund XXV Series 31	10	39,811,439	47.63	95,000,000	104.82
Reliance Fixed Horizon Fund XXV Series 4	10	10,047,681	12.26	10,047,681	11.30
Reliance Fixed Horizon Fund XXV Series 6	10	8,700,343	10.65	15,000,000	16.97
Reliance Fixed Horizon Fund XXVI - Series 8	10	-	-	60,000,000	65.51
Reliance Fixed Horizon Fund XXVI Series 12	10	34,749,847	41.07	60,000,000	65.41
Reliance Fixed Horizon Fund XXVI Series 13	10	52,111,903	61.58	90,000,000	97.99
Reliance Fixed Horizon Fund XXVI Series 17	10	54,883,236	64.68	70,000,000	75.91
Reliance Fixed Horizon Fund XXVI Series 19	10	32,033,095	37.68	40,000,000	43.29
Reliance Fixed Horizon Fund XXVI Series 20	10	9,160,110	10.74	25,000,000	26.98
Reliance Fixed Horizon Fund XXVI Series 28	10	17,381,281	20.31	25,000,000	26.87
Reliance Fixed Horizon Fund XXVI Series 31	10	9,183,580	10.64	50,000,000	53.43
Reliance Fixed Horizon Fund XXVI Series 33	10	-	-	15,000,000	15.99
Reliance Fixed Horizon Fund XXVI Series 9	10	141,997,307	167.53	215,000,000	234.29
Reliance Fixed Horizon Fund XXVII Series 11	10	72,000,000	80.94	72,000,000	74.51
Reliance Fixed Horizon Fund XXVII Series 4	10	25,000,000	28.97	25,000,000	26.68
Reliance Fixed Horizon Fund XXVII Series 6	10	15,000,000	17.32	15,000,000	15.96
Reliance Fixed Horizon Fund XXVII Series 7	10	15,000,000	17.29	15,000,000	15.92
Reliance Fixed Horizon Fund XXVII Series 8	10	33,000,000	37.66	33,000,000	34.67
Reliance Fixed Horizon Fund XXVIII Series 10	10	70,000,000	76.60	70,000,000	70.35
Reliance Fixed Horizon Fund XXVIII Series 7- 1104 Days	10	37,000,000	40.60	37,000,000	37.43
Reliance Floating Rate Fund ST Plan	10	234,456,304	566.72	190,725,545	424.81
Reliance Interval Fund - Annual Interval Fund - Series I	10	26,663,681	40.64	26,663,681	37.54
Reliance Interval Fund II Series 1	10	29,212,273	36.05	29,212,273	33.44
Reliance Interval Fund II Series-3	10	24,752,929	30.38	24,752,929	28.10
Reliance Interval Fund II Series-4	10	20,000,000	24.39	20,000,000	22.56
Reliance Interval Fund III Series 1	10	15,000,000	16.92	15,000,000	15.71
Reliance Medium Term Fund - Direct	10	92,151,155	292.44	92,151,155	268.35
Reliance Money Manager Fund	1,000	424,550	51.78	424,550	47.61
Reliance Short Term Fund	10	179,031,536	506.27	179,031,536	469.17
Reliance Short Term Fund Direct	10	279,936,730	806.89	115,363,738	306.31
Reliance Yearly Interval Fund - Series 6	10	67,329,866	86.26	79,452,246	94.11
Reliance Yearly Interval Fund - Series 7	10	10,927,216	13.97	13,779,546	16.26
Reliance Yearly Interval Fund - Series 8	10	48,232,328	60.64	92,191,389	107.06
Reliance Yearly Interval Fund - Series I	10	300,198,256	395.27	300,198,256	363.53
Reliance Yearly Interval Fund - Series II	10	219,646,228	290.29	219,646,228	266.77
Reliance Yearly Interval Fund - Series III	10	41,482,071	54.69	41,482,071	50.34
Reliance Yearly Interval Fund - Series IV	10	-	-	25,036,929	30.16
Reliance Yearly Interval Fund Series 9	10	10,990,033	13.77	45,993,929	53.29
Religare Active Income Fund - Plan A	1,000	-	-	-	-
Religare FMP Series XVII - Plan A - 17 Months	10	-	-	-	-
Religare FMP Series XVII - Plan D	10	-	-	-	-
Religare FMP Series XVIII - Plan B	10	-	-	-	-
Religare Invesco FMP - Series XXI – Plan E	10	22,825,006	27.89	22,825,006	25.70
Religare Invesco FMP - Series XXII – Plan A	10	-	-	-	-
Religare Invesco FMP - Series XXII – Plan G	10	-	-	-	-
Religare Invesco FMP - Series XXII – Plan H	10	20,000,000	24.06	20,000,000	22.23
Religare Invesco FMP - Series XXII – Plan L	10	11,053,068	13.28	15,000,000	16.61
Religare Invesco FMP Plan D 1099 Days	10	15,000,000	17.37	15,000,000	15.98
Religare Invesco FMP Series 23 – Plan H	10	35,000,000	41.30	35,000,000	38.16
Religare Invesco FMP Series 23 – Plan J	10	-	-	35,000,000	38.10
Religare Invesco FMP Series 23 – Plan L	10	6,820,165	8.02	25,000,000	27.09
Religare Invesco FMP Series 23 – Plan N	10	-	-	20,000,000	21.41
Religare Invesco FMP Series 23 – Plan O	10	-	-	20,000,000	21.32
Religare Invesco FMP Series 24 Plan F 1098 Days	10	25,000,000	28.31	25,000,000	26.03
Religare Invesco FMP Series 25 Plan C 1148 Days	10	45,000,000	49.25	45,000,000	45.25
Religare Invesco FMP Series 25 Plan D	10	40,000,000	43.79	40,000,000	40.24

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
Religare Invesco FMP Series 25 Plan F	10	50,000,000	54.43	50,000,000	50.00
Religare Invesco Liquid Fund	1,000	962,436	200.26	208,210	40.02
Religare Invesco Short Term Fund	1,000	842,060	172.80	842,060	160.55
Religare Invesco Ultra Short Term Fund	1,000	3,167,435	366.97	4,878,773	521.94
SBI Debt Fund Series - 51	10	9,146,704	11.02	9,146,704	10.16
SBI Debt Fund Series A1 15 Months	10	28,631,247	34.57	40,000,000	44.74
SBI Dynamic Bond Fund	10	65,173,753	118.15	65,173,753	111.92
SBI Premier Liquid Fund	1,000	-	-	205,046	45.02
SBI SDFS 1111 Days B 3	10	22,000,000	24.80	22,000,000	22.80
SBI SDFS 13 Months Series 14	10	-	-	-	-
SBI SDFS 17 Months - 1	10	32,000,000	38.99	32,000,000	36.00
SBI SDFS 366 - 46	10	9,154,407	11.18	9,154,407	10.31
SBI SDFS 366 - 49	10	33,000,000	40.17	33,000,000	36.99
SBI SDFS 366 Days - 32	10	-	-	-	-
SBI SDFS 366 Days - 48	10	12,800,000	15.59	12,800,000	14.37
SBI SDFS 366 Days Series 25	10	-	-	-	-
SBI SDFS 366 Days Series 29	10	-	-	-	-
SBI SDFS 366 Days Series 30	10	-	-	-	-
SBI SDFS 366 Days Series 31	10	-	-	-	-
SBI SDFS 366 Days Series 33	10	-	-	-	-
SBI SDFS 366 Days Series 39	10	26,627,126	33.80	26,627,126	31.05
SBI SDFS 366 Days Series 40	10	-	-	-	-
SBI SDFS 366 Days Series 44	10	11,949,957	14.66	11,949,957	13.50
SBI SDFS A - 17	10	28,417,424	33.44	75,000,000	81.53
SBI SDFS A - 18	10	11,916,548	14.02	16,000,000	17.39
SBI SDFS A - 19	10	10,997,773	12.93	20,000,000	21.71
SBI SDFS A - 20	10	13,736,767	16.14	50,000,000	54.26
SBI SDFS A - 22 (366 Days)	10	38,500,000	45.14	40,000,000	43.25
SBI SDFS A - 24 (366 Days)	10	50,000,000	58.62	50,000,000	54.00
SBI SDFS A - 25 (366 Days)	10	22,025,623	25.75	25,000,000	26.93
SBI SDFS A - 27 (366 Days)	10	20,000,000	23.29	20,000,000	21.49
SBI SDFS A - 28 (367 Days)	10	40,000,000	46.52	40,000,000	42.95
SBI SDFS A - 31 (367 Days)	10	25,719,692	29.83	40,000,000	42.82
SBI SDFS A 32 367 Days	10	27,566,942	31.90	32,000,000	34.20
SBI SDFS A 34	10	20,000,000	23.13	20,000,000	21.37
SBI SDFS A 35	10	32,177,694	37.14	50,000,000	53.25
SBI SDFS B 2 1111 Days	10	23,000,000	26.05	23,000,000	23.97
SBI SDFS 16 Months - 1	10	38,000,000	46.13	40,000,000	44.56
SBI SDFS 18 Months - 13	10	50,000,000	61.31	50,000,000	56.62
SBI SDFS 366 Days - 45	10	14,652,417	17.96	14,652,417	16.54
SBI SDFS 366 Days - 47	10	27,429,825	33.53	27,429,825	30.87
SBI SDFS A - 10	10	50,000,000	59.61	50,000,000	54.98
SBI SDFS A - 2	10	40,000,000	48.25	40,000,000	44.43
SBI SDFS A - 5	10	29,748,490	35.70	50,000,000	55.36
Sundaram Money Fund	10	318,694,935	364.45	481,138,624	508.24
Sundaram Ultra Short Term Fund	10	180,616,676	216.46	285,964,112	315.44
Tata Fixed Maturity Plan Series 42 Scheme B	10	-	-	-	-
Tata Fixed Maturity Plan Series 42 Scheme C	10	-	-	-	-
Tata Fixed Maturity Plan Series 42 Scheme G	10	-	-	-	-
Tata Fixed Maturity Plan Series 42 Scheme H	10	-	-	-	-
Tata Fixed Maturity Plan Series 42 Scheme I	10	-	-	-	-
Tata Fixed Maturity Plan Series 44 Scheme A	10	-	-	-	-
Tata Fixed Maturity Plan Series 44 Scheme B	10	10,930,455	13.74	10,930,455	12.67
Tata Fixed Maturity Plan Series 45 Scheme C	10	25,581,055	31.33	25,581,055	28.88
Tata Fixed Maturity Plan Series 45 Scheme D	10	-	-	-	-
Tata Fixed Maturity Plan Series 46 Scheme A	10	-	-	-	-
Tata Fixed Maturity Plan Series 46 Scheme B	10	-	-	-	-
Tata Fixed Maturity Plan Series 46 Scheme K	10	-	-	18,000,000	20.01
Tata Fixed Maturity Plan Series 46 Scheme M	10	42,314,895	50.76	45,000,000	49.91
Tata Fixed Maturity Plan Series 46 Scheme N	10	-	-	20,000,000	22.09

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
Tata Fixed Maturity Plan Series 46 Scheme O	10	-	-	-	-
Tata Fixed Maturity Plan Series 46 Scheme Q	10	-	-	20,000,000	22.03
Tata Fixed Maturity Plan Series 46 Scheme T	10	35,000,000	41.95	35,000,000	38.77
Tata Fixed Maturity Plan Series 47 Scheme F	10	11,884,845	14.00	20,000,000	21.78
Tata Fixed Maturity Plan Series 47 Scheme J	10	-	-	30,000,000	32.75
Tata Floater Fund	1,000	-	-	119,013	25.00
Tata Short Term Bond Fund	10	58,669,149	168.78	58,669,149	155.15
UTI FIIF - Annual Interval Plan - II	10	6,586,784	13.61	6,586,784	12.59
UTI Fixed Income Interval Fund - Annual Interval Plan IV - IP	10	-	-	-	-
UTI Fixed Term Income Fund - Series XVII - V (366 days)	10	-	-	-	-
UTI Fixed Term Income Fund - Series XVII - VII (465 days)	10	12,477,385	15.05	41,000,000	45.66
UTI Fixed Term Income Fund - Series XVII - XIII (369 days)	10	39,143,931	47.19	39,143,931	43.45
UTI Fixed Term Income Fund Series XIV - IV (408 days)	10	-	-	-	-
UTI Fixed Term Income Fund Series XIX-I (366 days)	10	-	-	20,000,000	21.48
UTI Fixed Term Income Fund Series XIX-III (368 days)	10	59,646,161	69.29	70,000,000	75.04
UTI Fixed Term Income Fund Series XIX-IV (366 days)	10	-	-	20,000,000	21.41
UTI Fixed Term Income Fund Series XIX-IX (369 days)	10	77,990,237	90.22	90,000,000	95.99
UTI Fixed Term Income Fund Series XIX-VI (366 days)	10	45,000,000	52.19	45,000,000	48.11
UTI Fixed Term Income Fund Series XIX-VIII (368 days)	10	15,602,485	18.09	32,000,000	34.20
UTI Fixed Term Income Fund Series XIX-XI	10	46,853,468	54.11	52,000,000	55.36
UTI Fixed Term Income Fund Series XV - I (368 days)	10	-	-	-	-
UTI Fixed Term Income Fund Series XV - V (366 days)	10	-	-	-	-
UTI Fixed Term Income Fund Series XV - VI (368 days)	10	-	-	-	-
UTI Fixed Term Income Fund Series XV - VII (369 days)	10	-	-	-	-
UTI Fixed Term Income Fund Series XVI - IV (369 days)	10	-	-	-	-
UTI Fixed Term Income Fund Series XVI - VII	10	-	-	-	-
UTI Fixed Term Income Fund Series XVII - I (369 days)	10	21,918,809	26.77	21,918,809	24.67
UTI Fixed Term Income Fund Series XVII - II (369 days)	10	-	-	-	-
UTI Fixed Term Income Fund Series XVIII - V (370 days)	10	24,744,762	29.13	50,000,000	54.45
UTI Fixed Term Income Fund Series XVIII-VIII (366 days)	10	14,644,505	17.22	30,000,000	32.60
UTI Fixed Term Income Fund Series XVIII-XII (366 days)	10	35,000,000	40.91	35,000,000	37.74
UTI Fixed Term Income Fund Series XVIII-XIII (366 days)	10	24,769,279	28.88	40,000,000	43.02
UTI Fixed Term Income Fund Series XXI-XI 1112 DAYS	10	80,000,000	87.42	80,000,000	80.40
UTI Fixed Term Income Fund Series XXVIII 1105 Days	10	75,000,000	84.49	75,000,000	77.71
UTI Fixed Term Income Fund Series XX-X	10	46,000,000	51.62	46,000,000	47.55
UTI Short Term Income Fund	10	195,784,665	360.83	195,784,665	332.33
Birla Life Fixed Term Plan - Series MP	10	42,000,000	45.04		
Birla Life Fixed Term Plan - Series MQ	10	20,000,000	21.44		
Birla Life Fixed Term Plan - Series MR	10	26,000,000	27.87		
Birla Life Fixed Term Plan - Series MY	10	65,000,000	67.13		
Birla Sun Life Fixed Term Plan - Series MU (1117 days)	10	25,000,000	26.53		
Birla Sun Life Fixed Term Plan - Series NB (1099 days)	10	25,000,000	25.62		
Birla Sun Life Fixed Term Plan - Series ND (1109 days)	10	25,000,000	25.53		
Birla Sun Life Fixed Term Plan - Series NE (1100 days)	10	40,000,000	40.73		
Birla Sun Life Fixed Term Plan - Series NG (1169 days)	10	30,000,000	30.51		
Birla Sun Life Fixed Term Plan - Series NH (1168 days)	10	25,000,000	25.42		
Birla Sun Life Fixed Term Plan - Series NI (1163 days)	10	25,000,000	25.40		
Birla Sun Life Fixed Term Plan - Series NK (1196 days)	10	25,000,000	25.40		
DHFL Pramerica Fixed Maturity Plan - Series 91	10	46,000,000	49.25		
DHFL Pramerica Fixed Maturity Plan - Series 95	10	23,000,000	23.54		
DHFL Pramerica Banking & PSU Debt Fund Direct Bonus	10	-	-		
DSP Blackrock Liquidity Fund	1,000	1,396,246	301.89		
HDFC FMP 1105D December 2015 (1)	10	24,000,000	24.54		
HDFC FMP 1111D November 2015 (1)	10	40,000,000	40.96		
HDFC FMP 1112D June 2015 (1)	10	28,000,000	29.88		
HDFC FMP 1134D July 2015 (1)	10	19,000,000	20.16		
HDFC FMP 1155D February 2016 (1)	10	28,000,000	28.47		
HDFC FMP 1167D January 2016 (1)	10	220,000,000	223.80		
HDFC FMP 1176D January 2016 (1)	10	55,000,000	55.99		
HDFC Cash Management Fund -Savings Plan	1,000	1,276,631	402.75		

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
HDFC Liquid Fund	1,000	6,618,781	1,975.41		
HDFC Short Term Opportunities Fund - Direct	10	-	-		
ICICI Prudential FMP Series 76 1134 days Plan Y	10	32,000,000	34.54		
ICICI Prudential FMP Series 76 1135 days Plan Z	10	27,000,000	29.10		
ICICI Prudential FMP Series 77 - 1105 Days Plan N	10	18,000,000	19.06		
ICICI Prudential FMP series 77 - 1129 Days Plan W	10	53,000,000	55.26		
ICICI Prudential FMP Series 77 - 1134 Days Plan H	10	24,000,000	25.70		
ICICI Prudential FMP Series 77 1130 days Plan D	10	30,000,000	32.24		
ICICI Prudential FMP Series 77 1132 days Plan A	10	25,000,000	26.97		
ICICI Prudential FMP Series 77 1144 days Plan T	10	25,000,000	26.20		
ICICI Prudential FMP Series 77 1151 days Plan S	10	15,000,000	15.72		
ICICI Prudential FMP Series 77 1473 days Plan C	10	23,000,000	24.92		
ICICI Prudential FMP series 78 - 1168 Days Plan J	10	27,000,000	27.41		
ICICI Prudential FMP series 78 - 1170 Days Plan I	10	32,000,000	32.61		
ICICI Prudential FMP series 78 - 1185 Days Plan F	10	24,000,000	24.42		
ICICI Prudential FMP series 78 - 1190 Days Plan C	10	42,000,000	42.88		
ICICI Prudential FMP series 78 - 1190 Days Plan E	10	24,000,000	24.44		
ICICI Prudential Banking & PSU Debt Fund Direct	10	-	-		
IDFC FTP Series 108	10	20,000,000	21.59		
Kotak FMP Series 175	10	24,000,000	25.65		
Kotak FMP Series 176 - 1101 Days	10	58,000,000	61.55		
Kotak FMP Series 178	10	76,000,000	79.81		
Kotak FMP Series 179	10	24,000,000	25.01		
Kotak FMP Series 180	10	39,000,000	40.37		
Kotak FMP Series 181	10	10,000,000	10.31		
Kotak FMP Series 182	10	25,000,000	25.63		
Kotak FMP Series 185	10	55,000,000	56.02		
Kotak FMP Series 190	10	10,000,000	10.14		
Kotak Bond Short Term Plan	10	-	-		
Reliance Fixed Horizon Fund - XXIX - Series 1	10	20,000,000	21.10		
Reliance Fixed Horizon Fund - XXIX - Series 2	10	30,000,000	31.56		
Reliance Fixed Horizon Fund - XXIX - Series 6	10	15,000,000	15.72		
Reliance Fixed Horizon Fund XXIX - Series 8	10	90,000,000	93.98		
Reliance Fixed Horizon Fund XXIX- Series 10	10	50,000,000	51.58		
Reliance Fixed Horizon Fund XXIX Series 14	10	15,000,000	15.43		
Reliance Fixed Horizon Fund XXIX Series 16	10	80,000,000	82.17		
Reliance Fixed Horizon Fund XXIX Series 19	10	25,000,000	25.58		
Reliance Fixed Horizon Fund XXIX Series 20	10	50,000,000	50.99		
Reliance Fixed Horizon Fund XXIX Series 9	10	100,000,000	103.60		
Reliance Fixed Horizon Fund XXVIII Series 19	10	20,000,000	21.52		
Reliance Fixed Horizon Fund XXX Series 1	10	80,000,000	81.58		
Reliance Fixed Horizon Fund XXX Series 2	10	50,000,000	50.89		
Reliance Fixed Horizon Fund XXX Series 4	10	125,000,000	127.03		
Reliance Fixed Horizon Fund XXX Series 5	10	35,000,000	35.54		
Reliance Fixed Horizon Fund XXX Series 6	10	25,000,000	25.42		
Reliance Interval Fund IV Series 3	10	15,000,000	15.89		
Reliance Liquid Fund Treasury Plan	1,000	2,048,340	754.92		
Reliance Banking & PSU Debt Fund Direct	10	-	-		
Religare Invesco Fixed Maturity Plan -Series 26 - Plan E (1101 Days)	10	23,000,000	23.95		
Religare Invesco Fixed Maturity Plan -Series 27 - Plan A (1100 Days)	10	23,000,000	23.54		
Religare Invesco Fixed Maturity Plan -Series 27 - Plan C (1100 Days)	10	20,000,000	20.35		
Religare Invesco FMP Series 26 Plan A	10	25,000,000	26.78		
Religare Invesco FMP Series 26 Plan C	10	46,000,000	48.82		
SBI Debt Fund Series B - 20 (1100 Days)	10	50,000,000	53.48		
SBI Debt Fund Series B - 22 (1100 Days)	10	30,000,000	31.80		
SBI Debt Fund Series B - 23 (1100 Days)	10	17,000,000	17.97		
SBI SDFS B - 16	10	45,000,000	48.41		
SBI SDFS B - 17	10	50,000,000	53.69		
SBI SDFS B - 18	10	50,000,000	53.63		
SBI SDFS B - 19	10	50,000,000	53.52		

NOTES to the Financial Statements
for the year ended March 31, 2016

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	As at 31.03.16 (₹ in Crore)	Total number of Units	As at 31.03.15 (₹ in Crore)
UTI Fixed Term Income Fund Series XXII - IX (1098 days)	10	70,000,000	74.71		
UTI Fixed Term Income Fund Series XXII - X (1098 days)	10	85,000,000	90.58		
UTI Fixed Term Income Fund Series XXII - XI (1098 days)	10	49,000,000	52.04		
UTI Fixed Term Income Fund Series XXII - XIV (1100 days)	10	70,000,000	73.61		
UTI Fixed Term Income Fund Series XXIII - III (1098 days)	10	50,000,000	52.40		
UTI Fixed Term Income Fund Series XXIII - VII (1098 days)	10	55,000,000	56.67		
UTI Fixed Term Income Fund Series XXIII - XI (1100 days)	10	45,000,000	46.04		
UTI Fixed Term Income Fund Series XXIII - XV (1176 days)	10	30,000,000	30.51		
UTI Liquid Cash Plan	1,000	2,445,311	605.62		
Sundaram FTP GY	10	100,000,000	106.25		
Sundaram FTP HB	10	80,000,000	81.91		
Sundaram FTP HC	10	22,000,000	22.50		
UTI Fixed Term Income Fund Series XXIV - VI (1181 days)	10	25,000,000	25.32		
ICICI Prudential FMP series 78 - 1150 Days Plan N	10	40,000,000	40.51		
HDFC FMP 1132D February 2016 (1)	10	93,000,000	94.17		
Birla Sun Life Fixed Term Plan - Series NL (1148 days)	10	25,000,000	25.20		
UTI Fixed Term Income Fund Series XXIV - VII (1182 days)	10	23,000,000	23.22		
Reliance Fixed Horizon Fund XXX Series 12	10	18,000,000	18.18		
ICICI Prudential FMP series 78 - 1135 Days Plan W	10	25,000,000	29.17		
Kotak Liquid Fund	1,000	998,261	306.39		
Reliance Fixed Horizon Fund XXX Series 13	10	40,000,000	40.27		
Tata Liquid Fund	1,000	718,056	200.30		
UTI Fixed Term Income Fund Series XXIV - VIII (1184 days)	10	19,000,000	19.13		
UTI Money Market	1,000	2,955,946	500.63		
DHFL Pramerica Insta Cash Plus Fund	100	13,337,181	261.93		
Aggregate of unquoted investments			31,413.02		23,332.56
Aggregate of quoted and unquoted investments			35,182.40		27,253.59

NOTE 14 INVENTORIES

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
At lower of cost and net realisable value		
Raw materials - Zinc and Lead Mined-Metal	-	47.04
Work-in-progress		
Ore	47.97	94.25
Mined-Metal	181.95	283.43
Others	276.42	294.39
Finished goods	37.61	55.34
Stores and spares (including goods in transit ₹ 12.47 Crore : 2015 ₹ 19.61 Crore)	377.68	361.08
Fuel Stock (including goods in transit ₹ 26.21 Crore : 2015 ₹ 51.56 Crore)	136.59	76.22
Total	1,058.22	1,211.75

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 15 TRADE RECEIVABLES

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	19.40	6.79
Less: Provision For Doubtful Debts	0.72	0.79
	18.68	6.00
Trade receivables outstanding for a period less than six months from the date they were due for payment	225.38	652.82
Total	244.06	658.82

NOTE 16 CASH AND BANK BALANCES

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash on hand	-	-
Balances with Bank		
Current accounts	51.04	28.18
Deposit accounts (Refer note 1 below)	0.27	3,502.27
Unpaid dividend accounts	1.42	1.06
Total	52.73	3,531.51
Of the above the balance that meet the definition of cash and cash equivalents as per Accounting Standard 3: Cash flow statement.	51.04	50.18
Note -		
1. Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date.	0.27	0.27

NOTE 17 SHORT TERM LOANS AND ADVANCES

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured and considered good		
Prepaid expenses	12.64	9.08
Loans to employees	1.54	1.41
Balance with central excise and other Government authorities	39.42	38.13
Other advance (includes advances to suppliers and contractors etc.)	385.89	314.99
Derivative assets	2.09	0.53
Total	441.58	364.14

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 18 OTHER CURRENT ASSETS

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest accrued on deposits	3.18	55.58
Export Incentive receivable	68.43	67.85
Interest accrued on Investment in Bonds and debentures	38.77	60.56
Total	110.38	183.99

NOTE 19 REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Sale of products (gross)	15,135.30	15,822.98
Export benefits	105.44	77.42
	15,240.74	15,900.40
Other operating revenues:		
Sale of Scrap and Residuals	140.91	146.72
Rent	3.18	2.84
Claim received	4.55	6.85
Liquidated damages and penalties	47.46	13.36
Carbon credit and generation based incentive	11.33	13.04
Others (unclaimed amount, etc.)	60.06	16.87
Revenue from operations (gross)	15,508.23	16,100.08
Less: Excise duty	(1,281.79)	(1,311.69)
Revenue from operations (net)	14,226.44	14,788.39
Detail of products sold		
Zinc metals	10,998.33	12,005.97
Lead metals	2,071.16	1,976.73
Silver metals	1,501.40	1,286.70
Wind Energy	164.43	176.04
Others	399.98	377.54
Total	15,135.30	15,822.98

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 20 OTHER INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Gain(Loss) on mark to market of current Investments	1,843.17	2,783.62
Interest Income		
Deposits	261.55	131.08
Investment in Bonds	177.43	174.25
Others (interest from customers, staff loans, etc.)	39.66	51.10
Net gain(loss) on sale of current investments	393.68	(319.00)
Net gain on foreign currency transactions	13.93	-
Total	2,729.42	2,821.05

NOTE 21 COST OF MATERIALS CONSUMED

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i) Opening Stock	47.04	60.88
Add: Purchases	4.30	454.61
Less: Closing Stock	-	47.04
Cost of materials consumed	51.34	468.45
(ii) Details of Materials Consumed		
(a) Zinc & Lead Concentrate	51.34	468.45
Total	51.34	468.45

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 22 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Opening Stock:		
Finished goods	55.34	54.97
Work in progress		
Ore	94.25	43.98
Mined Metal	283.43	60.74
Others	294.39	422.27
	727.41	581.96
Closing Stock		
Finished goods	37.61	55.34
Work in progress		
Ore	47.97	94.25
Mined Metal	181.95	283.43
Others	276.42	294.39
	543.95	727.41
Net (increase) / decrease	183.46	(145.45)

NOTE 23 EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries and wages	651.98	695.61
Contributions to provident and other funds	57.37	80.72
Staff welfare expenses	76.82	65.52
Total	786.17	841.85

NOTE 24 FINANCE COST

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Bill discounting charges	6.13	7.45
Bank charges	0.90	0.84
Interest on delayed / deferred payment of advance tax	6.85	12.97
Others	3.05	2.25
Total	16.93	23.51

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 25 OTHER EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Consumption of stores and spare parts	1,038.81	1,244.85
Power, fuel & water	1,403.61	1,168.48
Machinery repairs	967.10	897.18
Building repairs	39.82	35.81
Other repairs	2.00	1.56
Carriage inward	204.18	219.21
Mine expenses	381.94	311.75
Excise duty*	(5.56)	12.67
Royalty (net)	1,644.71	1,371.88
Other manufacturing and operating expenses	255.70	238.90
Rent	2.88	1.74
Rates and taxes	4.47	1.92
Insurance	15.54	18.20
Conveyance and travelling expenses	31.92	37.96
Directors' sitting fees	0.78	0.65
Miscellaneous expenses	193.72	141.34
Payment to statutory auditors		
For audit	1.04	0.96
For taxation matters	-	-
For other services	1.02	0.95
Reimbursement of expenses	0.15	0.11
Watch and ward	23.29	22.90
Grass root exploration expense	66.58	79.11
Research and development expenses	4.61	5.04
Carriage outward	269.20	254.26
Other selling expenses	5.37	5.03
Loss on sale of fixed assets (net)	11.97	3.31
Net loss on foreign currency transactions	-	48.83
Total	6,564.85	6,124.60

* Represents excise duty on difference between closing and opening stock

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 26 CONTINGENT LIABILITY

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Claims against the Company not acknowledged as debts (matters pending in court or arbitration)		
Suppliers and contractors	54.21	42.07
Ex-employees and others	144.17	306.30
Mining cases	333.90	333.90
Guarantees issued by the banks (bank guarantees are provided under legal or contractual obligations)	51.02	55.92
Sales tax demands (this pertains to disputes in respect of differential sales tax, classification and stock transfer issues etc. in respect of tax rate difference or classification, stock transfer matters etc.)	14.62	13.46
Entry tax demands (this pertains to disputes in respect of entry tax on goods)	127.63	121.52
Income tax demands (this pertains largely to deduction and allowances claimed under Chapter VIA)	2,110.02	1,129.18
Excise Duty demands (this pertains to admissibility of cenvat credit on inputs & capital goods, captive use of intermediate goods, clearance of by products, classification of coal etc.)	471.84	465.17

Future cash out flows in respect of the above matters are determinable only on receipt of judgments or decisions pending at various forums.

NOTE 27

COMMITMENTS

- Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 2014.77 Crore (2015: ₹ 1,798.48 Crore)
- The Company had export obligations of ₹ 166.45 Crore (2015: ₹ 542.65 Crore) on account of concessional rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India which is to be fulfilled over the next eight years or six years effective 2013-14 from purchase. If the Company is unable to meet these obligations, its liabilities currently not provided would be ₹ 32.73 Crore (2015: ₹ 101.70 Crore) reduced in proportion to actual export. This liability is backed by the bonds executed in favour of customs department amounting to ₹ 703.80 Crore (2015: ₹ 1,088.36 Crore).

NOTE 28

- The company is in the possession of 10.63 acres of land adjacent to the Vishakhapatnam smelter plant, for which allotment formalities are yet to be completed by the authorities.
- The Company is in the process of dismantling its assets at Vishakhapatnam smelter.

NOTE 29

JOINT VENTURE

- The Company had access of upto 31.5 million MT of coal as a partner in the joint venture 'Madanpur South Coal Company Limited' (Madanpur JV) where it holds 18.05% of ownership interest (2015: 18.05%). During the previous year, Honorable Supreme Court has passed the judgment cancelling all the coal blocks including Madanpur JV allocated since 1993 with certain exceptions. Accordingly, the Company has created 100% provision against its investment in Madanpur JV amounting to ₹ 2.32 Crore (including advance of 0.05 Crore). The Company's interest is reported as Non-Current Investments (Note 11).

NOTES to the Financial Statements
for the year ended March 31, 2016

b. Interest in joint venture

Name	Country of incorporation	Percentage of ownership Interests As at March 31, 2016	Percentage of ownership Interests As at March 31, 2015
Madanpur South Coal Company Limited	India	18.05 %	18.05 %

The Company's interest in Madanpur JV is reported as non-current investments (Note 11) and stated at cost, which has been fully provided for as mentioned above. The Company's share of each of the assets, liabilities, income and expenses etc. (each without elimination of the effect of transactions between the Company and Madanpur JV) related to its interests in Madanpur JV are:

(₹ in Crore)

	As at March 31, 2016	As at March 31, 2015
I. Assets		
1. Fixed assets	1.41	1.17
2. Current investments	0.28	0.80
Other current assets	0.01	0.10
Cash and Bank Balances	-	0.02
3. Loss being excess of expenses over income	0.57	0.73
II. Liabilities		
1. Shareholders' funds	2.27	2.81
2. Share application monies	-	-
3. Unsecured Loan	-	0.01

(₹ in Crore)

	FY 2015-16	FY 2014-15
III. Income	0.16	-
IV. Expenses	-	0.03

NOTE 30 THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) AMENDMENT ACT, 2015

Pursuant to introduction of 'The Mines and Mineral (Development and Regulation) Amendment Act, 2015' and subsequent Notification dated 17th September 2015, the Company has created liability in terms of Sections 9B(6) and 9C of the Act towards contribution to 'District Mineral Foundation' and 'National Mineral Exploration Trust' @ 30% and 2% on the royalty expenses respectively, effective from 12 January, 2015. The Company has expensed ₹ 366.05 Crore during the year (previous year ₹ 119.98 Crore on an estimated basis), which has been included under Royalty expenses.

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 31

During the previous year, with effect from April 1, 2014, the Company had revised the estimated useful lives of certain assets based on a technical study and evaluation of the useful life of the assets conducted in this regard and management's assessment thereof. The details of previously applied depreciation rates and useful life and revised useful life are as follows:

Assets	Previous depreciation rate and useful life till 31.3.2014	Revised useful life based on SLM from 01.04.2014
Factory Buildings	3.34%, ~28 years	30 years
Residential buildings	1.63%, ~58 years	60 years
Roads	1.63%, ~3.34%; 28 years, ~ 58 years	5-10 years
Computers and Data Processing Equipment	16.21%, ~ 6 years	3-6 years
Plant and Machinery including CPP	5.28% to 11.31%, ~ 8 years to 18 years	8 years to 40 years
Office equipment	4.75%, ~ 20 years	5 years
Furniture and Fixtures	6.33%, ~15 years	10 years
Vehicles	9.5%, ~10 years	8-10 years

Consequent to the change arising from the assessment of the useful lives of certain assets as above:

- (i) During the previous year the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 38.65 Crore (including deferred tax of ₹ 1.78 Crore) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.
- (ii) As a result, the net depreciation charge for the year 2014-15 was lower by ₹ 180.59 Crore

Vedanta Resources Plc (the "Parent"), [The Vedanta Resources Long-Term Incentive Plan ("LTIP"), Employee Share Ownership Plan ("ESOP"), Performance Share Plan ("PSP") and Deferred Share Bonus Plan ("DSBP")].

During the year, the PSP is the primary arrangement under which share-based incentives are provided to the defined management group, previously these awards were granted on a similar basis under the LTIP. The maximum value of shares that can be awarded to members of the defined management group is calculated by reference to the individual fixed salary and share-based remuneration consistent with local market practice. The performance condition attaching to outstanding awards under the PSP and LTIP is that of Parent's performance, measured in terms of Total Shareholder Return ("TSR") compared over a three year period with the performance of the competitor companies as defined in the scheme from the date of grant. Initial awards under the LTIP were granted in February 2004 and subsequently further awards were granted in the respective years until 2012-13. Additionally, PSP vesting conditions includes continued employment with the Group till the date of vesting. Initial awards under the PSP were granted in November 2014 and subsequently in December 2015. The awards are indexed to and settled by Parent shares. The awards have a fixed exercise price denominated in Parent's functional currency of 10 US cents per share, the performance period of each award is three years and are exercisable within a period of six months from the date of vesting beyond which the option lapse.

NOTE 32

Matured fixed deposits of ₹ 0.08 Crore (2015: ₹ 0.08 Crore) due for transfer to Investor Education and Protection Fund have not been transferred in view of pending legal litigation between the beneficiaries.

NOTE 33

VEDANTA RESOURCES LONG TERM INCENTIVE PLAN (LTIP) AND EMPLOYEE SHARE OWNERSHIP PLAN (ESOP). –

The Company offers equity-based award plans to its employees, officers and directors through its parent,

The Parent has also granted awards under the ESOP scheme that shall vest based on the achievement of business performance in the performance period. The vesting schedule is staggered over a period of three years. Under these schemes the Parent is obligated to issue the shares.

In 2015, Vedanta introduced the DSBP, with initial awards being made in May 2015 & August 2015. Under the plan, a portion of the annual bonus is deferred into shares and the awards granted under this scheme are not subject to any performance conditions. The vesting schedule is staggered over a period of two or three years. In case of DSBP, the shares are purchased from open market and allotted to employees, officers and directors.

Further, in accordance with the terms of the agreement between the Parent and the Company, the fair value of the awards as on the grant date is recovered by the Parent from the Company and its subsidiaries.

Amount recovered by the Parent and recognized by the Company in the Statement of Profit and Loss (net of capitalisation) for the year ended March 31, 2016 is ₹ 22.19 Crore (Previous year ₹ 40.90 Crore). The Company considers these amounts as not material and accordingly has not provided further disclosures.

NOTE 34

EMPLOYEE BENEFITS

LONG TERM

(a) Defined Contribution Plans: Family Pension Scheme

The Company offers its employees benefits under defined contribution plans in the form of family pension scheme. Family pension scheme covers all employees on the roll. Contributions are paid during the year into the fund under statutory arrangements. The contribution to family pension fund is made only by the Company based on prescribed rules of family pension scheme. The contributions are based on a fixed percentage of the employee's salary, subject to a ceiling, as prescribed in the respective scheme.

A sum of ₹ 6.70 Crore (2015: ₹ 6.25 Crore) has been charged to the Statement of Profit and Loss during the year.

(b) Defined benefit plans :

Provident fund

The Company offers its employees, benefits under defined benefit plans in the form of provident fund scheme which covers all employees on roll.

Contributions are paid during the year into 'Hindustan Zinc Limited Employee's Contributory Provident Fund' (Trust). Both the employees and the Company pay predetermined contributions into the Trust.

A sum of ₹ 24.00 Crore (2015: ₹ 25.82 Crore) has been charged to the Statement of Profit and Loss in this respect during the year.

The Company's Trust is exempted under section 17 of Employees Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, between the return guaranteed by the statute and actual earning of the Trust. Based on a Guidance Note from The Institute of Actuaries - Valuation of Interest Guarantees on Exempt Provident Funds under AS 15 (Revised 2005) - for actuarially ascertaining such interest liability, there is no interest shortfall that is required to be met by the Company as of March 31, 2015 and March 31, 2016. Having regard to the assets of the Trust and the return in the investments, the Company also does not expect any deficiency in the foreseeable future.

Gratuity

The Company offers its employees, defined contribution plans in the form of gratuity. Gratuity Scheme covers all employees as statutorily required under Payment of Gratuity Act 1972. The Company has constituted a trust recognised by Income Tax authorities for gratuity to employees. The Company contributes funds to Life Insurance Corporation of India. Commitments are actuarially determined at the year-end. The actuarial valuation is done based on Projected Unit Credit Method. Gains and losses of changed actuarial assumptions are charged to the Statement of Profit and Loss under the head Employee benefits expenses.

NOTES to the Financial Statements
for the year ended March 31, 2016

(i) Movement in the present value of defined benefit obligation

(₹ in Crore)

Particulars	FY 2015-16	FY 2014-15
Obligation at the beginning of the year	216.06	176.55
Acquisition Adjustments	-	2.52
Current service cost	9.25	9.61
Past service cost	-	-
Interest cost	16.85	15.89
Actuarial losses and (gains)	13.29	38.27
Benefits paid	(47.38)	(26.78)
Obligation at the end of the year	208.07	216.06

(ii) Movement in the fair value of plan assets

(₹ in Crore)

Particulars	FY 2015-16	FY 2014-15
Fair value at the beginning of the year	167.73	167.66
Acquisition Adjustments	-	2.52
Expected return on the plan assets	14.68	15.09
Actuarial gains / (losses)	(0.61)	0.34
Employers' contribution	48.33	8.90
Benefits paid	(47.38)	(26.78)
Fair value at the end of the year	182.75	167.73

(iii) Amount recognised in the Balance Sheet

(₹ in Crore)

Particulars	FY 2015-16	FY 2014-15
Present value of the obligation at the end of the year	208.07	216.06
Fair value of the plan assets at the end of the year	182.75	167.73
(Unfunded status) / Excess of funding over obligation	(25.32)	(48.33)
Excess of actual over estimated	(0.61)	0.34
Net (liability) / asset recognised in the Balance Sheet	(25.32)	(48.33)

Expense / Income recognised in the Statement of Profit and Loss

(₹ in Crore)

Particulars	FY 2015-16	FY 2014-15
Current service cost	9.25	9.61
Past service cost	-	-
Interest cost	16.85	15.89
Expected return on plan assets	(14.68)	(15.09)
Actuarial losses and (gains)	13.90	37.93
Total expense / income recognised in the Statement of Profit and Loss	25.32	48.34

- (iv) The plan assets of the Company are managed by the Life Insurance Corporation of India (LIC), the details of investment relating to these assets is not shared by LIC. Hence the composition of each major category of plan assets, the percentage or amount that each major category constitutes to the fair value of the total plan assets has not been disclosed.

NOTES to the Financial Statements
for the year ended March 31, 2016

(v) Actual return on plan assets

(₹ in Crore)

Particulars	FY 2015-16	FY 2014-15
Expected return on plan assets	8.75%	9.00 %
Actuarial losses and (gains)	(0.61)	0.34

(vi) Actuarial assumptions

The actuarial assumptions used to estimate defined obligations and fair value of plan assets are based on the following assumptions which if changed, would affect the defined obligation's size and funding requirements.

(₹ in Crore)

Particulars	FY 2015-16	FY 2014-15
Discount rates	8.00%	7.80 %
Expected return on plan assets	8.75%	9.00 %
Salary escalations	5.50%	5.50 %
Mortality	IALM (2006-08)	IALM (2006-08)

The estimates of future salary increases considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is actuarially determined upon which reliance is placed by the auditors.

(vi) Experience adjustments

(₹ in Crore)

Particulars	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
Present value of the obligation	208.07	216.06	176.55	191.82	182.30
Fair value of plan assets	182.75	167.73	167.66	166.66	165.58
Surplus / deficit in the plan	(25.32)	(48.33)	(8.89)	(25.16)	(16.72)
Experience adjustment on plan liabilities	(15.72)	(24.17)	(12.92)	(18.35)	(9.55)
Experience adjustment on plan assets	(1.02)	0.34	1.08	0.26	3.49

The details of experience adjustments arising on account of plan assets and plan liabilities as required by paragraph 120(n) (ii) of AS 15 (Revised) on "Employee Benefits" are not available in the valuation report and hence not furnished.

(viii) The contribution expected to be made by the Company during the financial year 2016-17 is ₹ 5.70 Crore.

(b) Other long term benefit plan -Compensated absences

The Company has provided for the liability on the basis of actuarial valuation as at the year end.

NOTE 35 EARNINGS PER SHARE (EPS)

(₹ in Crore)

Particulars	FY 2016	FY 2015
Net profit after taxation for the year (₹ in Crore)	8,166.58	8,178.00
Weighted average number of ordinary shares for Basic or Diluted EPS	4,225,319,000	4,225,319,000
Nominal value of ordinary shares (in ₹)	2	2
Basic or Diluted earnings per ordinary shares (in ₹)	19.33	19.35

NOTE 36 SEGMENT REPORTING

(i) Segment Information for the year ended March 31, 2016

**NOTES to the Financial Statements
for the year ended March 31, 2016**

(₹ in Crore)

Particulars	March 31, 2016			March 31, 2015				
	Zinc, Lead and Silver	Wind energy	Unallocated	Total	Zinc, Lead and Silver	Wind energy	Unallocated	Total
REVENUE FOR THE YEAR ENDED								
External Sales								
Zinc and Lead	12,407.73	-	-	12,407.73	13,225.95	-	-	13,225.95
Silver Metal	1,386.79	-	-	1,386.79	1186.72	-	-	1186.72
Wind Energy	-	164.43	-	164.43	-	176.04	-	176.04
Total external sales	13,794.52	164.43	-	13,958.95	14,412.67	176.04	-	14,588.71
Inter Segment Sales	-	-	-	-	-	-	-	-
Total Segment Revenue	13,794.52	164.43	-	13,958.95	14,412.67	176.04	-	14,588.71
RESULTS FOR THE YEAR ENDED								
Segment results								
Zinc and Lead	4,633.20	-	-	4,633.20	5,830.86	-	-	5,830.86
Silver Metal	1,178.66	-	-	1,178.66	844.44	-	-	844.44
Wind Energy	-	130.38	-	130.38	-	127.62	-	127.62
Total	5,811.86	130.38	-	5,942.24	6,675.30	127.62	-	6,802.92
Unallocated Corporate Income net of unallocated Expenses								
Finance Costs					2,715.18			2,820.58
Profit before exceptional items					(16.93)			(23.51)
Exceptional items					8,640.49			9,599.99
Profit before tax					(30.11)			(29.87)
Tax expenses					8,610.38			9,570.12
Profit for the year					(443.80)			(1,392.12)
					8,166.58			8,178.00
OTHER INFORMATION								
Segment Assets as at	13,773.79	814.67	40,655.38	55,243.84	13,405.50	804.81	34,781.69	48,992.00
Segment Liabilities as at	2,919.55	7.06	14,932.04	17,858.65	1,757.17	29.42	3852.35	5638.94
Capital Expenditure during the year	1,584.40			1,584.40	1,362.93			1,362.93
Depreciation for the year	672.59	39.72	0.31	712.62	609.71	34.01	0.47	644.19

NOTES to the Financial Statements
for the year ended March 31, 2016

(ii) Information about Secondary Business Segments

(₹ in Crore)

	March 31, 2016			March 31, 2015		
	India	Outside India	Total	India	Outside India	Total
Revenue by geographical market for the year ended	10,460.30	3,498.65	13,958.95	10,660.40	3,928.31	14,588.71
Inter-Segment revenue for the year ended	-	-	-	-	-	-
TOTAL	10,460.30	3,498.65	13958.95	10,660.40	3,928.31	14,588.71
Carrying amount of segment assets as at	14,588.46	-	14,588.46	14,210.31	-	14,210.31
Capital expenditure during the year	1,584.4	-	1,584.4	1,362.93	-	1,362.93

Reconciliation between segment revenue and enterprise revenue

(₹ in Crore)

Particulars	FY 2015-16	FY 2014-15
Segment Revenue		
Zinc and Lead	12,407.73	13,225.95
Silver Metal	1,386.79	1,186.72
Wind Energy	164.43	176.04
Total Segment revenue	13,958.95	14,588.71
Enterprise revenue		
Sale of products	15,240.74	15,900.40
Less: - Excise duty	(1,281.79)	(1,311.69)
Total enterprise revenue	13,958.95	14,588.71

(iii) Note:

b) Business Segment

The Company has identified the following business segments:

- Mining and smelting of zinc, lead & silver
- Wind energy

Additional intra segment information of revenues and results for the silver metal have been provided to enhance understanding of segment business. Silver occurs in zinc & lead and is recovered in the smelting and refining process.

c) Geographical Segment

The Geographical segments considered for disclosure are as follows:

- Revenue within India includes sales to customers located within India and earnings in India
- Revenue outside India includes sales to customers located outside India and earnings outside India and export incentive benefits

d) The Board of Directors in their meeting held on January 21, 2016 have approved the sale of the Company's Wind

Power assets (WPP) subject to final approval of the price by the board. The Company is in the process of identifying a buyer for the same. The gross block and the net block of WPP assets as at March 31, 2016 was ₹ 1,454 Crore and ₹ 728 Crore respectively. The revenues from the WPP operations for the year ending March 31, 2016 was ₹ 164 Crore.

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 37 RELATED PARTY DISCLOSURES

a. Names of related parties and description of relation:

(i) Holding companies :	Immediate & ultimate in India: Vedanta Limited (earlier known as Sesa Sterlite Limited) Ultimate in U. K: Vedanta Resources Plc. U. K.
(ii) Fellow subsidiaries : with whom transactions have taken place	Bharat Aluminium Company Limited MALCO Energy Limited (earlier Vedanta Aluminium Limited) Copper Mines of Tasmania Pty Limited Konkola Copper Mines Plc Talwandi Sabo Power Limited Black Mountain Mining (Proprietary) Limited Vedanta Lisheen Mining Limited Sterlite Technologies Ltd Skorpion Zinc (Pty) Limited Sesa Resources Limited Namzinc (Pty) Limited
(iii) Joint Venture Jointly controlled entity	Madanpur South Coal Company Limited
(iv) Key Managerial Personnel	Mr Akhilesh Joshi * Mr. Sunil Duggal **
(v) Others	Vedanta Foundation

*CEO and Whole Time Director upto September 30, 2015 and continuing as Whole Time Director

** Appointed as CEO & Whole-time Director effective October 1, 2015 which is subject to Shareholders approval in Annual General Meeting

b. Transactions with Related parties

(₹ in Crore)

Nature of transactions	Holding company ¹	Fellow subsidiaries	Associate companies	Key personnel	Joint Venture	Others	Total amount
	2016	2015	2016	2015	2016	2015	2016
Purchase of goods & others²	51.59	82.29	13.73	23.27			65.32
Sale of goods & others³		18.55	1.34				18.55
Dividend	8311.76	1042.40					8,311.76
Personnel Services (net)⁴	23.84	38.94	(0.17)	(0.65)			23.67
Apportionment of common group expenses	85.93	76.95					85.93
Admin Expenses and other reimbursements⁵	27.66	4.71	(0.01)	(0.12)			27.65
Remuneration – Key personnel					5.56	3.66	5.56
Donation⁶						2.12	2.54
Investment in Joint Venture-							2.12
Madampur South Coal Company Limited					(0.54)		(0.54)
Advance given during the year					0.05		0.05
Debtors balance :							-
Konkola Copper Mines Plc	0.01	0.01					-
Talwandi Sabo Power Limited	0.01						-
Bharat Aluminium Company Limited	0.74						-
Vedanta Ltd	3.02						-
Creditors balance :							-
Vedanta Lisheen Mining Limited		0.08					-
Bharat Aluminium Company Limited		1.60					-
Vedanta Ltd	27.96	15.90					27.96
Vedanta Ltd-Dividend payable	6583.57	-	-	-	-	-	6,583.57

Note:

1. Holding company represents Vedanta Ltd.
2. Represents transaction with Bharat Aluminium Company Limited (₹ 12.87 Crore, 2015 ₹ 22.96 Crore), Konkola Copper mines (NIL, 2015 0.30 Crore) and Sterlite Technologies Ltd (₹ 0.86 Crore, 2015 ₹ 1.34 Crore)
3. Represents transaction with Sterlite Technologies Limited (₹ 16.41 Crore, 2015 ₹ 3.21 Crore) and Namzinc (PTY) Ltd (₹ 2.15 Crore, 2015 NIL)
4. Represents transaction with Bharat Aluminium Company Limited (₹ -0.041 Crore, 2015 - 0.035 Crore), Talwandi Sabo Power Limited (₹ 0.159 Crore, 2015 - 0.035 Crore), Copper Mines of Tasmania (₹ NIL, 2015 ₹ 0.032 Crore), Black Mountain Mining (₹ 0.046 Crore, 2015 ₹ - 0.597 Crore), Skorpion Zinc (Pty) Limited (₹ 0.002 Crore, 2015 NIL), Konkola Copper Mines (₹ 0.005 Crore, 2015 - 0.015 Crore), and Sesa resources Ltd (₹ 0.001 Crore, 2015 NIL)
5. Represents transaction with Bharat Aluminium Company Limited (₹ 0.055 Crore, 2015 ₹ - 0.017 Crore), Talwandi Sabo Power Limited (₹ 0.032 Crore, 2015 ₹ - 0.02 Crore), Copper Mines of Tasmania (₹ 0.001 Crore, 2015 ₹ - 0.063 Crore), Black Mountain Mining (₹ 0.009 Crore, 2015 ₹ - 0.187 Crore), MALCO Energy Limited (₹ - 0.002 Crore, 2015 ₹ - 0.024 Crore) Konkola Copper Mines (₹ 0.014 Crore, 2015 ₹ 0.059 Crore), Lishen Milling Limited (₹ - 0.125 Crore, 2015 ₹ 0.085 Crore), and Sterlite Technologies Ltd (₹ 0.023 Crore ₹ 0.062 Crore)
6. Represents transaction with Vedanta Foundation

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 38 FINANCIAL AND DERIVATIVE INSTRUMENTS DISCLOSURE

- a) The following are the outstanding Forward Exchange Contracts entered into by the Company and outstanding as at March 31, 2016.

(₹ in Crore)

March 31, 2016					March 31, 2015				
Currency	Foreign currency in Crore	₹ in Crore	Buy / Sell	Cross Currency	Currency	Foreign currency in Crore	₹ in Crore	Buy / Sell	Cross Currency
AUD	0.02	0.93	Buy	INR	AUD	0.03	1.57	Buy	INR
EUR	0.98	73.58	Buy	INR	EUR	0.57	38.27	Buy	INR
SEK	-	-	Buy	INR	SEK	-	0.02	Buy	INR
USD	14.01	929.20	Buy	INR	USD	8.07	505.09	Buy	INR
USD	-	-	Buy	INR	USD	1.11	69.57	Sell	INR
AUD	0.06	2.88	Buy	USD	AUD	0.09	4.27	Buy	USD
EUR	0.83	62.20	Buy	USD	EUR	3.21	216.74	Buy	USD
JPY	26.14	15.44	Buy	USD	JPY	3.63	1.89	Buy	USD
SEK	0.75	6.14	Buy	USD	SEK	-	0.01	Buy	USD

- b) The following are the outstanding position of commodity hedging open contracts as at March 31, 2016 :-

- Zinc forwards/futures sale/buy for 1775 MT (2015: 3000 MT)
- Lead forwards/futures sale/buy for 5750 MT (2015: 1500 MT)
- Silver forwards / futures sale/buy for 132460 Oz (2015: 387,459 Oz)

- c) All derivative and financial instruments acquired by the Company are for hedging purposes.

- d) Unhedged foreign currency exposure

(₹ in Crore)

Particulars	March 31, 2016	March 31, 2015
Debtors	74.38	157.49
Creditors	25.42	32.11

NOTE 39

Arising from the announcement of ICAI on March 29, 2008, the Company has, since 2008, chosen to early adopt Accounting Standard (AS) 30 – Financial Instruments: Recognition and Measurement. Coterminous with this, in the spirit of complete adoption, the Company has also implemented the consequential limited revisions as have been announced by the ICAI in view of AS 30 to certain Accounting Standards. Accordingly, current investments which under AS-13 Accounting for Investments would have been carried at lower of cost and fair value, have been accounted for at fair value in accordance with AS-30, resulting in investments being valued as at March 31, 2016 at ₹ 4,437.26 Crore (2015 - ₹ 3,592.65 Crore) above their cost and, consequently, the profit after tax for the year is higher by ₹ 813.36 Crore (2015- higher by ₹ 1,235.14 Crore).

NOTE 40

No borrowing costs are required to be capitalised during the year.

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 41 PARTICULARS OF CONSUMPTION OF MINED-METAL, STORES ETC.

(₹ in Crore)

Particulars	FY 2016		FY 2015	
	Value	%	Value	%
Bought out Mined- Metal				
i. Indigenous	-	-	1.68	0.36
ii. Imported	51.33	100.00	466.77	99.64
Total	51.33	100.00	468.45	100.00

(₹ in Crore)

Particulars	FY 2016		FY 2015	
	Value	%	Value	%
Stores, spares and components consumed				
i. Indigenous	932.25	89.74	1,153.60	92.67
ii. Imported	106.56	10.26	91.25	7.33
Total	1,038.81	100	1,244.85	100

NOTE 42 CIF VALUE OF IMPORTS

(₹ in Crore)

Particulars	FY 2016	FY 2015
Raw Material	-	407.88
Components, stores and spare parts	978.93	872.12
Capital goods	288.34	102.14
Total	1,267.27	1,382.14

NOTE 43

A. EXPENDITURE IN FOREIGN CURRENCY

(₹ in Crore)

Particulars	FY 2016	FY 2015
Consultancy	123.94	107.06
Travelling Expenses	0.32	0.45

B. EARNINGS IN FOREIGN EXCHANGE

(₹ in Crore)

Particulars	FY 2016	FY 2015
Export of goods on F.O.B. basis	3,369.23	3,825.59

NOTES to the Financial Statements
for the year ended March 31, 2016

NOTE 44

The disclosures relating to Micro, Small and Medium Enterprises have been furnished to the extent such parties have been identified on the basis of the intimation received from the suppliers regarding their status under the Micro, Small and Medium Development Act, 2006. There is no interest paid/payable as at March 31, 2016 (Previous year ₹ Nil)

(₹ in Crore)

Particulars	As at March 31, 2016	As at March 31, 2015
Amount Outstanding	7.11	3.12

NOTE 45 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 are applicable to the Company. Accordingly, the Company has incurred ₹ 63.25 Crore during the year on account of expenditure towards corporate social responsibility. ₹ 11.62 Crore have been incurred in construction of capital asset under CSR during the year, depreciation on assets falling under CSR, amounting to ₹ 3.16 Crore (Previous year ₹ 2.67 Crore) have been included in above expenses. In addition to above, as outlined in Note no - 30, the Company has also provided for ₹ 366.05 Crore towards contribution to be made to the 'District Mineral Fund' and 'National Mineral Exploration Trust' which is to work for the interest and benefit of persons, and areas affected by mining related operations.

NOTE 46

Previous year's figures have been regrouped or reclassified wherever necessary to correspond with the current year's classification or disclosure.

For and on behalf of the Board of Directors

Sunil Duggal
CEO & Whole-time Director

A.R. Narayanaswamy
Director

Amitabh Gupta
Chief Financial Officer

R. Pandwal
Company Secretary

Date: April 21, 2016
Place: Mumbai

CORPORATE information

BOARD OF DIRECTORS

Mr. Agnivesh Agarwal

Chairman

Mr. Navin Agarwal

Director

Mr. A. R. Narayanaswamy

Director

Ms. Sujata Prasad

Director

Mr. Sudhaker Shukla

Director

Mr. Arun L. Todarwal

Director

Mr. Sudhir Kumar

Director

Mr. Akhilesh Joshi

Whole-time Director

Mr. Sunil Duggal

Chief Executive Officer and Whole-time Director

BANKERS

State Bank of Bikaner & Jaipur

IDBI Bank Limited

ICICI Bank Limited

HDFC Bank Limited

CITI Bank

Credit Agricole CIB

Development Bank of Singapore

Kotak Mahindra Bank Ltd

Yes Bank Limited

CHIEF FINANCIAL OFFICER

Mr. Amitabh Gupta

COMPANY SECRETARY

Mr. Rajendra Pandwal

REGISTERED OFFICE

Yashad Bhavan

Udaipur – 313 004

Rajasthan, India

STATUTORY AUDITORS

M/s Deloitte Haskins & Sells LLP

Chartered Accountants

Indiabulls Finance Centre, Tower 3,

27th to 32nd Floor,

Elphinstone Mill Compound,

Senapati Bapat Marg,

Elphinstone (W), Mumbai - 400 013,

Maharashtra, India

DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT 2013

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Employed throughout the Financial Year 2015-16

Name of the Employee, Designation, Remuneration Received, Nature of Employment, Whether Contractual or Otherwise, Date of Employment, Age, Last Employment held before Joining the Company.

Sunil Duggal, Chief Executive Officer, 32026839, Regular, BE - Electrical, 33 Yrs, 8/16/2010, 54 Yrs, Ambuja Cement; Amitabh Gupta, Chief Financial Officer, 27313314, Regular, B Com, Cost Acctt, 28 Yrs, 11/23/2011, 54 Yrs, Moser Baer Solar; Rajendra Pandwal, Company Secretary & Associate VP, 7461769, Regular, CA, ICWA, CS, 29 Yrs, 6/20/1992, 51 Yrs, The Mewar Textile Mills Ltd.; Naveen Singhal, Director - Projects, 21808179, Regular, BE - Mechanical, PGDIE, 30 Yrs, 1/6/2003, 53 Yrs, Swaraj Mazda, Duncan Goenka Group; Vikas Sharma, COO - Smelters & Sr. Vice President, 15549254, Regular, BE - Mechanical, MBA - HR & Marketing, 28 Yrs, 8/2/2012, 52 Yrs, Jsw Steel Ltd.; L. S. Shekhawat, COO - Mines & Vice President, 12881991, Regular, BE - Mining, 26 Yrs, 10/20/1990, 48 Yrs; Akhilesh Shukla, Vice President, 11544049, Regular, B.Tech - Chemical, 33 Yrs, 4/9/2007, 55 Yrs, Rubamin Ltd.; Mahesh Kumar Todkar, Associate VP, 10902156, Regular, BE - Mechanical, Dip in Mechanical Engg, PGDBM - Finance, 25 Yrs, 7/6/2013, 46 Yrs, Val; R. R. Kumar, Vice President, 10523145, Regular, B.Tech - Mining, 35 Yrs, 7/24/1981, 57 Yrs; P. K. Jain, Vice President - Mines, 9247575, Regular, BE - Mining, 29 Yrs, 4/27/1988, 54 Yrs, Nepal Metal Company Ltd., Nepal; V. Jayaraman, Associate VP - EOHS, 8984556, Regular, BE - ECE, PG Dip. In Thermal Power Plant Engg, MBA, 18 Yrs, 4/7/2006, 41 Yrs, Balco; M. L. Kothari, Associate VP - Commercial, 8789320, Regular, M.Tech., CPM from Institute for Supply Mgmt. Inc., USA, 34 Yrs, 9/27/2013, 58 Yrs, Val Ltd. Goa; Pavan Kaushik, Associate VP - Corporate Communication, 8578326, Regular, MA - Economics, PG Dip. In Advertising & Public Relations, 28 Yrs, 7/30/2007, 50 Yrs, Nift (Ministry Of Textiles, Govt Of India); Mukesh Kumar, Associate VP - Civil, 8114952, Regular, BE - Civil, 24 Yrs, 3/12/2013, 45 Yrs, Val, Jharsuguda; Ghanshyam Soni, Associate VP - Finance, 7959104, Regular, CA, 32 Yrs, 7/16/1985, 58 Yrs; Praveen Sharma, Associate VP - Mining, 7772592, Regular, BE - Mining, 23 Yrs, 1/1/2015, 49 Yrs, Kcm, Zambia; Rajesh Kundu, Associate VP, 7748619, Regular, BE - Mechanical, PGDBM (IIM, Calcutta), 25 Yrs, 1/18/2007, 47 Yrs, Usha Martin, Ranchi; Rajendra Prasad Dashora, Vice President - Mines, 7685481, Regular, BE - Mining, 1st CLASS MM CERT, 30 Yrs, 6/16/2012, 53 Yrs, Jindal Saw Ltd; T. R. Gupta, Associate VP - Corp. Affairs, 7370797, Regular, B.Sc, MBA, PGDBM, 33 Yrs, 8/26/1987, 54 Yrs, Swaraj Import & Export; Ch. Prabhakara Rao, General Manager, 7011819, Regular, BE - Mechanical, 25 Yrs, 10/12/2006, 47 Yrs, Balco; Jayant Kumar, Associate VP, 6872718, Regular, ME - Mech, ME - Production, PGD in Mrktg & Sales, 31 Yrs, 1/14/1985, 55 Yrs; Manoj Kumar Soni, Associate VP, 6827842, Regular, BE - Production, 21 Yrs, 2/16/2009, 45 Yrs, Kcm, Zambia; Sq. Ldr. Sudhir Kumar Singh, General Manager - Administration & Liaison, 6749110, Regular, BA - Politics-Sociology-English, PGD PM & HR, MA - Sociology, 30 Yrs, 9/16/2011,

49 Yrs, Aditya Birla; Abhay Kumar Nalwaya, Associate VP, 6683664, Regular, BE - Mining, Dip in Mining & Mines Surveying, 30 Yrs, 3/6/2013, 54 Yrs, Vatukola Gold Mine Ltd.; S Siddiqui, Associate VP - IT, 6635849, Regular, BE - Electronics, 23 Yrs, 10/1/2011, 45 Yrs, Sterlite Industries; Bh. Raja Sekhara Reddy, Associate VP - Projects, 6215295, Regular, BE - Mechanical, 24 Yrs, 10/18/2013, 45 Yrs, Sterlite Copper, Tutcorin; S. K. Khator, General Manager - Mines, 6153245, Regular, BE - Mining, 23 Yrs, 8/18/1993, 49 Yrs; Pavan Doddihal, Associate VP - Commercial, 6144741, Regular, BE - Mechanical, Dip. In Materials Management, 20 Yrs, 8/14/2006, 41 Yrs, Balco; H. K. Batra, Associate VP, 6093440, Regular, B. Tech, 31 Yrs, 1/14/1985, 56 Yrs, Ece Lift Division; Devendra Kumar Yadav, General Manager - Asset Optimization, 6076255, Regular, BE - Mechanical, PGDIM , 25 Yrs, 3/4/2013, 49 Yrs, Val, Lanjigarh; Constantinos Alexander Panidis, Head - Operations, 48668064, Contractual, BE - Mining, Graduate Diploma in Finance, 27 Yrs, 2/4/2014, 50 Yrs, Philex; Troy Cheaib, Underground - Mine Manager, 40340228, Contractual, BE - Mining,, 12 Yrs, 2/11/2014, 34 Yrs, Nifty Copper Mine; Dr. Alexander Vyazmensky, Head - Geo Technical, 33024701, Contractual, Ph.D. in Geotechnical Specialization, Rock Mechanics and Numerical Modelling , 19 Yrs, 6/25/2013, 41 Yrs, Geo Reconstruction Ltd, Russia; Uday Singh, Head - Technical Services, 26946139, Contractual, B Eng - Geogical Engg, ME, 24 Yrs, 11/11/2014, 52 Yrs, Stratacrete Pty Ltd; Kuganathan Velauthapillai, Head - Paste Fill, 21607181, Contractual, Bachelor of Engineering Science - Civil, Ph D in Civil, M Tech - Civil, 38 Yrs, 7/8/2013, 65 Yrs, Amc Consultant, Australia; Alexander Cull, Project Manager, 20875548, Contractual, BE - Mining, 11 Yrs, 3/23/2015, 32 Yrs, Aditya Birla; Pere Colin Gray, Mine Captain, 19742466, Contractual, Degree in Underground Supervisors, 30 Yrs, 8/6/2014, 58 Yrs, Birli Nifty Copper Operation; Nyasha Gwatiimba, Longterm Planner, 18584123, Contractual, B Sc - Mining Engr, 21 Yrs, 3/23/2015, 49 Yrs, Northern Star Resources; Terry Barclay, Head - Central Exploration, 17215494, Contractual, Diploma in Mineral Exploration, Bachelor of Science Geology, 43 Yrs, 7/19/2011, 66 Yrs, Broken Hill; Reza Zamani, Manager, 15259081, Contractual, Mining Engineering, 10 Yrs, 12/22/2014, 38 Yrs, BAMA CO-IRAN; Andre Marais, Manager-Shaft Sinking, 14176809, Contractual, T3 Electrical, Technicon Vaaldriehoek, 40 Yrs, 8/23/2010, 59 Yrs, Norilsk Nickel Mine; C. S. R. Mehta, Advisor - Corporate Relations, 8698048, Contractual, BE - Mech, 39 Yrs, 8/12/2013, 61 Yrs, Rajasthan State Trasport Corpo; P. K. Rajmeny, Advisor - Rock Mechanics, 6326174, Contractual, BE - Mining, 37 Yrs, 12/15/2014, 60 Yrs.

Employed partially during the Financial Year 2015-16

Name of the Employee, Designation, Remuneration Received, Nature of Employment, Whether Contractual or Otherwise, Date of Employment, Age, Last Employment held before Joining the Company.

Rajesh Mohata, Vice President - Marketing, 9679685, Regular, BE - Civil, MBA - Marketing, 22 Yrs, 9/6/2011, 46 Yrs, Val - Lanjigarh; Hemendra Sharma, Associate VP - Finance, 8661318, Regular, BSc, MA(Economics) MPhil(Economics), MA (Hindi), BJMC, MICWA, PGDMA, MBA and CFA, 26 Yrs, 8/1/2015, 50 Yrs, Vedanta; H.R.Srivastava, Associate GM - Engg. Services, 8251157, Regular, B.E-Mechanical, 32 Yrs, 4/26/1983, 55 Yrs; S.P Chaturvedi, Associate GM - Process, 7184541, Regular, B.E-Mechanical, 20 Yrs, 3/4/2013, 47 Yrs, Val; Vivek Mathur, Associate GM - Finance, 7115502, Regular, ICWA, 25 Yrs, 3/30/1991, 50 Yrs, Thri Hydrodev. Co. Ltd. Up; A. Bhattacharya, Sr. Manager - Logistics, 7101227, Regular, BE - Metallurgy, MBA, 31 Yrs,

1/14/1985, 53 Yrs, Bengol Ingot Company Ltd.; PM. Khichi, Associate GM - Process, 6855978, Regular, BE - Metallurgy, 25 Yrs, 10/20/1990, 54 Yrs; T. V. Narayanan, Jr. Executive - Instrumentation, 6116371, Regular, S.S.L.C., D.E.C.E., 28 Yrs, 4/26/1987, 53 Yrs; Azad Shaw, Associate VP - Finance, 6076892, Regular, B.Com., CA, 14 Yrs, 2/5/2011, 38 Yrs, Balco; D.C.Soman, Associate GM - Mines, 5803600, Regular, BE - Mining, 29 Yrs, 2/6/2012, 55 Yrs, Vikram Cement; Manohar Jain, Sr. Manager - Asset Optimization, 5661225, Regular, BE - Instrumentation, 27 Yrs, 12/3/1991, 54 Yrs, Jk Cement Works Nimbahra; Birendra Kumar Mohapatra, Vice President - HR, 5586363, Regular, B.Sc - Chemistry, MA - Personnel Management & Labour Welfare, 29 Yrs, 4/8/2013, 55 Yrs, Grasim Industires; P.K. Panday, Associate GM - HR, 5564256, Regular, MA - Social Work, 27 Yrs, 2/6/1991, 51 Yrs, R.C .L.W Udaipur; Deepak Verma, Sr. Manager - Process, 5506686, Regular, BE - Metallurgy, 30 Yrs, 5/16/1990, 53 Yrs, India Govt. Mint Bombay; M.K. Chaplot, Associate GM - Commercial, 5468970, Regular, BE - Mechanical, MBA, Import & Export Mgmt Course, 33 Yrs, 4/26/1983, 56 Yrs, Phed; G.P.Bhattarmakki, Manager - Commercial, 5350447, Regular, M.SC., 30 Yrs, 7/15/2002, 53 Yrs, Sotl; B.S.Bhat, Manager - Process, 5248549, Regular, BE - Metallurgy, 27 Yrs, 4/4/1988, 54 Yrs, Mr.Vikram Kirlosker; B.K. Verma, Sr. Manager - Mechanical, 5106440, Regular, BE - Mechanical, 26 Yrs, 1/5/1990, 53 Yrs, Jk Sunthetics Ltd.; Ramakrishnan Kasinath, Chief Commercial Officer & VP, 5050140, Regular, BE - Civil, MBA - Finance, 27 Yrs, 9/23/2015, 49 Yrs, Skf India Ltd; P.K. Agarwal, Sr. Manager - IT, 5005572, Regular, M.SC., DIP. IN COMP. SC., 27 Yrs, 9/30/1989, 54 Yrs, M.R Engr.; Sarvajeet Kumar, Sr. Manager - Commercial, 4811664, Regular, BE - Mechanical, 25 Yrs, 10/20/1990, 50 Yrs; Preeti Dubey, Associate VP - Treasury & Investor Relations, 4781136, Regular, BE - Electronics & Telecom, M.Sc In Finance Investment & banking, CFA, 15 Yrs, 9/19/2011, 41 Yrs, Bnp Paribas; K Mohan, Associate GM - Electrical, 4746637, Regular, BE - Electrical & Electronics, 19 Yrs, 9/18/2013, 49 Yrs, Sterlite Copper; Prakash Mistry, Associate GM - IT, 4731079, Regular, BE - Electronics, 30 Yrs, 3/25/2004, 52 Yrs, Sterlite Optical Technology; S P Arya, Sr. Manager - Mechanical, 4681523, Regular, Diploma in Mechanical., AMIE, 25 Yrs, 12/9/1990, 51 Yrs, Udaipur Cement Works; Manish Nehra, Associate GM - Instrumentation, 4662043, Regular, BE - Electronics & Communications, 20 Yrs, 5/14/2009, 45 Yrs, Kcm Zambia; A.L.Bairwa, Manager - Mines, 4617028, Regular, BE - Mining, 27 Yrs, 9/21/1989, 54 Yrs, The Singareni Collieries Compa; Rajendra, Sr. Manager - Ore Dressing, 4500284, Regular, M.Sc. - Mining Engineering, 26 Yrs, 8/7/1989, 53 Yrs.; J.P. Parmar, Sr. Manager - Process, 4327441, Regular, BE - Chemical, 25 Yrs, 10/10/1990, 55 Yrs; Dilip Pattanayak, Vice President - HR, 4281399, Regular, B.Sc (Chemistry), MBA, 20 Yrs, 10/20/2015, 45 Yrs, Reliance Industries Ltd.; B.K. Singh, Sr. Manager - Environment, 4099415, Regular, B.Sc - Metallurgy, 31 Yrs, 4/2/1990, 55 Yrs, Bihar Exbusion Company Ltd.; G.K. Arora, Associate GM - Finance, 4078811, Regular, ICWA, 36 Yrs, 4/9/1985, 58 Yrs, Nafed Cold Storage; Sujal Kumar Shah, General Manager - Business Excellence, 4061381, Regular, BE - Electrical, 24 Yrs, 11/7/2011, 46 Yrs, Beshay Steel; D.C. Jain, Manager - Mechanical, 4049690, Regular, Diploma in Mechanical, AMIE, 24 Yrs, 7/16/1991, 49 Yrs, National Engg. Ind. Ltd.; K V D R Naidu, Associate Manager - Process, 4043455, Regular, Diploma in Met Engg, 24 Yrs, 3/30/1991, 52 Yrs; C R Galav, Associate Manager - Electrical, 3906500, Regular, Dip. In Elect. Engg., AMIE, 24 Yrs, 8/16/1991, 51 Yrs; Kailash Nath, Associate GM - Safety, 3879224, Regular, BE - Chemical, 23 Yrs, 1/9/2012, 52 Yrs, Monemlinning Works; Kamal Shankar Menaria, Executive - Commercial, 3867845, Regular, B.A., 26 Yrs, 7/1/1989, 52 Yrs; B.H.K. Sharma, Chemist, 3862651, Regular, B.Sc., A.I.C (Chem.), BS Engg Degree, BITS Pilani, 29 Yrs, 4/26/1986, 55 Yrs; Sanjeev Kumar, Associate GM - Asset Optimization,

3857669, Regular, BE - Metallurgy, , 25 Yrs, 7/15/2010, 49 Yrs; M.K. Mukherjee, Manager - Process, 3823163, Regular, AIIM, 29 Yrs, 8/14/1991, 54 Yrs, Bhilai Engg. Co. Ltd.; R.K. Sinha, Sr. Manager - Management Services, 3795586, Regular, B. Tech - Production Engg, 29 Yrs, 2/1/1990, 56 Yrs, Usha Martin Indust. Ltd.; T.S. Chouhan, Sr. Manager - Instrumentation, 3731849, Regular, AMIE - Electrical), 34 Yrs, 6/2/1984, 56 Yrs, Jk Synthetics; P.K. Nijhawan, Vice President - IT, 3682814, Regular, M.SC., FORTRAN PROG., 33 Yrs, 3/7/2015, 59 Yrs, Abc Consultants; S.L. Soni, Executive - Commercial, 3679996, Regular, B.Sc., GDMM, 26 Yrs, 7/22/1989, 53 Yrs; Pradeep Malviya, Manager - Asset Optimization, 3578223, Regular, BE - Electronics, 19 Yrs, 5/17/1996, 43 Yrs, Govt. Polytechnic V2 Ujjain; M L Menaria, Executive - Commercial, 3571270, Regular, BA, 26 Yrs, 8/7/1989, 53 Yrs; Jodhraj Malav, Sr. Manager - Finance, 3414168, Regular, B.Com, ICWA, 20 Yrs, 4/22/1998, 50 Yrs; P V Maeshkar, Manager - Instrumentation, 3411682, Regular, BE - Electronics, DBM, 23 Yrs, 6/27/1996, 47 Yrs, Echjay Industries Ltd.; Mubarik Khan, Associate GM - Mines, 3402659, Regular, BE - Mining, 19 Yrs, 5/11/1998, 45 Yrs, Ms Dif. Completed P.O. Rabriya; Lokesh Acharya, Executive - Commercial, 3349685, Regular, B Sc, GDMM, 26 Yrs, 7/31/1989, 54 Yrs; A.K. Jain, General Manager, 3338225, Regular, BE - Mechanical, 34 Yrs, 7/6/1981, 59 Yrs; D. R. Shah, Associate GM - IT, 3305073, Regular, M.SC., PG DIP. IN COMPSC., 37 Yrs, 10/8/1990, 59 Yrs, C.C.G.L. Veraval; Ghanshyam Paliwal, Executive - Commercial, 3266084, Regular, M.Com., 25 Yrs, 9/1/1990, 50 Yrs; T.Vankatramana, Engineer - Mining, 3242589, Regular, SSLC, Diploma in Mining, 27 Yrs, 12/7/1988, 51 Yrs, Andra Asbestos Corporation Ltd; B Sekharam, Executive - Commercial, 3175746, Regular, B Com, GDMM in Mat Mgt, 27 Yrs, 10/1/1988, 55 Yrs, Oraganti Kondaial,Berhampur; Ravinder Puri, Associate Manager - HR, 3160527, Regular, M.Com, PG DIP. IN IR&PM, 25 Yrs, 1/7/1991, 55 Yrs, Shiva Paper Miles Pvt. Ltd.; Harshpal Singh, Associate GM - Logistics, 3159210, Regular, BE - Industrial Engineering, 20 Yrs, 5/16/2011, 45 Yrs; Arvind Singh Bedi, General Manager - Administration, 3157117, Regular, BA - Humanity, - , M Sc - Def & Statistic Studies, 24 Yrs, 2/11/2013, 48 Yrs, Army; Gagan Roop Sharma, Associate GM - Security, 3156115, Regular, BA (Economics-Political Science), MA(Economics), Diploma in Indl. Safety, , 22 Yrs, 11/9/2009, 48 Yrs, Tata Power (Cgpl); A K Jain, Jr. Executive - Logistics, 3131769, Regular, B.SC., 31 Yrs, 12/27/1984, 54 Yrs; K.L. Paliwal, Associate GM - Electrical, 3127678, Regular, BE - Elect, 31 Yrs, 11/17/1989, 57 Yrs, Menally Bhoral Engr.Co.Ltd.,Bi; Rajesh Verma, Associate Manager - Mechanical, 3099579, Regular, SEC., DIP. IN MECH., BS Engg Degree (2009), BITS Pilani, 24 Yrs, 6/24/1991, 51 Yrs, Rajasthan Diesel Sales & Servi; K Santosh, Jr. Executive - Mechanical, 3096426, Regular, DIPAIR.CRAFT.MAIN., B.SC(IT), 20 Yrs, 3/22/1995, 47 Yrs; R.K. Mundra, Associate Manager - Process, 3096323, Regular, M.SC., AMIIM, 25 Yrs, 3/9/1991, 49 Yrs; Debabrata Mishra, General Manager - HR, 3089169, Regular, PGDM (HRM), 15 Yrs, 12/29/2006, 40 Yrs, Bharti Airtel Ltd.; Gopal Lal Gupta, Executive - Commercial, 3048952, Regular, B.Con, PGDMM, 26 Yrs, 1/6/1990, 53 Yrs; P.K. Mandal, Associate Manager - HR, 2997372, Regular, DIP. IN MECH., PG dip. in PM & HRD from BIMS, Pune - distance learning, 23 Yrs, 4/6/1992, 55 Yrs, Hindustan Aeronautics Ltd.; Vijaya Gupta, Dy. Chief Financial Officer, 2993271, Regular, B Com, One Year Special Mgt Program, CA, 22 Yrs, 5/16/2011, 48 Yrs, Bank Of America; Basant Kr. Sharma, Associate Manager - Safety, 2991745, Regular, DIP. IN ELECT. GRADUATION IN IE, 37 Yrs, 12/4/1978, 56 Yrs.; MVSA Rama Sarma, Associate GM - Instrumentation, 2991437, Regular, M.SC. TECH., 32 Yrs, 4/26/1983, 57 Yrs; R.K. Solanki, Manager - Mechanical, 2952124, Regular, BE - Mechanical, 27 Yrs, 9/16/1989, 55 Yrs, Mayur Oil & Food; B.L. Ahuja, Associate GM - Business Excellence, 2951372, Regular, BE - Elect, 32

Yrs, 12/28/1983, 58 Yrs; Rajendra Singh, Executive - Instrumentation, 2948138, Regular, HR.SECONDARY, DIPIN INST.ENGR., BS Engg Degree (2012), BITS Pilani, 24 Yrs, 4/9/1991, 52 Yrs, Birla Cement Works; O.P. Ganchi, Manager - HR, 2911753, Regular, MSW, DIP. IN RCDW, 29 Yrs, 2/19/1991, 52 Yrs, Wolkem Pvt.Ltd.; D.K. Gandhi, Executive - Process, 2904341, Regular, B.SC., BS Engg Degree (2009), BITS Pilani, 24 Yrs, 9/21/1991, 51 Yrs; Dilip Tripathi, Executive - Instrumentation, 2891998, Regular, B.SC., ITI (INTER), BS Engg Degree (2010), BITS Pilani, 24 Yrs, 10/29/1991, 50 Yrs; A.K. Gupta, Associate Manager - Ore Dressing, 2866820, Regular, DIP. IN CHEM., 29 Yrs, 6/1/1986, 56 Yrs, J.K Staple & Tows; N.S. Shaktawat, Associate Manager - Civil, 2852509, Regular, B.SC., 24 Yrs, 9/18/1991, 47 Yrs; Sharad Mishra, General Manager - HR, 2842353, Regular, B.Sc.(Hons.), Dipl. In Law, PG in MPM&IR, 23 Yrs, 11/16/2009, 46 Yrs, Moser Baer; K.P. Sarupria, Associate GM - Commercial, 2824113, Regular, BE - Mechanical, 35 Yrs, 11/2/1982, 58 Yrs; M.K. Samota, Manager - Electrical, 2823992, Regular, DIPLOMA IN ELECT., 37 Yrs, 4/4/1990, 57 Yrs, Birla Cement Works; J.Prakasham, Associate Manager - Geology, 2788703, Regular, M.SC.(GEO.), 24 Yrs, 7/20/1991, 51 Yrs, J.Prakasham I.I.G Bombay; Harikishan Mali, Engineer - Mechanical, 2785183, Regular, Dip in Mech., AMIE, 25 Yrs, 10/20/1990, 56 Yrs.; Hukam Chand Gupta, Associate GM - Instrumentation, 2739623, Regular, AMIE - Electronics & Communication, Dip in Chemical Engg, MBA - Marketing, 30 Yrs, 4/12/2013, 59 Yrs, Kcm Zambia; I.H. Bohra, Associate GM - Electrical, 2739464, Regular, BE - E&E, 34 Yrs, 6/23/1981, 57 Yrs; Sourin Dey, Jr. Executive - Process, 2720425, Regular, Dip in Metallurgy, 25 Yrs, 1/24/1991, 50 Yrs; Saifuddin Nagori, Executive - Process, 2694227, Regular, Dip. In Chem. Engg., BS Engg Degree (2012), BITS Pilani, 25 Yrs, 1/11/1991, 49 Yrs; Rakesh G. Jimulya, Manager - Finance, 2665305, Regular, MBA (Finance), CA, CS, 9 Yrs, 4/9/2007, 33 Yrs; Mahesh Narain Mangal, Jr. Executive - Secy. Services, 2617952, Regular, M.A., 25 Yrs, 1/17/1991, 53 Yrs; M.M. Jha, Manager - Commercial, 2596244, Regular, BE - Mettallurgy, 32 Yrs, 7/8/1991, 57 Yrs, R.G.E. Agencies Pvt. Ltd.; Neelima Khetan, Vice President - CSR, 2586013, Regular, PGDRD, 31 Yrs, 11/16/2015, 55 Yrs, Coca-Cola; Ch.S.J.Sharma, Sr. Manager - Lab. Services, 2502450, Regular, BSc.,AMIE(MET.), 35 Yrs, 4/8/1981, 58 Yrs; G.Ramanjaneyulu, Associate GM - Ore Dressing, 2489569, Regular, B.Tech,M.SC. (MPE), 32 Yrs, 11/18/1983, 59 Yrs; Col. Manoj Verma, Associate GM - Administration, 2452098, Regular, B. Tech. - Electronics, B Sc-PCM, ME - Mechanical, 34 Yrs, 2/4/2014, 56 Yrs, Sesa Sterlite Ltd; Krishna Ravi Swamy, Executive - Commercial, 2439789, Regular, B.Com., 34 Yrs, 2/1/1982, 57 Yrs; Chhoga Lal Meghwal, Jr. Executive - Commercial, 2406087, Regular, B Com, DLL, MA - Psychlogy, 22 Yrs, 5/21/1993, 54 Yrs; John Mathew, Manager - Electrical, 2396210, Regular, DIP. IN ELECT., 25 Yrs, 9/24/1990, 58 Yrs, Birla Cement Ltd.; Suresh Chandra Pareek, Jr. Executive - Commercial, 2369218, Regular, B.Com., 26 Yrs, 4/20/1989, 52 Yrs; Arun Chaplot, Associate GM - Commercial, 2362773, Regular, B.Tech - Mining, 33 Yrs, 7/17/1982, 59 Yrs, Hcl Street Udaipur; G. S. Soni, Associate GM - Mines, 2310926, Regular, DIPIN MIN.,& MINE SURV,IST.MM.CER.AMIE, 37 Yrs, 7/17/1980, 59 Yrs, Deptt Of Mines & Geology; Shankar Lal, Associate Manager - Mining, 2230765,

Regular, BE - Mining, 1st Class MM Cert., 26 Yrs, 9/12/1989, 56 Yrs, Deptt Of Mines & Geology; L Satyavathi, Jr. Executive - Secy. Services, 2190394, Regular, B Com, MA, 23 Yrs, 5/11/1992, 51 Yrs; B.P. Kant, Sr. Manager - Instrumentation, 2155580, Regular, AMIE (E&C), 37 Yrs, 9/20/1989, 59 Yrs, Ntpc Ltd.; M L Sharma, Jr. Executive - Mechanical, 2151853, Regular, Diploma In Mech Engg., 24 Yrs, 6/18/1991, 56 Yrs; S.D. Pandey, Associate Manager - Mechanical, 2061239, Regular, Dip. In Mech. Engg., 30 Yrs, 6/15/1985, 57 Yrs; Deepak G. Dessai, Manager - Mechanical, 2057977, Regular, BE - Mechanical, MBA - Operation & Logistic Mgmt, 20 Yrs, 2/4/2014, 43 Yrs, Sesa Sterlite; Jai Prakash, Engineer - Electrical, 2055040, Regular, INTER, DIPIN ELECT., 25 Yrs, 9/18/1990, 57 Yrs, Jai Prakash Esm; Chetan Dungarwal, Executive - Commercial, 1908084, Regular, B.Com., 37 Yrs, 9/9/1978, 58 Yrs, JK Cement Works; Om Prakash Dave, Associate Manager - Commercial, 1769004, Regular, M.Com., 37 Yrs, 3/12/1979, 59 Yrs; Hansmukh Ray Ameta, Jr. Executive - Mining, 1749002, Regular, B Sc , 37 Yrs, 1/10/1979, 58 Yrs; H.B. Singh, Associate Manager - Electrical, 1738967, Regular, DIP IN ELECT., 25 Yrs, 9/22/1990, 58 Yrs, Complex Pvt. Ltd.; Kesri Lal, Engineer - Mechanical, 1732117, Regular, DIP. IN MECH., 25 Yrs, 12/11/1990, 57 Yrs, Multi Metals Ltd. Kota; M. L. Chittora, Manager - Finance, 1710910, Regular, M.Com, DIP IN LL&PM, 38 Yrs, 1/11/1978, 58 Yrs; Shailesh Mittal, Associate VP - Finance, 1654462, Regular, B.Sc, M.Sc (Microwave Electronics), 25 Yrs, 12/7/2015, 48 Yrs, Vedanta; R.N. Pareek, Associate GM - Electrical, 1617411, Regular, BE - Electrical, 32 Yrs, 4/26/1983, 59 Yrs; Kishor Kateja, Manager - Finance, 1601341, Regular, M.COM., DIP IN LL,LW & PM., 37 Yrs, 3/1/1979, 58 Yrs; N.K.Devpura, Sr. Manager - Mines, 1542461, Regular, Diploma in Mining, 37 Yrs, 7/30/1980, 59 Yrs, Asso. Construction Rajpura; S C Kataria, Associate Manager - Finance, 1413925, Regular, B Com, M Com, AICWAI, 35 Yrs, 8/29/1980, 59 Yrs; Ashad Gufran, Associate Manager - Security, 1399051, Regular, BA, 32 Yrs, 6/17/2010, 55 Yrs, Sterlite Tuticorin & Silvassa; H.S. Yadav, Sr. Manager - Electrical, 1163444, Regular, Diploma in Electrical, 32 Yrs, 8/16/1983, 59 Yrs, Nmdc Ltd.; Anant Swaroop, Associate VP - Legal, 1016047, Regular, BA, PG Dip in P&IR / LLB, MA, 22 Yrs, 1/9/2015, 53 Yrs, Bajaj Hindustan Ltd; Deon Anton Joubert, Head – Engineering Services, 25550110, Contractual, Engr Dip in NHD, 34 Yrs, 12/11/2013, 55 Yrs, Mawson West; Daniel Kruger, Mine Surveyor Expert-RA/UG, 11687668, Contractual, Chamber of Mines Advance Survey Certificate, 34 Yrs, 1/3/2012, 55 Yrs, Northam Platinum Booyensdal Project.; Gaspar C. Patacsil, Associate GM - Ventilation, 10153745, Contractual, BSEM, 28 Yrs, 4/4/2013, 48 Yrs, Rio Tinto Exploration; Johannes Jurgens Van Heerden, HEMM Manager, 9802338, Contractual, Trade Certificate, CMCC, BHCC, Front Loader Certificate, 27 Yrs, 6/8/2015, 47 Yrs, Anvil Mining; Scott Caithnesss, Head - Exploration, 6672804, Contractual, BSc - Applied Geology, 32 Yrs, 11/2/2015, 56 Yrs, Indian Pacific Resources Limited, Caithness Research; Nigel Alexander Clark, Head - Mine Planning, 4785678, Contractual, B Sc - Mining, M Eng - Mining Geomechanics, 18 Yrs, 2/11/2014, 52 Yrs, Newcrest Mining; Kabir Ghosh, Head - Technical (Mining), 4245848, Contractual, BE - Mining, 39 Yrs, 1/1/2013, 62 Yrs, Singreni Collieries Co.Ltd.

Note: This is based on Form 16 data and may include non-recurring payments like ESOP, leave encashment, VRS, one time settlement etc.'

notes

notes

Golden Jubilee Celebrations

HINDUSTAN ZINC

10th January 2016





HINDUSTAN ZINC

Hindustan Zinc Limited
Yashad Bhawan
Udaipur-313004, Rajasthan
Tel: +91 294 6604000-02

www.hzlindia.com



No.20A (1)/2015-Secy/

16 Aug. 2016

The Secretary
Bombay Stock Exchange Limited.
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
MUMBAI-400 001

Mr. Hari K.
Head – Listing & Corporate Communications
National Stock Exchange (India) Ltd.
"Exchange Plaza" Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

Scrip Code: 500188

Scrip Code: HINDZINC-EQ

Subject: - Sustainability Report

Dear Sir's,

It is to inform that Company has issued its first Sustainability Report, which is available on our website www.hzlindia.com

Copy of the report is attached for information.

Thanking you,

Yours faithfully,
For Hindustan Zinc Limited,

(R. Pandwal)
Company Secretary

Hindustan Zinc Limited

Registered Office: Yashad Bhawan, Udaipur (Rajasthan) – 313 004
Tel.: (91-294) 6604000 -4001 Fax: (91-294) 2427739; www.hzlindia.com
CIN: L27204RJ1966PLC001208