

THE RISE *OF* HINDUSTAN ZINC: FROM HUMBLE BEGINNINGS TO A SILVER GIANT

In the vast landscape of India's metals and mining sector, Hindustan Zinc Limited (HZL) has emerged as one of the world's foremost producers of silver. What began as a zinc-focused mining company in the 1960s has evolved over decades into a global powerhouse, proudly holding the title of the world's third-largest silver producer. This remarkable journey is not just a story of corporate milestones but one of vision, innovation, and adaptability to the changing tides of the global market.

A Foundation Built on Zinc, with Silver as a Byproduct

Hindustan Zinc's journey began in **1966** as a public-sector undertaking by the Government of India. **Its mission was clear: to meet the nation's demand for zinc, a critical metal for steel, infrastructure, automotive, and sunrise sectors like renewable energy, electronics, hi-tech manufacturing, energy storage, defense, and electric mobility.** The company's mining operations span across different districts of Rajasthan, including **Udaipur, Rajsamand, Bhilwara, and Ajmer**. These regions, rich in zinc ore, boast a mining history of over **2,000 years**, with the earliest evidence of zinc mining found in **Zawar, Udaipur**. Initially, the silver traces in these ores were regarded as incidental byproducts, yet they revealed an essential untapped asset.

For decades, Hindustan Zinc primarily focused on zinc extraction, with silver relegated to a secondary status. The company lacked advanced extraction processes, resulting in minimal silver production despite its presence in the ores. However, the Rajasthan Zinc Belt remained one of the richest untapped deposits of zinc and silver in the world, setting the stage for Hindustan Zinc's future dominance in global silver production.



The vast Rajpura-Dariba deposit is being tapped with a 3000 t/d mine/milling capacity. The mine was commissioned in 1983.

A Strategic Shift: Recognizing Silver's True Value

The 1980s marked a pivotal period for Hindustan Zinc. As global demand for silver surged, driven by its growing applications in electronics, solar energy, and jewellery, Hindustan Zinc began to realize silver's potential. While zinc remained its primary output, the rising value of silver encouraged investments in refining technologies to boost silver recovery. By the late 1980s, the company optimized its extraction methods, improving both the efficiency and yield of silver during smelting.

This strategic shift laid the foundation for Hindustan Zinc's rise as a global leader in silver production. Over time, silver output steadily grew, transforming from a secondary focus into a key driver of the company's success.



The 2000s: A New Era of Transformation Under Vedanta



4th April 2002 signing ceremony of disinvestment of Hindustan Zinc : (from left to right) Shri Pradeep Bajjal – the then Secretary, Department of Disinvestment, Govt. of India, Dr. A.K. Kundra – the then Secretary, Ministry of Coal & Mines, Govt. of India and Shri Anil Agarwal – Chairman, Vedanta Group at Shastri Bhawan, New Delhi

The most significant turning point in Hindustan Zinc's history came in 2002 when UK-based mining giant Vedanta Resources, led by industrialist **Mr Anil Agarwal**, acquired the company. The acquisition was a game-changer, infusing much-needed capital, cutting-edge technology, and global expertise. Recognized as one of India's most successful disinvestments by the government, Vedanta's acquisition initiated a period of rapid expansion and modernization of the operations.

With fresh investments, Hindustan Zinc enhanced its mining operations, refining techniques, and smelting capacities. This transformation fuelled unprecedented growth in silver production, establishing Hindustan Zinc as a key player in the global silver market. **From producing 47 MT of silver in FY 2002-03, the company achieved a record-breaking 746 MT in FY 2023-24, a growth of over 15 times in two decades.**

A major factor in this exponential growth was Sindesar Khurd Mine, now the world's second-largest silver-producing mine. The mine's rich mineral ore has been instrumental in supporting global industrial growth and the energy transition. Sindesar Khurd Mine is also widely recognized as the world's most technologically advanced mine, featuring fully automated and digitalized operations.

A Record-Breaking Milestone: Silver Production Soars

By the 2010s, Hindustan Zinc had firmly established itself among the world's top silver producers. **In 2021, its production numbers demonstrated not just dominance but alignment with India's vision of Atmanirbhar Bharat.**

In FY 2023-24, Hindustan Zinc produced a record-breaking 746 metric tonnes of silver, reaffirming its remarkable growth. Sindesar Khurd Mine, in particular, achieved a milestone of 5.65 million tonnes in ore production. This reflects Hindustan Zinc's focus on cost-effective production, technological innovation, and operational excellence.

Speaking about the company's exponential growth in silver production, Hindustan Zinc Chairperson and Non-Executive Director, Vedanta – Priya Agarwal Hebbar said,

“ At Hindustan Zinc, we are strategically positioned to meet the rising global demand for silver. The mining sector is pivotal to achieving net-zero ambitions, and Hindustan Zinc remains committed to leading this transformation by augmenting the supply of silver and building on its indispensable role in advancing clean energy technologies. As an energy transition metals company, Hindustan Zinc is powering the global shift to renewable energy.

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Hindustan Zinc: A Leader in Sustainability

Along with being one of the world leaders in silver production, Hindustan Zinc is also recognized for its sustainability practices. Recognized as the World's Most Sustainable Metals and Mining Company by S&P Global Corporate Sustainability Assessment 2023, Hindustan Zinc has set industry benchmarks for environmental and social stewardship.

The company's silver refinery, Pantnagar Metal Plant in Uttarakhand operates 100% on renewable energy, aligning with its goals to achieve net-zero emissions by 2050 or sooner.

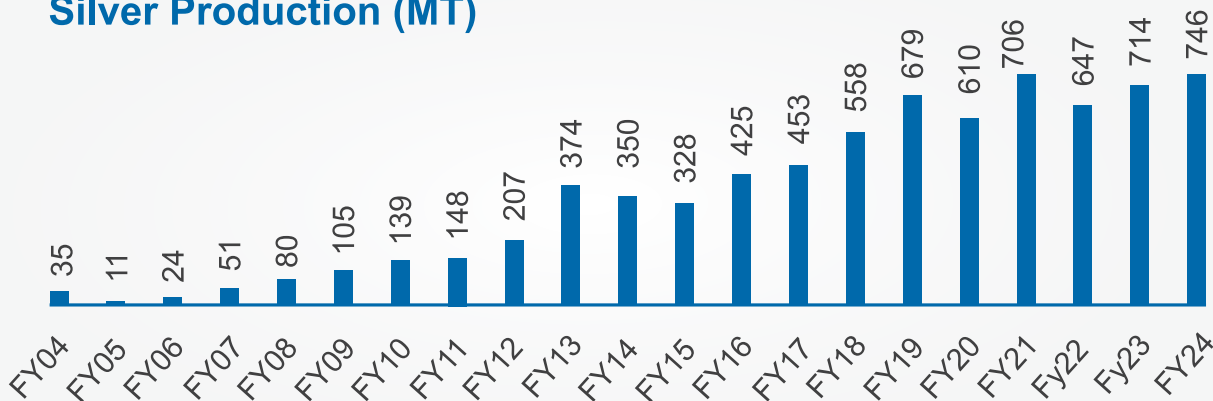
The silver refinery's inclusion in the prestigious London Bullion Market Association's (LBMA) Good Delivery List also highlights its adherence to international standards, producing 99.99% pure silver through responsible sourcing.



A Legacy of Leadership

As the world’s third-largest silver producer, Hindustan Zinc exemplifies how visionary leadership and innovation can drive global success. Moving forward, the company’s diversification into value-added products and development of industrial parks reflects its commitment to economic growth and job creation in India. As silver demand grows in critical industries, Hindustan Zinc is actively leading India’s economic growth and the global energy transition.

Silver Production (MT)



HINDUSTAN ZINC
Zinc & Silver of India

