



fifty&forward

ANNUAL REPORT

14-15







Our journey to being one of the top zinc, lead and silver mining companies in the world has been a blend of good times and tough. While the accomplishments have boosted our confidence, the shortfalls have made us wiser.

Incorporated on January 10, 1966, Hindustan Zinc proudly advances into the 50th year of its existence as the second largest integrated producer of zinc and lead in the world.



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**Pictures on flap of cover page (Front):** Some of the earlier pictures from Hindustan Zinc diary. Clockwise from top – Pt. Nehru admiring Debari Smelter model; Exploration activity at Rampura Agucha; Mr. M. L. Sukhadia, former CM of Rajasthan, inaugurating Zinc Park (employees' resident colony in Udaipur); Hindustan Zinc tableaux in Republic Day parade 1990; Central Research & Development Laboratory; Mr. Anil Agarwal, Mr. Agnivesh Agarwal, Mr. M. S. Mehta (former CEO Hindustan Zinc) and Mr. Akhilesh Joshi; Locomotive at Dariba Mine; Beginning of excavation at Rampura Agucha

**Pictures on flap of cover page (Back):** Recent pictures from Hindustan Zinc diary. Clockwise from top - Shaft at Rampura Agucha; Rajpura Dariba Smelter; Rampura Agucha Open Cast Mine; Exploration team analysing rock; Smt. Vasundhara Raje (7th from left standing), CM Rajasthan at 'Sakhi Awards 2014' with Mr. Anil Agarwal (6th from left standing) and Mr Akhilesh Joshi (4th from left standing); Exploration activity; Control Room at Dariba CPP; Underground Mine Workshop at Sindesar Khurd

#### 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.

TO BE THE WORLD'S LARGEST AND MOST  
ADMIRED ZINC, LEAD AND SILVER  
COMPANY

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ENHANCE STAKEHOLDER VALUE THROUGH EXPLORATION,  
INNOVATION, OPERATIONAL EXCELLENCE AND  
SUSTAINABILITY

BE THE LOWEST COST PRODUCER

MAINTAIN MARKET LEADERSHIP AND ENHANCE  
CUSTOMER DELIGHT

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#### **Entrepreneurship**

We foster an entrepreneurial spirit and value the ability to foresee business opportunities early in the cycle to act on them swiftly.

#### **Growth**

We continue to deliver growth and generate significant value for our shareholders. We have pursued growth across all our businesses and into new areas, always on the basis that value must be delivered.

#### **Excellence**

Achieving excellence in all that we do is our way of life. We strive to consistently deliver projects at industry-leading costs and within budget. We focus on constantly achieving a top decile cost of production in each of our businesses. To attain this, we follow the culture of benchmarking with best practices.

#### **Trust**

The trust that our stakeholders place in us is key to our success. We recognise that we must responsibly deliver on the promises we make to earn that trust. We constantly strive to meet and exceed stakeholder expectations.

#### **Sustainability**

We practice sustainability within the framework of well-defined governance structure and policies and with the demonstrated commitment of our management and employees. We aim to make a positive impact on the environment and communities where we work.





Success is not a place at which one arrives but rather the spirit with which one undertakes and continues the journey.

Alex Noble

marchingforward



At Hindustan Zinc, **fifty** is more than just a number. As we set foot into the golden jubilee year of our existence, we glance back at our glorious heritage and also look forward to re-establish a long term perspective of the future. The pride of turning fifty has not only evoked nostalgia for the Hindustan Zinc family, but has also renewed our zeal to keep marching ahead.

We have relentlessly worked towards delivering growth. From our humble beginning in 1966, we are now the second largest integrated producer of zinc and lead in the world. More importantly, we have delivered profitable performance and derived synergies for

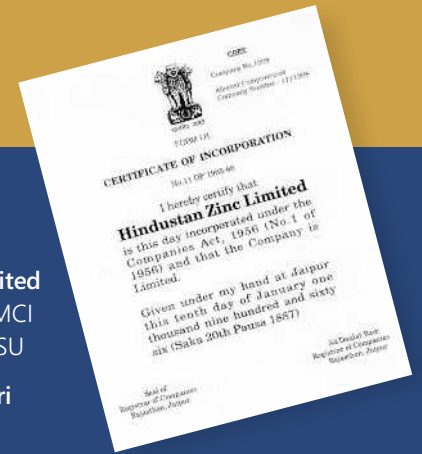
enhancing long-term value for shareholders who have invested their trust in the Company. Today, 'Hindustan Zinc' is recognised as a global brand, having created a new paradigm in unlocking customer value and product optimisation.

Our future will be as glorious as our past. The focus on profitable growth will continue as we are committed to our vision of becoming the world's largest and most admired zinc, lead and silver company.

Annual Report FY 2015 is dedicated to this special milestone in our journey showcasing some of the cherished moments that adorn our timeline.

# gloriousheritage

Our Footprints on the Sands of Time



## 1942

- An organised beginning of zinc-lead production in India
- Tundoo, near Dhanbad in Bihar, becomes the 1st place to commission a small lead smelting pilot plant



Tundoo Lead Smelter

## 1966

- Hindustan Zinc Limited incorporated from MCI on January 10 as a PSU
- Foundation of Debari Smelter laid



Pandit Jawahar Lal Nehru admiring Debari Smelter model

## 1944

- Metal Corporation of India (MCI) formed
- Assets transferred to MCI



2,500 years old historical site at Zawar

## 1976

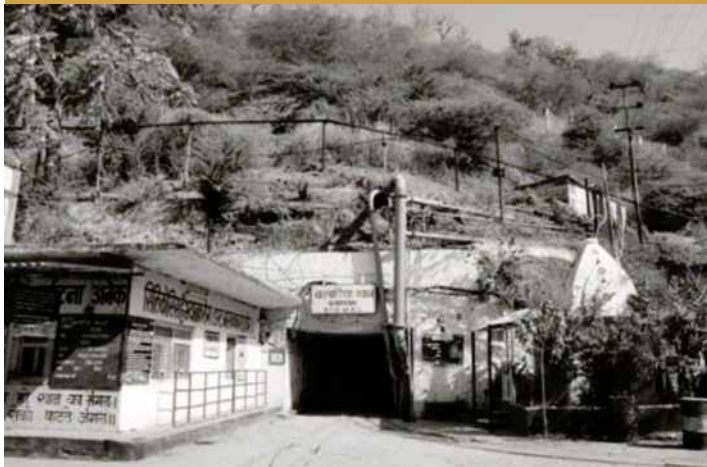


Central Research & Development Laboratory established



## 1978

- Vizag Smelter commissioned
- Balaria Mine at Zawar commissioned
- Agnigundala Lead Mine acquired



Balaria Mine

## 1979

Discovery of **Rampura Agucha**, currently the **largest zinc mine in the world**



Rampura Agucha Mine

## 1980



1st exploration hole at Rampura Agucha

## 1983



Sargipali Lead Mine commissioned

## 1984

**Rajpura Dariba Mine** commissioned





Mr. Rajiv Gandhi during inauguration of Chanderiya Smelter

## 1989

- Chanderiya Smelter inaugurated
- Rampura Agucha production commenced



Pyro smelter at Chanderiya

## 1991

1st blast furnace based on **Pyrometallurgical smelting technology** commissioned at Chanderiya

## 1994

Biggest underground mine blast in Asia at Mochia Mine in Zawar

## 1999

Hindustan Zinc became



## 2002

Sterlite Group (now known as **Vedanta Ltd.**) acquired 26% equity stake in Hindustan Zinc

## 2005

- Chanderiya Hydro – I zinc smelter commissioned with production capacity of **170,000 MT per annum** along with **154 MW** captive power plant
- Hindustan Zinc became the **3rd largest integrated zinc producer in the world**



## 2006

Ausmelt Smelter commissioned at Chanderiya







Sindesar Khurd Mine main entrance

## 2007

- **Sindesar Khurd Mine** commissioned with production capacity of **0.3 million MT per annum**
- Ventured into **Green Energy** with **38.4 MW of Wind Energy Farms** commissioned in Gujarat

## 2008

**Chanderiya Hydro – II** zinc smelter commissioned with production capacity of **170,000 MT per annum** in a benchmark time of 20 months along with **80 MW** captive power plant



Rampura Agucha Mine Pit in 2009

## 2009

- **80 MW** captive power plant commissioned at Zawar
- Hindustan Zinc became the **2nd largest integrated zinc producer in the world**

## 2010

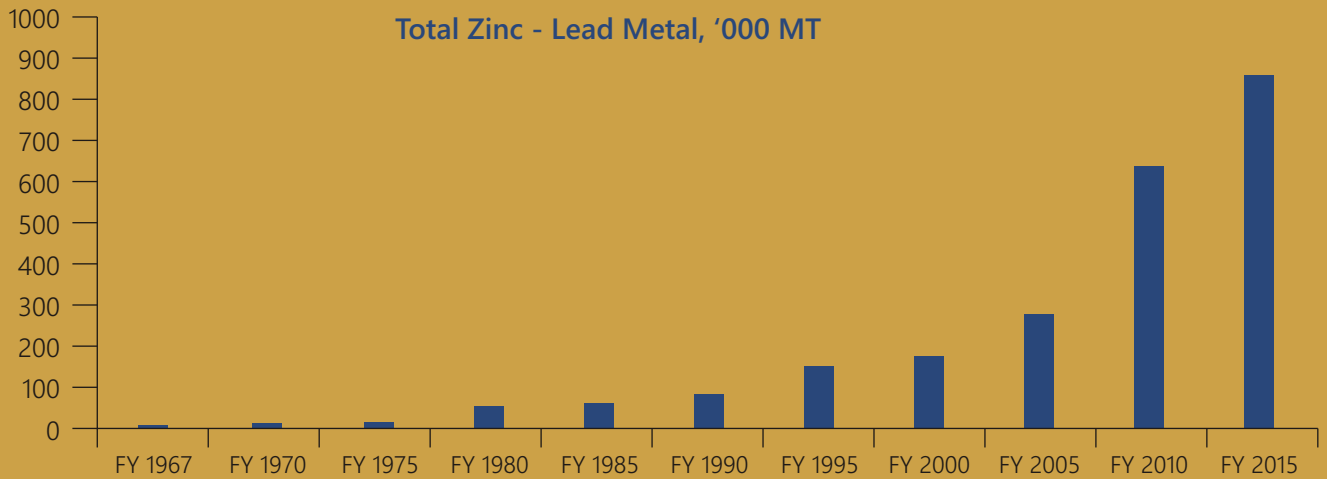
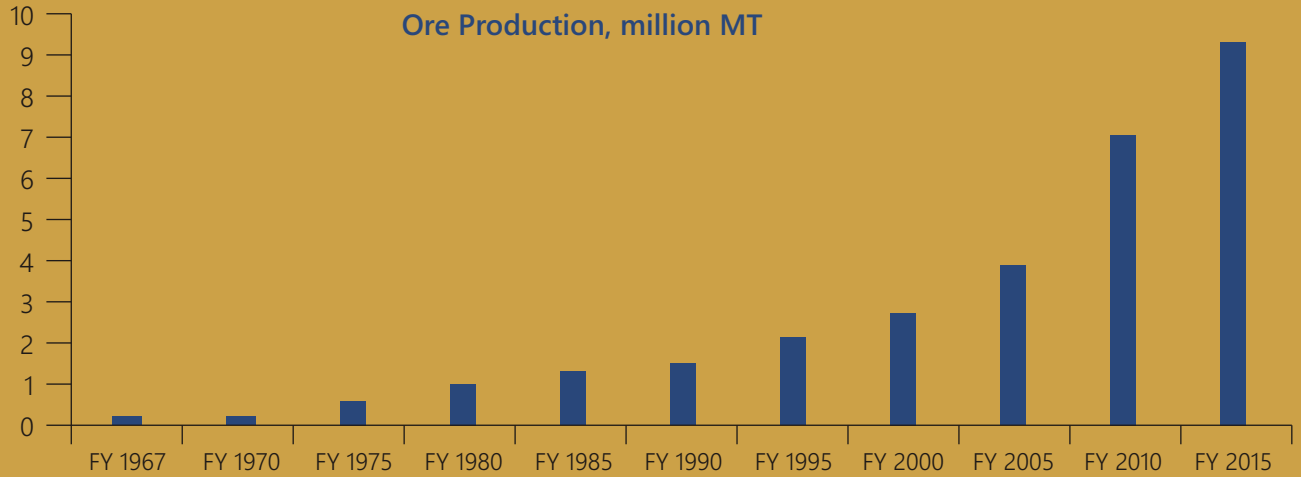
- **Rampura Agucha Mine** achieved production capacity of **6.0 million MT per annum**
- **Rajpura Dariba Hydro – III** zinc smelter commissioned with production capacity of **210,000 MT per annum**

## 2012

- **100,000 MT lead smelter** at **Dariba** commissioned
- **New silver refinery** at **Pantnagar** with capacity of **500 MT** commissioned

## 2013

- Announced **growth plan to achieve 1.2 million MT per annum** of mined metal production
- Commercial production commenced at **Rampura Agucha Underground Mine** and **Kayad Mine**



Note: Total Zinc-Lead Metal Production includes Captive Consumption

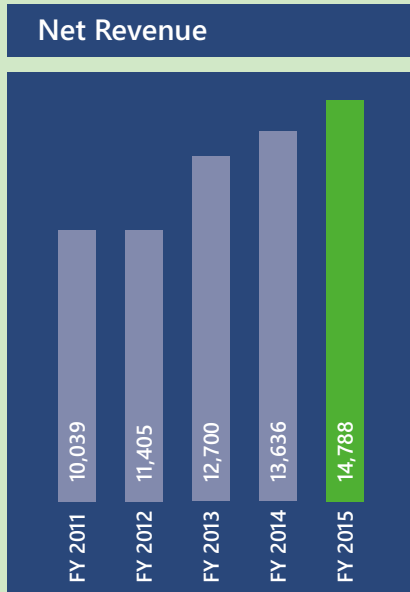


We started our journey humbly, picked up speed mid-stream and since then have grown at a pace that only few can achieve. Our strong foundation gives us the resilience to withstand the harshest of adversities.

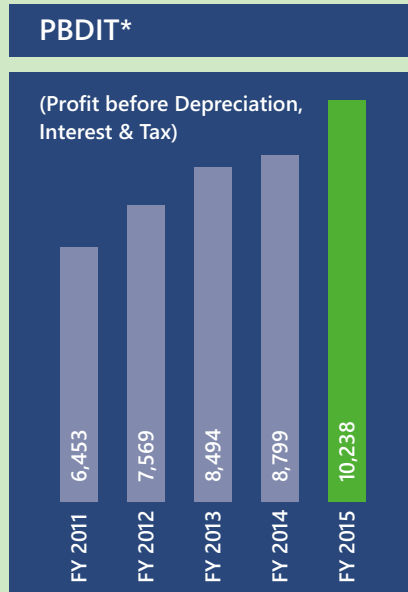
## We are ...

- ... 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**

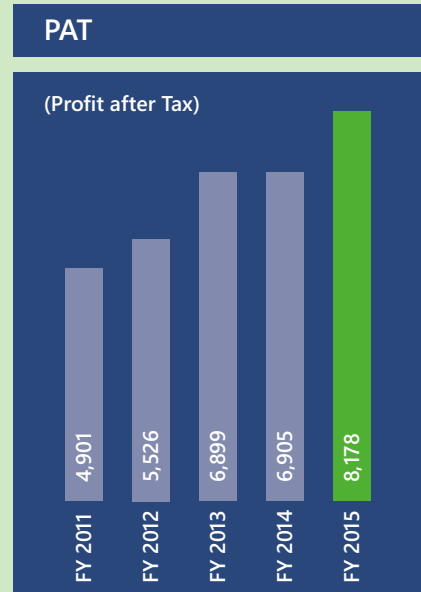
₹ in Crore



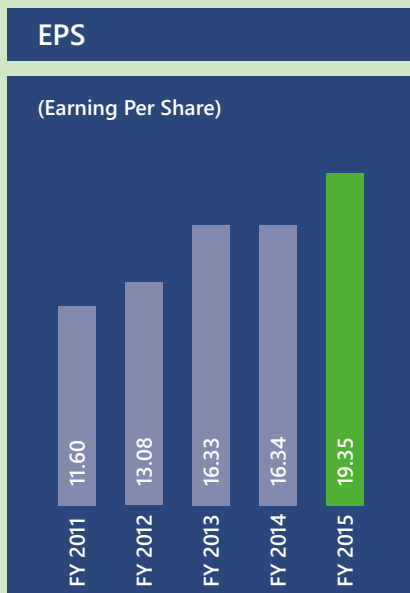
₹ in Crore



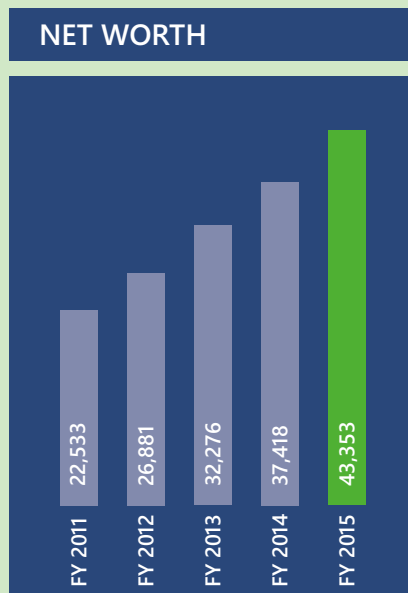
₹ in Crore



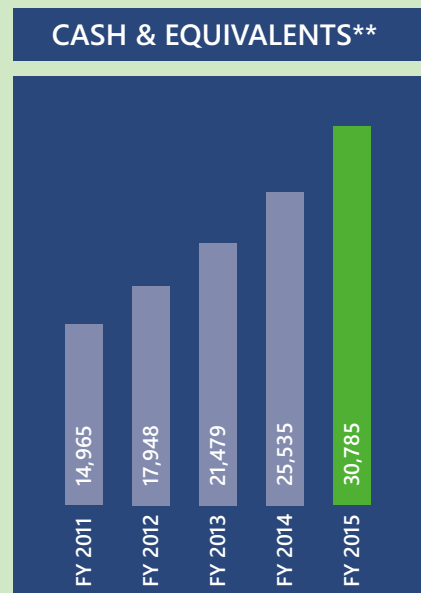
₹



₹ in Crore



₹ in Crore



\* Includes Other Income and Extraordinary Income

\*\* Includes Cash & Cash Equivalents and Current Investments



Mined Metal

MT

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Total</b>	<b>840,053</b>	<b>830,432</b>	<b>870,200</b>	<b>879,718</b>	<b>887,082</b>
<b>Zinc</b>	<b>752,125</b>	<b>738,569</b>	<b>764,671</b>	<b>769,897</b>	<b>774,330</b>
<b>Lead</b>	<b>87,928</b>	<b>91,863</b>	<b>105,529</b>	<b>109,821</b>	<b>112,752</b>

Total Refined Metal\*

MT

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>Zinc</b>	<b>712,471</b>	<b>758,716</b>	<b>676,921</b>	<b>749,167</b>	<b>733,803</b>
<b>Lead</b>	<b>63,192</b>	<b>98,724</b>	<b>124,816</b>	<b>129,858</b>	<b>134,898</b>
<b>Silver</b>	<b>179</b>	<b>242</b>	<b>408</b>	<b>388</b>	<b>368</b>

\* Includes Captive Consumption





### Industry Excellence

- **Dun & Bradstreet Best Corporate Award 2014**  
in non-ferrous metal sector, for the 6th consecutive year
- **National Award for Manufacturing Competitiveness 2014** by IRIM  
Gold medal to Chanderiya Lead-Zinc Smelting Complex  
Silver medal to Rajpura Dariba Complex
- **Economic Times India Manufacturing Excellence Awards 2014**  
Gold Award in metals sector to Chanderiya zinc smelter, Unit-2
- **Top 100 CISO 2014 Award**  
for using information security technology in innovative way
- **Confederation of Indian Industry (CII) Award for Excellence in Energy Management**  
to Sindesar Khurd as an 'Energy Efficient Unit'

### Sustainability

- **Indian Institute of Metal Best Sustainability Performance Awards 2014**  
1st prize in non-ferrous category
- **CII-ITC Sustainability Outstanding Accomplishment Award 2014**  
to Chanderiya Lead-Zinc Smelter
- **Green Manufacturing Excellence Award 2014** by Frost & Sullivan  
'Challenger Award' to Chanderiya Lead-Zinc Smelting Complex

### Social

- **Best Corporate Social Responsibility Practices by India's Most Ethical Companies Awards 2014**  
during World CSR Congress
- **CII-ITC Sustainability Award 2014**  
Commendation certification under corporate social responsibility category

### Human Resources

- **CII National HR Excellence Award 2014**  
Level 2 -Significant Achievement in HR Excellence
- **SAP ACE Award 2014**  
'Best Run Award' for SAP implementation and utilisation

### Individual

- **Appointment as Vice Chairman of International Zinc Association**  
Mr. Akhilesh Joshi, CEO-Hindustan Zinc
- **CNBC Best CFO Award 2014**  
in metal sector to Mr. Amitabh Gupta, CFO-Hindustan Zinc





Head Office at Udaipur, India

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'.

Mining is at the heart of our operations and 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. Forward integration into smelting & refining adds further value. Our capital allocation aims to maximise shareholders' return and therefore prioritises mining followed by smelting.

We have a strong history of exploration success and we add more than we deplete, year after year after year.

Cost is our core operating value. Leveraging our expertise in metallurgical processing, our smelters and refineries have improved consistently and are often regarded as global benchmarks. Higher metal recoveries and wealth creation from waste of our mines and smelters have allowed us to keep our cost stable despite increasing complexity. With two underground mining shafts of about a kilometre depth each, being readied in

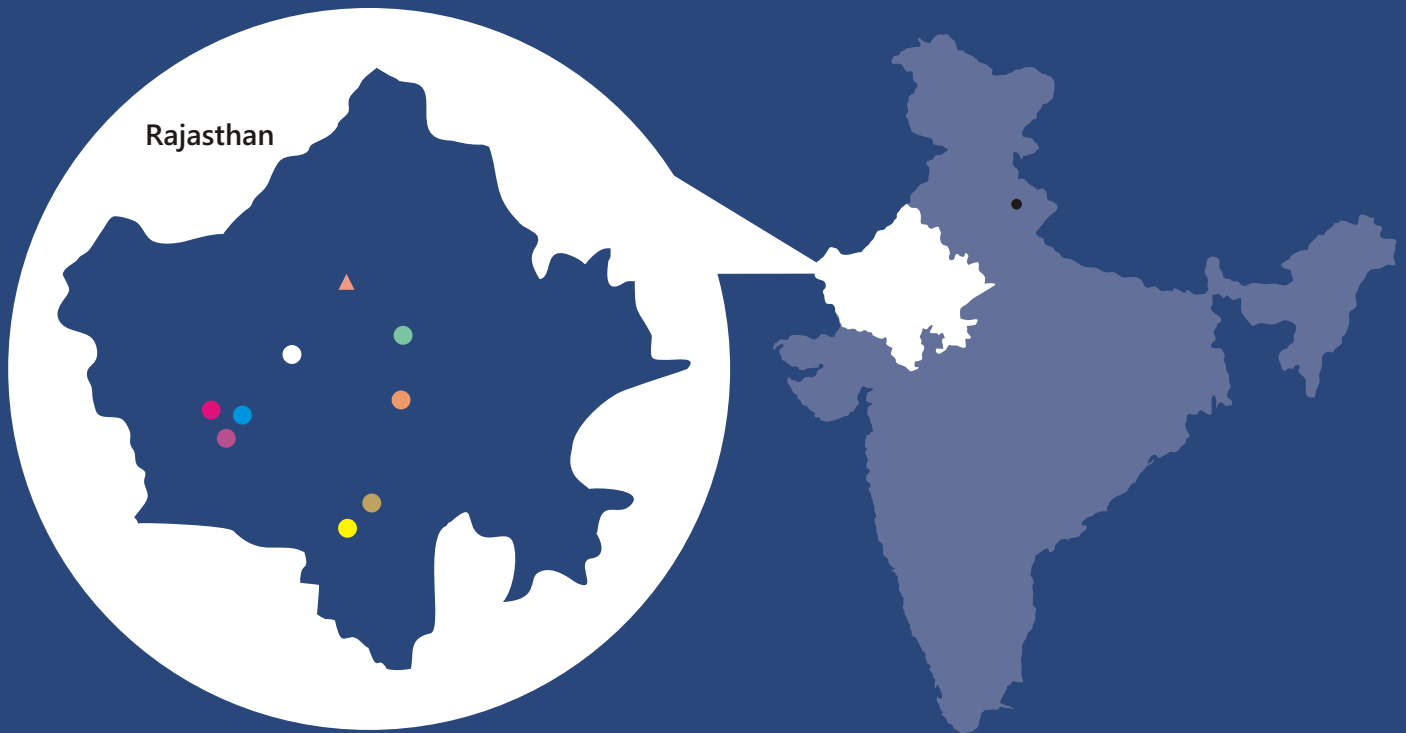
the near future, our cost of production will remain in the first decile of the global zinc mine cost curve.

Safety is paramount to us. The 'zero harm' target drives our behaviour and actions. We have set out on a journey towards safety excellence.

Our portfolio of over 300 MW of green energy and innovative water conservation practices are testimonial to our philosophy of growing responsibly.

We have strong governance in place with high standards of ethical and responsible behaviour. For us 'means' is as important as the 'results'. Our Code of Conduct and specific internal policies prohibit bribery and corruption.

Our license to operate comes not only from the government but also from the communities surrounding our operations and people of Rajasthan. We are successful because we contribute to society and build collaborative relationships. Our growth has true meaning when it creates betterment opportunities for the people around us.



**Rampura Agucha Mine**

Reserve : 49.5 million MT  
 Resource : 53.5 million MT  
 Reserve Grade Zn : 14.0%  
 Reserve Grade Pb : 1.9%  
 Ore Production Capacity : 6.15 mtpa

**Sindesar Khurd Mine**

Reserve : 32.2 million MT  
 Resource : 73.9 million MT  
 Reserve Grade Zn : 4.5%  
 Reserve Grade Pb : 3.1%  
 Ore Production Capacity : 2 mtpa

**Zawar Mining Complex**

Reserve : 9.6 million MT  
 Resource : 74.2 million MT  
 Reserve Grade Zn : 3.4%  
 Reserve Grade Pb : 1.8%  
 Ore Production Capacity : 1.2 mtpa  
 Captive Power Plant : 80 MW

**Rajpura Dariba Mine**

Reserve : 9.6 million MT  
 Resource : 47.0 million MT  
 Reserve Grade Zn : 6.4%  
 Reserve Grade Pb : 1.6%  
 Ore Production Capacity : 0.90 mtpa

**Kayad Mine**

Reserve : 7.3 million MT  
 Resource : 0.8 million MT  
 Reserve Grade Zn : 9.6%  
 Reserve Grade Pb : 1.4%  
 Ore Production Capacity : 0.35 mtpa

(mtpa = million MT per annum)

**NOTE**

1. We also have a Rock Phosphate mine at Maton near Udaipur in Rajasthan, with annual production capacity of 0.18 million MT and R&R of 5.0 million MT.

2. 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	108.2	9.3	2.2	92
Resource	266.9	6.3	2.3	76

● **Chanderiya Lead-Zinc Smelter**

Pyrometallurgical : 105,000 tpa Zinc  
Lead-Zinc Smelter : 85,000 tpa Lead

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Hydrometallurgical  
Zinc Smelter : 420,000 tpa

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Captive Power Plant : 234 MW

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● **Dariba Smelting Complex**

Hydrometallurgical  
Zinc Smelter : 210,000 tpa

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Lead Smelter : 100,000 tpa

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Captive Power Plant : 160 MW

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● **Zinc Smelter Debari**

Hydrometallurgical  
Zinc Smelter : 88,000 tpa

**Wind Power Plants by State (MW)**

▲ Rajasthan : 88.8  
▲ Gujarat : 88.8  
▲ Maharashtra : 25.5  
▲ Karnataka : 49.4  
▲ Tamil Nadu : 21.0

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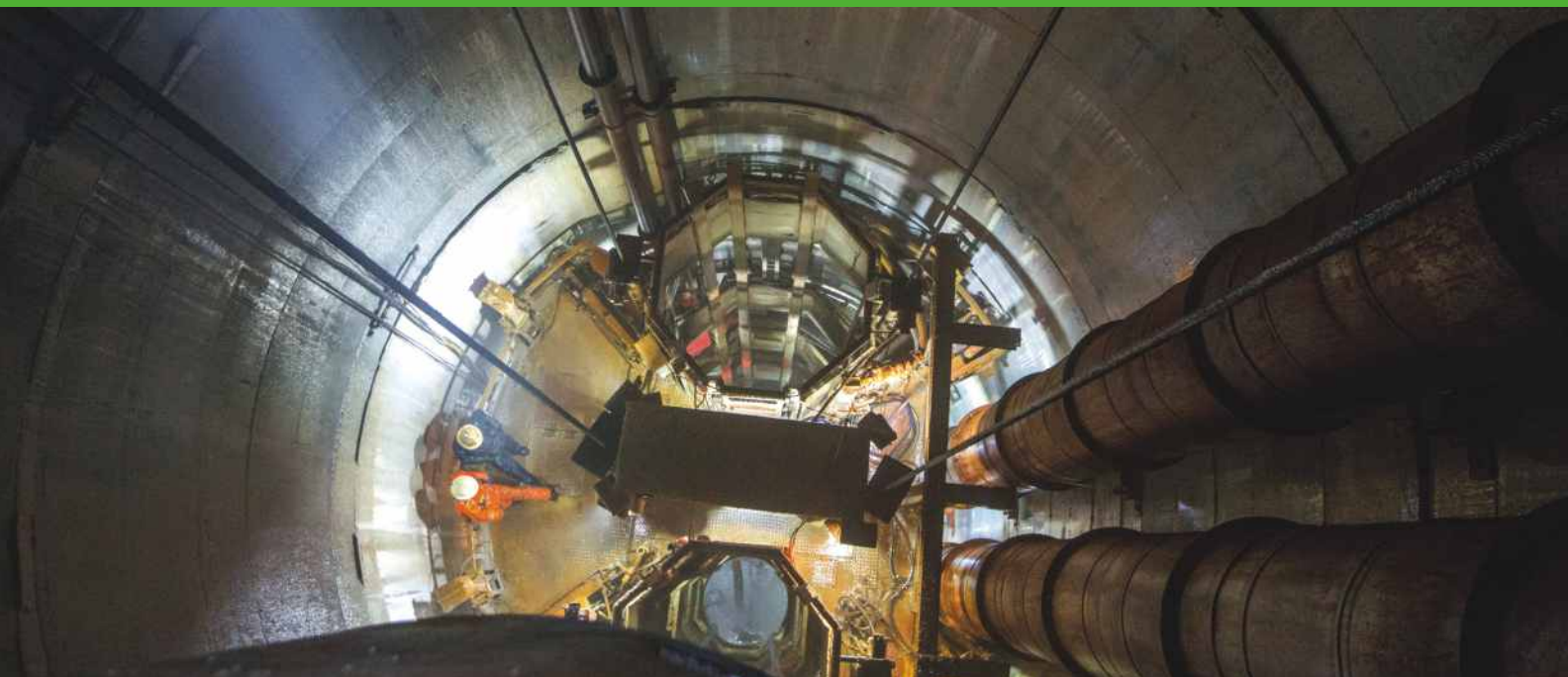
**Smelting and Power Summary**

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

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(tpa = MT per annum)

Underground Shaft at Rampura Agucha Mine







We are at the doorstep of our 50th anniversary and gladly share the jubilations of this distinguished feat with every individual who has contributed in the success of the organisation at any stage of our journey.

Today's Hindustan Zinc owes its stature to those who have walked alongside for distances long and short.

Dear Shareholders

It is a privilege for me to represent a team of highly motivated individuals who put in their best to create value for the trust you have placed in us.

**In our golden jubilee year, we have delivered our best ever performance.** We achieved new benchmarks and delivered record operating profit, net profit and mined metal output along with significant progress in expansion projects. While the higher zinc LME price certainly helped, record treasury income and operational efficiencies also contributed significantly to the year's performance.

#### Forward on Global Market Scenario

The market expects refined zinc consumption growth to continue in FY 2016 with China maintaining about 50% share of global zinc consumption. Infrastructure spending and strong automotive sales globally is likely to bolster zinc demand by 4-5% p.a. in near term. Additionally, closure of several zinc mines across the world bodes well for zinc price outlook in the medium term and widens opportunities for resilient players in the business.

#### Forward on Indian Scenario

Infrastructure, construction and automobile industries are the main demand drivers for zinc in India. We have been consistently increasing our production capabilities to make India self-sufficient in zinc. Government's focus on 'Make

in India', infrastructure development and 'Smart Cities' is expected to provide further impetus to the Indian metal market in FY 2016.

A significant event during the year was the enactment of Mines and Minerals (Development and Regulation) Amendment Act, 2015 (MMDRA Act) in March 2015. On the positive side, the MMDRA Act provides continuity to our mining leases, at least till 2030. The Act also brings transparency in grant of mineral concessions via auctions and reduces disputes. However, it will increase outgo to government on existing leases.

Royalty rates for zinc and lead in India are 10% and 14.5% respectively on value of mined metal, which is amongst the highest in the world and much higher compared to other base metals. Royalty rates were increased recently in September 2014. MMDRA Act can further increase payments to government by upto 100% on account of contribution to District Mineral Foundation (DMF). Such a significant additional outgo can potentially make several low grade and deeper deposits economically unviable and may necessitate strategic review of some of the mines. We are therefore hopeful that the government will rationalise the contribution to DMF in its notification.

### Forward on Long-Term Objectives

Maintaining a balance between production, reserve growth and dividends is paramount to us. Our disciplined approach to improve efficiency and productivity is the key for delivering growth year after year.

During the year, the Board of Directors decided to extend the life of the open cast mine, which will ensure that our overall production will continue to grow over the next few years. The simultaneous operation of open cast and underground mines at Rampura Agucha is a challenge for which we are well prepared. We are pleased with the ramp-up of Sindesar Khurd and Kayad mines, as also the enhanced performance of our smelting and refining facilities.

In the last few years, we have laid the foundation for future growth. Our track record for successful and timely project deliveries gives us the experience and platform to deliver industry-leading performance.

Our strategy to eventually mine from shafts at Rampura Agucha and Sindesar Khurd will bring down the mining cost in the medium term. The approach has already begun to show positive signs and we are well on our way to achieve our target of 1.2 million MT output in the next 3-4 years.

The increase in our dividend pay-out ratio in recent years is reflective of our confidence in the growth of our business.

### Forward on Sustainability

Since the inception of our programme for safety culture transformation in 2013, there has been a step change in our behaviour towards safety. From being reactive to incidents, we are creating a safety environment which is more interdependent and self-sustaining. We have created an organisation where ensuring safety is the responsibility of line managers. All leaders conduct safety interactions to recognise and reinforce positive behaviour. Specifically, a lot of awareness has been created for reporting unsafe acts and conditions in a bid to prevent

untoward incidents. The total recorded injuries continued the downtrend and reduced by 27% during the year. However, I regret to report that we had two fatalities during the year.

Over the next few years, our focus will be on reducing waste, generating value from residues and reducing carbon footprint.

### Forward on Social Initiatives

We believe in becoming an integral part of the communities residing in the vicinity of our operations. Our CSR programmes focus on addressing such local needs that generate immediate as well long-term benefits for the society. Health, education, sanitation, sustainable livelihood, women empowerment and community assets creation are the priority areas for our CSR initiatives. We have aligned our project 'Maryadaa', with the Prime Minister's vision of 'Swachh Bharat' (Clean India) under which we have already constructed over 11,000 toilets. We have signed MoUs with government departments and also joined hands with various local bodies and NGOs to ensure higher degree of effectiveness of such projects. During the year, Hindustan Zinc invested ₹ 59.28 Crore in various CSR initiatives which are active across 184 villages, and benefitting over 500,000 people.

The years ahead will have great challenges, but the rewards will also be great. In the new era of Hindustan Zinc, we are committed to uphold our worthy legacy for future generations of stakeholders and take our place in the global arena as a prominent enterprise in the zinc industry.

On behalf of Hindustan Zinc team, I thank all our stakeholders for their continual support.

With Warm Regards

**Agnivesh Agarwal**  
Chairman



**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, he has successfully developed excellent commercial acumen. He 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 Sydhenam College, University of Mumbai.

**Mr. Akhilesh Joshi**  
Chief Executive Officer and Whole-time Director

Mr. Joshi was appointed as the Chief Executive Officer and Whole-time Director with effect from February 1, 2012. Earlier, he was appointed on the Board with effect from October 21, 2008 as the Chief Operating Officer and Whole-time Director. He has been with the Company since 1976. Mr. Joshi is also the Director of Madanpur South Coal Company Ltd. and Skill Council for Mining Sector. Mr. Joshi 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.

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





**Mr. Navin Agarwal**  
**Director**

Mr. Agarwal was appointed on the Board with effect from April 11, 2002. His experience spans over 24 years in strategic and operational management. He has been the key driver behind Hindustan Zinc's growth story. He is the Deputy Executive Chairman of Vedanta Resources Plc., Chairman of Cairn India Ltd. and Sesa Sterlite Ltd., as well as Director of Sterlite Iron and Steel Company Ltd., Hare Krishna Packaging Pvt. Ltd. and Vedanta Resources Holdings Ltd. His academic achievements include a Bachelor of Commerce degree from Sydenham College, Mumbai and successful completion of Owner/President Management Program at Harvard University.



**Ms. Sujata Prasad**  
**Director**

Ms. Prasad was appointed on the Board with effect from May 3, 2013. She is Joint Secretary & Financial Advisor in Ministry of Mines, Corporate Affairs and Youth Affairs & Sports, Government of India. She is also the Director of Coal India Ltd., Hindustan Copper Ltd. and Bharat Aluminium Company Ltd.

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.



**Mr. A. R. Narayanaswamy**

**Director**

Mr. Narayanaswamy was appointed on the Board with effect from March 30, 2009. He is a member of The Institute of Chartered Accountants of India and has extensive experience in the mining industry. He is also on the Board of Sterlite Technology Ltd., East-North Interconnection Company Ltd., Sterlite Grid 2 Ltd., Sterlite Grid Ltd., Bharat Aluminium Company Ltd., Malco Energy Ltd., Sesa Resources Ltd., Sesa Mining Corporation Ltd., IBIS Softec Solutions (P) Ltd., IBIS Logistics (P) Ltd., IBIS Systems & Solutions (P) Ltd., Primex Healthcare and Research Pvt. Ltd., Caitlyn India Pvt. Ltd. and Vizag General Cargo Berth Ltd.

**Mr. Sudhaker Shukla**

**Director**

Mr. Shukla was appointed on the Board with effect from November 14, 2014. He is from Indian Economic Services, batch of 1985. Mr. Shukla is Economic Advisor to the Ministry of Mines, Government of India. He has held senior managerial positions in different ministries and departments of the Central Government, including his last stint as Advisor to ED at African Development Bank, Tunisia. Moreover, he has been Director in Ministry of Power and Director (Foreign Trade) and Department of Economic Affairs (Ministry of Finance).

He is also the Director of Bharat Aluminium Company Ltd.



**Mr. Arun L. Tadarwal**

**Director**

Mr. Tadarwal was appointed on the Board with effect from March 11, 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 Ltd., Sterlite Grid 2 Ltd. and Lakecity Ventures Pvt. Ltd.



**Mr. Kannan R.**

**Director**

Mr. Kannan was appointed on the Board with effect from March 11, 2015. He is a postgraduate in Mathematics from Madras University and in Management Studies from Bombay University. He is also CAIIB and CAIF from Indian Institute of Bankers. Mr. Kannan has vast experience in Corporate and Investment Banking, Mergers and Acquisitions, Capital Structuring and Project Finance.

He is also on the Board of Orient Press Ltd., Shasun Pharmaceuticals Ltd., Ram Ratna Wires Ltd., Bharat Aluminium Company Ltd., Orionsayi Consultants Pvt. Ltd., Lakecity Ventures Pvt. Ltd., Real Time Tech Solutions Pvt. Ltd. and Pan India Paryatan Pvt. Ltd.





# Zinc

Zinc market in 2014 was characterised by a steady improvement in the metal's fundamentals, making zinc the best performing base metal.

Global zinc consumption is expected to grow steadily by 4–5% per annum in the coming years, which needs to be met by higher mine and smelter output. Meeting this requirement has been made all the more difficult by imminent closures of some major mines in near future.

## Global Zinc Market

	2012		2013		2014	
	Volume kt	Growth %	Volume kt	Growth %	Volume kt	Growth %
Mine Production	12,762	1.6	12,922	1.3	13,156	1.8
Smelter Production	12,454	-4.0	12,939	3.9	13,365	3.3
Consumption	12,826	-2.2	13,311	3.8	13,881	4.3
Refined Implied Surplus (+)/ Deficit (-)	-373		-372		-516	

Source: Wood Mackenzie, Long Term Outlook March 2015

(kt = '000 MT)

Global zinc demand witnessed a 4.3% growth in 2014 against the previous year growth of 3.8%, an indication that zinc continues to have positive fundamentals despite the lingering pressure on commodity market. Refined zinc production growth declined from 3.9% last year to 3.3% in 2014. The deficit of 516 kt in 2014 is an indication of the widening gap between the global zinc demand and its

supply, although it has fallen short of the 700 kt gap estimated at the beginning of the year. This was primarily due to Chinese smelters operating at higher utilisation rates on the back of improved metal prices and higher treatment charges. China's export figures peaked in 2014, driven by the local price arbitrage as well as weak demand in China, although it remained a net importer of zinc by

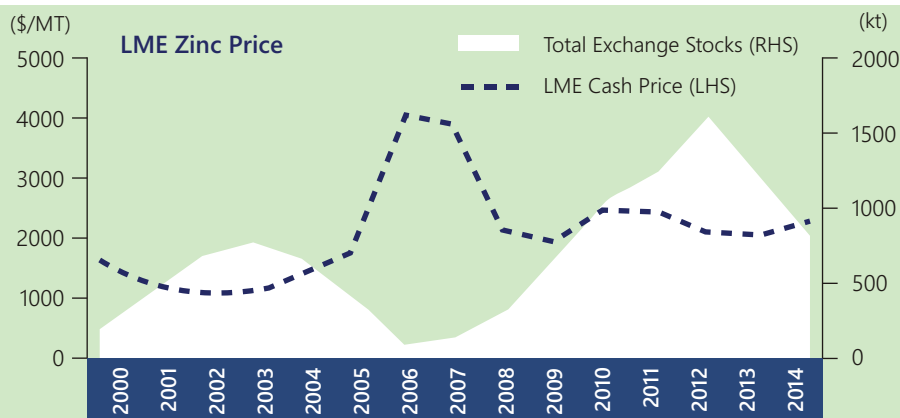
440 kt, lowest since 2010. With adequate availability of concentrate in 2015 and the potential to increase production further, China's zinc smelting output continues to be one of the key uncertainty factors surrounding the zinc market.

The year has been bullish for zinc prices. After a weak start, the prices moved higher peaking at \$2,420 per MT during the mid-year and levelled off around \$2,075 per MT.

Zinc market continues to be played by the expectations of

shortage in supply that is likely to be created by the closures of some important mines across the world. However, new mines and upcoming projects such as MMG's Dugald River and Vedanta's Gamsberg, will help offset the gap to an extent.

According to Wood Mackenzie, closures, attrition and demand growth would create the need for 4 million MT a year of new zinc production by 2020. Even if the entire population of currently identified probable projects were built, it would only replace 2.2 million MT of the requirement, at an estimated cost of \$8 billion.



Source: Wood Mackenzie, Long Term Outlook, March 2015

Rise in prices, decline in LME stocks accompanied with heightened investor interest and frequent backwardations were persistent for the whole of 2014.

Global concerns around European economy and cheaper steel import from China, especially in the second and third quarter of the fiscal, dragged the Indian zinc market towards a lower than expected growth in FY 2015. However, the outlook for Indian steel and zinc market in FY 2016 remains positive and we expect CAGR of around 6% in zinc demand in the coming years. The 'Make in India' programme of the government and its supporting policies is expected to provide immense potential to the

Indian metal market. The government envisions 300 million MT of steel capacity for the country by 2025, against the current capacity of about 100 million MT. In the recently announced union budget, the government has placed thrust on infrastructure projects such as upgradation of railway stations, new airports and road projects, developing 100 smart cities, rural electrification projects and investment in transmission corridors etc., which will further boost the country's zinc demand.



# Lead

2015 promises to be a good year for automobile and telecom industry especially in India and China. This will escalate the demand for lead which is needed for manufacturing batteries and power backups.

## Global Lead Market

	2012		2013		2014	
	Volume kt	Growth %	Volume kt	Growth %	Volume kt	Growth %
Mine Production	4,724	5.2	5,226	10.6	5,428	3.9
Smelter Production	5,131	1.9	5,433	5.9	5,698	4.9
Total Refined Production (including secondary)	10,861	3.7	11,319	4.2	11,573	2.2
Consumption	10,769	5.9	11,205	4.1	11,621	3.7
Refined Implied Surplus (+)/ Deficit (-)	92		113		-48	

Source: Wood Mackenzie, Long Term Outlook March 2015

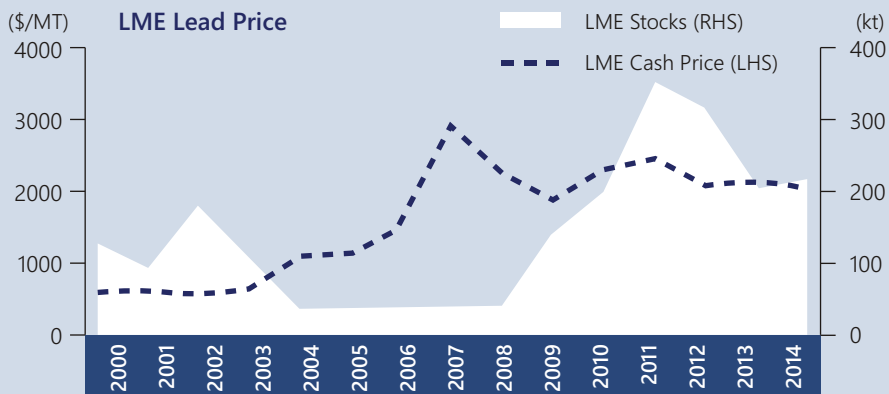
For several years, lead supply has been exceeding demand. During 2014, the market moved back into deficit, although only marginally by 48 kt. Global lead demand witnessed a growth of 3.7% over last year while the

primary refined lead production growth was higher at 4.9%. Total global lead supply witnessed a slower growth rate of 2.2% due to flat secondary production. Despite reductions in Peruvian and US output, influenced

by the closure of operations at La Oroya in June 2014 and Herculaneum in December 2013 respectively, global output of refined lead metal increased principally due to higher production in China, India, Italy, Kazakhstan and the Republic of Korea. China's e-bike is a major market for lead consumption, which is levelling off to market saturation and witnessed reduced growth for the second consecutive year.

The overall trend in 2015 for global lead market is likely to be marginally bullish with an estimated demand growth

rate of 4%. China is witnessing an increase in automotive output and undertaking expansion in the construction of mobile phone base stations that requires lead-acid batteries for back-up power. The coming years are promising for Indian automobile industry amid falling fuel prices and interest rates as well as government stimulus for foreign investments. India is expected to be among the world's top four auto producers by FY 2016 which will lead to a surge in lead consumption in the country.



Source: Wood Mackenzie, Long Term Outlook, March 2015

Similar to zinc, the lead metal prices are expected to show positive momentum in 2015.

Dariba Lead Plant







# Silver

Only few metals can boast such a wide variety of applications as silver. Despite the falling prices, growth in silver consumption as well as production will continue to rise.

## Global Silver Market

	2012	2013	2014
	Volume Moz	Volume Moz	Volume Moz
Mine Production	793	838	868
Total Supply	1,006	1,002	1,031
Consumption	956	1,077	1,005
Physical Surplus (+)/ Deficit (-)	50	-75	26

Source: Thomson Reuters Commodities Research and Forecast, November 2014

(Moz = million ounce)

Global silver mine production witnessed a growth of about 3.5% in 2014 while the physical demand declined by 6.7%. Despite the downtrend, the year ahead appears positive and is expected to register a growth of 1.4%.

From watch batteries to massive solar energy systems, the special properties of silver are often indispensable in industrial applications, including silver coated bearings, catalysts, medical care and many products in our daily

lives. Along with technological improvements, more and more applications of silver have been developed and commercialised. In the Indian context, the metal is primarily used in jewellery and for investments.

Global industrial demand for silver is expected to grow by 27% in the next four years and the demand of silver in the subcontinent is expected to regain its lustre.

# Mines



Double Drill Jumbo at work in Sindesar Khurd Mine

## Performance in FY 2015

	Rampura Agucha	Sindesar Khurd	Rajpura Dariba	Zawar	Kayad
Ore Mined ('000 MT)	<b>5,451</b>	<b>1,910</b>	<b>573</b>	<b>1,056</b>	<b>372</b>
<i>FY 2014</i>	5,804	1,723	610	1,004	149
Ore Milled ('000 MT)	<b>5,394</b>	<b>1,943</b>	<b>573</b>	<b>1,077</b>	<b>187</b>
<i>FY 2014</i>	5,778	1,725	607	997	157
Zinc					
Feed Grade (%)	<b>13.0</b>	<b>3.6</b>	<b>5.3</b>	<b>2.8</b>	<b>9.1</b>
<i>FY 2014</i>	12.4	3.5	5.3	2.8	8.0
Mined Metal ('000 MT)	<b>640.8</b>	<b>65.1</b>	<b>25.4</b>	<b>27.4</b>	<b>15.6</b>
<i>FY 2014</i>	652.7	53.6	26.5	25.7	11.4
Lead					
Feed Grade (%)	<b>1.7</b>	<b>1.9</b>	<b>1.3</b>	<b>1.7</b>	<b>1.1</b>
<i>FY 2014</i>	1.7	2.1	1.3	1.7	1.1
Mined Metal ('000 MT)	<b>57.4</b>	<b>32.4</b>	<b>5.4</b>	<b>16.3</b>	<b>1.3</b>
<i>FY 2014</i>	57.0	31.3	5.3	15.3	1.0

## Rampura Agucha Mine

Mining Method	Open Cast and Underground
Reserve†	49.5 million MT
Resource†	53.5 million MT
Total Mined Metal Production	698,232 MT

† Reserve and Resource as on March 31, 2015

Rampura Agucha mine (RAM) is the world's largest zinc-lead mine, with high zinc-lead reserve grades averaging 15.9%. During the year, RAM produced 5.45 million MT of ore as against 5.80 million MT last year. This was as per the mine plan. With increasing depth of open pit, it made economic sense to gradually transition entirely to underground mining in the coming years. Meanwhile, we are operating through both open cast and underground routes and will maintain our total ore production from RAM at about 5.0 million MT in the next couple of years. As the transition progresses, we will ramp up production from underground mine while tapering off production from open cast mine. After this, we will operate only through underground mining at a capacity of 3.75 million MT.

The underground (UG) mine project includes a production

shaft of 950 metres depth, two declines from surface, two ventilation shafts and a paste fill plant. The shaft project is behind schedule and to mitigate the risk due to this delay, we are extending the life of open cast mine by further deepening the pit by 50 metres, pushing the ultimate depth to 420 metres and mine life by two years to FY 2020.

During the year, we gained experience in long-hole open stoping with cemented rock fill by producing ore from the cap mining block at RAM UG. Decline development to gain access to the next production block will come on line in FY 2016. In FY 2015, the project achieved 8.7 km of mine development.

The sinking of main production shaft has reached a depth of 618 meters, while the north ventilation shaft of 460 meter depth was completed and the south ventilation shaft reached the depth of 31 meters during the year. Preparatory work for pit deepening has been initiated and is progressing as per schedule.

Paste fill plant, surface heavy earth moving & mining workshop and underground workshop were commissioned during the year. A wash house facility that accommodates 600 people at a time was also constructed.

### Paste Fill Technology

Paste fill plant was commissioned at Rampura Agucha during the year. Paste fill technology is radically changing the way tailings are disposed off on surfaces. It utilises mill tailings generated during mineral processing, which are mixed with cement. This backfill material is then placed into previously mined stopes.

#### Advantages:

- Tailings get stored underground and thus prevent surface disturbance
- Mitigates problems associated with dust generation, contamination of surface water and inundation risks associated with tailings facility failure
- Cemented backfill acts as strong support reducing heading collapse problems with subsidence
- Backfill prevents roof falls from blasting and reduces the risk of rock bursts



- Improves ventilation circuit in the mine and helps to minimise groundwater contamination
- Involves little water bleed and water handling
- Cost effective technology
- Enhances safety in mines





Underground Mine Workshop at Sindesar Khurd Mine

### Sindesar Khurd Mine

Mining Method	Underground
Reserve†	32.2 million MT
Resource†	73.8 million MT
Total Mined Metal Production	97,480 MT

† Reserve and Resource as on March 31, 2015

Sindesar Khurd Mine (SKM) is a world-class silver rich mine with state-of-the-art infrastructure facilities and best-in-class mechanisation. SKM started operations in 2006 and has seen several phases of expansions from 0.3 million MT to its current capacity of 2.0 million MT, making it the largest underground mine in India.

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 million MT. The ore production capacity will be enhanced to 3 million MT by end of next year by simultaneous mining in the auxiliary lenses, and 3.75 million MT per annum capacity will be achieved by FY 2019.

As a result of on-going volume ramp-up and higher recoveries, the mine achieved a production of 1.9 million MT of ore during the year as compared with 1.7 million MT

of ore in FY 2014. The average silver grade during the year was 101 parts per million, which is expected to improve with mining depth.

SKM's expansion will significantly contribute to the Company's integrated lead and silver production and will make it the prime mine to replace lost capacity from RAM. The sinking of production shaft is ahead of schedule having reached a depth 1,002 metres of the planned 1,050 metres depth, while significant off-shaft development work has also been done. During the year, an underground workshop, mobile carrier exploration rig, bulk emulsion charging system and cubex v-30 machines have been successfully commissioned which has enhanced productivity as well as improved the safety levels. Paste fill plant was also commissioned during the year and construction of 2.25 million MT per annum beneficiation plant has commenced.

### Rajpura Dariba Mine

Mining Method	Underground
Reserve†	9.6 million MT
Resource†	47.0 million MT
Total Mined Metal Production	30,750 MT

† Reserve and Resource as on March 31, 2015



Rajpura Dariba Mine (RDM) is an underground operation where we plan to progressively increase the mine capacity from current 0.90 million MT per annum to 1.20 million MT per annum by FY 2018.

During the year, the mine produced 0.60 million MT of ore, same as last year. Higher productivity was achieved due to addition of new service equipment like raise borer, personal carriers and scissor-lifters.

### Zawar Mine

Mining Method	Underground
Reserve†	9.6 million MT
Resource†	74.2 million MT
Total Mined Metal Production	43,700 MT

† Reserve and Resource as on March 31, 2015

Zawar Mine (ZM) produced 1.1 million MT of ore during the year compared to 1.0 million MT in FY 2014. In January 2015, final approval for forest diversion for a period co-terminus with mining lease was received.

ZM is a historical mine where we are still adding R&R and

expect to significantly increase production by switching to trackless mining and enhanced mechanisation.

Development of new mining areas for expansion is underway and once complete, it is expected to significantly contribute to the Company's lead mined metal production.

### Kayad Mine

Mining Method	Underground
Reserve†	7.3 million MT
Resource†	0.8 million MT
Total Mined Metal Production	16,920 MT

† Reserve and Resource as on March 31, 2015

A new addition to our mines portfolio, Kayad Mine (KM) is a small zinc-lead deposit with high reserve grades. During the year, KM produced 0.4 million MT of ore from the first mining block as compared to 0.1 million MT ore in FY 2014. Progressed was made in declined development to gain access to the next production block. The ore from KM is treated at Rampura Agucha mills.

Upon completion of the KM project in FY 2018, the mine will produce 1 million MT of ore per annum.

Kayad Mine Portal



# Smelters



Dariba Smelting Complex

With a capacity of over 1 million MT, the Company has one of the largest zinc-lead smelting operations in the world. The combination of mining and smelting offers advantages in terms of optimisation of smelting processes resulting in higher smelter recoveries, while at the same time, close proximity of mines and smelters provide logistical ease.

## Performance in FY 2015

	Chanderiya Lead -Zinc Smelter	Dariba Smelting Complex	Zinc Smelter Debari
<b>Refined Zinc (MT)</b>	<b>464,724</b>	<b>199,694</b>	<b>69,385</b>
<i>FY 2014</i>	<i>476,951</i>	<i>197,715</i>	<i>74,501</i>
<b>Refined Lead (MT)*</b>	<b>40,763</b>	<b>94,135</b>	<b>-</b>
<i>FY 2014</i>	<i>53,749</i>	<i>76,109</i>	<i>-</i>
<b>Saleable Sulphuric Acid (MT)</b>	<b>547,165</b>	<b>480,542</b>	<b>251,408</b>
<i>FY 2014</i>	<i>586,919</i>	<i>459,026</i>	<i>282,565</i>

\* Includes Captive Consumption of 7,755 MT Lead in FY 2015 and 7,262 MT Lead in FY 2014

Our smelting operations are located at Chanderiya, Dariba and Debari with cumulative capacity of 1.01 million MT.

In FY 2015, we produced 720,793 MT of refined zinc from our integrated operations, which is about 6% of the total global zinc production. Integrated zinc and lead metal production during the fourth quarter was record high due to higher feed availability and enhanced smelter utilisation.

## 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

Positioned amongst the world's largest smelting complexes, Chanderiya Lead-Zinc Smelter (CLZS) has a lead-zinc smelting capacity of 610,000 MT per annum. The complex includes two hydrometallurgical zinc smelters, one pyrometallurgical lead-zinc smelter and one Ausmelt plant.

During the year, CLZS produced 464,724 MT of zinc and 40,763 MT of lead. Various de-bottlenecking initiatives such as installation of steam coil, helped achieve higher recovery and increase in volumes. The year saw deployment of new equipments in the plant, including additional RO unit for recycling of waste water, GPS devices for tracking vehicle movements with speed &

route control and various energy saving initiatives. The pyrometallurgical plant in particular, achieved significant improvement in plant availability and through put from de-bottlenecking and focused improvement projects on asset optimisation. This also resulted in lowest specific consumption of coke and other fuels.

The business excellence initiatives at CLZS have been widely recognised by way of the prestigious 'CII ITC Sustainability Award 2014' for outstanding accomplishment under the corporate excellence category and 'Indian Manufacturing Excellence Award' by the Economic Times and Frost & Sullivan for topping amongst the metal sector companies.

### Adiabatic Cooling Towers





## Dariba Smelting Complex

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

The Dariba Smelting Complex (DSC) enjoys a unique advantage of location, where the zinc smelter, lead smelter and captive power plants are in the vicinity of Sindesar Khurd and Rajpura Dariba mines.

During the year, DSC achieved a production of 199,694 MT of refined zinc metal and 94,135 MT of refined lead metal. Higher production was driven by significant improvement in recoveries and overall equipment efficiency.

In lead smelter, initiatives such as stabilisation of fuming furnace operation, solid slag charging, reduction of lead loss in discard slag etc. resulted in zinc recovery to

improve from 51% in FY 2014 to 75% in FY 2015 and lead recovery to improve from 96% in FY 2014 to 98.5% in FY 2015. The specific energy consumption for the plant also reduced significantly through initiatives such as hot metal transfer, use of hot slag in blast furnace to reduce coke consumption and other power saving initiatives. Further, use of waste water for process purpose reduced specific water consumption.

Focused improvement through asset optimisation and Kaizen projects resulted in improved availability of leaching and reliability of cell house in the zinc smelter.

## Other Facilities

Zinc smelter at Debari produced 69,385 MT of zinc during the year. The Debari unit also supplies surplus calcine, an intermediate product, to other zinc smelters.

Additionally, 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

centralised finished goods centre for our customers. These facilities do not add to the overall smelting capacity.

Silver and sulphuric acid are by-products of zinc-lead smelting processes. During the year, the integrated refined saleable silver production was 266 MT and total refined saleable silver production was 328 MT.





# Power

Our captive power plants and wind power make us self-sufficient in our energy needs.

## Captive Thermal Power

The Company has thermal Captive Power Plants (CPPs) at Chanderiya, Dariba and Zawar, with total power generation capacity of 474 MW.

In FY 2015, the total power generated was 3,380 million units, as compared to 3,469 million units in FY 2014.

The main cost driver for our smelting operations is coal cost, which was higher during the year as cost of linkage coal went up significantly. The Company undertook several initiatives such as optimisation of Indian and imported coal blend at Dariba and Zawar.

Some of the major improvement initiatives during the year include adopting three step method for coal analysis, reduction of fresh water consumption by using treated sewage water, installation of drift eliminators in cooling tower saving over 400m<sup>3</sup> of water per day, ammonia dosing system for significant emission reduction and installation of variable frequency drives resulting in

reduction of auxiliary power consumption. Further initiatives are in progress to monitor coal quality.

## Green Energy - Wind Energy

We are one of the leading wind power producers in India with a capacity of 273.5 MW. During the year, 444 million units of wind power was produced which was sold to state grids.

The Company's wind power capacity is registered under the United Nations Framework Convention on Climate Change for Clean Development Mechanism and has Certified Emission Reduction potential of 497,000 per annum of CO<sub>2</sub>.

## Waste Heat Recovery Power Plants

The Company has waste heat recovery power plants with a capacity of 35.4 MW registered under Rajasthan Renewable Energy Corporation as a source of renewable energy.

# Exploration

## Ore Reserve and Mineral Resource as on March 31, 2015

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

	Ore Reserve				Mineral Resource							
	Proved and Probable				Measured and Indicated				Inferred			
	Million MT	Grade % Zinc	Grade % Lead	g/t Silver	Million MT	Grade % Zinc	Grade % Lead	g/t Silver	Million MT	Grade % Zinc	Grade % Lead	g/t Silver
Rampura Agucha (O/P)	12.7	13.1	1.9	54								
Rampura Agucha (U/G)	36.8	14.4	1.8	61	18.3	15.0	2.0	61	35.2	9.9	2.1	62
Rajpura Dariba	9.6	6.4	1.6	63	22.7	6.8	2.3	67	24.3	6.6	1.9	92
Sindesar Khurd	32.2	4.5	3.1	182	28.5	4.8	2.7	130	45.3	3.8	2.5	109
Bamnia Kalan*					5.4	4.5	1.6	66	12.2	3.8	1.8	56
Zawar	9.6	3.4	1.8	33	25.0	4.8	1.8	42	49.2	4.9	2.6	50
Kayar	7.3	9.6	1.4	30	0.2	13.6	2.0	36	0.6	7.1	1.0	16
Total	108.2	9.3	2.2	92	100.2	7.1	2.2	78	166.8	5.8	2.3	75

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

Exploration is the key to building the future of mining industry. We aim to replace every ton of ore mined and maintain constant focus at grass root level exploration.

The Company undertakes brownfield exploration activities to add reserve and resource (R&R) to existing deposits and also ventures in greenfield exploration to identify and develop world class zinc-lead deposits in the country.

The Company's exploration program adopts global best practices and entails systematic exploration around its mines to identify continuations of all mine sequences while project generation team identifies potential areas across India.

To conduct systematic investigation of the exploration tenements, the Company has deployed advanced mineral exploration technologies, including:

- heliborne magnetic and electro-magnetic surveys
- deep earth imaging survey
- high power (50 KW) IP-resistivity survey
- SMARTem and downhole electro-magnetic survey

- GPS integrated high resolution ground magnetic survey
- micro gravity (CG5) survey
- hand held XRF geochemical survey
- satellite based mineral alteration mapping
- multi-disciplinary GIS analysis
- exploration database management system

A total of 194,400 m (107,100 m from surface and 87,300 m underground) of core drilling was completed in FY 2015 at various brownfield exploration sites. Resource additions were primarily reported from Sindesar Khurd Mine, which has now touched R&R of 106 million MT as well as from Rajpura Dariba Mine. The R&R of Kayad mine increased from 7.7 million MT to 8.1 million MT. During the year, gross addition of 19.4 million MT were made to R&R, prior to depletion of 9.4 million MT, adding further to our R&R. Total R&R as on March 31, 2015 were 375.1 million MT containing 26.9 million MT of zinc metal, 8.4 million MT of lead metal and 970 Moz of silver metal and grading 7.2% Zn, 2.2% Pb and 80.4 g/t Ag. Overall mine life continues to be 25+ years.



Man power is a precious resource and employees are the primary source of our competitiveness. Our focus is on enriching the quality of life of our employees, developing their potential, maximising their productivity and enabling an empowering work culture to ensure high performance.

The Company believes that a chain is only as strong as its weakest link and that every individual in work force should be provided with the opportunity to develop into an effective team player. The Company nurtures young leaders by providing them with education support, coaching and mentoring, thereby creating a 'leadership pool'. Through 'Leaders Connect' program, the Company

identifies the developmental needs of potential leaders. During FY 2015, 'Chanakya', a business simulation game, was introduced for employees to develop key competencies and harness their potential.

As on March 31, 2015, the Company had a permanent workforce of about 5,200 and contractual workforce of 12,400. It provides equal opportunity to everyone irrespective of their nationality, ethnic origin, gender, race, religion, caste, disability, political views or sexual orientation. The HR function of Hindustan Zinc has designed and implemented extensive learning and development modules that focus not only performance

improvement but also on the all-round development of employees.

### Learning and Development

The Company undertakes focused efforts on capability development of employees at all levels in order to build organisational capability in functional and project management areas, as well as prepare bench strength of skilled manpower for existing critical positions and foreseen future requirements.

A multitude of training methods are used, such as class room learning, group discussions, videos, real life simulations, training by machine manufacturers and onsite hands-on trainings. The Company promotes learning of global best practices by organising site visits to international mines and smelters. During the year, trainings equivalent to over 110,000 man-hours were conducted by in-house as well as external Subject Matter Experts. Additionally, over 250,000 man-hours of training on Health, Safety and Environment was imparted to contract workforce.

Mining industry faces tremendous shortage of skilled personnel for which the Company has set up an Underground Mining Academy in collaboration with 'Indian Institute of Skill Development' and NGO partner 'PDI'. Under this initiative, two centres have been set up at Bhilwara and Rajsamand, where full-time residential training is imparted to local youth on various skills required for mining operations, thereby enhancing their employability.

### Employee Engagement

An 'Organisation Health' survey was conducted in partnership with 'Gallup' to get employee feedback in order to improve our practices further. The Company has various tools for communicating latest developments and

initiatives such as monthly newsletters, corporate intranet and other online portals. Excursions, family day, sporting events and several other programs are organised as part of regular employee welfare activities.

The Company is continuously improving upon its HR policies, processes and practices in its endeavour to create a 'Happy People Organisation', which has been recognised with 'Significant Achievement in HR Excellence' award in 5th CII National HR Excellence Award 2014.



Underground Mining Academy



## Advancing on Technology

Central Research and Development Laboratory (CRDL) is the R&D wing of the Company. Established in 1976, CRDL explores improvement opportunities in various areas of mineral processing and metal smelting with the aim to

provide solutions that are cost effective, environment friendly and well tested for feasibility through fully operational pilot plants.

## Key Focus Areas of CRDL

Mineral Processing & Metallurgy	Utilisation of By-products	Quality Upgradation
Cost Reduction	Technology Development & Absorption	Reducing Environmental Impact
Optimisation of Resources & Recoveries	Waste Management	Quality Assurance of Incoming Materials
Recycling	Generating Additional Revenue	Establishing Coordination with Other Mining Research Centres

Certified with ISO 9001:2008, 14001:2004, OHSAS 18001:2007 and 5-S work place management systems, CRDL is recognised by the Department of Scientific and Industrial Research, Government of India and is listed at American Society for Testing and Materials. Some of the major initiatives of CRDL include:

- Reduction of waste and hazardous residues by utilising them in manufacturing processes
- In-house production of reagents used in smelters
- Use of alternate cost effective graphite depressant and copper extraction solvent
- Stepping towards zero waste zinc hydrometallurgical smelting by generating value added products from jarosite
- Process improvement of grinding circuit through modeling and simulation





Sustainable development is the masterful balance of meeting our own needs without jeopardising future generations' ability to do the same.

Light of Mine

### Key achievements

- 72% reduction in LTIFR in last 6 years
- Formation of Integrated Safety Organisation Structure
- Significant improvement in leading indicator reporting
- Specific Water Consumption reduction by 25% from FY 2010 to FY 2015
- Over 300,000 man-hours of safety trainings conducted during the year

### Our Sustainability Framework

- stakeholder driven process
- aligns with international standards and industry best practices
- integrates social and environmental aspects for sustaining business
- achieves zero harm to people, host communities & environment

The framework provides structured governance and capability building trainings for the Company's units to manage their business sustainably. The regular strengthening of framework is being ensured through key

sustainability targets, compliance assessment and audits under Vedanta Sustainability Assurance Program (VSAP). VSAP is the sustainability risk assurance tool which is used to assess compliance, identification of gaps and necessary corrective or preventive actions to address them.

The four pillars which support the sustainability framework include - Responsible Stewardship, Building Strong Relationships, Adding & Sharing Value and Strategic Communication.

## Sustainability Framework

### Responsible Stewardship

It is the foundation on which we build our business – the way in which we respond to and manage our business. This includes employees' health & safety management, land management, environmental impact and our supporting business processes.

### Adding and Sharing Value

We seek to add and share value through everything that we do. Our business strengthens economy through employment, taxes, royalties and other contributions to local, state and national governments. We also build infrastructure that benefits local communities in the form of roads, schools and healthcare centres etc.

### Building Strong Relationships

We engage with our stakeholders to understand their concerns and expectations from our business and practices.

The objective is to create a proactive relationship that identifies opportunities and mitigates risks.

### Strategic communications

Transparent and effective communication guides us in building a healthy co-existence with our stakeholders and all those affected by our business. This pillar is the vital element of sustainable development, in implementing and strengthening our 'license to operate' efforts.

## Stakeholder Engagement

The Company has a structured stakeholder identification and engagement process for all business locations through which it identifies and prioritises individuals or groups that are impacted or likely to be impacted by its operations. The Company structures its plan, policy, program and/or any other actions to address the needs of the stakeholders.

## Health, Safety and Environment (HSE)

**Strengthening our commitment to conduct all business activities in a responsible manner and ensuring the health and safety of our stakeholders, we have reframed our HSE policy as 'HSE Principles and Policy'.**

### Guiding Principles

- Management shall demonstrate its strong commitment towards HSE at all times
- All injuries, occupational illnesses and adverse environmental incidents are preventable
- Reporting and investigation of all incidents is an obligation
- We are responsible and accountable for preventing injuries, occupational illnesses and adverse environmental incidents
- We are empowered and obligated to stop any job being carried out in an unsafe manner
- HSE values shall never be compromised
- Adherence to HSE management system is a condition of employment

### Sustaining Health & Safety

The health and safety of employees across operations remains the highest priority of the Company. While certain risks are inherent in the nature of the Company's operations, it endeavours to enhance safety standards and

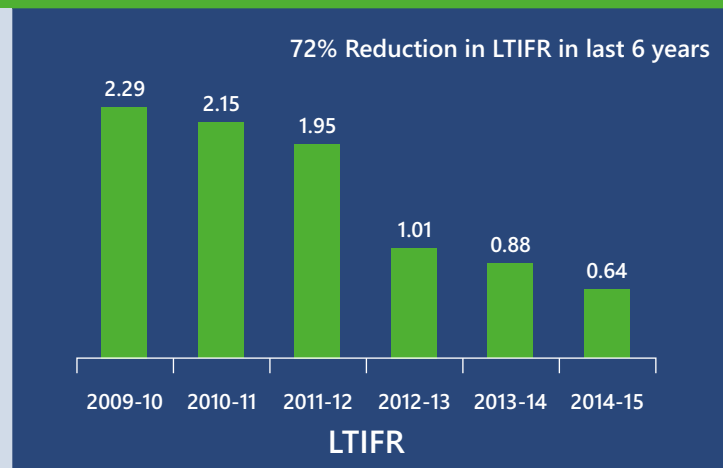
processes to minimise safety risks. The Company continues to broaden the impact of its programs to establish a strong safety culture based on inculcating safe behaviour among its employees and contract employees.

### Our Safety Vision

Achieving 'Zero Harm' to people with the belief that all workplace injuries are preventable

### Our Safety Mission

- To achieve world class safety standards
- To create injury free workplace
- Be the world's safest metal producer
- Zero tolerance on safety issues



The Company's efforts towards reinforcing a positive safety culture have resulted in reduction of total Lost Time Injuries (LTI) from 42 last year to 30 this year. Similarly, the Lost Time Injury Frequency Rate (LTIFR) reduced by 27% from last year.

Despite all its earnest efforts, the Company lost two of its team members in work-related incidents. Every LTI is investigated to analyse the root cause and corrective actions are taken through an incident management process. The Company has responded to these incidents by increasing its safety efforts and creating awareness on the importance of vigilant behaviour at all levels. Across all operations, over 300,000 man-hours of safety training and 61 mock drills were conducted during the year.

The Company continued its journey to embed a zero harm culture, with targeted programs for high-risk activities. The approach begins with hazard identification and risk assessment. Management systems are designed to identify and remove unsafe conditions, train people in safe practices and inspire correct behaviour through management leadership.

The Company has established occupational health centres at all major mines and smelters, manned with experts for regular health examination of employees and contract employees. The health management process includes a pre-employment medical check-up followed by periodical medical check-ups with on-site medical professionals to

monitor the occupational exposure limits. The Company continuously invests in technologically advanced processes that reduce possible exposure levels, including pollution control equipment, effluent treatment, sewage treatment and proper storage of hazardous chemicals.

During the year, almost 18,000 persons including contract employees underwent periodical and initial medical examinations. No occupational disease case was reported in FY 2015.



Safety Interaction by Mr. Anil Agarwal (2nd from left), Chairman - Vedanta Resources and Mr. Sunil Duggal (2nd from right), Dy. CEO – Hindustan Zinc





Safety Training



Emergency Drill

### Safety Excellence Journey, 'Aarohan'

Building a positive safety culture requires long distances to be travelled in terms of commitment, initiatives, implementation and continual improvement. Hindustan Zinc is now in its second year of a multi-year journey, aptly named 'Aarohan,' which means to step up or climb, in association with DuPont which provides expertise in providing high-end training programs and practical solutions for safety.

### Life Saving Rules

Adherence to life saving rules is mandatory for all employees including contract employees.



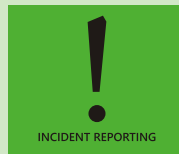
Do not override & interfere with any Safety features/devices

Do not override & interfere with any Safety features/devices



Follow permit to work system

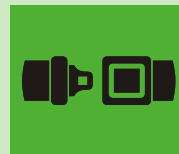
Follow permit to work system



INCIDENT REPORTING

Immediately report all incidents

Immediately report all incidents



Always fasten seat belt while travelling

Always fasten seat belt while travelling



No person shall enter the plant under the influence of alcohol or drugs of abuse

No person shall enter the plant under the influence of alcohol or drugs of abuse



Mandatory and job specific PPE's must be used

Mandatory and job specific PPE's must be used

### Sustaining Environment

The Company operates responsibly with minimal footprints on water, carbon, land and hazardous wastes and cares for people & biodiversity around its operations. Key focus areas of the Company are conservation of mineral resources and judicious use of limited resources like water and energy.

#### 'Zero Harm' approach:

- Sustainable use of natural resources in all operations, especially water
- Replacing every ton of ore mined through active mineral exploration program
- Minimal waste generation using 4R concept of reduce, reuse, recycle, reclaim as well as gainful utilisation of waste using eco-friendly methods
- Responsible stewardship towards biodiversity management at all operations

The Company continuously invests in environment friendly technologies that result in conservation of water and power. All operations are based on zero water discharge principle and the Company is working on gainful utilisation of waste generated at its mines, smelters and power plants. All major operational sites have robust environment management system and are ISO: 14001 International Standard Certified. The Company has been constantly enhancing technical capabilities for better recoveries of main products and by-products. Its sustainability policies proactively address the impact of climate change and other global environmental issues. The Company is committed to measuring, controlling and reducing air emissions, improving air quality at each operating site and implementing systems & procedures to address the concerns of local communities in addition to complying with the environmental license conditions.

## Conserving Energy

***The world is facing an energy crisis. Reducing energy consumption in all forms is an integral part of our business strategy.***

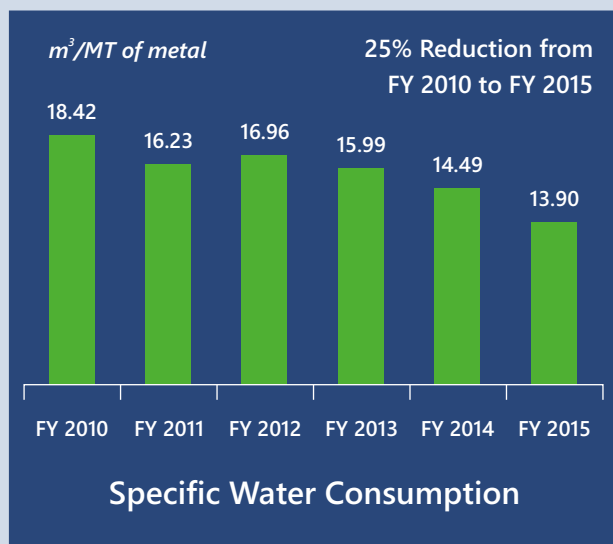
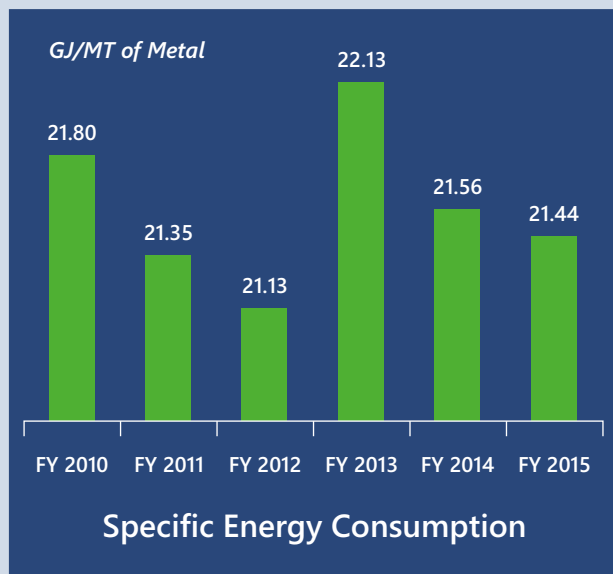
Coal, diesel, LPG, propane and grid power are the major sources of energy for Hindustan Zinc. In an effort to develop access to renewable sources, the Company installed 274 MW of wind power and 35 MW of waste heat recovery plants. Additionally, it focuses on reducing energy consumption through various in-process innovations and adoption of best practices like increasing machine productivity, variable frequency drives and improving throughput to reduce specific energy consumption.

The Company has been able to stabilise its energy consumption despite increase in mining depths.

## Reducing Water Footprint

***As our operations are in Rajasthan, a water scarce region, it is important that every drop of water is treated as a critical resource and its consumption is minimised.***

The Company is continuously identifying opportunities for water access, reuse, efficient use and responsible waste water management. All operational locations are zero discharge. The Company proactively manages water usage and also promotes sustainable use of water in agriculture practices in the nearby communities. Cloud seeding, Adiabatic Cooling tower, multiple effective evaporator, deep cone thickener, air cooled condensers, sewage treatment and rainwater harvesting are some of the key initiatives towards managing water resources.



## Conserving Climate

Minimising our contribution in global climate change is an important aspect of our sustainability program.

The Company has 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). During the year, about 250,000 Certified Emission Reduction (CER) were granted for wind power projects in Gujarat and Karnataka and also 341,182 Voluntary Emission Reduction were verified for wind power project in Rajasthan, Karnataka, Tamil Nadu and Maharashtra.

The Company also has 34.4 MW of power capacity through waste heat recovery and 21 ton per hour low Calorific Value boilers for steam generation projects registered under CDM. These projects have total CERs

potential of about 690,000 tons of CO<sub>2</sub> emission per annum. The Company has been voluntarily filing Carbon Disclosure Project responses over the years as a proactive step towards reporting its carbon footprint.

## Conserving Biodiversity

We have a separate policy on biodiversity as we stay committed to prevent risk on biodiversity throughout our business by conserving rare and endangered species as well as high priority conservation areas.

Biodiversity assessment studies for all operating sites were conducted under Vedanta Sustainability Framework and biodiversity management plans have been developed. Intensive plantation has been carried out over the years across all operations and as on date more than 1.4 million saplings have been planted. The Company has also undertaken several initiatives for conservation and rehabilitation of indigenous plant and animal species.

## Peacock Conservation at Kayad Mine

At Kayad, a detailed biodiversity study has been carried out for fauna and flora in core zone (mine lease) and buffer zone (10km radius of the periphery of the mine lease). We have set up a conservation plan for Indian Peafowl or Peacock in consultation with State Forest and Wildlife Department which has been approved from Chief Conservator of Forest and Wild Life, Jaipur. Peacock is the national bird of India and is a protected species.



## Managing Waste

We undertake continuous improvement projects to optimise our waste efficiency by reducing waste generation and maximising waste recycling.

The Company's adoption of the '4R' waste strategy and eco-friendly disposal of process residues has been fairly effective. It has clearly defined waste segregation

practices for recycling hazardous and non-hazardous waste. In FY 2015, around 232,000 MT of fly ash and about 74,000 MT of furnace slag was reused for cement manufacturing.

The Company is exploring opportunities for gainful utilisation of waste in eco-friendly manner to achieve its target of zero waste.

## Gainful Utilisation of Waste Rock Generated from Kayad Underground Mine

Amongst our success stories of waste management is the recent utilisation of excess quantity waste rock after back filling. It was identified that the rocks were suitable for laying the tracks on its Dedicated Freight Corridor Railway double line works. The utilisation was approved by Ministry of Railways for formation in embankments and ballast section of railway line.



Grateful to Hindustan Zinc for supporting me when I had lost hope

**Bhakti Sharma**

Bhakti Sharma has set a world record by swimming 1.4 miles in 52 minutes in freezing water of Antarctic Ocean. She is the first women of India & Asia, and also the youngest citizen of the world to achieve this feat. Bhakti Sharma has conquered all the five oceans of the world.



**Surgyan Kunwar from Kayad village**

With five children Surgyan has a large family. Few years ago, she and her husband were falling short of meeting even the basic needs of the family. The kids had no choice but to discontinue education. Encouraged by some of her friends, she joined the 'poultry rearing training programme' at the SHG supported by Hindustan Zinc. She is now running a fairly successful poultry business and has become a significant contributor to the family income. The children are back to school and so are the smiles on their faces.

**Tulsi Dangi and from Kaladwas village**

Tulsi Dangi is one amongst the thousands of rural women who have participated in the 'Tailoring Training Programme' supported by Hindustan Zinc. The training gave her an opportunity to start her own tailoring outlet which has become a source of additional income for her family. She expresses her satisfaction in the fact that she is able to tend to the nutritional needs of her growing children.



## Women Empowerment



### Formation & Training to Self Help Groups

(Partner: SHGs)

- Flagship campaign "Sakhi" for rural and tribal women empowerment
- Formation of SHGs for socio-economic empowerment; trainings on income generating skills
- Health camps to provide quality health service to rural women

## Sanitation



### Project 'Maryaada'

(Partner: Govt. of Rajasthan, FINISH)

- Constructed over 11,000 toilets in association with NGOs & Govt. of Rajasthan
- Seven villages declared 'Open Defecation Free Villages'

## Child Welfare



### Vedanta Bal Chetna Anganwadi Project

(Partner: GoR, Vedanta Foundation)

- Child care campaign "Khushi" for providing nutrition, primary health and education to children
- Adoption of child care 'Anganwadi' centres

## Healthcare



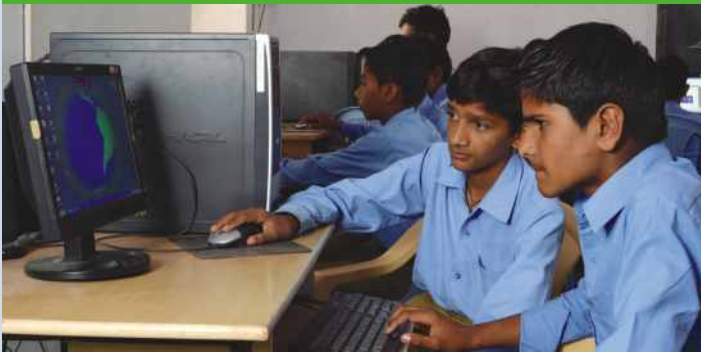
### Vedanta Heart Hospital, Udaipur

(Partner GoR)

- Vedanta Heart Hospital in Udaipur benefitting rural population of Rajasthan
- Upgradation of Gastroenterology & Nephrology ward in RNT Medical Hospital
- Free services to BPL patients

Hindustan Zinc believes in sustainable development and is committed to raise the quality of life and economic well-being of the communities where it operates. In view of fulfilling these commitments, we are working in identified 184 villages in the vicinity of our mining and smelting operations, positively impacting the lives of more than 500,000 people. Our CSR initiatives have been prioritised on local needs, which focus on health, education, sanitation, sustainable livelihood, women empowerment and community assets.

## Education



### School Adoption Programme : Shiksha Sambal

(Partner: GoR)

- 152 Govt. Schools adopted benefitting 7,000 students
- School dropout rate reduced from 40% to 7%.
- 20 girls sponsored for higher education

## Vocational Programme



### Training facilities to Rural Youth

(Partner: Sankalp & PDI)

- Training imparted to 562 persons in mining, drilling, welding, electrical, computers etc.
- 80% of trained individuals earning between ₹ 5,000 to ₹ 20,000 per month

## Agriculture



### Integrated Agriculture Development Plan

(Partner: BAIF, RRIDMA)

- Training to farmers on improved agriculture practices, benefitting over 5,000 farmers

## Livestock



### Integrated Livestock Mgmt. Plan

(Partner: BAIF, RRIDMA)

- Artificial inseminations of cattle, vaccination drive, veterinary camps and training to farmers covering 1.25 lac cattle

Our risk management framework goes far beyond traditional boundaries and seeks to involve all key managers of the Company. 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. There is a formal monitoring process at unit and company level, wherein new risks are identified, categorised as per impact & probability, mapped to key responsibilities of select managers and managed with appropriate mitigation plan.

To ensure transparency and critical assessment, we have a Group Management Assurance System that coordinates the risk management system. The risk management framework is reviewed annually by the Audit Committee on behalf of the Board. In accordance with Clause 49 of the Listing Agreement, a new sub-committee of the Board has been formed comprising CEO, CFO and Chairman of the Audit Committee with Head of Group Management Assurance as a permanent invitee.

### The Company's risk management framework includes:

- Risk management policy
- Risk organisation structure
- Roles and responsibilities for managing risks
- Risk assessment process guidelines
- Templates for documenting, reporting and monitoring risks

Below are significant potential risks of the Company and measures in place to mitigate them.

## 1 Project risk

**The Company's current and future 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.**

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 Rampura Agucha underground project is behind schedule, which will be compensated with the recently announced plan for the extension of the open cast mine.

Risk of delays in approvals or renewals is minimal, considering that most of our expansion projects are at existing operational sites and with the MMDRA Act 2015, all existing mining leases have been extended at least till



2030. Other mitigation measures like continuous dewatering during rainy season, insurance, best-in-class equipment and skill development for underground mining are in place.

## 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 cost. It consistently works towards maintaining or improving commercial and operational efficiencies. For this, the Company proactively undertakes process improvements, benchmarks with best-in-class peers, increase automation to reduce manual-interface and focuses on asset optimization & utilization. It engages with reputed vendors in long term contracts and tries to maximize rail transportation. The Company maintains cordial relations with employee unions and has recently signed long-term wage agreement. Further, there is a comprehensive insurance program to reduce risks.

## 3 People risk

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

The Company has a well thought out plan for right people at the right place. To overcome the shortage of underground mining professionals, the Company is engaging international contractors and recruiting expatriate & experts and is also supporting local skill development through a mining academy. 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) risk

**The Company's profitability depends on its ability to access mineral reserves that have geological**

**characteristics enabling mining at competitive costs.**

The Company continues to access its mineable R&R using the latest techniques. It has a track record of high conversion of resource to reserve and adding more to R&R every year than depletion. The Company also engages the services of independent experts annually to ascertain and verify the quantum and grade of R&R. The technical team continuously keeps monitoring the mineralogy of future mineable resource and backs it up with required technological inputs to address any adverse changes. With the enactment of MMDRA Act 2015, greater transparency is expected in granting of mineral concessions which should speed up the approval process. Additionally, the Company has an active brownfield exploration program and has a portfolio of tenements where it has preferential right under MMDRA Act 2015.

## 5 Safety, health and environment risks

**The Company is engaged in mining and smelting activities, which are inherently hazardous. Any accident, explosion or leakages of hazardous emissions and wastes may cause property or bodily damage and adversely impact surrounding communities and environment. Such incidents may result in litigation, disruption to operations, penalties and loss of goodwill.**

Creating a safe organization with safety as line function accountability is the Company's priority. The four-year project with Du Pontto enhance safety culture commenced in October 2013 and is progressing well. The Company's aim is to embed behavioural safety culture and is accordingly standardizing safety trainings in mining and non-mining operations. The Company regularly monitors occupational health and hazard identification & analysis has been incorporated in all critical operations. The Company focuses on capturing leading indicators to eliminate accidents while continuing to invest in training its employees and contractors.

Further, the Company has structured plant inspections for hazardous waste and emission reduction at shop floor level through process control and critical interlocks. Subject matter experts are involved in mapping environmental hazards and developing mitigation plan.

All safety and environmental incidents are thoroughly investigated for root cause analysis and to eliminate recurrence.



## 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.**

The Company proactively liaisons with prominent local bodies and engages with local community through CSR activities to have positive impact on the people around its operations. Education, skill development and infrastructure creation are the cornerstones for many of our CSR projects. For further details of CSR activities, refer to page 45 to 47.

The Company has undertaken several initiatives to control air, water and noise pollution which are mainly: dust suppression by water sprinkles, controlled & delayed blasting for minimal vibrations and dust, wet drilling, waste dump management, tailing water recycling, extensive plantation all around mines and smelters and regular air, water and noise monitoring etc.

## 7 Currency and price risk

**The Company's finished products are priced with reference to international metal exchanges in London. Any adverse fluctuation in prices or rupee appreciation has direct impact on the Company's revenue and profits. Conversely, rupee depreciation impacts project and production costs adversely while benefitting top line and bottom line.**

The Company has a well-defined policy framework to manage currency risks wherein no speculative positions are taken and endeavours to achieve month-average in currency and metal prices. This is done as per clearly laid down guidelines by the management and defined policies, internal controls and monitoring mechanisms. The policies are reviewed periodically taking stock of market conditions.

## 8 Financial risk

**Like any large and complex business, the Company's operations are prone to interest rate volatility on treasury funds, counterparty 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 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 counterparty 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 has been reviewed by an external agency for having highest credit quality after evaluation of underlying portfolio and exposures. The Company runs a well-structured insurance program balancing risks and costs and encompassing loss of profits and project risks, in addition to traditional asset risks.

## 9 Natural resource risk

**Lack of availability of natural resources like water, energy and land will hamper Company operations and impact future projects.**

The Company has implemented several projects to reduce energy and water consumption. The Company has developed several water sources in conjunction with the government. A Sewage Treatment Plant was set up in Udaipur which not only reduces inflow of sewage into local lakes but also provides a sustainable water source to its operations.

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 for indigenous sourcing.

Furthermore, as the Company's expansions are currently brownfield projects, additional land requirements are minimal.

## 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 well versed and strong team of professionally qualified experts to manage compliance with laws and has built in adequate checks and balances to monitor compliance through technology. Increased revenue collection targets by authorities often results in challenging established norms leading to unnecessary tax disputes & litigation and posing a threat to industry's profitability.

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 risks

**"Corruption, embezzlement, fraud, these are all characteristics which exist everywhere. It is regrettably the way human nature functions, whether we like it or not..." - Alan Greenspan**

With ever increasing automation, an extended failure of critical system components, caused by accidental or

malicious actions, including those resulting from a cyber security attack, could bring the operations to a standstill or much 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 attacks. 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. The Company carries out periodic penetration testing and vulnerability assessment.

There is a strong Code of Conduct and the Company encourages reporting of irregularities through the whistleblower mechanism. During the year, after review, we blacklisted several vendors and separated employees for violation of the 'Code'. The weakest link in the security chain is the human element and we are further strengthening the processes and internal controls.

### Internal Controls

We have effective and adequate internal audit and control systems, commensurate with our business size. Regular internal audit visits to the 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' direct reporting to the Audit Committee. Details on the composition and functions of the Audit Committee can be found in the chapter on Corporate Governance of the Annual Report.

## Dear Members

In the golden jubilee year of the Company's operations, the Directors are pleased to inform that Hindustan Zinc has achieved new performance benchmarks and delivered the highest ever operating profit, net profit and mined metal output.

Presenting the 49th Annual Report, together with the statement of Audited Financial Statements for the year ended March 31, 2015, the Company's performance is summarized below:

### Financial Highlights

(₹ in Crore)

	FY 2015	FY 2014
Total Revenues (including other income)	17,609	15,535
Profit before depreciation, interest and tax	10,238	8,799
Less: Interest	24	45
Less: Depreciation and amortization expense	644	785
Profit before tax	9,570	7,970
Net tax expense / (benefit)	1,392	1,065
Profit for the year	8,178	6,905
Earnings per equity share, ₹	19.35	16.34

### Dividend

The Board of Directors has recommended a final dividend of 125%, i.e. ₹ 2.50 per share on equity share of ₹ 2 each, subject to the approval of shareholders. This takes the total dividend for FY 2015 to 220%, i.e., ₹ 4.40 per share, which is the highest ever proposed by the Company. The total outgo on account of dividend, including tax on dividend, will be ₹ 2,207 Crore during FY 2015, as against ₹ 1,730 Crore in FY 2014.

### Financial Performance

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

#### Total revenue including other income

The Company reported total revenue including other income of ₹ 17,609 Crore, an increase of 13.3% compared to FY 2014. The increase was driven primarily by higher zinc LME price & premium and a surge in treasury income, partially offset by lower silver prices and lower zinc & silver sales.

The other income was ₹ 2,821 Crore during the year, up 48.6% as compared to the previous year. The substantial increase in other income was driven by mark-to-market gains in debt mutual fund and bond investments due to fall in interest rates as well as higher investment corpus.

### Production Cost

Net zinc metal cost, without royalty, during the year, was higher by 5.1% in INR and 3.9% higher in USD term, at ₹ 53,228 (\$870), compared with the previous year. The increase was on account of long-term wage agreements and higher landed coal cost, partly offset by higher acid realisation and lower diesel cost.

### Operating margin

The Company achieved profit before depreciation, interest and tax (PBDIT) of ₹ 10,238 Crore in FY 2015, up 16.4% from a year ago, benefiting from higher total revenue including other income, partially offset by increase in royalty rates and impact of long-term wage settlements.

### Net Profit

The Company reported record profits of ₹ 8,178 Crore for the year, an increase of 18.4% from the previous year. The positive impact of higher PBDIT was accentuated by lower depreciation expense due to change in depreciation policy as elaborated later in this report, partly offset by higher tax during the year.

### Credit Rating and Liquidity

CRISIL has reaffirmed the Company's long-term rating of AAA/Stable and short-term rating of A1+. The Company's strong financial risk 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 high quality debt instruments. As on March 31, 2015, cash and cash equivalents were ₹ 30,785 Crore, out of which ₹ 23,333 Crore was invested in mutual funds, ₹ 3,921 Crore in bonds and ₹ 3,502 Crore in fixed deposits. The Company continues to be debt free.

## Cash Flows

(₹ in Crore)

Particulars	FY 2015	FY 2014
Opening Cash*	25,535	21,479
Add: EBITDA**	7,420	6,913
Add: Net Interest Income	2,798	1,842
Less: Income Tax & Dividend	(3,912)	(3,177)
Less: Capital Account Payments	(1,617)	(1,748)
(Increase) / Decrease in Working Capital & Others	561	226
Closing Cash Balance	30,785	25,535

(\*) Includes Cash and Cash Equivalents (refer Note 15 of the Audited Financial Statements) and Current Investments (refer Note 12 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 increased from ₹ 1,933 Crore to ₹ 2,303 Crore as at March 31, 2015 due to reduced bill discounting, higher advances and accretion to

ore and own mined-metal inventory, even as store & spares inventory was reduced during the year. The working capital cycle was 57 days in FY 2015 as compared to 52 days in FY 2014.



### Gross Block

The gross block during the year increased from ₹ 15,125 Crore to ₹ 16,555 Crore. This was largely due to the ongoing mining projects and other sustaining capex.

### Capital Employed

The total capital employed as at March 31, 2015 was ₹ 12,568 Crore, as compared to ₹ 11,883 Crore at the end of previous fiscal year. The increased capital employed was basically on account of increase in net fixed asset and net tax recoverable as reduced by higher dividend provision and decrease in net working capital.

### Contribution to the Exchequer

The Company has contributed ₹ 5,158 Crore, in terms of royalties, taxes and duties to the exchequer on cash basis.

## Operational Performance

### Production

#### ***We delivered highest ever mined metal production in FY 2015***

Mined metal production was 887,082 MT, marginally higher from a year ago and the highest ever. The increase was as per the mine plan of Rampura Agucha and Sindesar Khurd mines, driven by higher ore production.

Integrated refined zinc and saleable lead production this year were 720,793 MT and 105,236 MT, a decrease of 3% and 5% respectively. The decrease was due to lower mined metal production in the first half. However, higher mined metal production volumes were achieved in the second half resulting in accretion to mined metal inventory. The total refined zinc was 733,803MT, lower by 2% compared to previous year, while total saleable lead production was 127,143 MT, an increase of 4% compared to FY 2014.

During the year, production of integrated saleable silver declined by 11% to 266 MT due to temporarily lower grades at Sindesar Khurd mine. Total saleable silver production was 328 MT, down 6% from FY 2014.

Our total power generation in FY 2015 was 3,380 million units, almost same as last year. Our wind power generation was down 1% at 444 million units.

### Sales

The refined zinc metal sales in the domestic market during

the year was 483,361 MT, while export sales accounted for 252,422 MT. Global concerns around European economy and cheaper imports of steel and related value added products from China, especially in the second and third quarter of the fiscal, contained growth in domestic demand. As a result, this year we exported higher tonnages.

Lead metal sales in the domestic market during the year was stable at 107,888 MT, with export sales being higher at 20,864 MT. Silver sales were 327 MT in FY 2015, all in the domestic market.

### Reserve and Resource

The Company's exploration activity has consistently added to its reserve and resource base over the last several years. Additionally, there is an active green field exploration strategy to add new tenements. The Company has added 19.4 million MT to our reserve and resource this year, prior to a depletion of 9.4 million MT during the period. Total reserve and resource on March 31, 2015 were 375.1 million MT containing 35.3 million MT of zinc-lead metal and 970 million ounces of silver.

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

## Major Developments During The Year

### Royalty

Zinc and lead mining royalty increased w.e.f September 1, 2014. Zinc royalty increased from 8.4% to 10.0% and lead royalty increased from 12.7% to 14.5% of respective LME prices chargeable on contained metal in the ore produced. Silver royalty remained unchanged at 7% on metal produced.

### MMDR (Amendment) Act 2015

The new MMDR (Amendment) Act, notified on March 26, 2015 and effective from January 12, 2015, brings greater transparency in granting of mineral concessions. It also removes uncertainties relating to mine lease renewals, providing continuity of all our mining leases at least till 2030. However for existing mining leases, it notifies an amount not exceeding royalty, to be contributed to District Mineral Foundation (DMF) for the benefit of people affected by mining and an additional amount of

2% of royalty to National Mineral Exploration Trust. While the exact percentage for DMF contribution has not been notified, it can potentially impact mining of low grade and deep ore bodies which will not be conducive to the growth of mining in the country.

Pursuant to introduction of MMDR (Amendment) Act, the Company has created additional provision amounting to ₹ 119.98 Crore in the current quarter under the head 'Royalty' based on management estimates.

The MMDR (Amendment) Act strengthens the Company's four Mining Lease application in Rajasthan and 20 of 34 Prospecting Lease applications derived from Reconnaissance Permits (RP) will be processed under preferential right. However, its RP applications are no longer valid.

### Long Term Wage Settlements

During the year, long term wage agreement for five years was signed with workmen retrospectively from July 1, 2012. Subsequently, the Company's contractors also entered into agreements with their workforce for similar long term wage agreement. This resulted in increasing the annual wage bill by ₹ 110 Crore in addition to which arrears of ₹ 103 Crore were accrued. The aggregate impact to the profit for the year was ₹ 213 Crore, split between 'employee benefit expenses' and 'other mining and manufacturing expenses'.

### Change in Depreciation Policy

With effect from April 1, 2014, the Company has revised the estimated useful lives of certain assets resulting in a write back of depreciation of ₹ 180.5 Crore during the year (refer Note 30 of Notes to Financial Statement).

### Projects

During the year, the Board approved deepening of the open cast mine by 50 metres which will extend mine life to FY 2020 and ensure a stable transition from open pit to underground mining at Rampura Agucha. Preparatory work has commenced for pit deepening.

The shaft sinking project at Sindesar Khurd is ahead of schedule with the main shaft sinking almost complete, having reached a depth of over 1 km. Development of associated infrastructure is also progressing well and production from the shaft is planned to commence ahead

of schedule, in later half of 2018.

The progress of underground shaft project at Rampura Agucha is behind schedule and has reached a depth of 650 metres of the planned depth of 950 metres. With the planned extension of the open cast mine, the overall production from the Rampura Agucha ore body will be on track.

In the second quarter of FY 2015, environmental clearance was received for enhancement of production capacity of Kayad mine from 0.35 to 1.0 million MT per annum.

### Outlook

Significant progress is expected in terms of mine development and ore production from the underground mine projects. Rampura Agucha will continue to provide majority of mined metal in FY 2016, although overall production from this mine will be less than in FY 2015. The gap in production will be made up primarily by higher volumes from Sindesar Khurd.

In FY 2016, mined metal production is expected to be higher from FY 2015, while integrated refined metal production, including silver, will be significantly higher as available mined metal inventory will also be processed.

The cost of production excluding royalty is expected to remain stable. There would be an additional outflow towards DMF and National Mineral Exploration Trust in accordance with the MMDR (Amendment) Act 2015.

### 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 42 last year to 30 this year. Similarly, the Lost Time Injury Frequency Rate reduced by 27% to 0.64 from a year ago. However, despite all our earnest efforts, the Company lost two valued contract employees in work-related incidents.

During the year, no occupational illness case was reported and over 300,000 man-hours of training related to sustainability were imparted.

Due to continued efforts to conserve water and energy, specific water consumption reduced by 21% to 11.95 m<sup>3</sup> per MT during the year, while specific energy consumption

reduced to 21.44 GJ per MT from 21.56 GJ per MT in previous year.

HSE initiatives have been discussed in detail from page 40 to 44 in 'Business Review', which forms a part of this Annual Report.

### Corporate Social Responsibility (CSR)

During the year, the Company introduced a new CSR Policy emphasising its focus on community development projects, prioritizing local needs in the area of education, health, livelihood and environment, for ensuring long term sustainable benefits. Detailed policy is available on our website <http://hzlindia.com>

The Company has undertaken several projects to raise the quality of life and social well-being of the communities where it operates. Some of the key projects initiated during the year are:

- Under 'Swachh Bharat Abhiyanan', MoU was signed with District Education Departments of Udaipur, Chittorgarh, Bhilwara, Rajsamand and Ajmer for construction of 623 toilets in 459 government schools.
- The flagship campaign "Sakhi" on rural and tribal women empowerment was launched and to culminate the campaign Hindustan Zinc 'Sakhi' Awards - 2014' were organized in Jaipur.
- MoU was signed with BAIF for agriculture and livestock programme at all our locations.
- MoU was also signed with MB Government hospital, Udaipur to set up a catheterization laboratory for Vedanta Heart Hospital.

During the year, ₹ 59.28 Crore was incurred on account of expenditure towards CSR. Details of the same are provided in annexure 5. This includes depreciation on assets amounting to ₹ 2.67 Crore.

For details on existing CSR projects, please refer to page 45 to 47 of 'Business Review', which forms a part of this Annual Report.

### Directors

During the year under review, following changes took place in the Board of Directors of your Company. Mr. Sudhaker Shukla was appointed as additional director

in place of Mr. Durga Shanker Mishra, who ceased to be Director. On the expiry of the appointed tenure, Mr. Rajib Sekhar Sahoo and Ms. Shaukat Ara Tirmizi ceased to be directors on the Board. Further, Mr. Arun L. Todarwal and Mr. R. Kannan were appointed as Additional Directors during the year whose tenure expires at the ensuing Annual General Meeting and in respect of whom the Company has received notice(s) in writing from member(s) alongwith the deposit(s) of requisite amount under section 160 of the Act proposing the candidature of Mr. Sudhaker Shukla, Mr. Arun L. Todarwal and Mr. R. Kannan for the office of Director of the Company. Mr. Agnivesh Agarwal retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting as Director. The retiring Director does not hold any shares in the Company. Your Directors recommend their reappointment.

In terms of Clause 49 (II A), the Company is required to have one half of total Directors as independent Directors. However, at the year end, the Company is having one independent Director short. The Company is pursuing the matter for appointment of independent Director with the Government of India, Ministry of Mines for completing the requirement of Clause 49 (II A).

### Management Discussion and Analysis

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

### 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 and initiatives taken during the year; Board evaluation; remuneration of the Managerial Personnel; Secretarial Audit report etc.

### 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 has been followed along with proper explanation relating to material departures, if any.
- 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 had 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 had prepared the annual accounts on a 'Going Concern' basis.
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and
- vi. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 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, 2015. Their term of appointment expires at the conclusion of the forthcoming Annual General Meeting and being eligible, they have offered

themselves for reappointment. The Directors propose their reappointment.

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.

M/s. V. M. & Associates, Company Secretary in practice was appointed as Secretarial Auditor of the Company

### Particulars of Employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

### Acknowledgments

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

**Akhilesh Joshi**  
CEO & Whole-time Director

**A R Narayanaswamy**  
Director

Place: Mumbai  
Date: April 20, 2015



## 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, 2015.

### A) Conservation of Energy

1. Installation of variable frequency drive in Cooling Venturi fan in sinter plant
2. Installation of variable frequency drive in Induced Draft fan of all captive power units at Chanderiya
3. Modified lighting circuits by providing timer for day lights at Hydro-2 plant in Chanderiya
4. Installation of energy saving Warman pump in one of the stages of grinding pumps at Rampura Agucha
5. Replaced water cooled compressors with air cooled screw compressors in Balaria and Mochia mines
6. Changed Zawar mines diesel generator set operation from fuel oil to high speed diesel
7. Replacement of old motors with energy-efficient motors at Balaria mine

### B) Technology Absorption

#### a. Specific areas in which R&D has been carried out by the Company in FY 2015

1. Successfully completed bench trials for recovery of copper as copper sulphate solution from lead plant dross and silver refinery slag. The recovered solution is suitable for consumption at mines.
2. Developed a process to generate bismuth compound from copper bismuth slag at Pantnagar plant.
3. Successful implementation of alternate solvent for LIX 54 100 solvent (proprietary solvent used for copper extraction) for extraction of copper at copper refinery plant at Unit-1, Chanderiya.
4. Developed an innovative flow-sheet at laboratory scale for the recovery of zinc, lead and silver from jarosite. The iron in jarosite will be purged out as iron compound. The process validation at bench scale is under progress.

5. Testing a pilot plant for generation of bulk concentrate from Rampura Agucha tailings.

#### b. Benefits derived as result of above R&D

1. Enhancement in value of by-products generated during pyrometallurgical processes by recovering entrapped metals.
2. Reduction in cost of production by in-house production for low cost reagents and exploring new alternate low cost reagents. In addition, these have also improved plant performance.
3. Improved beneficiation plant performances by mineralogical studies, plant audits and simulation - modeling studies to optimize process parameters for lower specific energy consumption, reduced reagent consumption and use of cost effective reagents.

#### c. Future Projects for R&D in FY 2016

1. Exploring low-cost substitute reagents for depressing graphite and pyrite in milling process
2. Bench marking grinding circuit of all mills through modeling and simulation studies to achieve reduction in unit power consumption and also increase plant capacity by optimizing grind size
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 waste metals from secondaries

### C) Foreign Exchange Earnings and Outgo

During the year, foreign exchange outgo was ₹ 1,490 Crore (which includes import of capital goods, stores & spares, coal, raw materials, consumables, consultancy, traveling etc.), while foreign exchange earned was ₹ 3,826 Crore. The details have been given under item numbers 41 to 43 of Notes to Financial Statements.

**Form 'A'**

Form for disclosure of particulars with respect to conservation of energy

Particulars	Unit	Year ended March 31, 2015	Year ended March 31, 2014
<b>A Electricity, Power Generation &amp; Fuel consumption</b>			
Purchase units	Million Kwh	198	226
Total amount	₹ Crore	108.85	114.21
Average rate of purchasing	₹ /Kwh	5.50	5.06
<b>CPP - Units generated from fuel oil</b>			
Own generation units (from fuel oil)	Million Kwh	8	15
Quantity consumed			
LSHS/FO	MT	275	227
HSD	KL	1869	3575
Total amount	₹ Crore	11.15	21.32
Average cost of fuel per kg	₹ /Kg	61.71	67.55
Average cost of generation	₹ /Kwh	14.21	14.62
Unit generated per unit of fuel (LSHS/FO/HSD)	Kwh/Kg	4.34	4.62
<b>CPP - Units generated from coal</b>			
Own generation units (from coal)	Million Kwh	3,268	3,361
Quantity consumed			
Coal	MT	1,606,446	1,617,538
LDO	KL	697	619
Total amount	₹ Crore	1,042.69	994.29
Average cost per kg (coal)	₹ /Kg	6.47	6.12
Average cost per kg (LDO)	₹ /Kg	58.82	54.26
Average cost of generation	₹ /Kwh	3.38	3.11
Unit generated per unit of fuel (coal)	Kwh/Kg	2.24	2.29
<b>B Fuel consumption for Metal Production</b>			
(a) LPG/Propane			
Quantity	Million Kg	5.81	6.03
Total amount	₹ Crore	34.00	39.70
Average cost per kg	₹ /Kg	58.56	65.79
(b) LDO/LSHS/FO			
Quantity	KL	13,358	20,632
Total amount	₹ Crore	50.08	96.49
Average cost per litre	₹ /Litre	37.49	46.77
(c) Coal for steam & others			
Quantity	MT	27,834	27,443
Total amount	₹ Crore	18.69	16.71
Average cost per MT	₹ /MT	6,714	6,088
(d) Met coke & coke breeze			
Quantity	MT	131,874	126,446
Total amount	₹ Crore	198.36	217.97
Average cost per MT	₹ /MT	15,042	17,238

## Certificate of compliance with the Code of Conduct Policy

As provided under Clause 49 of the Listing Agreement with the Bombay Stock Exchange and the National Stock Exchange (India) Limited, 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, 2015.

For **Hindustan Zinc Limited**

**Akhilesh Joshi**

CEO & Whole-time Director

Place: Mumbai

Date: April 20, 2015

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration 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, 2015 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 Hindustan Zinc Limited for the financial year ended on March 31, 2015 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;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (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; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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 with BSE Limited 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 that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and 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 paragraph II A of Clause 49 of the Listing Agreement, the Company falls short by one independent Director.* 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.

Place : Jaipur  
Date : April 20, 2015

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

**CS Manoj Maheshwari**  
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**

**Akhilesh Joshi**  
CEO & Whole-time Director

**A.R. Narayanaswamy**  
Director

Place: Mumbai  
Date : April 20, 2015

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 31.03.2015

[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. Company
v) Address of the Registered office and contact details	: Yashad Bhawan, Udaipur -313004 (Rajasthan) Email id: hzl.ir@vedanta.co.in Phone No: 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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the company
1	Zinc	27204	76.06%
2	Lead	27209	12.23%

#### III. Particulars Of Holding, Subsidiary And Associate companies -

Sl.No	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	Sesa Sterlite Ltd.	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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.- Sesa Sterlite Ltd.	2743154310	0	2743154310	64.92	2743154310	0	2743154310	64.92	0
e) Banks / FI									
f) Any Other									
<b>Sub-total (A) (1) :</b>	<b>2743154310</b>	<b>0</b>	<b>2743154310</b>	<b>64.92</b>	<b>2743154310</b>	<b>0</b>	<b>2743154310</b>	<b>64.92</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other									
<b>Sub-total (A) (2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>2743154310</b>	<b>0</b>	<b>2743154310</b>	<b>64.92</b>	<b>2743154310</b>	<b>0</b>	<b>2743154310</b>	<b>64.92</b>	<b>0</b>
<b>B) Public shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds/UTI	48373766	268000	48641766	1.15	34775891	267000	35042891	0.83	-0.32
(b) Financial Institutions / Banks	2862094	45000	2907094	0.07	751251	45000	796251	0.02	-0.05
(c) Central Government/ State Government(s)	1247950590	0	1247950590	29.54	1247950590	0	1247950590	29.54	0
(d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e) Insurance Companies	22535953	0	22535953	0.53	22995953	0	22995953	0.54	0.01
(f) Foreign Institutional Investors	87147066	0	87147066	2.06	106098335	0	106098335	2.51	0.45
(g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h) Any Other (specify (h-i) (h-ii))	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	<b>1408869469</b>	<b>313000</b>	<b>1409182469</b>	<b>33.35</b>	<b>1412572020</b>	<b>312000</b>	<b>1412884020</b>	<b>33.44</b>	<b>0.09</b>
<b>2. Non-Institutions</b>									
(a) Bodies Corporate	26770901	111000	26881901	0.64	24221748	137000	24358748	0.58	-0.06
(b) Individuals	38791203	1944187	40735390	0.96	35141907	1806387	36948294	0.87	-0.09

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 Rs 1 lakh	3115678	60000	3175678	0.08	3041931	60000	3101931	0.07	-0.01
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	-	-	-	-	-	-	-	-	-
(c) Any Other (specify)									
(c-i) NRI	1334501	0	1334501	0.03	1389847	0	1389847	0.03	0
(c-ii) NRI-COMPANY	0	830000	830000	0.02	0	804000	804000	0.02	0
(c-iii) foreign individual	6251	0	6251		1250	0	1250		
(c-iv) foreign corporate Bodies	18500	0	18500		2676600	0	2676600		0.06
<b>Sub-Total (B)(2)</b>	<b>70037034</b>	<b>2945187</b>	<b>72982221</b>	<b>1.73</b>	<b>66473283</b>	<b>2807387</b>	<b>69280670</b>	<b>1.64</b>	<b>-0.09</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1478906503</b>	<b>3258187</b>	<b>1482164690</b>	<b>35.08</b>	<b>1479045303</b>	<b>3119387</b>	<b>1482164690</b>	<b>35.08</b>	<b>0</b>
Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>4222060813</b>	<b>3258187</b>	<b>4225319000</b>	<b>100.00</b>	<b>4222199613</b>	<b>3119387</b>	<b>4225319000</b>	<b>100.00</b>	<b>0</b>

**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year				Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	% change in shareholding during the year	
1	SESA STERLITE LTD.	2743154310	64.92	0	2743154310	64.92	0	0	
	<b>Total</b>	<b>2743154310</b>	<b>64.92</b>	<b>0</b>	<b>2743154310</b>	<b>64.92</b>	<b>0</b>	<b>0</b>	

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

Sl. No		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
1	At the beginning of the year	2743154310	64.92	2743154310	64.92
2	Date wise Increase/Decrease in Promoters Share holding 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-
3	At the End of the year	2743154310	64.92	2743154310	64.92



## (iv) Shareholding pattern of Top Ten shareholders (other than Directors, Promoters and holders of GDRs &amp; ADRs)

For Each of the Top 10 Shareholder's	Shareholding at the beginning of the year	
	No. of shares	% of total shares of the company
<b>At the beginning of the year (01.04.2014)</b>		
1. PRESIDENT OF INDIA	1247950590	29.53
2. LIFE INSURANCE CORPORATION OF INDIA	11880593	0.28
3. JANUS OVERSEAS FUND.	10423977	0.24
4. GENERAL INSURANCE CORPORATION OF INDIA	9290000	0.21
5. EASTSPRING INVESTMENTS INDIA EQUITY OPEN LIMITED	7168890	0.16
6. HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	5683844	0.13
7. ICICI PRUDENTIAL FOCUSED BLUECHIP EQUITY FUND	5584149	0.13
8. INDIA CAPITAL FUND LIMITED	5000000	0.11
9. PICTET COUNTRY FUND (MAURITIUS) LIMITED	4929260	0.11
10. ICICI PRUDENTIAL TAX PLAN	4000000	0.09

**Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/bonus/sweat equity etc.) (31.03.2015)**

1. JANUS OVERSEAS FUND.	(-)1516567	(-)0.03
2. GENERAL INSURANCE CORPORATION OF INDIA	(-)590000	(-)0.01
3. QVT MAURITIUS WEST FUND	8588768	0.20
4. ICICI PRUDENTIAL DYNAMIC PLAN	7262798	0.17
5. HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	1506793	0.03
6. EASTSPRING INVESTMENTS INDIA EQUITY OPEN LIMITED	(-)477616	(-)0.01
7. PICTET COUNTRY FUND (MAURITIUS) LIMITED	751846	0.01
8. GOLDMAN SACHS INVESTMENTS (MAURITIUS) I LTD	5368765	0.12
9. ICICI PRUDENTIAL FOCUSED BLUECHIP EQUITY FUND	(-)920587	(-) 0.02
10. INDIA CAPITAL FUND LIMITED	5000000	0.11
11. ICICI PRUDENTIAL TAX PLAN	(-)1126767	(-) 0.02
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) (31.03.2015)**

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

## (v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	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
At the beginning of the year (01.04.2014) Rajendra Pandwal	101000	0.0024	101000	0.0024
Datewise Increase/Decrease 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 (31.03.2015)	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 (01.04.2014)				
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 (31.03.2015)				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

NIL

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (₹)
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	Mr. Akhilesh Joshi	2,82,57,524
2	Stock Option		-
3	Sweat Equity		-
4	Commission		-
	- as % of profit - others, specify		-
5	Others, please specify (ESOP of Holding Co.)		83,43,673
	Total (A)		3,66,01,197
	Ceiling as per the Act	5% of Profit after tax i.e. ₹ 408.90 Crore	

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (₹)
1.	Independent Directors	Mr. A. R. Narayanaswamy	Mr. Rajib Shekhar Sahoo	Ms. Shaukat Ara Tirmizi	Mr. Arun L Tadarwal	Mr. Kannan R.	
2.	• Fee for attending board / committee Meetings	5,30,000	2,20,000	70,000	25,000	25,000	8,70,000
3.	• Commission	7,50,000	7,50,000	7,50,000	-	-	22,50,000
	• Others, please specify	-	-	-	-	-	-
	Total (1)	12,80,000	9,70,000	8,20,000	25,000	25,000	31,20,000

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount (₹)
1.	Other Non-Executive Directors	Mr. Navin Agarwal	
2.	• Fee for attending board / committee Meetings • Commission • Others, please specify	Mr. Agnivesh Agarwal 1,70,000 15,00,000 -	4,40,400 22,50,000 -
	<b>Total (2)</b>	<b>10,20,000</b>	<b>26,90,000</b>
	<b>Total (B)=(1+2)</b>	<b>23,00,000</b>	<b>58,10,000</b>
	Overall Ceiling as per the Act	1% of Profit after tax i.e. ₹ 81.78 Crore	25,000

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Chief Executive Officer Mr Akhilesh Joshi	Company Secretary Mr R Pandwal	Chief Financial Officer Mr Amitabh Gupta		
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-taxAct, 1961 (c) Profits in lieu of salary under section 17(3)Income-tax Act, 1961	2,82,57,524	65,00,832	1,90,97,628		5,38,55,984
2.	Stock Option	-	-	-		-
3.	Sweat Equity	-	-	-		-
4.	Commission - as % of profit - others, specify...	-	-	-		-
5.	Others, please specify (ESOP of Holding Co)	83,43,673	20,28,631	45,81,547		1,49,53,851
	<b>Total</b>	<b>3,66,01,197</b>	<b>85,29,463</b>	<b>2,36,79,175</b>		<b>6,88,09,835</b>



## 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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
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 - Mean 1:28, Median 1:54
- (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;- CEO 25%, CFO 15% and CS 11%
- (iii) the percentage increase in the median remuneration of employees in the financial year; - Mean 10%, Median 7%
- (iv) the number of permanent employees on the rolls of Company; - 5,214 (including 58 expats & retainers)
- (v) the explanation on the relationship between average increase in remuneration and Company performance;- The Company's profit after tax has increased by over 18%.
- (vi) comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company:- Remuneration of the KMPs as % of the PAT for 2014-15 is 0.08%. The Company's PAT has increased 18% during the year.
- (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 in ₹	P/E ratio	Market Capitalisation, ₹ Crore	% Change
March 31, 2014	128.90	16.34	7.9	54,464	
<b>March 31, 2015</b>	<b>162.15</b>	<b>19.35</b>	<b>8.4</b>	<b>68,514</b>	<b>25.8%</b>

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: 10%
  - Average increase in the remuneration of KMPs: 19%
  - 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 CEO & Whole-time Director is given variable component, please refer vii above.
- (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 CEO & WTD has been considered since the Company does not have any other WTD. 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.

1. 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 programs	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 <a href="http://www.hzllindia.com">www.hzllindia.com</a> . For projects please refer to section on CSR under Sustainability (Business Overview section)
2. The composition of the CSR Committee	Mr. A R Narayanaswamy - Chairman Ms. Sujata Prasad Mr. Akhilesh Joshi
3. Average net profit of the Company for last three financial years	₹ 7,578 Crore (PBT, as prescribed)
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	₹ 152.64 Crore
5. Details of CSR spent during the financial year	₹ 59.28 Crore, including ₹ 2.67 Crore on depreciation on CSR assets
a) Total amount to be spent for the financial year	₹ 152.64 Crore (approx. ₹ 114 Crore on CSR + ₹ 39 Crore tax foregone)
b) Amount unspent, if any;	₹ 54.65 Crore
c) Manner in which the amount spent during the financial year is detailed below	Yes
6. In case the Company has failed to spend the two per cent 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 ₹ 59.28 Crore is lower than the recommended minimum 2%, it is significantly higher than the ₹ 41 Crore spent in the previous year (excluding capital expenditure of ₹ 52 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 29 of Notes to Financial Statement, the Company has also provided ₹. 119.98 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.
7. A responsibility statement of the CSR Committee that the implementation and mointoring of CSR Policy, is in compliance of CSR objectives and Policy of the Company	Yes

#### For and on behalf of the Board of Directors

Place: Mumbai  
Date : April 20, 2015

**Akhilesh Joshi**  
CEO & Whole-time Director

**A.R. Narayanaswamy**  
Director

Sr.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1. Local area or otherwise 2. Specify the State & district		Amount outlay in ₹ Lac (budget)	Amount Spent (in Rs Lac)			Cumulative Spend till reporting period (in ₹ Lac)	Amount Spent, Direct or implementing agency	Name of the implementing agency (including Vedanta foundation)
			Area	Name of District & State		Direct	Overheads	Total			
<b>A</b>	<b>CSR Ongoing Projects</b>				<b>5,581</b>	<b>4,621</b>	<b>261</b>	<b>4,882</b>	<b>12,537</b>		
1	Vedanta Bai Chetna Anganwadi and Child Care	Education	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara (Rajasthan)		314	-		814	Implementing Agency	Vedanta Foundation
2	Rural Education program & Company run schools	Education	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara, Ajmer and Sikhar (Rajasthan)		1,367	-		3,235	Direct	Hindustan Zinc & Vklang Kalyan Samiti, MSMM trust
3	Health, water & Sanitation including Company run hospitals	Health, Water & Sanitation	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan)		1,023	-		2,374	Implementing Agency	Hindustan Zinc, Helpage India, FINISH Society
4	Social Forestry	Bio- Investment	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan)		109	-		149	Implementing Agency	Forest Department
5	Agriculture Project	Sustainable Livelihood	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara (Rajasthan)		77	-		277	Implementing Agency	BAIF
6	Rural Infrastructure	Infrastructure Projects	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan & Uttarakhnad)		933	-		3,567	Direct/ Implementing agency	Hindustan Zinc/ Govt./Panchayats
7	Program Management	Programme & Admin	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan)		-	261		511	Direct	Hindustan Zinc
8	Others	All sectors	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan)		798	-		1,610		
<b>B</b>	<b>CSR New Projects</b>				<b>2,726</b>	<b>537</b>	<b>-</b>	<b>537</b>	<b>537</b>		
1	Integrated Health Programme	Health, Water & Sanitation	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan)		1	-		1		
2	Agriculture project	Sustainable Livelihood	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan)		1	-		1		
3	Vocational training for youth	Sustainable Livelihood	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan)		244	-		244	Implementing Agency	PDISANKALP
4	Hospital Upgradation	Health, Water & Sanitation	Local	Udaipur (Rajasthan)		237	-		237	Direct	Hindustan Zinc
6	Impact study for social audit	Programme & Admin	Local	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer (Rajasthan & Ultrakhand )		54	-		54	Implementing Agency	TSCPL/SouAce
<b>C</b>	<b>Sub Total CSR (A+B)</b>				<b>8,307</b>	<b>5,158</b>	<b>261</b>	<b>5,419</b>	<b>13,074</b>		
	<b>Others</b>				<b>6,957</b>	<b>509</b>	<b>-</b>	<b>509</b>	<b>509</b>		
	<b>Total CSR (A+B+C)</b>				<b>15,264</b>	<b>5,667</b>	<b>261</b>	<b>5,928</b>	<b>13,583</b>		



## Corporate Governance Philosophy and Structure

Corporate Governance is the application of best management practices, 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. The Company strongly believes that sound and unambiguous system of Corporate Governance practices go a long way in retaining investor trust and preserving the interest of all stakeholders. Its Business Ethics & Code of Conduct provides the overarching philosophy of its Corporate Governance practices.

The Company has set up a three-tier governance structure, which helps it in strategic decision making, operational supervision & implementation and to address unforeseen challenges.

- (i) **Strategic Supervision:** Overall strategic supervision and control is exercised by the Board of Directors (Board) in laying down strategic goals, reviewing of major expansion projects, approving business plans and monitoring compliance to the Company's Code of Conduct and various regulatory requirements to ensure that the Company is progressing to fulfil its mission & vision and growth aspirations.
- (ii) **Operational Management and Control:** The Management Committee of the Company comprises

of Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer, Director (Projects), Chief Operating Officer (Smelters), Chief Operating Officer (Mines), Head of Human Resources and Head of Commercial & Marketing. Day to day operations are managed by a Business Management Group which regularly reviews the Company's operations to seek continuous improvement in the Company's working.

- (iii) **Location and Unit Executive Management:** This comprises of Location or Unit heads and departmental heads for overall execution, reporting to the Chief Operating Officer (Mines) and Chief Operating Officer (Smelters). They are empowered through decentralised decision making.

The above governance structure, apart from ensuring greater management accountability and credibility, facilitates increased business autonomy, performance discipline and development of business leaders.

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

## Board of Directors

Apart from the Strategic Supervision role outlined above, the Board has a fiduciary responsibility towards the shareholders.

- (I) **Composition of the Board:** As on March 31, 2015, the Company's Board comprised of eight Directors,

two of whom are nominee Directors from Government of India including one woman Director, one executive Director and two promoter Directors. In addition, there are three independent Directors on the Board. In terms of Clause 49 (II A), the Company is required to have one half of the total Directors as independent Directors, however, at the year end, the Company is having one independent Director short. The Company is pursuing the matter for appointment of independent Director with the Government of India, Ministry of Mines for completing the requirement of Clause 49 (II A). 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 re-appointment,

subject to approval by the shareholders.

- (ii) **Number of Board Meetings:** The Board of Directors met six times during the financial year, on April 21, July 21, September 17 and October 20 in 2014 and on January 19 and March 11 in 2015. 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 Clause 49, 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 director 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 meetings 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 Memberships#	No. of Committee Chairmanships#
Mr. Agnivesh Agarwal, Chairman	Nephew of Mr. Navin Agarwal	Non-Executive	6	3	No	1@	--	--
Mr. Navin Agarwal	Uncle of Mr. Agnivesh Agarwal	Non-Executive	6	6	No	3@	--	--
Mr. Akhilesh Joshi	None	Executive	6	6	Yes	2	--	--
Mr. A.R.Narayanaswamy	None	Independent	6	6	Yes	8	7	1
Mr. Rajib Sekhar Sahoo\$*	None	Independent	4	4	No	4	3	1
Ms. Shaukat Ara Tirmizi\$*	None	Independent	4	2	No	--	--	--
Mr. Durga Shanker Mishra\$**	None	Non-Executive	4	--	No	1	--	--
Ms. Sujata Prasad\$	None	Non-Executive	6	5	No	3	2	--
Mr. Sudhaker Shukla\$***	None	Non-Executive	2	1	No	1	--	--
Mr. Arun L. Todarwal****	None	Independent	--	--	No	8	4	1
Mr. Kannan R.****	None	Independent	--	--	No	4	1	2

Notes:

\* Ceased to be Director on 24.10.2014

\*\*\* Appointed as Director w.e.f. 14.11.2014

\$ Nominees of Government of India

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

\*\* Ceased to be Director on 14.11.2014

\*\*\*\* Appointed as Director w.e.f. 11.03.2015

# Only Audit Committee and Shareholder Grievance Committee considered

**(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 regularly 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
- Expansion projects and its status monitoring
- Materially important notices of show cause, demand, prosecution and penalty
- Fatal or serious accidents, injuries or any material environmental problems
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company
- 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
- Significant labour problems and their proposed solutions.
- 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
- 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
- Quarterly review of compliance status under various laws applicable to the Company
- Notices in respect of (a) Show cause (b) Demand (c) Penalty and (d) Prosecution, which are materially important
- Corporate Social Responsibility activities
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Substantial non-payment of goods sold by company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Near term outlook

**(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 CEO & Whole-time Director is as per the approval granted by the Board and approved in the earlier annual general meeting. For FY 2015, the total remuneration is as shown in Table 2A and Table 2B.

**Table 2A: Sitting Fee and Commission Paid to Directors in FY 2015 (₹)**

Name of Director	Category	Sitting Fees*	Commission
Mr. Agnivesh Agarwal, Chairman	Non-Executive	1,70,000	15,00,000
Mr. Navin Agarwal	Non-Executive	2,70,000	750,000
Mr. A.R. Narayanaswamy	Independent	5,30,000	750,000
Mr. Rajib Sekhar Sahoo	Independent	2,20,000	750,000
Ms. Shaukat Ara Tirmizi	Independent	70,000	750,000
Mr. Arun L. Todarwal	Independent	25,000	--
Mr. Kannan R.	Independent	25,000	--

\* Includes sitting fees for Board meetings (₹ 20,000 increased to ₹ 50,000 (from July 2014) per meeting) and Committee meetings (₹ 10,000 increased to ₹ 25,000 (from July 2014) per meeting)

**Table 2B: Remuneration Paid to Executive Director for FY 2015**

Name of Director	Category	Salary and Perquisites	Stock Option of Holding Company	Total
Mr Akhilesh Joshi	CEO & Whole-time Director	₹ 2,82,57,524	₹ 83,43,673	₹ 3,66,01,197

There are no pecuniary relationships or transactions of the non-executive Directors, vis-à-vis the Company, except as mentioned above. The Company has not granted any stock option to any of its Directors.

During FY 2015, the Company did not advance any loan to any of its Directors.

**(vi) Director's familiarisation programme:** During the year for the newly appointed Directors, the Company has carried out Director's familiarisation programme on November 19, 2014 and March 12, 2015, covering inter-alia their roles, responsibilities and liabilities.

**(vii) Board evaluation:** As per the requirement of Companies Act, 2013 and clause 49 of the Listing Agreement, the independent Directors have carried out a performance review of the 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.

After deliberation, the Committee of Independent Directors expressed its overall satisfaction.

**(viii) 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. Mr. Agnivesh Agarwal would retire this year and being eligible, has offered himself for re-appointment. A brief profile of Mr. Agnivesh Agarwal is as follows.

#### Mr. Agnivesh Agarwal

Appointed with effect from November 15, 2005, Mr. Agarwal is an eminent industrialist with a rich knowledge of business operations, an extensive experience in efficiently managing large projects,

business restructuring and strategies. Mr. Agarwal has a Bachelor's degree in Commerce from Sydhenam College, University of Mumbai. Over the years he has successfully developed excellent commercial knowledge with hands-on experience. He 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 Private Ltd and Caitlyn India Pvt Ltd.

**(ix) 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

As on March 31, 2015, the Audit Committee comprises of four 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 21, July 21 and October 20 in 2014 and on January 19, 2015. 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	Independent	4	4	85,000
Mr. Akhilesh Joshi*	Member	Executive	4	4	-
Mr. Durga Shanker Mishra**	Member	Non-Executive	3	--	-
Ms. Sujata Prasad	Member	Non-Executive	4	4	-
Mr. Arun L. Todarwal***	Member	Independent	--	--	-
Mr. Kannan R.***	Member	Independent	--	--	-

\* Ceased to be member on 11.03.2015 | \*\* Ceased to be member on 14.11.2014 | \*\*\* Appointed as member w.e.f. 11.03.2015



The Chief Financial Officer, the representative of the statutory auditors (Deloitte Haskins & Sells, LLP) and internal auditors (Ernst & Young, LLP) 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 48th Annual General Meeting (AGM) held on June 24, 2014. The Audit Committee functions in accordance with its constitution and charter, framed in compliance with Clause 49.

The 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
  - compliance with listing and other legal requirements relating to financial statements
  - approval of related party transactions
- 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, adequacy of the internal 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 whistle blower mechanism
- Appointment of the Chief Financial Officer of the Company
- Carrying out any other function, as is mentioned in the terms of reference of the Audit Committee

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 internal auditor

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 21, 2014 and January 19, 2015. Mr. A. R. Narayanaswamy is the Chairman of the Committee.

The primary function of the Committee is to address investors' 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	Independent	2	2	50,000
Mr Akhilesh Joshi	Member	Executive	2	2	-
Mr. Durga Shanker Mishra*	Member	Non-Executive	1	-	-
Mr. Sudhaker Shukla**	Member	Non-Executive	-	-	-

\*Ceased to be member on 14.11.2014 | \*\*Appointed as member w.e.f. 11.03.2015

The matters, if any, requiring Board's attention are informed to the Board by the Committee Chairman.

Details of queries and grievances received and addressed by the Company during FY 2015 is given in Table 5.

**Table 5: Nature of Complaints Received and Attended to during FY 2015**

Nature 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 and so on	24
Number of complaints resolved	24
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2015	NIL
Complaints pending as on March 31, 2015	NIL
Number of Share transfers pending for approval, as on March 31, 2015	NIL

The Board of Directors has delegated the power of approving physical transfer and transmission of shares to the Company Secretary.

**c) Corporate Social Responsibility (CSR) Committee**

The Corporate Social Responsibility Committee as on March 31, 2015 consists of three members. The Committee met once during the financial year under review on July 21, 2014. Mr. A. R. Narayanaswamy is the Chairman of the Committee, while Ms. Sujata Prasad and Mr. Akhilesh Joshi 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 ₹ 59.28 Crore on CSR activities.

**d) Nomination & Remuneration Committee**

The Nomination & Remuneration Committee as on March 31, 2015 consists of three members. The Committee met twice during the financial year under review on January 19, 2015 and March 11, 2015. Mr. Kannan R. is the Chairman of the Committee while Mr. Agnivesh Agarwal and Mr. A.R. Narayanaswamy are the members of the Committee. 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.

**e) Risk Management Committee**

The Risk Management Committee as on March 31, 2015 consists of three members. The Committee met once during the financial year under review on 21.3.2015. Mr. A.R. Narayanaswamy is the Chairman of the Committee while Mr. Akhilesh Joshi and Mr. Amitabh Gupta 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.

## Shareholders' Matters

**(i) Dividend**

During the year, the Company has paid interim dividend of 95% per share of face value of ₹ 2 each or ₹ 1.90 per share. Further, the Board has recommended final dividend of 125% per share of face value of ₹ 2 each or ₹ 2.50 per share, subject to approval by the shareholders at the forthcoming Annual General Meeting. The total dividend for the year is 220% or ₹ 4.40 per share, which is the highest ever dividend by the Company for any financial year. Inclusive of the dividend distribution tax, this entails a payout ratio of 27% of the Company's profit after tax, higher than the 25.1% payout ratio of the previous financial year.

**(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 2015 to NSE and BSE have been paid.

**Table 6: Hindustan Zinc's Stock Exchange Codes**

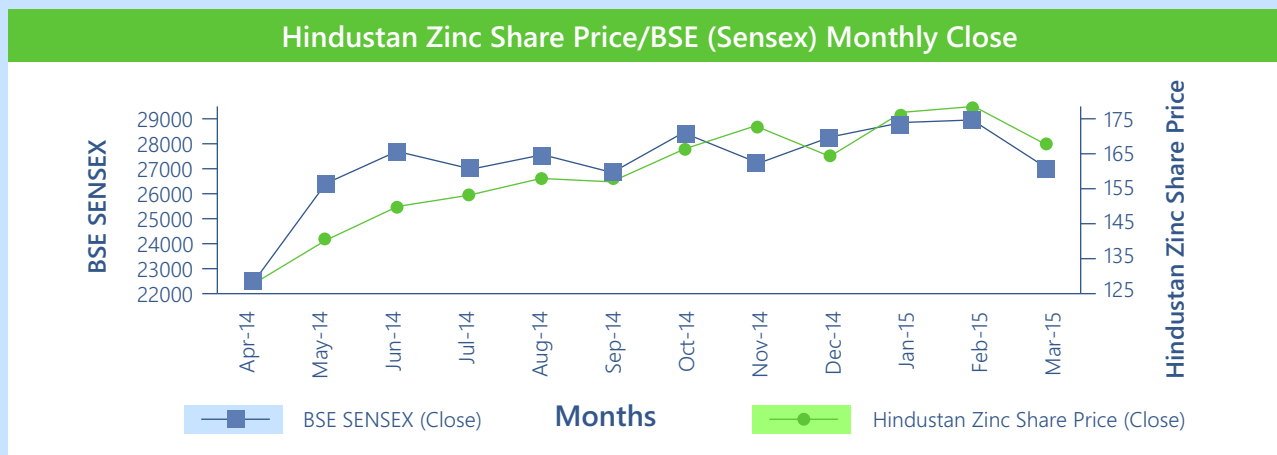
Name of the Stock Exchange	Stock Code	ISIN Code
The National Stock Exchange, Mumbai	HINDZINC	INE 267A01025
Bombay Stock Exchange Limited, Mumbai	500188	

(iii) Stock Market Data

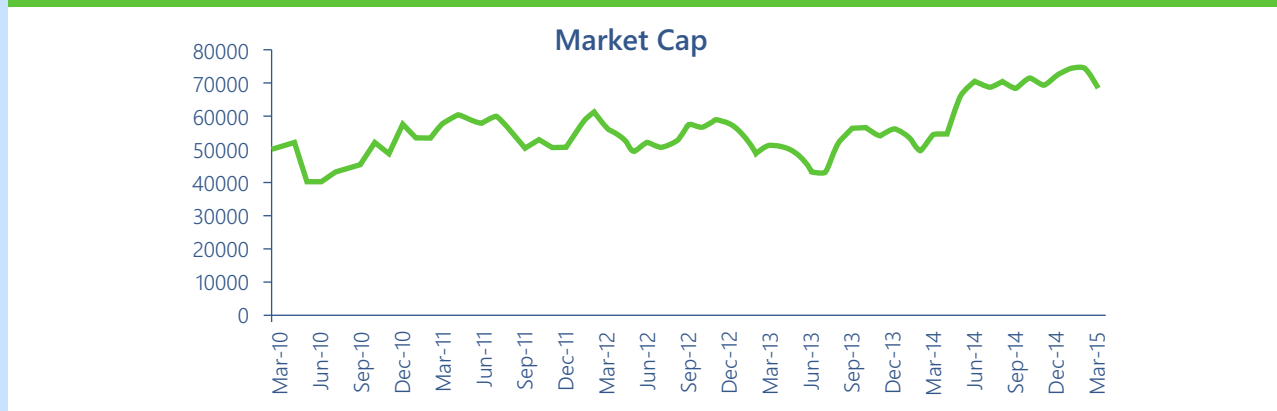
Table 7: Highs, Lows and Volumes of the Company's Shares for FY 2015

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
Apr-14	135.00	126.35	1,901,787	135.10	126.25	17,442,822
May-14	166.00	121.10	8,054,831	166.00	121.30	56,980,123
Jun-14	184.00	155.55	9,212,011	184.00	155.35	52,530,238
Jul-14	174.90	152.00	5,195,328	174.85	151.95	36,951,318
Aug-14	172.50	156.50	1,964,042	172.75	156.60	18,300,294
Sep-14	178.00	155.35	3,236,854	178.15	155.10	25,922,581
Oct-14	173.30	153.05	1,890,927	173.20	152.80	19,638,902
Nov-14	173.95	160.50	1,799,945	173.90	160.55	20,473,305
Dec-14	178.90	153.25	4,262,794	178.90	153.40	28,661,735
Jan-15	177.90	152.50	3,059,813	177.95	152.25	31,050,734
Feb-15	190.40	167.30	3,275,847	190.50	165.55	18,902,282
Mar-15	182.40	157.00	1,480,688	182.50	156.35	17,554,657

Chart: Share Performance versus BSE Sensex



Market Capitalisation Performance from March 31, 2010 to March 31, 2015 (₹ Crore)



#### (iv) Distribution of Shareholding

Table 8 and 9 list the distribution of the shareholding of the equity shares of the Company by size and by ownership class, as on March 31, 2015.

**Table 8: Shareholding Pattern by Size on March 31, 2015**

Shareholding Value	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
0 - 500	44949	79.49	5,939,637	0.14
501 - 1000	5096	9.01	4,451,937	0.11
1001 - 2000	2558	4.52	4,257,673	0.10
2001 - 3000	990	1.75	2,649,031	0.06
3001 - 4000	512	0.91	1,901,927	0.05
4001 - 5000	661	1.17	3,213,443	0.08
5001 - 10000	858	1.52	6,826,600	0.16
10001 - 20000	467	0.83	6,922,738	0.16
20001 - 30000	122	0.22	3,039,428	0.07
30001 - 40000	56	0.10	1,989,560	0.05
40001 - 50000	46	0.08	2,139,010	0.05
50001 - 100000	79	0.14	5,618,319	0.13
100001 - above	156	0.28	4,176,369,697	98.84
Total	56550	100.00	4,225,319,000	100.00

**Table 9: Shareholding Pattern by Ownership as on March 31, 2015**

	Category	No. of shares held	% of share holding
<b>A</b>	<b>PROMOTER'S HOLDING</b>		
<b>1</b>	<b>PROMOTERS</b>		
	- Indian Promoters		
	Sesa Sterlite Limited	2,743,154,310	64.92
	- Foreign Promoters	0	0.00
	<b>SUB TOTAL</b>	<b>2,743,154,310</b>	<b>64.92</b>
<b>B</b>	<b>NON-PROMOTER HOLDING</b>		
<b>2</b>	<b>INSTITUTIONAL INVESTOR</b>		
a	Mutual funds and UTI	35,042,891	0.83
b	Banks, financial institutions, insurance companies (Central / State Government institutions/ non-Government institutions)	23,792,204	0.56
c	FIs	106,098,335	2.51
	<b>SUB TOTAL</b>	<b>164,933,430</b>	<b>3.90</b>
<b>3</b>	<b>OTHERS</b>		
a	Private corporate bodies	23,845,235	0.56
b	Indian public	40,050,225	0.95
c	NRIs/OCBs	4,056,447	0.10
d	NRI company	804,000	0.02
e	Bank foreign	10,000	0.00
f	Foreign national individual	1,250	0.00
g	Any other	513,513	0.01
h	<b>GOI - President of India</b>	1,247,950,590	29.54
	<b>SUB TOTAL</b>	<b>1,317,231,260</b>	<b>31.17</b>
	<b>GRAND TOTAL</b>	<b>4,225,319,000</b>	<b>100.00</b>



**(v) Dematerialisation of Shares**

The shares of the Company are compulsorily 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, 422,20,60,813 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.

**(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 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](http://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 10: Details of the Announcement of the Financial Results for FY 2015**

Description	Date
Unaudited Financial Results for the quarter ended on June 30, 2014	July 21, 2014
Unaudited Financial Results for the quarter and half year ended on September 30, 2014	October 20, 2014
Unaudited Financial Results for the quarter and nine months ended on December 31, 2014	January 19, 2015
Audited Financial Results for the quarter and year ended on March 31, 2015	April 20, 2015

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 11: Details of the last three General Body Meetings**

Date	AGM	Location	Time
July 6, 2012	46th AGM	Yashad Bhawan, Udaipur, Rajasthan	3.30 P.M.
June 15, 2013	47th AGM	Yashad Bhawan, Udaipur, Rajasthan	2.30 P.M.
June 24, 2014	48th AGM	Yashad Bhawan, Udaipur, Rajasthan	2.30 P.M.

In the last three Annual General Meetings, under ordinary business, special resolution was passed only for the re-appointment of Statutory Auditors.

Further, in the 46th AGM, two special resolutions were passed: a) payment of commission to independent or non-executive Directors b) insertion of buy-back clause in the Articles of Association of the Company.

## Annual General Meeting

Date June 15, 2015  
Time 2.30 pm  
Venue Yashad Bhawan, Udaipur

## Financial Calendar

For the year ending March 31, 2016, financial results will be announced in the month following the end of the quarter.

## Book Closure

The dates of book closure are from May 14, 2015 to May 15, 2015, 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: 022-67720331/ 67720300  
Fax: 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 revised Clause 49 of the Listing Agreement executed with the stock exchanges. 96% of the 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 is available on the website of the Company, [www.hzllindia.com](http://www.hzllindia.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 Ernst & Young LLP, Chartered Accountants as the internal auditors of the Company for the year 2014-15. The Company has a well-established and comprehensive internal control system. 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 Ernst & Young - Internal Auditors, are presented quarterly to the Audit Committee of the Board through our Group Management Assurance Services.

### 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 Clause 49 of the listing agreement, 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 ensure adherence to all applicable laws and regulations. During FY 2015, 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 36 to Financial Statements in compliance of Clause 32 of the Listing Agreement 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.

##### **(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 2015 is enclosed at the end of this report.

##### **(e) Mandatory Requirements**

The Company is compliant with the applicable mandatory requirements of the revised Clause 49 of the Listing Agreements and of the Securities and Exchange Board of India (SEBI).

Consequently, no penalties were imposed or strictures passed against the Company by SEBI, stock exchanges or any other statutory authority. The Company has complied with and adopted the mandatory requirements of Corporate Governance Code. However, while it has adopted several non-mandatory requirements of the same, the ones not yet adopted are as follows:

Maintenance of Chairman's office: Currently, Chairman is a non-executive Chairman

Communication of half-yearly results to each household of members: Results are placed on the 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

**Processing & Refining Units**

Haridwar Zinc Plant	Haridwar District (Uttarakhand)
Pantnagar Metal Plant	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

Ms. Preeti Dubey  
General Manager Investor Relations  
Hindustan Zinc Limited  
Yashad Bhawan,  
Udaipur - 313004,  
Rajasthan

## CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Akhilesh Joshi, CEO & Whole-time Director and Amitabh Gupta, Chief Financial Officer of Hindustan Zinc Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and statement of profit and loss and all its notes and confirm that:
  - a) Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact or contain statements that might be misleading.
  - b) Based on our knowledge and information, the financial statements present in all material respects, a true and fair view of the Company's affairs and except as stated, are in compliance with the existing accounting standards and/or applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the period are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company and we have:
  - a) designed such controls and procedures to ensure that material information relating to the Company is made known to us;
  - b) designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the Company's disclosure, controls and procedures; and
4. We confirm that:
  - a) there are no deficiencies in the design or operation of internal controls, which could materially adversely affect the Company's ability to record, process, summarize and report financial data;
  - b) there are no significant changes in internal controls during the period;
  - c) all significant changes in accounting policies during the year have been disclosed in the notes to the financial statements; and
  - d) there are no instances of significant fraud of which we are aware, that involves management or other employees who have a significant role in the Company's internal controls system.
5. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices.

**Amitabh Gupta**  
Chief Financial officer

**Akhilesh Joshi**  
CEO & Whole-time  
Director

Date: April 20, 2015

Place: Mumbai



## COMPLIANCE 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 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned Listing Agreement, in all material respects, except that with regard to the composition of the Board of Directors, the requirement for having at least one half the Board of Directors of the Company consisting of Independent Directors in terms of Paragraph II A of Clause 49 of the above mentioned Listing Agreement falls short by one Independent Director.
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 **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Jitendra Agarwal**  
Partner  
(Membership No. 87104)

Place: Mumbai  
Date: April 20,2015

## Section A:

### General Information

1. Corporate Identity Number 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	hzi.ir@vedanta.co.in
6. Financial Year reported	April 1, 2014 - March 31, 2015
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	
i. Number of International Locations	Nil
ii. Number of National Locations	12
10. Markets served by the Company - Local/State/National/International	Our products are sold almost in all the states in India. We also export to different countries primarily in Asia and Middle East

## Section B:

### Financial Details

1. Paid up capital	₹ 845 Crore
2. Total turnover	₹ 14,788 Crore
3. Total profit after taxes	₹ 8,178 Crore
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 59.28 Crore, equivalent to 0.78% of the profit before tax of the last three years, as prescribed
5. List of activities in which expenditure in 4 above has been incurred	a. Infrastructure development b. Community development c. Water, sanitation and child nutrition d. Health, medical and education

## 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?<br>[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

S.No.	Particulars	Details
1.	DIN Number	01920024
2.	Name	Mr. Akhilesh Joshi
3.	Designation	Chief Executive Officer & Whole-time Director
4.	Telephone number	+91 294 6604000
5.	E-mail id	hzi.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 - Sustaining Value

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. Is there a link for the policy to be viewed online?	<a href="http://www.hzlindia.com">http://www.hzlindia.com</a>								
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
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?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10. Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

\* All Company policies are based on 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 S.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?

Sustainability is a part of Annual Report.

## 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, NGOs 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.

24 investor complaints were received during FY 2015 and all were resolved. Other complaints are received by different functionaries in the Company and are suitably addressed, a formal tracking mechanism is yet to be put in place.

#### 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

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.

	2013-14		2014-15	
	Sp. Energy Consumption	Sp. Water Consumption	Sp. Energy Consumption	Sp. Water Consumption
Mines	0.44	0.52	0.46	0.50
Smelters	17.15	9.29	16.80	8.84

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

Water (Mines: m<sup>3</sup>/MT of Ore treatment, Smelters: m<sup>3</sup>/MT of metal production)

#### 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.
- Zinc in Jumbo shape helps in lesser zinc wastage, avoid theft, ease of handling and better safety in customer's operations. The use of zinc jumbo (supplied as 1.0 metric tonne) instead of conventional 25 kg small ingots provides galvanizers cost efficiency. The smaller surface area to weight ratio of zinc jumbos compared to small ingot means less turbulence during galvanising 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, better bath management which improves efficiency.
- PW zinc is a pre-alloyed zinc lead combination and with its use there is no need to add lead separately in zinc galvanising bath resulting in avoiding occupational hazards of operators in dealing with lead in galvanising plant.



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

With innovative design and customisation of products better zinc galvanising bath management is achieved since melting of uniform bigger blocks i.e. in case of Jumbo Zinc 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 realised by zinc consumer's. Customer gets benefit of less dross generation, and less recycle (energy, Water) cost. Also with the CGG, Pre aluminum alloyed Zinc, the customer gets benefit of avoiding the alloying energy cost. It has been communicated by some of the customers that they are saving \$15 per Mt of alloy supplied by us.

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

Please refer to the Environment section from page 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.**

Please refer to page 44 of Annual report for our waste management initiatives.

**Principle 3: Employee Well-being**

**1. Please indicate the total number of employees.**

5,214 as on March 31, 2015

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

12,400 as on March 31, 2015

**3. Please indicate the number of permanent women employees.**

347 as on March 31, 2015

**4. Please indicate the number of permanent employees with disabilities**

Separate list is not available

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

Yes, there are recognised trade unions.

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

99.4% 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 at the end of the financial year.

SI No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
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	Nil	Nil
3	Discriminatory employment	The Company does not discriminate in the recruitment process. No reported case.	Not applicable.

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

Category	Safety Training	Total (as on March 31, 2015)	%	Skill Upgradation Training	Total (as on March 31, 2015)	%
Permanent Executives*	1939#	5214	37	944	2484	38
Permanent Women Employees	136	361	38	104	361	29
Contractual Employees	5308	12639	42	7137	12639	56
Employees with Disability	Separate list not available					

\* Includes executives and workmen

#Excludes non executives overall safety training participation of 4,342 for which the unique no. is 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 continually 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 & marginalised stakeholders is an ongoing process. In particular, for any new proposed project or expansion, we map and engage with all such stakeholders on a proactive basis.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholder? 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:

- Support to 200 widows: Every month, we organise a medical camp in collaboration with our partner NGO Swami Vivekanand Seva Nyas. We also provide vocational training to widows and provide allowances to old widows not capable of undergoing any training.
- Badhir Bal Kalyan: We support this school for deaf and dumb children, which is affiliated with Rajasthan Board.

3. Muk Badhir Vidyalaya: We have supported this residential school for 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 special children in partnership with Viklang Kalyan Samiti.

### 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?**

The Company has a human rights policy which also covers all its suppliers and 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?**

Yes. Our contractors, contract employees, NGOs and suppliers are required to comply with our Health, Safety & Environment (HSE) requirements, which are mentioned in our contracts. Also, induction and refresher trainings are imparted to our contract employees to raise awareness on sustainability policies and standards.

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. We continuously monitor our greenhouse gas emission intensity for reduction and endeavour to minimise our carbon footprint.

We are signatory of UNGC 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 Impact Assessment (EIA) studies carried out by recognised and approved third parties to identify risks and based on that mitigation plan is prepared in the form of Environmental Management Plan, which is integral part of EIA 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.

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. The Company has 10 UNFCCC registered projects in wind power and waste heat recovery under Clean Development Mechanism and monitoring report for obtaining verification report has been filed and Certified Emission Reductions were issued. During the year, about 250,000 CERs were granted for wind power projects in Gujarat and Karnataka and also 341,182 Voluntary Emission Reduction were verified. We have been voluntarily filing Carbon Disclosure Project responses over the years as a proactive step towards reporting our carbon footprint.

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. 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 sites are regularly monitored for emission. Ambient air quality including noise is monitored monthly and meets the National Ambient Air Quality standards, Nov 2009.

**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

**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, give 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 45 to 47 of Annual Report.

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

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? Give the amount in INR and the details of the projects undertaken.**

The total amount spent on all CSR activities and projects during the FY 2015 was Rs 59.28 Crore. Details are provided on page 73 of 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 45 to 47 of Annual Report.

**Principle 9: Providing Customer Value**

**1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

No complaints pending at the end of FY 2015.

**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. Does 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 2012.

# 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, 2015, 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

## Auditors' 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.

We conducted our audit 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, 2015, 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 the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
  2. 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014), 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 38.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) 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 25 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

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

**Jitendra Agarwal**  
Partner  
(Membership No. 87104)

Place: Mumbai

Date: April 20, 2015

# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 1 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) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
  - (a) As explained to us, the inventories (excluding inventories with third parties) were physically verified during the year by the Management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms 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, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the year, the Company did not have transactions in respect of sale of services. During the course of our audit we have not observed any major weaknesses in such internal control system.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from public 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 and the rules made thereunder.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been 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, Wealth Tax, Service Tax, Duty of customs, Duty of excise, 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 CompanyThere were no undisputed statutory dues in arrears as at 31st March, 2015 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, 2015 on account of disputes are given below:

Name of Statute	Nature of dues	Period to which the amount relates	Forum where dispute is Pending	Amount (₹ in Crore)
<b>Company's appeals</b>				
Sales Tax Claims	Disputes in respect of sales tax difference / classification and stock transfers treated as sales.	F.Y. 1980-81 to 2014-15	Deputy Commissioner, Joint Commissioner, Commercial Tax Department, Tribunal, High Court and Supreme Court.	104.40
Central Excise Duty	Admissibility of Modvat / 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.	F.Y. 1985-86 to 2014-15	Central Excise & Service Tax Appellate Tribunal, Commissioner (Appeals) and High Court / Supreme Court.	419.35
Income Tax	Disputes in respect appeals pending before CIT (A).	AY 1996-97, 1997-98, 1999-2000, 2008-09 and 2011-12.	Commissioner of Income Tax (Appeals)	370.88
Department's appeals Income Tax	Relief granted by CIT (A) for differences in computation, allowances of certain expenses and enhancement of rebate, etc.	AY 1989-90 to 1991-92, 1993-94, 1998-99 and 2000-01 to 2009-10	Tribunal / Set aside Assessing Officer/ CIT (A)	609.71
	Relief granted by Tribunal for differences in computation, allowances of certain expenses and enhancement of rebate, etc.	AY 1990-91 to 1994-95 and 1996-97	High Court / Supreme Court	113.04
<b>Sub Total</b>				<b>722.75</b>
<b>Total</b>				<b>1,617.38</b>

- (c) The amounts required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within the prescribed time.
- (viii) The Company does not have any accumulated losses as at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Company has not taken any borrowings from banks, financial institutions or by way of debentures. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us and the records of the Company examined by us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company.

- (xi) The Company has not taken any term loans during the year. Accordingly the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

**Jitendra Agarwal**  
Partner  
(Membership No. 87104)

Place: Mumbai  
Date: April 20, 2015

(₹ in Crore)

Particulars	Note	As at March 31, 2015	As at 31 March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	845.06	845.06
Reserves and surplus	4	42,508.01	36,572.55
<b>Total Shareholders' funds</b>		<b>43,353.07</b>	<b>37,417.61</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	5	2,518.62	1,658.11
Other long term liabilities	6	132.08	56.37
<b>Total Non-current liabilities</b>		<b>2,650.70</b>	<b>1,714.48</b>
<b>Current liabilities</b>			
Trade payables(Other than acceptances)		630.79	510.32
Other current liabilities	7	1,045.91	1,018.48
Short-term provisions	8	1,311.53	1,015.78
<b>Total Current liabilities</b>		<b>2,988.23</b>	<b>2,544.58</b>
<b>Total</b>		<b>48,992.00</b>	<b>41,676.67</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9.A	9,329.05	9,023.43
Intangible assets	9.B	117.12	123.82
Capital work-in-progress		2,004.71	1,540.94
<b>Total Fixed asset (net)</b>		<b>11,450.88</b>	<b>10,688.19</b>
Non-current investments	10	-	2.81
Long term loans and advances	11	4,337.32	2,939.36
<b>Total Non-current assets</b>		<b>15,788.20</b>	<b>13,630.36</b>
<b>Current assets</b>			
Current investments	12	27,253.59	22,503.58
Inventories	13	1,211.75	1,198.24
Trade receivables	14	658.82	399.51
Cash and Bank Balances	15	3,531.51	3,031.42
Short term loans and advances	16	364.14	283.83
Other current assets	17	183.99	629.73
<b>Total Current assets</b>		<b>33,203.80</b>	<b>28,046.31</b>
<b>Total</b>		<b>48,992.00</b>	<b>41,676.67</b>

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

Jitendra Agarwal  
Partner

Date: April 20, 2015  
Place: Mumbai

For and on behalf of the Board of Directors

Akhilesh Joshi  
CEO & Whole-time Director

Amitabh Gupta  
Chief Financial Officer

A. R. Narayanaswamy  
Director

R. Pandwal  
Company Secretary

# statement of profit & loss

for the year ended March 31, 2015

(₹ in Crore)

Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
Revenue from operations (gross)		16,100.08	14,933.05
Less: Excise duty		(1,311.69)	(1,297.01)
Revenue from operations (net)	18	14,788.39	13,636.04
Other income	19	2,821.05	1,899.39
<b>Total revenue</b>		<b>17,609.44</b>	<b>15,535.43</b>
<b>Expenses:</b>			
Cost of materials consumed	20	468.45	501.26
Purchase of traded goods		52.30	-
Changes in inventories of finished goods and work-in-progress	21	(145.45)	(155.16)
Employee benefits expense	22	868.91	741.73
Finance costs	23	23.51	44.94
Depreciation and amortisation expense		644.19	784.59
Other expenses	24	6,124.60	5,648.36
<b>Total expenses</b>		<b>8,036.51</b>	<b>7,565.72</b>
<b>Profit before exceptional item and tax</b>		<b>9,572.93</b>	<b>7,969.71</b>
Exceptional item (investment impairment)	28	2.81	-
<b>Profit before tax</b>		<b>9,570.12</b>	<b>7,969.71</b>
Tax expense (benefit):			
Current tax expenses		1,984.55	1,640.05
(Less) : MAT credit		(1,449.66)	(964.00)
<b>Net current tax expense</b>		<b>534.89</b>	<b>676.05</b>
Deferred tax - for the year		857.23	389.04
<b>Deferred tax</b>		<b>857.23</b>	<b>389.04</b>
<b>Net tax expense / (benefit)</b>		<b>1,392.12</b>	<b>1,065.09</b>
<b>Profit (Loss) for the year from continuing operations</b>		<b>8,178.00</b>	<b>6,904.62</b>
<b>Profit for the year</b>		<b>8,178.00</b>	<b>6,904.62</b>
Earnings per equity share (of ₹ 2 each)			
Basic and diluted		19.35	16.34

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Jitendra Agarwal**  
Partner

Date: April 20, 2015  
Place: Mumbai

For and on behalf of the Board of Directors

**Akhilesh Joshi**  
CEO & Whole-time Director

**Amitabh Gupta**  
Chief Financial Officer

**A. R. Narayanaswamy**  
Director

**R. Pandwal**  
Company Secretary



# cashflowstatement

for the year ended March 31, 2015

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax	9,570.12	7,969.71
Adjustments for :		
Depreciation and amortisation	644.50	784.81
Finance costs	23.51	44.94
Interest Income	(305.33)	(675.52)
Mark to Market adjustment on financial instruments	(2,783.62)	(1,324.28)
Net unrealised Exchange (gain)/loss	1.40	1.68
Provision for diminution in value of investments	2.81	-
Provision for expenses written back	(6.24)	(0.71)
(Profit) / Loss on sale of fixed asset (net)	3.31	18.88
(Profit) / Loss on sale of current Investment (net)	319.00	171.03
Operating profit before working capital changes	<b>7,469.46</b>	<b>6,990.54</b>
Changes in working capital		
(Increase)/Decrease in Inventories	(13.51)	(87.15)
(Increase)/Decrease in Trade receivables	(260.71)	1.68
(Increase)/Decrease in short term loans and advances	(80.31)	47.77
(Increase)/Decrease in long term loans and advances	(22.70)	(8.16)
(Increase)/Decrease in other current assets	(16.75)	(9.38)
Increase/(Decrease) in trade payables	126.71	107.56
Increase/(Decrease) in other current liabilities	286.24	44.68
Increase/(Decrease) in other long term liabilities	75.71	28.14
Cash generated from operations	<b>7,564.14</b>	<b>7,115.68</b>
Income taxes paid during the year	<b>(2,033.44)</b>	<b>(1,644.52)</b>
<b>Net cash generated from operating activities</b>	<b>5,530.70</b>	<b>5,471.16</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of fixed assets	(1,617.35)	(1,747.74)
Interest and dividend received	767.82	729.16
Bank balances not considered as cash and cash equivalents		
- Placed	(3,590.00)	(462.25)
- Matured	2,911.64	4,311.20
Purchase of current investments	(44,989.37)	(30,150.63)
Sale of current investments	42,703.98	23,325.87
Sale of fixed assets	6.32	38.90
<b>Net cash used in investing activities</b>	<b>(3,806.96)</b>	<b>(3,955.49)</b>

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Interest and finance charges paid	(23.51)	(44.94)
Dividend and tax thereon paid	(1,878.50)	(1,532.46)
<b>Net cash used in financing activities</b>	<b>(1902.01)</b>	<b>(1,577.40)</b>
<b>Net increase in Cash and cash equivalents</b>	<b>(178.27)</b>	<b>(61.73)</b>
Cash and cash equivalents at the end of the year*	50.18	228.45
<b>Cash and cash equivalents at the beginning of the year</b>	<b>228.45</b>	<b>290.18</b>
	(178.27)	(61.73)
<b>Reconciliation Cash and cash equivalent with the balance sheet</b>		
Cash and cash equivalent as per balance sheet (refer note 15)	3,531.51	3,031.42
Less:- Bank balances not considered as cash and cash equivalents	3,481.33	2,802.97
Cash and Bank balance as at the end of the year	<b>50.18</b>	<b>228.45</b>
* Comprises		
Cash in hand	-	0.02
Balances with Banks		
Current accounts	28.18	8.43
Deposit accounts	22.00	220.00
	<b>50.18</b>	<b>228.45</b>

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

**Jitendra Agarwal**

Partner

Date: April 20, 2015

Place: Mumbai

For and on behalf of the Board of Directors

**Akhilesh Joshi**

CEO & Whole-time Director

**Amitabh Gupta**

Chief Financial Officer

**A. R. Narayanaswamy**

Director

**R. Pandwal**

Company Secretary

## **NOTE 1** Company Overview

Hindustan Zinc Limited (HZL or 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, a silver refinery plant and five 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 previous year with the effective date of August 17, 2013, 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 except for change in the accounting policy for depreciation as more fully described in Note 30.

### **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 / 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 subject to following deviations:

- Additions and disposals are reckoned on the first day and the last day of the month respectively;

- 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
- 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, on which depreciation has been provided over residual life of the respective fixed assets.

Intangible assets including mining rights/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.

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**

- 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.
- 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.
- 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 investment are classified as 'Available for Sale'.

#### **h) INVENTORIES**

- Ore, concentrate (mined metal), work-in-progress and finished goods (including significant by-products) are valued at lower of cost and net realizable value on weighted average basis.
- Stores and spares are valued at lower of cost and net realisable value on weighted average basis.
- 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.

#### **j) 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. For

income on financial assets, please refer section on Financial Asset Investments. Dividend income is accounted for when the right to receive it is established.

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.

#### **l) FOREIGN CURRENCY TRANSACTIONS**

- 1) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.
- 2) 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.

- 3) Non-monetary foreign currency items are carried at cost.
- 4) 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 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/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.

**q) VOLUNTARY RETIREMENT EXPENSES**

Voluntary retirement expenses are charged to the Statement of Profit and Loss in the year of occurrence.

**r) TAXATION**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

The Company's income taxes include taxes on the Company's taxable profits, adjustment attributable to earlier periods and changes in deferred taxes. Provision for current tax is made after taking into account rebates and reliefs available under the Income Tax Act, 1961.

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 and 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**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. 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.

### NOTE 3 Share Capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	(₹ in Crore)	Number	(₹ in Crore)
<b>Authorised</b>				
Equity shares of ₹ 2 (2014 : ₹ 2) each.	5,000,000,000	1,000.00	5,000,000,000	1,000.00
<b>Issued, subscribed and paid up</b>				
Equity shares of ₹ 2 (2014 : ₹ 2) each fully paid up	4,225,319,000	845.06	4,225,319,000	845.06
<b>Total</b>	<b>4,225,319,000</b>	<b>845.06</b>	<b>4,225,319,000</b>	<b>845.06</b>

i) Reconciliation of number of shares and amounts outstanding.

Particulars	Equity Shares		Equity Shares	
	Number	(₹ in Crore)	Number	(₹ in Crore)
Equity shares of ₹ 2 (2014 : ₹ 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 (2014: 2,743,154,310) are held by 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

(₹ in Crore)

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
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

(₹ in Crore)

Particulars	Aggregate number of shares	
	As at March 31, 2015	As at March 31, 2014
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 dividends 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.

**NOTE 4 Reserves and Surplus**

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Capital Reserves</b>		
Balance provisions after adjustment as per Metal Corporation (Nationalisation and Miscellaneous Provision) Act, 1976		
<b>Balance as at the beginning and end of the year</b>	<b>0.61</b>	<b>0.61</b>
<b>General Reserve</b>		
Balance as at the beginning of the year	10,383.18	9,683.18
Add-Transferred from surplus in Statement of Profit and Loss	-	700.00
Less-Transferred to share capital towards bonus shares	-	-
Balance as at the end of the year	<b>10,383.18</b>	<b>10,383.18</b>
<b>Investment Revaluation Reserve</b>		
Balance as at the beginning of the year	-	11.59
Add- Addition during the year	-	-
Less- Amount transferred to Statement of Profit and Loss	-	(11.59)
Balance as at the end of the year	-	-
<b>Hedging Reserve</b>		
Balance as at the beginning of the year	(9.83)	11.13
Add-Effect of Forex and commodity price variation on hedging instruments outstanding at the end of the year	4.38	(31.74)
Less-Effect of deferred tax adjustments	(1.49)	10.78
Balance as at the end of the year	(6.94)	(9.83)
<b>Surplus in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	<b>26,198.59</b>	<b>21,724.17</b>
Less-Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Refer Note 30)	(38.65)	-
Add-Profit for the year	8,178.00	6,904.62
Less:		
Proposed dividend to Equity shareholders	(1,056.33)	(802.81)
Tax on proposed dividend	(211.20)	(136.44)
Interim dividend to Equity shareholders	(802.81)	(676.05)
Tax on interim dividend	(136.44)	(114.90)
Transfer to General Reserves	-	(700.00)
Balance as at the end of the year	<b>32,131.16</b>	26,198.59
<b>Total</b>	<b>42,508.01</b>	<b>36,572.55</b>



**NOTE 5** Deferred tax liabilities (net)

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Tax effect of items constituting deferred tax assets		
<b>Deferred tax asset:</b>		
Voluntary retirement expenditure	25.25	27.65
On timing differences on expenses	32.56	9.11
On others	6.82	-
(A)	<b>64.63</b>	<b>36.76</b>
Tax effect of items constituting deferred tax liabilities		
<b>Deferred tax liability:</b>		
On differences between book and tax depreciation	1,517.12	1,388.20
On investment income	1,066.13	305.57
On others	-	1.10
(B)	<b>2,583.25</b>	<b>1,694.87</b>
<b>Total (B- A)</b>	<b>2,518.62</b>	<b>1,658.11</b>

**NOTE 6** Other long term liabilities

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Security deposits	82.70	42.08
Other liabilities (Royalty, liquidated damages, etc.)	49.38	14.29
<b>Total</b>	<b>132.08</b>	<b>56.37</b>

**NOTE 7** Other current liabilities

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Unclaimed dividends	1.06	1.92
Unclaimed matured deposits and interest accrued thereon	0.08	0.08
Other payables		
Due to related parties	17.59	21.53
Security and other deposits	212.02	262.01
Advance from customers	91.60	69.89
Payables on purchase of fixed assets	142.03	339.43
Other (includes statutory payables, employee benefits, etc.)	581.53	323.62
<b>Total</b>	<b>1,045.91</b>	<b>1,018.48</b>

**NOTE 8** Short term provisions

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for proposed equity dividend	1,056.33	802.81
Provision for tax on proposed dividend	211.20	136.44
Provision for tax (Net of advance tax)	44.00	76.53
<b>Total</b>	<b>1,311.53</b>	<b>1,015.78</b>

## NOTE 9 Fixed assets

(₹ in Crore)

Particulars	Gross Block				Accumulated Depreciation				Net Block			
	As at 01.04.2014	Additions	Deductions/ Adjustments	As at 31.03.2015	Adjustment for grant	Upto 31.03.2015	Upto 31.03.2014	Provided during the year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>A Tangible Assets</b>												
Land												
Freehold Land	178.86	50.92	-	229.78	-	229.78	-	-	-	-	229.78	178.86
(Previous year)	107.62	71.24	-	178.86	-	178.86	-	-	-	-	178.86	107.62
Leasehold Land	160.84	15.99	4.53	172.30	-	172.30	-	-	-	-	172.30	160.84
(Previous year)	102.45	62.92	4.53	160.84	-	160.84	-	-	-	-	160.84	102.45
Buildings	1,177.59	90.83	0.84	1,267.58	0.25	1,267.33	169.22	44.39	0.73	212.88	1,054.45	1,008.12
(Previous year)	1,096.24	94.70	13.35	1,177.59	0.25	1,177.34	143.84	33.49	8.11	169.22	1,008.12	952.15
Railway siding	10.63	49.32	0.07	59.88	-	59.88	8.22	0.44	0.07	8.59	51.29	2.41
(Previous year)	10.63	-	-	10.63	-	10.63	8.02	0.20	-	8.22	2.41	2.61
Mine Development expenditure	391.53	124.57	-	516.10	-	516.10	117.50	41.98	-	159.48	356.62	274.03
(Previous year)	116.19	275.34	-	391.53	-	391.53	92.40	25.10	-	117.50	274.03	237.79
Plant and Equipment*	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	7,395.58	7,280.81
(Previous year)	10,603.01	868.77	162.59	11,309.19	14.12	11,295.07	3,425.65	704.45	115.84	4,014.26	7,280.81	7,163.24
Furniture and Fixtures	23.09	1.98	(1.41)	26.48	-	26.48	10.89	3.65	0.27	14.27	12.21	12.20
(Previous year)	22.53	1.80	1.24	23.09	-	23.09	10.68	1.28	1.07	10.89	12.20	11.85
Vehicles	28.15	5.86	5.84	28.17	-	28.17	12.24	3.16	1.35	14.05	14.12	15.91
(Previous year)	26.71	2.60	1.16	28.15	-	28.15	10.33	2.58	0.67	12.24	15.91	16.38
Office equipment	180.93	9.91	2.42	188.42	1.75	186.67	88.93	56.99	1.95	143.97	42.70	90.25
(Previous year)	173.67	11.18	3.92	180.93	1.75	179.18	78.32	13.93	3.32	88.93	90.25	93.60
<b>Total tangible assets</b>	<b>13,460.81</b>	<b>987.18</b>	<b>23.52</b>	<b>14,424.47</b>	<b>16.12</b>	<b>14,408.35</b>	<b>4,421.26</b>	<b>671.93</b>	<b>13.89</b>	<b>5,079.30</b>	<b>9,329.05</b>	<b>9,023.43</b>
Previous year	12,259.05	1,388.55	186.79	13,460.81	16.12	13,444.69	3,769.24	781.03	129.01	4,421.26	9,023.43	8,473.69
<b>B Intangible Assets</b>												
Computer software	21.87	2.74	-	24.61	-	24.61	14.91	3.22	-	18.13	6.48	6.96
(Previous year)	21.87	-	-	21.87	-	21.87	11.82	3.09	-	14.91	6.96	10.05
Right to use Asset*	50.38	-	-	50.38	-	50.38	0.34	2.02	-	2.36	48.02	50.04
(Previous year)	-	50.38	-	50.38	-	50.38	-	0.34	-	0.34	50.04	-
Mining Rights	67.17	-	-	67.17	-	67.17	0.35	4.20	-	4.55	62.62	66.82
(Previous year)	-	67.17	-	67.17	-	67.17	-	0.35	-	0.35	66.82	-
Investment in shares	-	-	-	-	-	-	-	-	-	-	-	-
(Previous year)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	<b>139.42</b>	<b>2.74</b>	-	<b>142.16</b>	-	<b>142.16</b>	<b>15.60</b>	<b>9.44</b>	-	<b>25.04</b>	<b>117.12</b>	<b>123.82</b>
Previous year	21.87	117.55	-	139.42	-	139.42	11.82	3.78	-	15.60	123.82	10.05
<b>GRAND TOTAL (A+B)</b>	<b>13,600.23</b>	<b>989.92</b>	<b>23.52</b>	<b>14,566.63</b>	<b>16.12</b>	<b>14,550.51</b>	<b>4,436.86</b>	<b>681.37</b>	<b>13.89</b>	<b>5,104.34</b>	<b>9,446.17</b>	<b>9,147.25</b>
(Previous year)	12,280.92	1,506.10	186.79	13,600.23	16.12	13,584.11	3,781.06	784.81	129.01	4,436.86	9,147.25	8,483.74

### Reconciliation of Depreciation and amortisation expenses

	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation on tangible assets as above	671.93	781.03
Depreciation on intangible assets as above	9.44	3.78
Depreciation as above	681.37	784.81
Less: Depreciation included in Research and development expenditure	0.31	0.22
Less: adjusted to Opening retained earning	36.87	0.00
As per Statement of Profit and Loss Account	644.19	784.59

\* Note:- Include assets on which depreciation has been considered as part of CSR expenses (see note 45)

	As at 31 March, 2015
Gross Net Block	17.35
Plant and Equipment	16.62
Right to use Asset	50.38
As at 31 March, 2015	48.02

**NOTE 10** Non current investments (trade, unquoted and available for sale)

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Equity Investments in Joint Venture - Jointly controlled entity - Madanpur South Coal Company Limited (at cost)(see note 28)		
2,01,362 equity shares of ₹ 10 each (2014: 2,01,362 equity shares of ₹ 10 each)	2.81	2.81
Less:- Provision	(2.81)	-
<b>Total</b>	<b>-</b>	<b>2.81</b>

**NOTE 11** Long term loans and advances

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured, considered good		
Capital advances	329.30	420.06
MAT credit entitlement	3,658.68	2,209.03
Loans to employees	5.16	6.05
Deposits with Government departments etc.,	120.88	97.25
Claims receivable	20.67	20.71
Taxation (net)	202.63	186.26
<b>Total</b>	<b>4,337.32</b>	<b>2,939.36</b>

**NOTE 12** Current investments

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Investments in bonds	3,921.03	1,977.07
Investments in mutual funds	23,332.56	20,526.51
<b>Total</b>	<b>27,253.59</b>	<b>22,503.58</b>

## NOTE 12 Current investments (held for trading) - at fair value

### Investments in bonds - Quoted

(₹ in Crore)

Particulars	Face value (in ₹)	Total number of Bonds	2015	Total number of Bonds	2014
Tax free secured, Redeemable Non convertible Bonds -National Highways Authority of India	1,000	1236188	133.27	1236188	121.01
Tax free secured, Redeemable Non convertible Bonds - Power Finance Corporation Limited	1,000	2123924	229.00	2123924	207.90
Tax free secured, Redeemable Non convertible Bonds - Indian Railway Finance Corporation	1,000	2237537	237.83	2237537	215.61
Tax free secured, Redeemable Non convertible Bonds - Housing and Urban Development Corporation Limited	1,000	5000000	531.45	5000000	482.03
Tax free secured, Redeemable Non convertible Bonds - Rural Electrification Corporation	1,000	2755720	293.46	2755720	265.96
Tax free secured, Redeemable Non convertible Bonds - Indian Railway Finance Corporation	1,000	5000000	502.01	5000000	450.88
Tax free secured, Redeemable Non convertible Bonds - Housing and Urban Development Corporation Limited	1,000,000	350	8.40		
11.8%, Tata Iron and Steel Company Perpetual, Non convertible debentures	1,000,000	2246	246.40	2246	233.68
0% Kotak Mahindra Prime Ltd, Non convertible debentures	1,000,000	2000	202.28		
0% LIC Housing Finance, Non convertible debentures	1,000,000	3000	303.32		
0% Reliance Capital Limited, Non Convertible Debentures	1,000,000	1000	99.84		
0% Reliance Capital Limited, Non Convertible Debentures	1,000,000	2000	200.37		
0% Tata Capital Financial Services, Non Convertible Debentures	1,000,000	3000	301.72		
0% Bajaj Finance Limited, Non Convertible Debentures	1,000,000	3000	300.56		
0% IDFC Limited, Non Convertible Debentures	1,000,000	3000	301.13		
<b>Aggregate of quoted investments</b>			<b>3,921.03</b>		<b>1,977.07</b>

### Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
Axis Fixed Term Plan - Series 47 (483 Days)	10	25,000,000	27.91	25,000,000	25.51
Axis Fixed Term Plan - Series 49	10	35,000,000	38.87	35,000,000	35.60
Axis Fixed Term Plan - Series 55	10	75,000,000	82.99	75,000,000	75.94
Axis Fixed Term Plan - Series 59	10	20,000,000	22.04	20,000,000	20.16
Axis Fixed Term Plan - Series 60	10	35,000,000	38.51	35,000,000	35.25
Axis Liquid Fund	1,000	258,410	40.02		
Baroda Pioneer Fixed Maturity Plan - Series G (369 Days)	10	-	-	20,000,000	21.01
Baroda Pioneer Fixed Maturity Plan - Series J (366 Days)	10	14,618,280	16.38	16,000,000	16.42
Baroda Pioneer Fixed Maturity Plan - Series M	10	30,000,000	33.07	30,000,000	30.32
Baroda Pioneer Liquid Fund	1,000	249,787	40.03		
Birla Interval Annual Income Fund Plan 9	10	45,526,975	53.02	-	-
Birla Interval Annual Income Fund Plan X	10	18,100,203	21.10		
Birla Life Fixed Term Plan - Series LV	10	24,000,000	25.62		
Birla Life Fixed Term Plan - Series MA 1099 Days	10	25,000,000	26.27		
Birla Life Fixed Term Plan - Series MD (1099 Days)	10	80,000,000	82.82		
Birla Life Fixed Term Plan - Series MK (1105 Days)	10	20,000,000	20.05		
Birla Sun Life Cash Plus	100	2,007,701	45.03		
Birla Sun Life Dynamic Bond Fund	10	48,723,921	119.09	48,723,921	103.37
Birla Sun Life Fixed Term Plan - Series GR	10	-	-	45,000,000	49.50
Birla Sun Life Fixed Term Plan - Series GT	10	-	-	75,000,000	81.09

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
Birla Sun Life Fixed Term Plan - Series GV	10	-	-	70,000,000	75.38
Birla Sun Life Fixed Term Plan - Series IY	10	22,000,000	24.77	22,000,000	22.72
Birla Sun Life Fixed Term Plan - Series JA	10	27,429,073	30.88	60,000,000	61.87
Birla Sun Life Fixed Term Plan - Series JE	10	-	-	30,000,000	30.87
Birla Sun Life Fixed Term Plan - Series JG	10	-	-	25,000,000	25.70
Birla Sun Life Fixed Term Plan - Series JI	10	21,939,848	24.60	38,000,000	38.99
Birla Sun Life Fixed Term Plan - Series JL	10	-	-	36,000,000	36.87
Birla Sun Life Fixed Term Plan - Series JN	10	-	-	15,000,000	15.33
Birla Sun Life Fixed Term Plan - Series JO	10	-	-	15,000,000	15.31
Birla Sun Life Fixed Term Plan - Series JQ	10	70,000,000	77.98	70,000,000	71.46
Birla Sun Life Fixed Term Plan - Series JT	10	-	-	60,000,000	61.08
Birla Sun Life Fixed Term Plan - Series JU	10	-	-	55,000,000	55.97
Birla Sun Life Fixed Term Plan - Series JX	10	28,000,000	31.15	28,000,000	28.50
Birla Sun Life Fixed Term Plan - Series JY	10	27,357,536	30.42	55,000,000	55.96
Birla Sun Life Fixed Term Plan - Series KE	10	75,000,000	83.12	75,000,000	76.06
Birla Sun Life Fixed Term Plan - Series KG	10	18,221,574	20.15	55,000,000	55.75
Birla Sun Life Fixed Term Plan - Series KH	10	50,000,000	55.34	50,000,000	50.62
Birla Sun Life Fixed Term Plan - Series KJ	10	75,000,000	82.81	75,000,000	75.75
Birla Sun Life Fixed Term Plan - Series KO	10	60,000,000	66.12	60,000,000	60.51
Birla Sun Life Fixed Term Plan - Series KP	10	60,000,000	66.17	60,000,000	60.55
Birla Sun Life Fixed Term Plan - Series KZ	10	35,000,000	38.17		
Birla Sun Life Fixed Term Plan - Series LA	10	20,000,000	21.83		
Birla Sun Life Fixed Term Plan - Series LC	10	20,000,000	21.78		
Birla Sun Life Fixed Term Plan - Series LG	10	100,000,000	108.49		
Birla Sun Life Fixed Term Plan - Series LJ	10	50,000,000	54.14		
Birla Sun Life Fixed Term Plan - Series LK	10	25,000,000	27.05		
Birla Sun Life Fixed Term Plan - Series LQ	10	20,000,000	21.30		
Birla Sun Life Fixed Term Plan Series - GF	10	-	-	35,000,000	38.78
Birla Sun Life Fixed Term Plan Series FW	10	22,000,000	27.47	22,000,000	25.22
Birla Sun Life Fixed Term Plan-Series HY - Growth	10	-	-	45,000,000	47.65
Birla Sun Life Fixed Term Plan-Series IA - Growth	10	-	-	25,000,000	26.44
Birla Sun Life Fixed Term Plan-Series IL	10	9,157,928	10.49	25,000,000	26.01
Birla Sun Life Fixed Term Plan-Series IO	10	-	-	20,000,000	20.80
Birla Sun Life Income Plus	10	9,152,145	57.75	9,152,145	49.45
Birla Sun Life Short Term Fund	10	11,373,640	59.51	11,373,640	53.67
Birla Sun Life Short Term Fund Direct	10	28,967,987	151.93		
Birla Sun Life Short Term Opportunities Fund	10	43,831,680	101.38		
Birla Sun Life Treasury Optimizer Plan	100	11,925,687	208.06		
Birla Sunlife Fixed Term Plan Series HB	10	-	-	80,000,000	85.25
Birla Sunlife Fixed Term Plan Series HL	10	54,320,764	63.84	125,000,000	133.40
Birla Sunlife Fixed Term Plan Series HS	10	22,597,236	26.50	60,000,000	63.90
Birla Sunlife Interval Income Fund – Annual Plan VIII	10	-	-	125,000,000	132.06
Deutsche Fixed Maturity Plan - Series 23	10	-	-	50,000,000	55.18
Deutsche Fixed Maturity Plan - Series 28	10	-	-	25,000,000	27.22
Deutsche Fixed Maturity Plan - Series 30	10	-	-	60,000,000	65.25
Deutsche Interval Fund Annual Series 1	10	31,184,283	36.03	45,000,000	47.70
DSP BlackRock - FMP Series 105 -12 M	10	20,025,669	23.44	65,000,000	69.31
DSP BlackRock - FMP Series 109 -12 M	10	-	-	35,000,000	37.38
DSP BlackRock - FMP Series 117 -12 M	10	-	-	20,000,000	21.13
DSP BlackRock - FTP Series 33 -24 M	10	15,000,000	16.95	15,000,000	15.51
DSP BlackRock FMP Series 103 - 12 M	10	-	-	75,000,000	79.29
DSP BlackRock FMP- Series 104 -12M	10	32,014,635	37.29	200,000,000	212.43
DSP BlackRock FMP- Series 130 -12M	10	-	-	35,000,000	35.90
DSP BlackRock FMP- Series 144 -12M	10	-	-	38,000,000	38.66
DSP BlackRock FMP- Series 146 -12M	10	50,040,943	55.47	150,000,000	152.20
DSP BlackRock FMP- Series 152 - 12.5M	10	60,000,000	66.04	60,000,000	60.46
DSP BlackRock FMP -Series 161 - 12M	10	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	-	-	115,000,000	126.08
DSP Blackrock FMP Series 89 - 12 M	10	-	-	175,000,000	191.23
DSP Blackrock FMP Series 91 - 12 M	10	-	-	40,000,000	43.54
DSP Blackrock FMP Series 93 - 12 M	10	-	-	65,000,000	70.71



Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
DSP Blackrock FMP Series 95 - 12 M	10	-	-	50,000,000	54.09
DWS Short Maturity Fund	10	72,816,561	186.80		
DWS Fixed Maturity Plan - Series 34	10	-	-	30,000,000	31.93
DWS Fixed Maturity Plan - Series 36	10	-	-	35,000,000	37.05
DWS Fixed Maturity Plan - Series 39	10	-	-	15,000,000	15.65
DWS Fixed Maturity Plan - Series 42	10	-	-	20,000,000	20.35
DWS Fixed Maturity Plan - Series 43	10	-	-	33,000,000	33.95
DWS Fixed Maturity Plan - Series 45	10	25,000,000	27.80	25,000,000	25.44
DWS Fixed Maturity Plan - Series 46	10	-	-	20,000,000	20.33
DWS Fixed Maturity Plan - Series 49	10	42,000,000	46.52	42,000,000	42.58
DWS Fixed Maturity Plan - Series 50	10	-	-	38,000,000	38.51
DWS Fixed Maturity Plan - Series 52	10	70,000,000	77.38	70,000,000	70.93
DWS Fixed Maturity Plan - Series 53	10	20,000,000	22.04	20,000,000	20.17
DWS Fixed Maturity Plan Series 54	10	40,000,000	43.99	40,000,000	40.30
DWS Fixed Maturity Plan Series 82	10	43,000,000	44.43		
DWS Fixed Maturity Plan Series 85	10	46,000,000	46.18		
DWS Fixed Maturity Plan Series 87	10	65,000,000	65.17		
DWS Premier Bond Fund	10	45,532,779	104.81		
DWS Short Maturity Fund Regular Plan Annual Bonus	10	81,772,262	137.26	81,772,262	123.70
DWS Treasury Fund - Investment Plan Regular - Annual Bonus option	10	118,478,636	125.41		
DWS Treasury Fund Cash Plan - Bonus Plan	100	7,866,500	100.42		
DWS Ultra Short Term Fund Direct Monthly Bonus	10	250,040,176	250.99		
DWS Ultra Short Term Fund Direct Plan Annual Bonus Option	10	33,545,565	37.60	33,545,565	34.24
HDFC Floating rate Income Fund - Long Term Plan	10	46,465,967	113.15	24,482,921	54.63
HDFC FMP 1099 D August 2014 (1)	10	25,000,000	26.73		
HDFC FMP 1107 Days Oct 14 (1)	10	16,000,000	16.59		
HDFC FMP 1113 days 1113D August 2014	10	38,000,000	40.73		
HDFC FMP 1125 D September 2014 (1)	10	15,000,000	15.82		
HDFC FMP 1128 D September 2014 (1)	10	15,000,000	15.94		
HDFC FMP 366D April 2013 (1)	10	-	-	50,000,000	54.18
HDFC FMP 366D May 2014 (1)	10	25,000,000	26.93		
HDFC FMP 367 D April 2014 (1)	10	40,000,000	43.36		
HDFC FMP 367D May 2014 (1)	10	17,000,000	18.42		
HDFC FMP 369D April 2014 (1)	10	30,000,000	32.73		
HDFC FMP 369D April 2014 (2)	10	65,000,000	70.70		
HDFC FMP 369D January 2014 (1)	10	59,355,852	65.99	110,000,000	112.17
HDFC FMP 369D June 2013 (1)	10	-	-	70,000,000	74.23
HDFC FMP 370 D April 2014 (4)	10	16,000,000	17.36		
HDFC FMP 370D April 2013 (2)	10	-	-	37,000,000	39.94
HDFC FMP 370D April 2014 (1)	10	110,000,000	119.94		
HDFC FMP 370D April 2014 (2)	10	80,000,000	87.09		
HDFC FMP 370D April 2014 (3)	10	50,000,000	54.31		
HDFC FMP 370D AUGUST 2013 (2)	10	22,625,663	26.59	40,000,000	42.75
HDFC FMP 370D January 2014 (1)	10	-	-	90,000,000	91.60
HDFC FMP 370D July 2013 (1)	10	-	-	25,000,000	26.39
HDFC FMP 370D July 2013 (3)	10	20,931,545	24.55	50,000,000	53.33
HDFC FMP 370D June 2014 (2)	10	45,000,000	48.10		
HDFC FMP 370D May 2014 (1)	10	25,000,000	27.04		
HDFC FMP 370D October 2013 (1)	10	13,688,004	15.76	25,000,000	26.15
HDFC FMP 370D September 2013 (2) - Growth	10	16,312,475	19.04	55,000,000	58.23
HDFC FMP 370D September 2013 (3) - Growth	10	10,874,391	12.68	28,000,000	29.59
HDFC FMP 371D December 2013 (2)	10	24,664,066	27.69	45,000,000	46.27
HDFC FMP 371D January 2014 (1)	10	19,194,033	21.37	37,000,000	37.80
HDFC FMP 371D January 2014 (2)	10	-	-	80,000,000	81.49
HDFC FMP 371D July 2013 (1)	10	22,828,340	26.68	100,000,000	106.94
HDFC FMP 371D June 2014 (3)	10	32,000,000	34.12		
HDFC FMP 371D May 2014 (1)	10	22,000,000	23.69		
HDFC FMP 372D December 2013 (1)	10	43,821,609	49.09	58,000,000	59.43
HDFC FMP 372D FEBRUARY 2014 (1)	10	36,441,156	40.54	38,000,000	38.66
HDFC FMP 372D January 2014 (1)	10	-	-	40,000,000	40.72
HDFC FMP 372D October 2013 (1)	10	16,499,835	18.81	21,000,000	21.87
HDFC FMP 384D March 2013 (1)	10	-	-	75,000,000	81.70

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
HDFC FMP 398D March 2013 (1)	10	-	-	30,000,000	32.91
HDFC FMP 400D March 2014 (1)	10	50,000,000	55.09	50,000,000	50.42
HDFC FMP 434D February 2014 (1)	10	55,000,000	60.90	55,000,000	55.64
HDFC FMP 435D March 2014 (1) - Series 29	10	80,000,000	88.37	80,000,000	80.74
HDFC FMP 441D FEBRUARY 2014 (1)	10	70,000,000	77.65	70,000,000	70.95
HDFC FMP 491D January 2014 (1) - Series 29	10	40,000,000	44.73	40,000,000	40.89
HDFC FMP 566 D - DECEMBER 2012 - 1	10	-	-	60,000,000	67.01
HDFC FMP 572D October 2013 (1)	10	24,000,000	27.38	24,000,000	25.04
HDFC Medium Term Opportunities Fund	10	169,033,599	257.33		
HDFC Short Term Opportunities Fund	10	77,740,549	118.45	77,740,549	107.42
ICICI Interval Annual Plan - IV	10	8,819,514	15.01	17,918,530	27.99
ICICI Prudential Blended Plan - Plan B	10	94,234,698	196.36		
ICICI Prudential FMP Series 63 - 3 Years Plan M	10	35,000,000	43.87	35,000,000	40.24
ICICI Prudential FMP Series 64 - 3 Years Plan I	10	15,000,000	18.74	15,000,000	17.13
ICICI Prudential FMP Series 65 488 Days Plan D	10	-	-	50,000,000	55.61
ICICI Prudential FMP Series 65 502 Days Plan C	10	-	-	75,000,000	83.68
ICICI Prudential FMP Series 65 505 Days Plan J	10	-	-	50,000,000	55.21
ICICI Prudential FMP Series 66 - 420 Days Plan A	10	-	-	200,000,000	220.76
ICICI Prudential FMP Series 66- 407 Days Plan C	10	-	-	115,000,000	126.80
ICICI Prudential FMP Series 66- 407 Days Plan I	10	-	-	80,000,000	87.91
ICICI Prudential FMP Series 66- 412 Days Plan E	10	-	-	45,000,000	49.52
ICICI Prudential FMP Series 67- 366 Days Plan G	10	-	-	40,000,000	43.44
ICICI Prudential FMP Series 67- 371 Days Plan C	10	-	-	50,000,000	54.36
ICICI Prudential FMP Series 67- 371 Days Plan E	10	-	-	75,000,000	81.56
ICICI Prudential FMP Series 67- 378 Days Plan A	10	-	-	50,000,000	54.47
ICICI Prudential FMP Series 68- 368 Days Plan G	10	67,624,992	79.33	80,000,000	85.27
ICICI Prudential FMP Series 68- 368 Days Plan I	10	73,179,500	86.03	75,000,000	80.42
ICICI Prudential FMP Series 68- 369 Days Plan E	10	-	-	35,000,000	37.12
ICICI Prudential FMP Series 68- 745 Days Plan J	10	65,000,000	76.43	65,000,000	69.80
ICICI Prudential FMP Series 69 - 372 Days Plan K	10	-	-	30,000,000	31.93
ICICI Prudential FMP Series 69 - 366 Days Plan G	10	33,345,407	39.21	75,000,000	80.07
ICICI Prudential FMP Series 70 - 367 Days Plan N	10	17,000,000	19.48	25,000,000	26.04
ICICI Prudential FMP Series 70 - 368 Days Plan K	10	-	-	25,000,000	26.20
ICICI Prudential FMP Series 70 - 369 Days Plan O	10	-	-	18,000,000	18.73
ICICI Prudential FMP Series 70 - 372 Days Plan L	10	-	-	30,000,000	31.40
ICICI Prudential FMP Series 70 - 540 Days Plan S	10	15,000,000	17.07	15,000,000	15.60
ICICI Prudential FMP Series 70 - 367 Days Plan C	10	25,411,346	29.56	60,000,000	63.47
ICICI Prudential FMP Series 70 - 369 Days Plan E	10	-	-	15,000,000	15.89
ICICI Prudential FMP Series 71 - 366 Days Plan C	10	16,475,369	18.60	35,000,000	36.15
ICICI Prudential FMP Series 71 - 368 Days Plan K	10	-	-	16,000,000	16.41
ICICI Prudential FMP Series 71 - 371 Days Plan M	10	-	-	35,000,000	35.88
ICICI Prudential FMP Series 71 - 480 Days Plan L	10	35,000,000	39.18	35,000,000	35.89
ICICI Prudential FMP Series 71 - 505 Days Plan H	10	25,000,000	28.10	25,000,000	25.72
ICICI Prudential FMP Series 71 - 547 Days Plan B	10	16,000,000	18.15	16,000,000	16.63
ICICI Prudential FMP Series 71 - 367 Days Plan G	10	-	-	20,000,000	20.57
ICICI Prudential FMP Series 71 - 369 Days Plan E	10	15,000,000	16.88	37,000,000	38.15
ICICI Prudential FMP Series 72 - 368 Days Plan A	10	19,411,253	21.65	32,000,000	32.67
ICICI Prudential FMP Series 72 - 368 Days Plan D	10	15,500,000	17.22	49,000,000	50.01
ICICI Prudential FMP Series 72 - 409 Days Plan S	10	66,000,000	73.14	66,000,000	66.99
ICICI Prudential FMP Series 72 - 366 Days Plan I	10	-	-	31,000,000	31.58
ICICI Prudential FMP Series 72 - 370 Days Plan G	10	-	-	28,000,000	28.55
ICICI Prudential FMP Series 72 - 483 Days Plan J	10	60,000,000	66.80	60,000,000	61.15
ICICI Prudential FMP Series 72 - 500 Days Plan E	10	25,000,000	27.87	25,000,000	25.49
ICICI Prudential FMP Series 72 - 366 Days Plan C	10	9,148,720	10.17	57,000,000	58.10
ICICI Prudential FMP Series 72 - 525 Days Plan B	10	20,000,000	22.37	20,000,000	20.43
ICICI Prudential FMP Series 73 - 369 Days Plan S	10	40,000,000	43.71		
ICICI Prudential FMP Series 73 - 369 Days Plan T	10	70,000,000	76.36		
ICICI Prudential FMP Series 73 - 376 Days Plan Q	10	68,000,000	74.31	68,000,000	68.07
ICICI Prudential FMP Series 73 - 391 Days Plan G	10	106,000,000	116.67	106,000,000	106.87
ICICI Prudential FMP Series 73 - 392 Days Plan F	10	56,000,000	61.73	56,000,000	56.52
ICICI Prudential FMP Series 73 - 407 Days Plan C	10	81,000,000	89.57	81,000,000	81.92
ICICI Prudential FMP Series 74 - 367 Days Plan D	10	110,000,000	119.43		

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
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	25,000,000	26.98		
ICICI Prudential FMP Series 74 - 369 Days Plan B	10	55,000,000	59.67		
ICICI Prudential FMP Series 74 - 369 Days Plan F	10	70,000,000	75.99		
ICICI Prudential FMP Series 74 - 369 Days Plan I	10	40,000,000	43.30		
ICICI Prudential FMP Series 74 - 369 Days Plan K	10	35,000,000	37.65		
ICICI Prudential FMP Series 74 - 369 Days Plan T	10	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	30,000,000	31.99		
ICICI Prudential FMP Series 75 - 1100 Days Plan F	10	27,000,000	28.92		
ICICI Prudential FMP Series 75 - 1100 Days Plan H	10	22,000,000	23.47		
ICICI Prudential FMP Series 75 - 1100 Days Plan J	10	15,000,000	15.91		
ICICI Prudential FMP Series 75 - 1100 Days Plan N	10	51,000,000	53.21		
ICICI Prudential FMP Series 75 - 1100 Days Plan O	10	32,000,000	33.51		
ICICI Prudential FMP Series 75- 1100 days Plan R	10	80,000,000	82.93		
ICICI Prudential FMP Series 75- 1100 days Plan T	10	20,000,000	20.68		
ICICI Prudential FMP Series 75- 1103 Days Plan P	10	60,000,000	62.23		
ICICI Prudential FMP Series 76- 1100 days Plan G	10	79,000,000	80.01		
ICICI Prudential FMP Series 76- 1100 days Plan T	10	60,000,000	60.21		
ICICI Prudential FMP Series 76- 1103 days Plan F	10	40,000,000	40.60		
ICICI Prudential FMP Series 76- 1120 days Plan U	10	25,000,000	25.03		
ICICI Prudential FMP Series 76- 1132 days Plan P	10	39,000,000	39.22		
ICICI Prudential FMP Series 76- 1142 days Plan M	10	24,000,000	24.23		
ICICI Prudential FMP Series 76- 1155 days Plan K	10	55,000,000	55.76		
ICICI Prudential Income Plan	10	41,778,773	183.37	41,778,773	156.18
ICICI Prudential Interval Fund - Series 6 - Annual Interval Plan F	10	-	-	45,000,000	47.51
ICICI Prudential Interval Fund - Series VI - Annual Interval Plan C	10	25,000,000	30.07	25,000,000	27.54
ICICI Prudential Interval Fund- Annual Interval Plan I - IP	10	27,354,859	41.03	27,354,859	37.52
ICICI Prudential Liquid Plan - Regular - Growth	100	2,176,429	45.02		
ICICI Prudential Series 71 - 525 Days Plan D	10	15,000,000	16.95	15,000,000	15.49
ICICI Prudential Short Term Plan	10	71,517,457	207.33	-	-
ICICI Ultra Short term fund	10	185,051,658	264.90		
IDFC Banking Debt Fund	10	65,981,714	79.06		
IDFC Cash Fund	1,000	294,485	50.03		
IDFC Dynamic Bond Fund	10	72,233,821	122.52	72,233,821	105.38
IDFC Fixed Term Plan Series - 74	10	25,000,000	27.70	25,000,000	25.35
IDFC Fixed Term Plan Series - 75	10	30,000,000	33.20	30,000,000	30.39
IDFC Fixed Term Plan Series - 77	10	30,000,000	33.14	30,000,000	30.32
IDFC Fixed Term Plan Series - 84	10	25,000,000	27.49	25,000,000	25.20
IDFC Fixed Term Plan Series 10	10	-	-	38,000,000	41.87
IDFC Fixed Term Plan Series 11	10	-	-	40,000,000	43.99
IDFC Fixed Term Plan Series 14	10	-	-	35,000,000	38.37
IDFC Fixed Term Plan Series 2	10	25,000,000	31.35	25,000,000	28.78
IDFC Fixed Term Plan Series 20	10	-	-	35,000,000	37.16
IDFC Fixed Term Plan Series 21 (727 Days)	10	30,000,000	34.64	30,000,000	31.69
IDFC Fixed Term Plan Series 23 Growth	10	35,000,000	41.19	35,000,000	37.62
IDFC Fixed Term Plan Series 27 Growth	10	40,745,369	47.76	100,000,000	106.68
IDFC Fixed Term Plan- Series 34 Growth	10	9,061,829	10.55	15,000,000	15.88
IDFC Fixed Term Plan- Series 49	10	15,073,724	16.96	38,000,000	39.21
IDFC Fixed Term Plan- Series 50	10	22,857,528	25.65	25,000,000	25.73
IDFC Fixed Term Plan- Series 51	10	27,000,000	30.39	27,000,000	27.83
IDFC Fixed Term Plan- Series 54	10	-	-	18,000,000	18.48
IDFC Fixed Term Plan- Series 57	10	20,000,000	22.42	20,000,000	20.51
IDFC Fixed Term Plan- Series 59	10	-	-	25,000,000	25.58
IDFC Fixed Term Plan- Series 60	10	20,000,000	22.37	20,000,000	20.46
IDFC Fixed Term Plan- Series 64	10	20,000,000	22.27	20,000,000	20.40
IDFC Fixed Term Plan- Series 65	10	-	-	110,000,000	112.01
IDFC Fixed Term Plan- Series 67	10	-	-	25,000,000	25.41
IDFC Fixed Term Plan Series 9	10	-	-	32,000,000	35.25
IDFC FTP Series-33 - Growth	10	-	-	26,000,000	27.54
IDFC FTP Series-48 - Growth	10	20,000,000	22.67	20,000,000	20.80

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
IDFC Money Manager Fund - Investment Plan	10	76,971,268	166.60	27,532,888	54.65
IDFC SSIF- Medium Term Plan	10	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	60.46	49,976,083	55.28
IDFC Yearly Series Interval Fund - Series III	10	20,003,458	24.26	25,000,000	27.73
IDFC Yearly Series Interval Fund Series 2	10	33,526,670	40.54		
JP Morgan India Fixed Maturity Plan - Series 12	10	-	-	130,000,000	144.21
JP Morgan India Fixed Maturity Plan - Series 13	10	-	-	85,000,000	93.90
JP Morgan India Income Fund - Series 301	10	105,000,000	130.34	105,000,000	119.81
JP Morgan India Income Fund - Series 302	10	27,000,000	33.08	27,000,000	30.40
JPMorgan India Active Bond Fund	10	240,539,367	344.02	283,642,301	351.18
JPMorgan India FMP - Series 15 (412 days)	10	-	-	51,000,000	56.21
JPMorgan India FMP - Series 16	10	-	-	90,000,000	98.57
JPMorgan India FMP - Series 18	10	-	-	35,000,000	38.17
JPMorgan India FMP - Series 21 (369 days)	10	-	-	75,000,000	79.81
JPMorgan India FMP Series - 30 ( 427Days)	10	36,000,000	39.97	36,000,000	36.55
JPMorgan India FMP Series - 33 (398 Days)	10	25,000,000	27.58	25,000,000	25.25
JPMorgan India Liquid Fund	10	93,587,854	98.88		
JPMorgan India Treasury Fund	10	325,275,021	398.21	325,275,021	364.20
Kotak Floater - Short Term	1,000	174,652	40.04		
Kotak FMP Series 100 - 373 Days	10	-	-	75,000,000	81.75
Kotak FMP Series 101 - 371 Days	10	-	-	25,000,000	27.22
Kotak FMP Series 102 - 374 Days	10	-	-	30,000,000	32.62
Kotak FMP Series 104 - 370 Days	10	-	-	45,000,000	47.88
Kotak FMP Series 105 - 370 Days	10	45,420,863	53.19	100,000,000	107.07
Kotak FMP Series 106 - 370 Days	10	30,000,000	35.12	30,000,000	32.07
Kotak FMP Series 107	10	13,649,358	15.97	35,000,000	37.47
Kotak FMP Series 112 - Direct	10	18,094,801	21.16	25,000,000	26.66
Kotak FMP Series 117 - Direct	10	14,439,879	16.90	42,000,000	44.52
Kotak FMP Series 118 - 370 Days	10	-	-	25,000,000	26.45
Kotak FMP Series 119 - 370 Days	10	-	-	25,000,000	26.44
Kotak FMP Series 122 - 370 Days	10	13,649,285	15.72	25,000,000	26.07
Kotak FMP Series 132 - 546 Days	10	30,000,000	33.61	30,000,000	30.66
Kotak FMP Series 141 - 454 Days	10	55,000,000	61.03	55,000,000	55.76
Kotak FMP Series 142 - 420 Days	10	55,000,000	60.85	55,000,000	55.63
Kotak FMP Series 145 - 390 Days	10	90,000,000	99.13	90,000,000	90.58
Kotak FMP Series 151	10	30,000,000	32.79	30,000,000	30.03
Kotak FMP Series 155 - 370 Days	10	45,000,000	49.14		
Kotak FMP Series 156	10	60,000,000	65.39		
Kotak FMP Series 157 - 370 Days	10	70,000,000	76.20		
Kotak FMP Series 158 - 370 Days	10	50,000,000	54.29		
Kotak FMP Series 159	10	40,000,000	43.38		
Kotak FMP Series 163	10	15,000,000	16.03		
Kotak FMP Series 171	10	38,000,000	38.48		
Kotak FMP Series 95 - 400 Days	10	-	-	50,000,000	55.13
Kotak FMP Series 97 - 395 Days	10	-	-	110,000,000	120.74
Kotak FMP Series 98	10	-	-	40,000,000	44.47
Kotak FMP Series 99 - 18 Months	10	-	-	45,000,000	49.72
L & T Cash Fund Direct Growth	1,000	196,948	22.32	196,948	20.52
L&T FMP - Series IX - Plan D - Growth	10	13,730,354	15.52	25,000,000	25.85
L&T FMP - Series IX - Plan E - Growth	10	20,000,000	22.65	20,000,000	20.72
L&T FMP - Series IX - Plan G - Growth	10	-	-	30,000,000	30.93
L&T FMP - Series IX - Plan J - Growth	10	20,000,000	22.50	20,000,000	20.57
L&T FMP - Series VIII - Plan J - Growth	10	-	-	30,000,000	31.75
L&T FMP - Series X - Plan A (368 Days) - Growth	10	-	-	20,000,000	20.47
L&T FMP - Series X - Plan B	10	20,000,000	22.38	20,000,000	20.43
L&T FMP - Series X - Plan D	10	-	-	20,000,000	20.34
L&T FMP - Series X - Plan L	10	-	-	30,000,000	30.39
L&T FMP - Series X - Plan M	10	25,000,000	27.62	25,000,000	25.25
L&T FMP - VII - (January 507DA)	10	-	-	40,000,000	44.16
L&T FMP - VII - March 13M A	10	-	-	40,000,000	43.97

Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
L&T FMP - VII - March 381D A	10	-	-	25,000,000	27.26
L&T FMP Series 8 Plan A	10	-	-	20,000,000	21.28
L&T FMP Series VIII Plan I	10	-	-	18,000,000	19.17
L&T Liquid Fund	1,000	78,299	15.01		
L&T Triple Ace Fund	10	161,006,767	223.46	161,281,652	198.18
L&T Ultra Short Term – Bonus Plan	10	201,227,829	248.88		
LIC Nomura MF Fixed Maturity Plan Series 86	10	20,000,000	21.30		
LIC Nomura MF Fixed Maturity Plan Series 89	10	16,000,000	16.82		
LIC Nomura MF Fmp Series 90 (1100 Days)	10	15,000,000	15.55		
Reliance Dynamic Bond Fund	10	397,901,595	756.22	397,901,595	654.18
Reliance Fixed Horizon Fund - XXIII Series 10	10	25,000,000	29.35	25,000,000	26.86
Reliance Fixed Horizon Fund - XXIII Series 5	10	-	-	350,000,000	383.50
Reliance Fixed Horizon Fund - XXIII Series 7	10	-	-	25,000,000	27.24
Reliance Fixed Horizon Fund - XXIII Series 9	10	-	-	100,000,000	108.76
Reliance Fixed Horizon Fund - XXIV - Series 17	10	-	-	20,000,000	21.20
Reliance Fixed Horizon Fund - XXIV - Series 18	10	10,866,711	12.65	40,000,000	42.35
Reliance Fixed Horizon Fund - XXIV - Series 25	10	23,785,999	26.82	26,000,000	26.94
Reliance Fixed Horizon Fund - XXV - Series 14	10	10,041,994	11.19	50,000,000	50.97
Reliance Fixed Horizon Fund - XXV - Series 16	10	25,000,000	27.85	25,000,000	25.48
Reliance Fixed Horizon Fund - XXV - Series 17	10	75,000,000	83.51	75,000,000	76.37
Reliance Fixed Horizon Fund - XXV - Series 21	10	35,000,000	38.80	35,000,000	35.47
Reliance Fixed Horizon Fund - XXV Series 13	10	20,000,000	22.35	20,000,000	20.43
Reliance Fixed Horizon Fund 26 - Series 6	10	-	-	30,000,000	30.00
Reliance Fixed Horizon Fund XXI - Series 21	10	13,431,721	16.88	32,000,000	36.94
Reliance Fixed Horizon Fund XXII - Series 26	10	30,000,000	37.46	30,000,000	34.42
Reliance Fixed Horizon Fund XXII - Series 33	10	-	-	50,000,000	55.73
Reliance Fixed Horizon Fund XXII - Series 37	10	-	-	25,000,000	27.75
Reliance Fixed Horizon Fund XXII - Series 38	10	-	-	25,000,000	27.64
Reliance Fixed Horizon Fund XXII - Series 39	10	-	-	30,000,000	33.13
Reliance Fixed Horizon Fund XXIII - Series 1	10	-	-	55,000,000	60.67
Reliance Fixed Horizon Fund XXIII - Series 2	10	-	-	60,000,000	66.21
Reliance Fixed Horizon Fund XXIV Series 1	10	-	-	40,000,000	42.25
Reliance Fixed Horizon Fund XXIV Series 11 (369 days)	10	81,424,384	95.53	100,000,000	106.72
Reliance Fixed Horizon Fund XXIV Series 16 367 Days	10	-	-	25,000,000	26.46
Reliance Fixed Horizon Fund XXIV Series 22	10	25,000,000	28.55	25,000,000	26.10
Reliance Fixed Horizon Fund XXIV Series 3 (368 days)	10	37,309,698	43.77	100,000,000	106.93
Reliance Fixed Horizon Fund XXV - Series 11	10	15,000,000	16.85	15,000,000	15.41
Reliance Fixed Horizon Fund XXV - Series 2	10	-	-	40,000,000	41.34
Reliance Fixed Horizon Fund XXV Series 1	10	20,000,000	22.74	20,000,000	20.76
Reliance Fixed Horizon Fund XXV Series 27	10	80,000,000	88.60	80,000,000	80.99
Reliance Fixed Horizon Fund XXV Series 28	10	30,000,000	33.21	30,000,000	30.40
Reliance Fixed Horizon Fund XXV Series 30	10	75,000,000	82.67	75,000,000	75.61
Reliance Fixed Horizon Fund XXV Series 31	10	95,000,000	104.82	95,000,000	96.02
Reliance Fixed Horizon Fund XXV Series 4	10	10,047,681	11.30	25,000,000	25.78
Reliance Fixed Horizon Fund XXV Series 6	10	15,000,000	16.97	15,000,000	15.48
Reliance Fixed Horizon Fund XXVI - Series 8	10	60,000,000	65.51		
Reliance Fixed Horizon Fund XXVI Series 12	10	60,000,000	65.41		
Reliance Fixed Horizon Fund XXVI Series 13	10	90,000,000	97.99		
Reliance Fixed Horizon Fund XXVI Series 17	10	70,000,000	75.91		
Reliance Fixed Horizon Fund XXVI Series 19	10	40,000,000	43.29		
Reliance Fixed Horizon Fund XXVI Series 20	10	25,000,000	26.98		
Reliance Fixed Horizon Fund XXVI Series 28	10	25,000,000	26.87		
Reliance Fixed Horizon Fund XXVI Series 31	10	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	215,000,000	234.29		
Reliance Fixed Horizon Fund XXVII Series 11	10	72,000,000	74.51		
Reliance Fixed Horizon Fund XXVII Series 4	10	25,000,000	26.68		
Reliance Fixed Horizon Fund XXVII Series 6	10	15,000,000	15.96		
Reliance Fixed Horizon Fund XXVII Series 7	10	15,000,000	15.92		
Reliance Fixed Horizon Fund XXVII Series 8	10	33,000,000	34.67		
Reliance Fixed Horizon Fund XXVIII Series 10	10	70,000,000	70.35		
Reliance Fixed Horizon Fund XXVIII Series 7- 1104 Days	10	37,000,000	37.43		

### Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
Reliance Floating Rate Fund ST Plan	10	190,725,545	424.81	143,560,851	289.10
Reliance Interval Fund - Annual Interval Fund - Series I	10	26,663,681	37.54	49,501,683	63.98
Reliance Interval Fund II Series 1	10	29,212,273	33.44	51,000,000	53.34
Reliance Interval Fund II Series-3	10	24,752,929	28.10	35,000,000	36.38
Reliance Interval Fund II Series-4	10	20,000,000	22.56	20,000,000	20.75
Reliance Interval Fund III Series 1	10	15,000,000	15.71		
Reliance Medium Term Fund	10	92,151,155	268.35		
Reliance Money Manager Fund	1,000	424,550	47.61	424,550	43.53
Reliance Short Term Fund	10	179,031,536	469.17	179,031,536	422.52
Reliance Short Term Fund	10	115,363,738	306.31		
Reliance Yearly Interval Fund - Series 6	10	79,452,246	94.11	130,000,000	141.13
Reliance Yearly Interval Fund - Series 7	10	13,779,546	16.26		
Reliance Yearly Interval Fund - Series 8	10	92,191,389	107.06	100,000,000	106.45
Reliance Yearly Interval Fund - Series I	10	300,198,256	363.53	249,885,056	276.81
Reliance Yearly Interval Fund - Series II	10	219,646,228	266.77	275,088,028	304.96
Reliance Yearly Interval Fund - Series III	10	41,482,071	50.34	47,000,000	52.12
Reliance Yearly Interval Fund - Series IV	10	25,036,929	30.16	50,000,000	55.17
Reliance Yearly Interval Fund Series 9	10	45,993,929	53.29		
Religare Active Income Fund - Plan A	1,000	-	-	1,834,193	268.73
Religare FMP Series XVII - Plan A - 17 Months	10	-	-	20,000,000	22.08
Religare FMP Series XVII - Plan D	10	-	-	55,000,000	60.40
Religare FMP Series XVIII - Plan B	10	-	-	20,000,000	21.81
Religare Invesco FMP - Series XXI - Plan E	10	22,825,006	25.70	50,000,000	51.61
Religare Invesco FMP - Series XXII - Plan A	10	-	-	25,000,000	25.72
Religare Invesco FMP - Series XXII - Plan G	10	-	-	43,000,000	43.79
Religare Invesco FMP - Series XXII - Plan H	10	20,000,000	22.23	20,000,000	20.33
Religare Invesco FMP - Series XXII - Plan L	10	15,000,000	16.61	15,000,000	15.19
Religare Invesco FMP Plan D 1099 Days	10	15,000,000	15.98		
Religare Invesco FMP Series 23 - Plan H	10	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	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	26.03		
Religare Invesco FMP Series 25 Plan C 1148 Days	10	45,000,000	45.25		
Religare Invesco FMP Series 25 Plan D	10	40,000,000	40.24		
Religare Invesco FMP Series 25 Plan F	10	50,000,000	50.00		
Religare Invesco Liquid Fund	1,000	208,210	40.02		
Religare Invesco Short Term Fund	1,000	842,060	160.55		
Religare Invesco Ultra Short Term Fund	1,000	4,878,773	521.94		
SBI Debt Fund Series - 51	10	9,146,704	10.16	20,000,000	20.35
SBI Debt Fund Series A1 15 Months	10	40,000,000	44.74	40,000,000	40.93
SBI Dynamic Bond Fund	10	65,173,753	111.92	65,173,753	98.38
SBI Premier Liquid Fund	1,000	205,046	45.02		
SBI SDFS 1111 Days B 3	10	22,000,000	22.80		
SBI SDFS 13 Months Series 14	10	-	-	100,000,000	109.78
SBI SDFS 17 Months - 1	10	32,000,000	36.00	32,000,000	32.95
SBI SDFS 366 - 46	10	9,154,407	10.31	30,000,000	30.95
SBI SDFS 366 - 49	10	33,000,000	36.99	33,000,000	33.87
SBI SDFS 366 Days - 32	10	-	-	75,000,000	79.13
SBI SDFS 366 Days - 48	10	12,800,000	14.37	45,000,000	46.24
SBI SDFS 366 Days Series 25	10	-	-	75,000,000	81.43
SBI SDFS 366 Days Series 29	10	-	-	100,000,000	106.71
SBI SDFS 366 Days Series 30	10	-	-	60,000,000	63.73
SBI SDFS 366 Days Series 31	10	-	-	50,000,000	53.08
SBI SDFS 366 Days Series 33	10	-	-	75,000,000	79.68
SBI SDFS 366 Days Series 39	10	26,627,126	31.05	72,000,000	76.17
SBI SDFS 366 Days Series 40	10	-	-	35,000,000	36.93
SBI SDFS 366 Days Series 44	10	11,949,957	13.50	16,000,000	16.56
SBI SDFS A - 17	10	75,000,000	81.53		
SBI SDFS A - 18	10	16,000,000	17.39		
SBI SDFS A - 19	10	20,000,000	21.71		



Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
SBI SDFS A - 20	10	50,000,000	54.26		
SBI SDFS A - 22 (366 Days)	10	40,000,000	43.25		
SBI SDFS A - 24 (366 Days)	10	50,000,000	54.00		
SBI SDFS A - 25 (366 Days)	10	25,000,000	26.93		
SBI SDFS A - 27 (366 Days)	10	20,000,000	21.49		
SBI SDFS A - 28 (367 Days)	10	40,000,000	42.95		
SBI SDFS A - 31 (367 Days)	10	40,000,000	42.82		
SBI SDFS A 32 367 Days	10	32,000,000	34.20		
SBI SDFS A 34	10	20,000,000	21.37		
SBI SDFS A 35	10	50,000,000	53.25		
SBI SDFS B 2 1111 Days	10	23,000,000	23.97		
SBI SDFS 16 Months - 1	10	40,000,000	44.56	40,000,000	40.78
SBI SDFS 18 Months - 13	10	50,000,000	56.62	50,000,000	51.82
SBI SDFS 366 Days - 45	10	14,652,417	16.54	30,000,000	31.01
SBI SDFS 366 Days - 47	10	27,429,825	30.87	60,000,000	61.89
SBI SDFS A - 10	10	50,000,000	54.98	50,000,000	50.36
SBI SDFS A - 2	10	40,000,000	44.43	40,000,000	40.66
SBI SDFS A - 5	10	50,000,000	55.36	50,000,000	50.65
Sundaram Money Fund	10	481,138,624	508.24		
Sundaram Ultra Short Term Fund	10	285,964,112	315.44		
Tata Fixed Maturity Plan Series 42 Scheme B	10	-	-	30,000,000	32.86
Tata Fixed Maturity Plan Series 42 Scheme C	10	-	-	25,000,000	27.24
Tata Fixed Maturity Plan Series 42 Scheme G	10	-	-	140,000,000	154.17
Tata Fixed Maturity Plan Series 42 Scheme H	10	-	-	40,000,000	43.95
Tata Fixed Maturity Plan Series 42 Scheme I	10	-	-	22,000,000	23.31
Tata Fixed Maturity Plan Series 44 Scheme A	10	-	-	48,000,000	50.76
Tata Fixed Maturity Plan Series 44 Scheme B	10	10,930,455	12.67	30,000,000	31.53
Tata Fixed Maturity Plan Series 45 Scheme C	10	25,581,055	28.88	60,000,000	61.97
Tata Fixed Maturity Plan Series 45 Scheme D	10	-	-	25,000,000	25.52
Tata Fixed Maturity Plan Series 46 Scheme A	10	-	-	60,000,000	61.78
Tata Fixed Maturity Plan Series 46 Scheme B	10	-	-	20,000,000	20.56
Tata Fixed Maturity Plan Series 46 Scheme K	10	18,000,000	20.01	18,000,000	18.32
Tata Fixed Maturity Plan Series 46 Scheme M	10	45,000,000	49.91	45,000,000	45.62
Tata Fixed Maturity Plan Series 46 Scheme N	10	20,000,000	22.09	20,000,000	20.20
Tata Fixed Maturity Plan Series 46 Scheme O	10	-	-	49,000,000	49.65
Tata Fixed Maturity Plan Series 46 Scheme Q	10	20,000,000	22.03	20,000,000	20.16
Tata Fixed Maturity Plan Series 46 Scheme T	10	35,000,000	38.77	35,000,000	35.45
Tata Fixed Maturity Plan Series 47 Scheme F	10	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	155.15		
UTI FIIF - Annual Interval Plan - II	10	6,586,784	12.59	12,724,959	22.18
UTI Fixed Income Interval Fund - Annual Interval Plan IV - IP	10	-	-	15,402,150	20.54
UTI Fixed Term Income Fund - Series XVII - V (366 days)	10	-	-	20,000,000	20.44
UTI Fixed Term Income Fund - Series XVII - VII (465 days)	10	41,000,000	45.66	41,000,000	41.72
UTI Fixed Term Income Fund - Series XVII - XIII (369 days)	10	39,143,931	43.45	50,000,000	50.78
UTI Fixed Term Income Fund Series XIV - IV (408 days)	10	-	-	25,000,000	27.52
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	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	90,000,000	95.99		
UTI Fixed Term Income Fund Series XIX-VI (366 days)	10	45,000,000	48.11		
UTI Fixed Term Income Fund Series XIX-VIII (368 days)	10	32,000,000	34.20		
UTI Fixed Term Income Fund Series XIX-XI	10	52,000,000	55.36		
UTI Fixed Term Income Fund Series XV - I (368 days)	10	-	-	50,000,000	53.96
UTI Fixed Term Income Fund Series XV - V (366 days)	10	-	-	65,000,000	69.18
UTI Fixed Term Income Fund Series XV - VI (368 days)	10	-	-	70,000,000	74.22
UTI Fixed Term Income Fund Series XV - VII (369 days)	10	-	-	42,000,000	44.38
UTI Fixed Term Income Fund Series XVI - IV (369 days)	10	-	-	37,000,000	39.13
UTI Fixed Term Income Fund Series XVI - VII	10	-	-	40,000,000	41.84
UTI Fixed Term Income Fund Series XVII - I (369 days)	10	21,918,809	24.67	60,000,000	61.86
UTI Fixed Term Income Fund Series XVII - II (369 days)	10	-	-	40,000,000	41.16

### Investments in mutual funds - Unquoted

Particulars	Face value (in ₹)	Total number of Units	2015	Total number of Units	2014
UTI Fixed Term Income Fund Series XVIII - V (370 days)	10	50,000,000	54.45		
UTI Fixed Term Income Fund Series XVIII-VIII ( 366 days)	10	30,000,000	32.60		
UTI Fixed Term Income Fund Series XVIII-XII (366 days)	10	35,000,000	37.74		
UTI Fixed Term Income Fund Series XVIII-XIII (366 days)	10	40,000,000	43.02		
UTI Fixed Term Income Fund Series XXI-XI (1112 days)	10	80,000,000	80.40		
UTI Fixed Term Income Fund Series XX-VIII (1105 days)	10	75,000,000	77.71		
UTI Fixed Term Income Fund Series XX-X	10	46,000,000	47.55		
UTI Short Term Income Fund	10	195,784,665	332.33		
<b>Aggregate of unquoted investments</b>			<b>23,332.56</b>		<b>20,526.51</b>
<b>Aggregate of quoted and unquoted investments</b>			<b>27,253.59</b>		<b>22,503.58</b>

### NOTE 13 Inventories

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
At lower of cost and net realisable value		
Raw materials - Zinc and Lead Mined-Metal	47.04	60.88
Work-in-progress		-
Ore	94.25	43.98
Mined-Metal	283.43	60.74
Others	294.39	422.27
Finished goods	55.34	54.97
Stores and spares (including goods in transit ₹ 64.70 Crore : 2014 ₹ 107.06 Crore)	437.30	555.40
<b>Total</b>	<b>1,211.75</b>	<b>1,198.24</b>

### NOTE 14 Trade receivables

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured, considered good</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	6.79	2.64
Less: Provision For Doubtful Debts	0.79	-
	6.00	2.64
Trade receivables outstanding for a period less than six months from the date they were due for payment	652.82	396.87
<b>Total</b>	<b>658.82</b>	<b>399.51</b>

**NOTE 15** Cash and Bank Balances

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Cash on hand	-	0.02
Balances with Bank		
Current accounts (Refer Note 2 below)	28.18	9.21
Deposit accounts (Refer Note 1 below)	3,502.27	3,020.27
Unpaid dividend accounts	1.06	1.92
<b>Total</b>	<b>3,531.51</b>	<b>3,031.42</b>
Of the above the balance that meet the definition of cash and cash equivalents as per Accounting Standard 3: Cash flow statement .	50.18	228.45
Note -		
1. Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date.	0.27	0.27
2. Balance with Banks - Current Accounts include ₹ nil Crore (As at 31 March 2014 ₹ 0.78 Crore) which have restriction on repatriation		

**NOTE 16** Short term loans and advances

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured and considered good		
Prepaid expenses	9.08	23.35
Loans to employees	1.41	2.16
Balance with central excise and other Government authorities	38.13	38.84
Other advance (includes advances to suppliers and contractors etc.)	314.99	213.16
Derivative assets	0.53	6.32
<b>Total</b>	<b>364.14</b>	<b>283.83</b>

**NOTE 17** Other current assets

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Interest accrued on deposits	55.58	519.79
Export Incentive receivable	67.85	51.10
Interest accrued on Investment in Bonds	60.56	58.84
<b>Total</b>	<b>183.99</b>	<b>629.73</b>

**NOTE 18** Revenue from operations

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Sale of products (gross)</b>	15,822.98	14,702.92
Export benefits	77.42	53.04
	<b>15,900.40</b>	<b>14,755.96</b>
<b>Other operating revenues:</b>		
Sale of Scrap and Residuals	146.72	134.43
Rent	2.84	2.65
Claim received	6.85	4.06
Liquidated damages and penalties	13.36	14.78
Carbon credit and generation based incentive	13.04	12.49
Others (unclaimed amount, etc.)	16.87	8.68
<b>Revenue from operations (gross)</b>	<b>16,100.08</b>	<b>14,933.05</b>
Less: Excise duty	(1,311.69)	(1,297.01)
<b>Revenue from operations (net)</b>	<b>14,788.39</b>	<b>13,636.04</b>
<b>Detail of products sold</b>		
Zinc metal	12,005.97	10,719.56
Lead metal	1,976.73	1,946.04
Silver metal	1,286.70	1,600.01
Wind Energy	176.04	177.90
Others	377.54	259.41
<b>Total</b>	<b>15,822.98</b>	<b>14,702.92</b>

**NOTE 19** Other income

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Gain(Loss) on mark to market of current Investments	2,783.62	1,324.28
<b>Interest Income</b>		
Deposits	131.08	502.93
Investment in Bonds	174.25	172.59
Others (interest from customers, staff loans etc.)	51.10	57.96
Net gain/(loss) on sale of current investments	(319.00)	(171.03)
Net gain on foreign currency transactions	-	12.66
<b>Total</b>	<b>2,821.05</b>	<b>1,899.39</b>

**NOTE 20** Cost of materials consumed

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>(I) Opening Stock</b>	60.88	196.09
Add: Purchases	416.14	366.05
Less: Closing Stock	(8.57)	(60.88)
Cost of materials consumed	468.45	501.26
<b>(ii) Details of Materials Consumed</b>		
(a) Zinc & Lead Mined Metal	468.45	431.06
(b) Bulk Mined Metal	-	70.20
<b>Total</b>	<b>468.45</b>	<b>501.26</b>

**NOTE 21** Changes in inventories of finished goods and work-in-progress

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Opening Stock:</b>		
Finished goods	54.97	40.84
Work in progress		
Ore	43.98	17.50
Mined Metal	60.74	119.00
Others	422.27	249.46
	<b>581.96</b>	<b>426.80</b>
<b>Closing Stock</b>		
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
	<b>727.41</b>	<b>581.96</b>
<b>Net (increase) / decrease</b>	<b>(145.45)</b>	<b>(155.16)</b>

**NOTE 22** Employee benefits expense

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	722.67	636.92
Contributions to provident and other funds	80.72	36.34
Staff welfare expenses	65.52	68.47
<b>Total</b>	<b>868.91</b>	<b>741.73</b>

**NOTE 23 Finance cost**

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Bill discounting charges	7.45	27.64
Bank charges	0.84	1.13
Interest on delayed / deferred payment of advance tax	12.97	0.54
Others	2.25	15.63
<b>Total</b>	<b>23.51</b>	<b>44.94</b>

**NOTE 24 Other expenses**

(₹ in Crore)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Consumption of stores and spare parts	1,244.85	1,333.55
Power, fuel & water	1,168.48	1,155.13
Machinery repairs	897.18	816.95
Building repairs	35.81	30.67
Other repairs	1.56	1.58
Carriage inward	219.21	188.46
Mine expenses	311.75	304.92
Excise duty*	12.67	(1.57)
Royalty (net)	1,371.88	1,027.25
Other manufacturing and operating expenses	238.90	216.00
Rent	1.74	1.47
Rates and taxes	1.92	1.61
Insurance	18.20	23.09
Conveyance and travelling expenses	37.96	33.03
Directors' sitting fees	0.65	0.57
Miscellaneous expenses	141.31	145.52
Payment to statutory auditors		
For audit	0.96	0.78
For taxation matters	-	0.15
For other services	0.95	0.85
Reimbursement of expenses	0.11	0.11
Watch and ward	22.90	21.87
Grass root exploration expense	79.11	71.14
Research and development expenses	5.04	3.27
Donation	0.03	4.68
Carriage outward	254.26	219.84
Other selling expenses	5.03	28.56
Loss on sale of fixed assets (net)	3.31	18.88
Net loss on foreign currency transactions	48.83	0.00
<b>Total</b>	<b>6,124.60</b>	<b>5,648.36</b>

\* Represents excise duty on difference between closing and opening stock



**NOTE 25** Contingent liability

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Claims against the Company not acknowledged as debts (matters pending in court or arbitration)		
- Suppliers and contractors	42.07	101.80
- Ex-employees and others	306.30	123.55
- Mining cases	333.90	333.90
Guarantees issued by the banks (bank guarantees are provided under legal or contractual obligations.)	55.92	63.83
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/classification, stock transfer matters)	13.46	64.63
Entry tax demands (this pertains to disputes in respect of entry tax on goods.)	121.52	48.06
Income tax demands (this pertains largely to deduction and allowances claimed under Chapter VIA, etc.)	1129.18	1129.18
Excise Duty demands (this pertains to mainly admissibility of cervat credit on inputs & capital goods, captive use of intermediate goods, clearance of by products, classification of coal etc.)	465.17	142.54

Future cash out flows in respect of the above matters are determinable only on receipt of judgments or decisions pending at various forums.

**NOTE 26** Commitments

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 1,798.48 Crore (2014: ₹ 2,684.93 Crore)
- b. The Company had export obligations of ₹ 542.65 Crore (2014: ₹ 2,060.73 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 unprovided would be ₹ 101.70 Crore (2014: ₹ 337.38 Crore) reduced in proportion to actual export. This liability is backed by the bonds executed in favour of customs department amounting to ₹ 1,088.36 Crore (2014: ₹ 1,067.78 Crore).

**NOTE 27**

- a) The title deeds are still to be executed in respect of 10.63 acres of freehold land at Vishakhapatnam.
- (b) During the previous year, the Company had commenced dismantling its assets at Vishakhapatnam Smelter plant post closure of its operations at that location, which is for use at other locations of the Company or for disposal.

## NOTE 28 Joint Venture

- a. The Company had access up to 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 (2014: 18.05%). During the current 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 ₹ 2.81 Crore, even as the Companies interest is reported as non-current investments (Note 10).
- b. Interest in joint venture:

Name	Country of incorporation	Percentage of ownership Interests as at 31 March, 2015	Percentage of ownership Interests as at 31 March, 2015
Madanpur South Coal Company Limited	India	18.05 %	18.05 %

The Company's interest in the joint venture is reported as non-current investments (Note 10) 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 the joint venture) related to its interests in these joint ventures are:

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
<b>I. Assets</b>		
1. Fixed assets	1.17	1.26
2. Current investments	0.80	0.61
Other current assets	0.10	0.02
Cash and Bank Balances	0.02	0.24
3. Loss being excess of expenses over income	0.73	0.70
<b>II. Liabilities</b>		
1. Shareholders' funds	2.81	2.81
2. Share application monies	-	-
3. Unsecured Loan	0.01	0.02
<b>III. Income</b>	-	-
<b>IV. Expenses</b>	0.03	0.04

## NOTE 29 The Mines and Minerals (Development and Regulation) Amendment Act, 2015

Pursuant to introduction of 'The Mines and Mineral (Development and Regulation) Amendment Act, 2015' during the year, which is effective from January 12, 2015, the Company has created liability in terms of Sections 9 B(6) and 9C of the Act towards proposed contribution to 'District Mineral Foundation' and 'National Mineral Exploration Trust' amounting to ₹ 119.98 Crore on best management estimates. Above charge to Statement of Profit and Loss has been included under Royalty expenses, which has been calculated @33% and @2% on the royalty expenses respectively.

### NOTE 30

During the year, with effect from April 1, 2014, the Company has 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	Revised useful life based on SLM
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	5.28%, ~18 years	25 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) 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 is lower by ₹ 180.59 Crore

### NOTE 31

Matured fixed deposits of ₹ 0.08 Crore (2014: ₹ 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 32 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, Vedanta Resources Plc (The Vedanta Resources Long-Term Incentive Plan ('LTIP') and Employee Share Ownership Plan ('ESOP')).

The LTIP is the primary arrangement under which share-based incentives are provided to the defined management group. The maximum value of shares that can be awarded to members of the defined management group is calculated by reference to the balance of basic salary and share-based remuneration consistent with local market practice. The performance condition attaching to outstanding awards under the LTIP is that of Vedanta's performance, measured in terms of Total Shareholder

Return ('TSR') compared over a three year period with the performance of the companies as defined in the scheme from the date of grant. Under this scheme, initial awards under the LTIP were granted in February 2004 and subsequently further awards were granted in the respective years. The awards are indexed to and settled by Vedanta shares. The awards provide for a fixed exercise price denominated in Vedanta's functional currency at 10 US cents per share, the performance period of each award is three years and the same is exercisable within a period of six months from the date of vesting beyond which the option lapse.

Vedanta has also granted an ESOP schemes 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, Vedanta is obligated to issue the shares

Further, in accordance with the terms of agreement between Vedanta and Sesa Sterlite Ltd ('SSL'), on the grant date fair value of the awards is recovered by Vedanta from SSL. SSL in turn recovers the same from the Company.

Amount recovered by SSL and recognised by the Company in the Statement of Profit and Loss for the financial year ended March 31, 2015 was ₹ 40.90 Crore (2014: ₹ 56.45 Crore). The Company considers these amounts as not material and accordingly has not provided further disclosures.

## **NOTE 33** 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 ₹ 6.25 Crore (2014: ₹ 3.58 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 ₹ 25.82 Crore (2014: ₹ 23.18 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, 2014 and March 31, 2015. 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 benefit 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 recognized 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 expense.

(i) Movement in the present value of defined benefit obligation

(₹ in Crore)

Particulars	FY 2015	FY 2014
Obligation at the beginning of the year	176.55	191.82
Acquisition Adjustments	2.52	-
Current service cost	9.61	7.63
Past service cost	-	-
Interest cost	15.89	15.35
Actuarial losses and (gains)	38.27	2.83
Benefits paid	(26.78)	(41.08)
Obligation at the end of the year	216.06	176.55

(ii) Movement in the fair value of plan assets

(₹ in Crore)

Particulars	FY 2015	FY 2014
Fair value at the beginning of the year	167.66	166.66
Acquisition Adjustments	2.52	-
Expected return on the plan assets	15.09	15.00
Actuarial gains / (losses)	0.34	1.92
Employers' contribution	8.90	25.16
Benefits paid	(26.78)	(41.08)
Fair value at the end of the year	167.73	167.66

(iii) Amount recognised in the Balance Sheet

(₹ in Crore)

Particulars	FY 2015	FY 2014
Present value of the obligation at the end of the year	216.06	176.55
Fair value of the plan assets at the end of the year	167.73	167.66
(Unfunded status) / Excess of funding over obligation	(48.33)	(8.89)
Excess of actual over estimated	0.34	1.92
Net (liability) / asset recognised in the Balance Sheet	(48.33)	(8.89)

(iv) Expense / Income recognised in the Statement of Profit and Loss

(₹ in Crore)

Particulars	FY 2015	FY 2014
Current service cost	9.61	7.63
Past service cost	-	-
Interest cost	15.89	15.35
Expected return on plan assets	(15.09)	(15.00)
Actuarial losses and (gains)	37.93	0.91
Total expense / income recognised in the Statement of Profit and Loss.	48.34	8.89

(v) The plan assets of the Company are managed by the Life Insurance Corporation of India, the details of investment relating to these assets is not available with the Company. 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.

(vi) Actual return on plan assets

(₹ in Crore)

Particulars	FY 2015	FY 2014
Expected return on plan assets	9.00%	9.00 %
Actuarial losses and (gains)	0.34	1.92

(vii) Actuarial assumptions

The actuarial assumptions used to estimate defined benefit obligations and fair value of plan assets are based on the following assumptions which if changed, would affect the defined benefit obligation's size and funding requirements.

(₹ in Crore)

Particulars	FY 2015	FY 2014
Discount rates	7.80%	9.00 %
Expected return on plan assets	9.00%	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.



(viii) Experience adjustments

(₹ in Crore)

Particulars	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011
Present value of the obligation	216.06	176.55	191.82	182.30	172.10
Fair value of plan assets	167.73	167.66	166.66	165.58	115.29
Surplus / deficit in the plan	(48.33)	(8.89)	(25.16)	(16.72)	(56.81)
Experience adjustment on plan liabilities	(24.17)	(12.92)	(18.35)	(9.55)	(3.65)
Experience adjustment on plan assets	0.34	1.08	0.26	3.49	1.28

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.

(ix) The contribution expected to be made by the Company during the financial year 2015-16 is ₹ 11.07 Crore.

(c) **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 34 Earnings per share (EPS)**

Particulars	FY 2015	FY 2014
Net profit after taxation for the year (₹ in Crore)	8,178.00	6,904.62
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 ₹)	19.35	16.34

**NOTE 35 Segment reporting**

(i) Segment Information for the year ended March 31, 2015

(₹ in Crore)

Particulars	March 31, 2015				March 31, 2014			
	Zinc, Lead and Silver	Wind energy	Unallocated	Total	Zinc, Lead and Silver	Wind energy	Unallocated	Total
<b>REVENUE FOR THE YEAR ENDED</b>								
External Sales								
Zinc and Lead	13,225.95	-	-	13,225.95	11,778.26	-	-	11,778.26
Silver Metal	1186.72	-	-	1186.72	1,502.79	-	-	1,502.79
Wind Energy	-	176.04	-	176.04	-	177.90	-	177.90
Total external sales	<b>14,412.67</b>	<b>176.04</b>	-	<b>14,588.71</b>	13,281.05	177.90	-	13,458.95
Inter Segment Sales	-	-	-	-	-	-	-	-
<b>Total Segment Revenue</b>	<b>14,412.67</b>	<b>176.04</b>	-	<b>14,588.71</b>	13,281.05	177.90	-	13,458.95
<b>RESULTS FOR THE YEAR ENDED</b>								
Segment result								
Zinc and Lead	5,803.80	-	-	5,803.80	4,976.67	-	-	4,976.67
Silver Metal	844.44	-	-	844.44	1,131.81	-	-	1,131.81
Wind Energy	-	127.62	-	127.62	-	19.78	-	19.78
<b>Total</b>	<b>6,648.24</b>	<b>127.62</b>	-	<b>6,775.86</b>	6108.48	19.78	-	6128.26
Unallocated Corporate Income net of unallocated Expenses				2,820.58				1,886.39
Finance Costs				(23.51)				(44.94)
Profit before exceptional items				9,572.93				7,969.71
Exceptional items -				(2.81)				-
Profit before tax				9,570.12				7,969.71
Tax expenses				(1,392.12)				(1,065.09)
Profit for the year				8,178.00				6,904.62
<b>OTHER INFORMATION</b>								
Segment Assets as at	13,405.50	804.81	34,781.69	48,992.00	12,313.28	832.58	28,530.81	41,676.67
Segment Liabilities as at	1,757.17	29.42	3852.35	5638.94	1,569.83	13.34	1,736.64	3,319.81
Capital Expenditure during the year	1,362.93			1,362.93	2,036.58	-	-	2,036.58
Depreciation	609.71	34.01	0.47	644.19	634.28	149.97	0.34	784.59

(ii) Information about Secondary Business Segments

(₹ in Crore)

	March 31, 2015			March 31, 2014		
	India	Outside India	Total	India	Outside India	Total
Revenue by geographical market for the year ended	10,660.40	3,928.31	14,588.71	10,936.10	2,522.85	13,458.95
Inter-Segment revenue for the year ended	-	-	-	-	-	-
<b>TOTAL</b>	<b>10,660.40</b>	<b>3,928.31</b>	<b>14,588.71</b>	10,936.10	2,522.85	13,458.95
Carrying amount of segment assets as at	14,210.31	-	14,210.31	13,145.86	-	13,145.86
Capital expenditure for the year	1362.93	-	1362.93	2,036.58	-	2,036.58

Reconciliation between segment revenue and enterprise revenue

(₹ in Crore)

Particulars	FY 2015	FY 2014
Segment Revenue		
Zinc and Lead	13,225.95	11,778.26
Silver Metal	1,186.72	1,502.79
Wind Energy	176.04	177.90
<b>Total Segment revenue</b>	<b>14,588.71</b>	13,458.95
Enterprise revenue		
Sale of products	15,900.40	14,755.96
Less: - Excise duty	(1,311.69)	(1,297.01)
<b>Total enterprise revenue</b>	<b>14,588.71</b>	13,458.95

(iii) Note:

b) Business Segment

The Company has identified the following business segments:

- Mining and smelting of zinc, lead and 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

**NOTE 36** Related party disclosures

**a. Names of related parties and description of relation:**

(i) Holding companies;	Immediate & ultimate in India: Sesa Sterlite Limited Ultimate in UK: Vedanta Resources Plc. UK
(ii) Fellow subsidiaries;	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
(iii) Joint Venture- Jointly controlled entity	Madanpur South Coal Company Limited
(iv) Key Managerial Personnel	Mr. Akhilesh Joshi**
(v) Others	Vedanta Foundation

\*\* Appointed as CEO & Whole-time Director effective February 1, 2012

## b .Transactions with Related parties

Nature of transactions	Holding company <sup>1</sup>		Fellow subsidiaries		Associate companies		Key personnel		Joint Venture		Others		Total amount	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Purchase of goods & others <sup>2</sup>	82.29	1.71	23.27	19.86									105.55	21.57
Sale of goods & others		96.92											-	96.92
Dividend	1042.40	850.38											1,042.40	850.38
Personnel Services (net) <sup>3</sup>	38.94	79.38	-0.65	-0.77									38.29	78.61
Apportionment of common group expenses	76.95	77.27											76.95	77.27
Admin Expenses and other reimbursements <sup>4</sup>	4.71	4.90	-0.12	-0.78									4.60	4.13
Remuneration – Key personnel							3.66	3.22					3.66	3.22
Donation <sup>5</sup>													2.54	2.88
Investment in Joint Venture-													-	-
Madanpur South Coal Company Limited									0.11				-	0.11
<b>Debtors balance :</b>														
Konkola Copper Mines Plc			0.01	0.09									0.01	0.09
Black Mountain Mining (Pty) Limited				0.84									-	0.84
Sterilite Technologies Limited				0.06									-	0.06
Copper Mines of Tasmania				0.02									-	0.02
<b>Creditors balance :</b>														
Sesa Resources limited				0.03									-	0.03
Talwandi Sabo Power Limited				0.03									-	0.03
Sesa Mining Corporation Private Limited				0.01									-	0.01
Vedanta Lisheen Mining Limited			0.08										0.08	-
Bharat Aluminium Company Limited			1.60	2.97									1.60	2.97
Sesa Sterilite	15.90	18.46											15.90	18.46

**Note:**

- Holding company represents Sesa Sterilite Ltd.
- Represents transaction with Bharat Aluminium Company Limited (₹ 22.96 Crore, 2014 ₹ 19.86 Crore) and Konkola Copper mines (₹ 0.30 Crore, 2014 Nil)
- Represents transaction with Bharat Aluminium Company Limited (₹ -0.035 Crore, 2014 ₹ 0.004 Crore), Talwandi Sabo Power Limited (₹ -0.035 Crore, 2014 ₹ 0.03 Crore), Copper Mines of Tasmania (₹ 0.032 Crore, 2014 ₹ -0.05 Crore), Black Mountain Mining (₹ - 0.597 Crore, 2014 ₹ - 0.83 Crore), Konkola Copper Mines (₹ -0.015 Crore, 2014 Nil Crore), Sesa mining corporation Pvt Ltd (₹ Nil, 2014 ₹ 0.01 Crore), Sesa resources Ltd (₹ Nil, 2014 ₹ 0.06 Crore)
- Represents transaction with Bharat Aluminium Company Limited (₹ -0.017Crore, 2014 ₹ -0.05 Crore), Talwandi Sabo Power Limited (₹ -0.02 Crore, 2014 ₹ -0.003 Crore), Copper Mines of Tasmania (₹ - 0.063 Crore, 2014 ₹ - 0.03 Crore) , Black Mountain Mining (₹ -0.187 Crore, 2014 ₹ - 0.47 Crore), Konkola Copper Mines (₹ 0.059 Crore, 2014 ₹ - 0.27 Crore ) and Lisheen Milling Limited (₹ 0.085 Crore, 2014 ₹ 0.05 Crore)
- Represents transaction with Vedanta Foundation

## NOTE 37 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, 2015.

(₹ in Crore)

March 31, 2015					March 31, 2014				
Currency	Foreign currency in Crore	₹ in Crore	Buy / Sell	Cross Currency	Currency	Foreign currency in Crore	₹ in Crore	Buy / Sell	Cross Currency
AUD	0.03	1.57	Buy	₹	AUD	0.04	2.25	Buy	₹
EUR	0.57	38.27	Buy	₹	EUR	0.95	78.34	Buy	₹
SEK	0.00	0.02	Buy	₹	SEK	0.01	0.13	Buy	₹
USD	8.07	505.09	Buy	₹	USD	10.91	655.56	Buy	₹
USD	1.11	69.57	Sell	₹	USD	1.46	87.77	Sell	₹
AUD	0.09	4.27	Buy	USD	AUD	0.12	6.71	Buy	USD
EUR	3.21	216.74	Buy	USD	EUR	3.48	287.47	Buy	USD
JPY	3.63	1.89	Buy	USD	JPY	0.74	0.44	Buy	USD
SEK	0.00	0.01	Buy	USD	SEK	0.15	1.41	Buy	USD

- b) The following are the outstanding position of commodity hedging open contracts as at March 31, 2015;  
Zinc forwards/futures sale/buy for 3000 MT (2014: 1400 MT)  
Lead forwards/futures sale/buy for 1500 MT (2014: 3525 MT)  
Silver forwards / futures sale/buy for 387,459 OZ (2014: 884,626 OZ)
- c) All derivative and financial instruments acquired by the Company are for hedging purposes.
- d) Un-hedged foreign currency exposure ;

(₹ in Crore)

	March 31, 2015	March 31, 2014
Debtors	157.49	133.25
Creditors	32.11	10.58

## NOTE 38

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. Coterminal 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, 2015 at ₹ 3,592.65 Crore (2014 - ₹ 1486.10 Crore) above their cost and, consequently, the profit after tax for the year is higher by ₹ 1235.14 Crore (2014- higher by ₹ 806.14 Crore).



### NOTE 39

No borrowing costs are required to be capitalised during the year.

### NOTE 40 Particulars of consumption of Mined-Metal, Stores etc.

(₹ in Crore)

Particulars	FY 2015		FY 2014	
	Value	%	Value	%
<b>Bought out Mined- Metal</b>				
i. Indigenous	1.68	0.36	13.98	2.79
ii. Imported	466.77	99.64	487.28	97.21
<b>Total</b>	<b>468.45</b>	<b>100.00</b>	501.26	100.00

Particulars	FY 2015		FY 2014	
	Value	%	Value	%
<b>Stores, spares and components consumed</b>				
i. Indigenous	1,153.60	92.67	1,236.91	92.75
ii. Imported	91.25	7.33	96.64	7.25
<b>Total</b>	<b>1,244.85</b>	<b>100</b>	1,333.55	100.00

### NOTE 41 CIF Value of Imports

(₹ in Crore)

Particulars	FY 2015	FY 2014
Raw Material	407.88	342.82
Components, stores and spare parts	872.12	730.36
Capital goods	102.14	471.90
<b>Total</b>	<b>1,382.14</b>	1,545.08

### NOTE 42 Expenditure in foreign currency

(₹ in Crore)

Particulars	FY 2015	FY 2014
Consultancy	107.06	87.57
Travelling Expenses	0.45	0.89

**NOTE 43 Earning in foreign exchange**

(₹ in Crore)

Particulars	FY 2015	FY 2014
Export of goods on F.O.B. basis	3,825.59	2,587.61

**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, 2015 (previous year ₹ Nil)

(₹ in Crore)

Particulars	As at March 31, 2015	As at March 31, 2014
Amount Outstanding	3.12	2.07

**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 ₹ 59.28 Crore during the year on account of expenditure towards corporate social responsibility. No expenses have been incurred in construction of a capital asset under CSR during the year, however depreciation on assets amounting to ₹ 2.67 Crore falling under CSR assets during the earlier years have been included in above expenses. In addition to above, as outlined in Note no - 29, the Company has also provided for ₹ 119.98 Crore towards contribution to be made to the 'District Mineral Foundation' 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

**Akhilesh Joshi**  
CEO & Whole-time Director

**A. R. Narayanaswamy**  
Director

**Amitabh Gupta**  
Chief Financial Officer

**R. Pandwal**  
Company Secretary

Date: April 20, 2015  
Place: Mumbai

### 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. Kannan R.**  
Director

**Mr. Akhilesh Joshi**  
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



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Providing nutrition - primary health -  
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A Hindustan Zinc initiative

*To make Rajasthan an  
open defecation free state*

Building house-hold toilets for the  
rural poor and in government schools

**Sakhi**  
सखी

Recognizing the Success  
of Rural and Tribal Women

A Hindustan Zinc Initiative

Bringing social and economic empowerment  
in rural and tribal women

thejourneycontinues 

