INDIA

HOLD

Hindustan Zinc

CENTRUM

Metals

Result Update

22 October 2018

Weakening price outlook to overshadow volume growth

We downgrade Hindustan Zinc (HZL) to Hold with a revised TP of Rs275 as weakening price outlook for LME Zn/Pb led by sharp increase in mining output globally is likely to result in a balanced zinc market in CY19 thereby reversing the deficit position seen since CY16. We like HZL for its attractive asset base, growing volumes but see earnings growth remaining muted with lower LME realisations. Valuations appear rich on the revised lower earnings and don't leave much room for any disappointments on volume/cost front.

- **Metal volumes subdued due to mismatch in MIC availability:** MIC production was up ~6% YoY at 232kt led by pickup in underground mining but metal production was down 8% YoY at 212kt due to temporary mismatch in mined metal availability. Overall grades remained muted at 7.6% and zinc metal sales stood at 160kt, down 17% YoY and 6% QoQ. Higher contribution of SK mine led to robust silver/lead volumes (up 10%/23% YoY).
- **EBITDA largely in line with estimates:** EBITDA stood at Rs23.3bn (vs estimated Rs22.6bn) and was down 23% YoY led by lower volumes, lower realisations and higher costs on account of higher commodity prices and new wage settlement. Employee costs remained higher on account of wage settlement which has increased the CoP by US$40/t. Zinc metal CoP stood at US$1034/t (up 5% YoY) and guidance on CoP was revised higher on full year basis with previous range of US$950-975 now expected to be realised only for H2FY19. HZL announced a large interim dividend of Rs20/share which was a pleasant surprise.
- **Outlook – Volume growth for FY20 largely on track; zinc deficit begins to vanish**: HZL indicated that its expansion plans to 1.2mtpa remain on track with expected commissioning & stabilisation of shafts in H2FY19E. Volume guidance was retained at marginally higher MIC as well as metal output in FY19E and ~1.1 MT MIC output in FY20E. Management sounded cautiously optimistic on zinc prices and pointed out to lower metal production globally led by lower output from Chinese smelters in the wake of environment diktats. However, we note that global zinc deficit has started to reduce rapidly with increase in mine production and together with trade tensions and stronger dollar index has clouded the zinc pricing outlook (refer page 2 for details). We retain our volume estimates but cut our LME assumptions by 13% and reset our USD/INR estimates to 71/70 for FY19E/20E. Our EBITDA estimates are revised downwards by 10-11% led by lower realisations and higher cost assumptions in line with increasing commodity prices.
- **Valuation and risks:** We continue to like HZL for its strong fundamentals together with high free cash flow generation and strong dividend payout track record. However, weakening price outlook for zinc is expected to keep earnings growth muted in medium term from a high base of FY18. We value the stock at FY20E EV/EBITDA multiple of 7.5x and downgrade to Hold with a revised TP of Rs275. Key upside/downside risk is higher LME/lower volumes.

Y/E Mar (Rs mn)	Q2FY19	Q2FY18	YoY(%)	Q1FY19	QoQ(%)	Q2FY19E	Var(%)
Net sales	**47,770**	**53,090**	***(10.0)***	**53,100**	***(10.0)***	**47,390**	***0.8***
Royalty	6,280	5670	*10.8*	6,310	*(0.5)*	5,371	*16.9*
Employee costs	2,450	2250	*8.9*	2,320	*5.6*	2,100	*16.7*
EBITDA	**23,340**	**30240**	***(22.8)***	**27,130**	***(14.0)***	**22,594**	***3.3***
EBITDA margin (%)	***48.9***	***57.0***		***51.1***		***47.7***	
Depreciation	4,540	3,250	*39.7*	3870	*17.3*	4,000	*13.5*
Other income	3,940	4,700	*(16.2)*	2,990	*31.8*	4,250	*(7.3)*
PBT	**22,740**	**33,760**	***(32.6)***	**26100**	***(12.9)***	**22,744**	***(0.0)***
Tax	4,590	7,920	*(42.0)*	6920	*(33.7)*	6,368	*(27.9)*
-effective tax rate	*20.2*	*23.5*		*26.5*		*28.0*	
PAT	**18,150**	**25,840**	***(29.8)***	**19,180**	***(5.4)***	**16,376**	***10.8***

Source: Company, Centrum Research Estimate

Target Price	Rs275
CMP*	Rs282.2
Downside	*2.5%*
Previous Target	Rs310
Previous Rating	Buy

Price Performance (%)*

	1M	6M	1Yr
HZ IN	*(5.0)*	*(13.9)*	*(12.4)*
NIFTY	*(8.1)*	*(3.0)*	*1.0*

Key Data	
Bloomberg Code	HZ IN
Curr Shares O/S (mn)	4,225.3
Diluted Shares O/S(mn)	4,225.3
Mkt Cap (Rsbn/USDbn)	1192.2/16.2
52 Wk H / L (Rs)	340.2/260.7
5 Year H / L (Rs)	340.2/114.8
Daily Vol. (3M NSE Avg.)	1434129

**as on 22 October 2018; Source: Bloomberg, Centrum Research*

Shareholding pattern *(%)**

	Sep -18	Jun-18	Mar-18	Dec-17
Promoter	*64.9*	*64.9*	64.9	64.9
FIIs	*1.8*	*2.0*	2.3	2.2
Dom. Inst.	*2.4*	*2.0*	1.5	1.7
Public & Others	*30.9*	*31.1*	31.3	31.3

*Source: BSE, *as on 22 October 2018*

Operational metrics

(tonne)	Q2FY19	Q2FY18	Q1FY19	YoY %	QoQ%
Production					
Mined Metal (MIC)	2,32,000	2,19,000	2,12,000	*5.9*	*9.4*
Zinc	1,62,000	1,92,000	1,72,000	*(15.6)*	*(5.8)*
Lead	49,000	38,000	42,000	*28.9*	*16.7*
Silver	172	140	138	*22.9*	*24.6*
Sales Volume					
Zinc	1,60,000	1,93,000	1,70,000	*(17.1)*	*(5.9)*
Lead	49,000	40,000	42,000	*22.5*	*16.7*
Silver	161	146	141	*10.3*	*14.2*
Realizations					
Zinc LME (US$/t)	2,537	2,963	3,112	*(14.4)*	*(18.5)*
Lead LME (US$/t)	2,104	2,334	2,388	*(9.9)*	*(11.9)*
Silver (Rs/kg)	37,205	38,151	38,794	*(2.5)*	*(4.1)*

Source: Company, Centrum Research

Earnings Revision

Particulars (Rs bn)	FY19E			FY20E		
	New	Old	Chg (%)	New	Old	Chg (%)
Sales	220.7	231.6	*(4.7)*	232.3	245.8	*(5.5)*
EBITDA	117.4	130.5	*(10.0)*	120.1	134.7	*(10.8)*
EBITDA Margin (%)	*53.2*	*56.4*		*51.7*	*54.8*	
PAT	85.5	96.4	*(11.3)*	90.3	98.4	*(8.2)*

Source: Centrum Research Estimates

Centrum vs. Bloomberg Consensus*

Particulars (Rs bn)	FY19E			FY20E		
	Centrum	BBG	Chg (%)	Centrum	BBG	Chg (%)
Sales	220.7	233.9	*(5.6)*	232.3	257.6	*(9.8)*
EBITDA	117.4	129.7	*(9.5)*	120.1	143.5	*(16.3)*
PAT-adj.	85.5	96.4	*(11.3)*	90.3	106.8	*(15.5)*

Bloomberg Consensus				Centrum Target Price (Rs)	Variance (%)
BUY	SELL	HOLD	Target Price (Rs)		
13	6	11	299	275	*(8.0)*

**as on 22 October 2018; Source: Bloomberg, Centrum Research*

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Y/E Mar (Rs bn)	Revenue	YoY (%)	EBITDA	EBITDA (%)	Adj. PAT	YoY (%)	Adj. EPS (Rs)	RoE (%)	RoCE (%)	PE (x)	EV/EBITDA (x)
FY16	142.3	*(3.8)*	66.5	*46.8*	81.5	*(0.0)*	19.3	*20.2*	*19.7*	8.1	4.6
FY17	172.9	*21.5*	97.4	*56.3*	83.2	*2.1*	19.7	*24.4*	*22.3*	12.0	7.7
FY18	220.8	*27.7*	122.7	*55.6*	95.2	*14.4*	22.5	*28.5*	*24.9*	12.9	8.2
FY19E	220.7	*(0.1)*	117.4	*53.2*	85.5	*(10.2)*	20.2	*24.2*	*24.2*	13.9	8.4
FY20E	232.3	*5.2*	120.1	*51.7*	90.3	*5.6*	21.4	*24.1*	*24.0*	13.2	7.8

Source: Company, Centrum Research Estimates

In the interest of timeliness, this document is not edited

Centrum Equity Research is available on Bloomberg, Thomson Reuters and FactSet

Zinc and led deficit tapers in CY18 and balance seen in CY19E

Zinc market's deficit starts to vanish as mine production growth picks up

The global zinc market is expected to see lower deficit of ~330kt in CY18E which would further reduce sharply to ~80kt as per ILZSG's October-18 forecasts whereas lead is expected to maintain close balance between demand and supply and turn into surplus in CY19. YTDCY18 deficit in zinc/lead has fallen sharply YoY and stood at 17kt/39kt.

On supply side, zinc production has already started at capacities added by New Century Resources (264ktpa) in Australia and Coeur Mining's Silvertip project in Canada. Vedanta's Gamsberg mine in South Africa is expected to start producing soon. Glencore is expected to add supply in CY19 along with expansion of Hindustan Zinc's Sindesar Khurd and Zawar mines. On the demand side, zinc galvanizing activity in China has remained lacklustre and overall demand from China is expected to remain stable due to rise in property investments and its end use in electronic appliances and automobiles. Modest recovery in demand from US and Europe regions along with new supply is expected to narrow down the zinc deficit to 330kt/78kt in CY18/19 respectively.

Exhibit 1: Zinc global demand-supply trend in YTDCY18

Zinc	2018	2017	*YoY*
'000 tonne	**Jan-Jun**	**Jan-Jun**	***Change (%)***
Mine production	6,068	6,215	*(2.4)*
Metal production	6,627	6,492	*2.1*
Metal use	6,644	6,685	*(0.6)*
Surplus/(Deficit)	(17)	(193)	

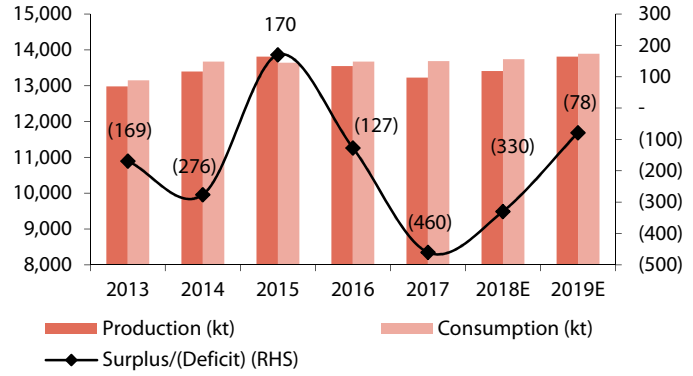
Source: ILZSG, Centrum Research

Exhibit 2: Lead global demand-supply trend in YTDCY18

Lead	2018	2017	*YoY*
'000 tonne	**Jan-Jun**	**Jan-Jun**	***Change (%)***
Mine production	2,258	2,356	*(4.2)*
Metal production	5,794	5,724	*1.2*
Metal use	5,833	5,805	*0.5*
Surplus/(Deficit)	(39)	(81)	

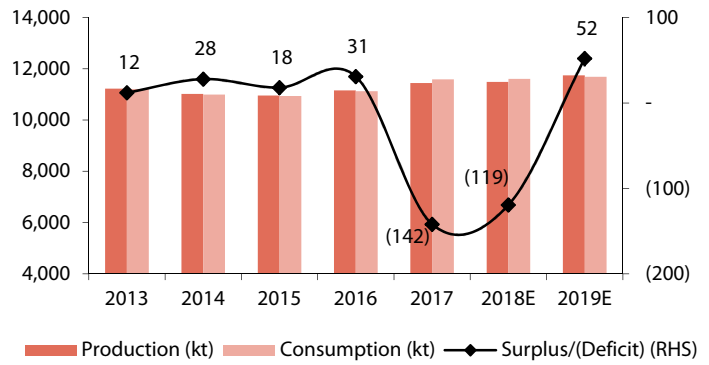
Source: ILZSG, Centrum Research

Exhibit 3: Zinc global demand-supply – deficit increasing



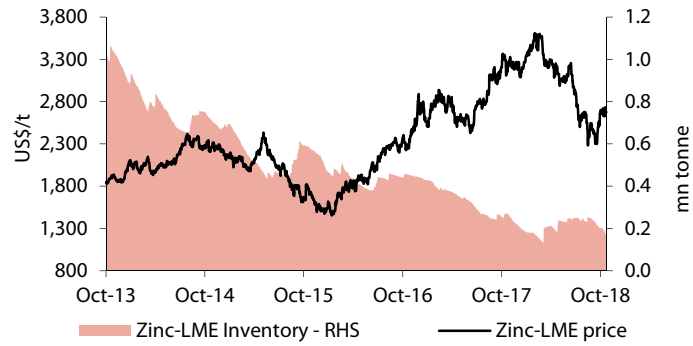
Source: ILZSG, Centrum Research

Exhibit 4: Lead global demand-supply – balance seen



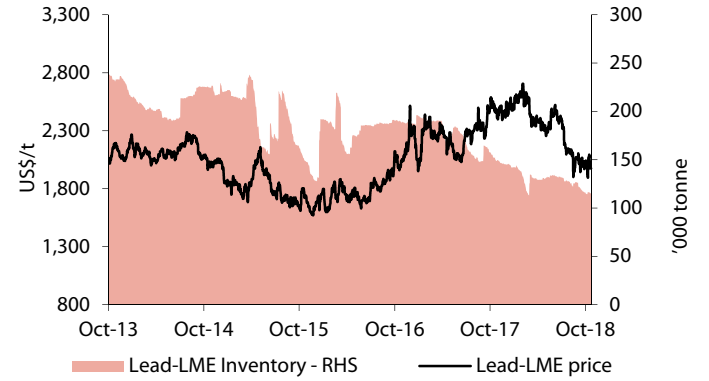
Source: ILZSG, Centrum Research

Exhibit 5: Zinc LME price & inventories



Source: Bloomberg, Centrum Research

Exhibit 6: Lead LME price & inventories



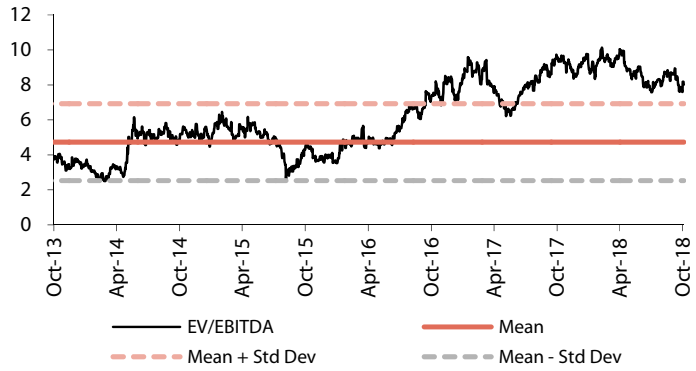
Source: Bloomberg, Centrum Research

Exhibit 7: Sensitivity Analysis (FY19E)

1% negative change	% Chg in EBITDA	% Chg in EPS
Volume - total	*(1.9)*	*(1.5)*
Silver	*(0.3)*	*(0.3)*
LME Zinc	*(1.4)*	*(1.2)*
LME Lead	*(0.2)*	*(0.2)*
USD-INR (appreciation)	*(1.5)*	*(1.3)*

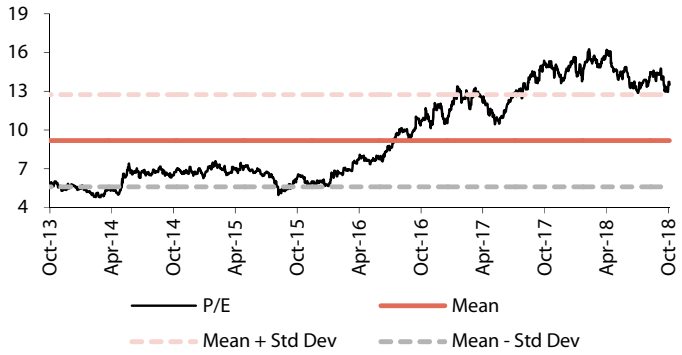
Source: Company, Centrum Research Estimates

Exhibit 7: 1 year EV/EBITDA chart



Source: Bloomberg, Company, Centrum Research Estimates

Exhibit 8: 1 year forward P/E chart



Source: Bloomberg, Company, Centrum Research Estimates

Exhibit 9: Comparative Valuations

Company	Mkt Cap (USD mn)	CAGR FY18-FY20E (%)			EBITDA Margin (%)			PE (x)			EV/EBITDA (x)			RoE (%)			Div Yield (%)		
		Rev.	EBITDA	PAT	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E	FY18	FY19E	FY20E
Hindustan Zinc	**16,200**	**2.6**	**(1.1)**	**(2.6)**	**55.6**	**53.2**	**51.7**	**12.9**	**13.9**	**13.2**	**8.2**	**8.4**	**7.8**	**28.5**	**24.2**	**24.1**	**2.7**	**7.1**	**2.3**
Boliden AB	7,240	2.2	(1.1)	(3.3)	27.5	27.0	25.7	10.6	9.1	10.4	5.6	4.7	5.2	21.3	19.6	16.8	3.1	6.4	5.3
Glencore PLC	57,958	7.1	22.7	9.0	5.8	7.5	7.6	NM	NM	NM	6.9	4.4	5.0	12.3	14.1	13.5	0.1	0.1	0.1
Umicore SA	11,764	5.9	33.0	43.3	4.2	5.6	6.6	18.6	28.8	23.8	18.1	14.8	12.1	11.8	15.4	15.2	1.9	1.8	2.0
Nyrstar NV	263	2.6	6.1	15.8	9.5	6.3	10.2	12.2	NM	4.1	5.0	6.3	3.8	7.7	(8.4)	12.9	0.0	0.0	0.0
OZ Minerals Ltd	2,094	2.6	(15.7)	(15.7)	63.6	45.8	42.9	10.6	14.3	16.8	2.7	5.0	5.4	9.5	6.4	5.8	2.4	2.2	1.9

Source: Bloomberg, Centrum Research Estimates, For global companies FY18=CY17 and so on

Exhibit 10: EV/EBITDA based valuation

(Rs mn)	Mar'20E
EBITDA	120,140
Justified EV/EBITDA (x)	7.5
EV	901,050
Add: Net Cash	260,395
Fair Value Mkt Cap	1161,445
No. of Shares (mn)	4225
Fair value/share (Rs)	**275**

Source: Company, Centrum Research Estimates

Quarterly financials, operating metrics and key performance indicators

Exhibit 11: Quarterly Financials

Particulars (Rs mn)	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19
Total Revenue	**49,799**	**62,550**	**45,760**	**53,090**	**59,220**	**62,770**	**53,100**	**47,770**
Mining Royalty	7,166	8,460	5,490	5,670	7,020	8,290	6,310	6,280
Employee Expenses	1,783	1,900	1,740	2,250	1,950	1,820	2,320	2,450
Other Expenses	17,082	14,760	14,690	14,930	17,810	16,460	17,340	15,700
Operating Profit (Core EBITDA)	**23,768**	**37,430**	**23,840**	**30,240**	**32,440**	**36,200**	**27,130**	**23,340**
Depreciation	4,589	5,320	3,600	3,250	3,730	4,590	3,870	4,540
EBIT	**19,179**	**32,110**	**20,240**	**26,990**	**28,710**	**31,610**	**23,260**	**18,800**
Interest	451	140	1370	840	170	450	150	0
Other Revenue/Income	5,882	4,860	5,300	4,700	2,810	4,860	2,990	3,940
Other Exceptional Items	0	0	0	(2,910)	0	510	0	0
Profit Before Tax	**24,610**	**36,830**	**24,170**	**33,760**	**31,350**	**35,510**	**26,100**	**22,740**
Tax	5,477	6,259	5,410	7,920	8,370	10,460	6,920	4,590
Tax rate (%)	22.3	17.0	22.4	23.5	26.7	29.5	26.5	20.2
Profit After Tax	**19,133**	**30,571**	**18,760**	**25,840**	**22,980**	**25,050**	**19,180**	**18,150**
Growth (%)								
Net Sales	*45.2*	*99.7*	*80.8*	*50.6*	*18.9*	*0.4*	*16.0*	*(10.0)*
EBITDA	*60.8*	*184.7*	*110.8*	*45.6*	*36.5*	*(3.3)*	*13.8*	*(22.8)*
Adj. PAT	*4.0*	*42.3*	*80.9*	*35.9*	*20.1*	*(18.1)*	*2.2*	*(29.8)*
Margin (%)								
EBITDA	*47.7*	*59.8*	*52.1*	*57.0*	*54.8*	*57.7*	*51.1*	*48.9*
EBIT	*38.5*	*51.3*	*44.2*	*50.8*	*48.5*	*50.4*	*43.8*	*39.4*
PAT	*38.4*	*48.9*	*41.0*	*48.7*	*38.8*	*39.9*	*36.1*	*38.0*
Key Drivers								
MIC Production-Zinc & Lead (kt)	276	312	233	219	240	255	212	232
Zinc metal sales volumes (t)	2,11,000	2,17,000	1,90,000	1,93,000	2,00,000	2,10,000	1,70,000	1,60,000
Lead metal sales volumes (t)	36,000	47,000	34,000	40,000	45,000	50,000	42,000	49,000
Zinc LME (US$/t)	2,518	2,770	2,596	2,963	3,236	3,421	3,112	2,537
Lead LME (US$/t)	2,150	2,269	2,161	2,334	2,492	2,523	2,388	2,104
USD/INR (average)	67.5	67.1	64.5	64.3	64.7	64.3	67.0	70.0

Source: Company, Centrum Research

Exhibit 12: Key Performance Indicators

Sales Volumes (kt)	FY16	FY17	FY18	FY19E	FY20E
MIC	888	907	947	970	1100
YoY% growth	*0.1*	*2.1*	*4.4*	*2.4*	*13.4*
Zinc - Metal	759	697	793	774	867
YoY % growth	*3.3*	*(8.2)*	*13.8*	*(2.5)*	*12.1*
Lead - Metal	145	138	169	193	193
YoY % growth	*12.4*	*(4.8)*	*22.5*	*14.2*	*0.0*
Silver (tonne)	426	448	555	650	750
YoY % growth	*30.1*	*5.3*	*23.9*	*17.1*	*15.4*
Sulphuric acid	1,331	1,276	1,313	1,386	245
Realizations (US$/t)					
Zinc - LME	1,829	2,350	3,057	2,700	2,600
Lead - LME	1,768	2,000	2,379	2,100	2,000
Silver (Rs/Kg)	32,597	38,789	38,090	37,000	38,000
Premium over LME (US$/t)					
Zinc	214	302	141	200	200
Lead	218	254	214	200	200

Source: Company, Centrum Research Estimates

Financials

Exhibit 13: Income Statement

Y/E March (Rs bn)	FY16	FY17	FY18	FY19E	FY20E
Revenues	**142.3**	**172.9**	**220.8**	**220.7**	**232.3**
Royalty	16.3	22.7	26.5	26.9	28.2
% of revenues	*11.5*	*13.1*	*12.0*	*12.2*	*12.1*
Employee cost	7.7	7.2	7.8	9.5	10.3
% of revenues	*5.4*	*4.2*	*3.5*	*4.3*	*4.4*
Other expenses	51.7	45.6	63.9	66.9	73.7
% of revenues	*36.3*	*26.4*	*28.9*	*30.3*	*31.7*
EBITDA	**66.5**	**97.4**	**122.7**	**117.4**	**120.1**
EBITDA margin (%)	*46.8*	*56.3*	*55.6*	*53.2*	*51.7*
Depreciation & Amortisation	7.4	18.1	14.8	17.4	19.3
EBIT	**59.1**	**79.3**	**107.9**	**100.0**	**100.9**
Interest expenses	0.2	2.0	2.8	-	-
PBT from operations	**58.9**	**77.3**	**105.1**	**100.0**	**100.9**
Other income	27.6	24.7	17.5	14.0	19.5
Exceptional items	0.3	-	(2.4)	-	-
PBT	**86.2**	**102.0**	**125.0**	**114.0**	**120.4**
Taxes	4.5	18.8	32.2	28.5	30.1
Effective tax rate (%)	*5.2*	*18.5*	*25.8*	*25.0*	*25.0*
Reported PAT	**81.8**	**83.2**	**92.8**	**85.5**	**90.3**
Adjusted PAT	**81.5**	**83.2**	**95.2**	**85.5**	**90.3**

Source: Company, Centrum Research Estimates

Exhibit 14: Key Ratios

Y/E March	FY16	FY17	FY18	FY19E	FY20E
Growth Ratio (%)					
Revenue	*(3.8)*	*21.5*	*27.7*	*(0.1)*	*5.2*
EBITDA	*(10.7)*	*46.4*	*26.0*	*(4.3)*	*2.3*
Adjusted PAT	*(0.0)*	*2.1*	*14.4*	*(10.2)*	*5.6*
Margin Ratios (%)					
EBITDA	*46.8*	*56.3*	*55.6*	*53.2*	*51.7*
PBT from operations	*41.4*	*44.7*	*47.6*	*45.3*	*43.4*
Adjusted PAT	*57.3*	*48.1*	*43.1*	*38.7*	*38.9*
Return Ratios (%)					
ROE	*20.2*	*24.4*	*28.5*	*24.2*	*24.1*
ROCE	*19.7*	*22.3*	*24.9*	*24.2*	*24.0*
ROIC	*65.0*	*148.6*	*78.9*	*54.3*	*53.3*
Turnover Ratios (days)					
Gross block turnover ratio (x)	0.9	1.0	1.1	1.0	1.0
Debtors	3	3	3	5	5
Inventory	27	41	23	30	30
Creditors	24	17	16	15	15
Cash conversion cycle	6	26	10	20	20
Solvency Ratio (x)					
Net debt-equity	(0.9)	(0.8)	(0.6)	(0.6)	(0.6)
Debt-equity	0.0	0.3	0.0	0.0	0.0
Interest coverage ratio	0.0	0.0	0.0	0.0	0.0
Gross debt/EBITDA	0.0	0.8	0.0	0.0	0.0
Current Ratio	2.4	1.7	4.0	5.8	6.8
Per share Ratios (Rs)					
Adjusted EPS	19.3	19.7	22.5	20.2	21.4
BVPS	88.5	72.9	85.0	81.9	95.7
CEPS	21.1	24.0	25.5	24.4	25.9
DPS	27.8	29.4	7.9	20.0	6.4
Dividend payout %	*143.7*	*149.4*	*36.0*	*98.9*	*30.0*
Valuation (x)*					
P/E (adjusted)	8.1	12.0	12.9	13.9	13.2
P/BV	1.8	3.2	3.4	3.4	2.9
EV/EBITDA	4.6	7.7	8.2	8.4	7.8
Dividend yield %	*17.8*	*12.5*	*2.7*	*7.1*	*2.3*
5 Yr Avg AOCF/EV yield %	*17.3*	*7.8*	*6.8*	*7.8*	*9.0*

Source: Company, Centrum Research Estimates

Exhibit 15: Balance Sheet

Y/E March (Rs bn)	FY16	FY17	FY18	FY19E	FY20E
Equity Share Capital	8.5	8.5	8.5	8.5	8.5
Reserves & surplus	365.4	299.6	350.9	337.5	396.1
Shareholders' fund	373.9	308.1	359.3	345.9	404.5
Total Debt	-	79.1	-	-	-
Def tax liab. (net)	-	-	-	-	-
Total Liabilities	**373.9**	**387.1**	**359.3**	**345.9**	**405.5**
Gross Block	165.2	179.0	206.6	229.4	252.2
Less: Acc. Depreciation	61.4	79.1	93.6	111.0	130.2
Net Block	103.9	99.9	113.0	118.4	121.9
Capital WIP	24.3	30.7	32.2	34.4	36.6
Net Fixed Assets	128.1	130.6	145.2	152.8	158.5
Investments	352.2	237.8	202.2	102.2	127.2
Inventories	10.6	19.4	13.8	18.1	19.1
Sundry debtors	1.1	1.4	1.8	3.0	3.2
Cash	0.5	83.8	19.6	105.1	133.2
Loans & Advances	5.3	5.8	10.3	12.1	12.7
Other assets	34.1	39.2	36.3	3.0	3.2
Total Current Asset	51.6	149.5	81.9	141.4	171.4
Trade payables	9.3	8.2	9.5	9.1	9.5
Other current Liab.	148.3	121.3	58.3	38.8	40.4
Provisions	0.5	1.3	2.2	2.5	2.6
Net Current Assets	(106.5)	18.7	11.9	90.9	118.8
Total Assets	**373.9**	**387.1**	**359.3**	**345.9**	**405.5**

Source: Company, Centrum Research Estimates

Exhibit 16: Cash Flow

Y/E March (Rs bn)	FY16	FY17	FY18	FY19E	FY20E
Operating profit bef WC	66.4	98.2	123.7	117.4	120.1
Changes in working capital	1,632.0	108.0	494.0	642.3	22.2
Cash flow from operations	**64.5**	**75.9**	**98.4**	**95.3**	**90.3**
Adj. OCF (OCF - Interest)	64.3	73.9	95.5	95.3	90.3
Net Capex	15.7	20.3	27.4	25.0	25.0
Adj. FCF	48.7	53.6	68.1	70.3	65.3
Cash flow from investments	**(32.4)**	**120.1**	**24.0**	**89.0**	**(30.5)**
Cash flow from financing	**(32.1)**	**(112.7)**	**(186.5)**	**(98.9)**	**(31.7)**
Net change in cash	**0.0**	**83.3**	**(64.2)**	**85.5**	**28.1**

Source: Company, Centrum Research Estimates

Appendix A

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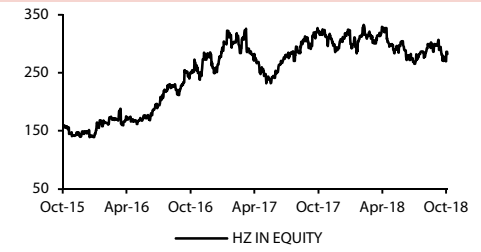
Hindustan Zinc price chart



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