

This Vedanta Group stock is set to benefit from import duties on gold, silver

Brokerage firms are largely positive on Vedanta-group's Hindustan Zinc even as the stock dropped more than 5 per cent on Friday, on the back of profit booking.

THIS VEDANTA GROUP STOCK IS SET TO BENEFIT FROM IMPORT DUTIES ON GOLD, SILVER

IMPORT DUTIES INCREASED | **HIGHER PRICES IN INDIA** | **STRONGER EARNINGS OUTLOOK**

STRONGER FUNDAMENTALS. BRIGHTER FUTURE.

HIGHER GOLD & SILVER PRICES STRONGER STOCK PERFORMANCE

Brokerage firms are largely positive on Vedanta-Ltd group company Hindustan Zinc Ltd even as the stock dropped more than 5 per cent on Friday, on the back of profit booking. The stock surged more than 37 per cent from in last two months to hit Rs 669.10 on Thursday, but dropped more than 5.4 per cent to Rs 632.55 on Friday, with its valuations slipping below Rs 2.7 lakh crore.

Hindustan Zinc reported a 68 per cent jump in the net profit on a year-on-year (YoY) basis to Rs 5,033 crore, while its revenue from operations increased 49 per cent YoY to Rs 13,544 crore for the March 2026 quarter. Its margin came in at 57 per cent, while cost of production dropped 9 per cent YoY. The company announced an interim dividend of Rs 11 per share.

SBI Securities highlighted its FY27 production guidance, record March quarter performance and expansion into critical minerals. The Vedanta Group company is the world's largest integrated zinc producer, among the top five silver producers globally, supplies to more than 40 countries and holds about 77 per cent of India's domestic primary zinc market.

SBI Securities said Hindustan Zinc has guided for FY27 mined metal production of 1,150 kt, refined metal production of 1,100 kt and saleable silver production of 680 MT. The brokerage also flagged zinc cost of production guidance at \$975-1,000 per metric tonne and growth capex of about \$500-600 million.

SBI Securities said its renewable energy mix stood at 18 per cent in FY26 and is expected to rise to 30-35 per cent in FY27, before moving towards 70 per cent by FY28. It said a 70 per cent renewable mix could deliver annual savings of about Rs 250-300 crore, or \$20-25 per tonne. It also said the government's infrastructure push could lift steel demand to 300 million tonnes by CY30.

SBI Securities said Hindustan Zinc has secured mineral blocks for tungsten in Andhra Pradesh, potash in Rajasthan and rare earth elements in Uttar Pradesh, with exploration and mining timelines extending to 2030. It has a 'buy' rating on the stock with a target price of Rs 745. It cited zinc and silver price swings and delays in capacity expansion as key risks.

Hindustan Zinc is expected to scale up its mined metal production from 1.1 million tonnes to 1.4 million tonnes by FY28E, supported by ongoing capacity expansion. Refined zinc and lead production is projected to increase from 827/225 kt to 1,025/290 kt, while silver output is expected to rise sharply from 687 tonnes to 998 tonnes, enhancing overall realizations, said Ventura Securities.

Hindustan Zinc stands out as a globally dominant, lowest cost integrated zinc producer, with industry-leading margins, strong silver byproduct credits, and exceptional free cash flow generation, enabling consistent high dividend payouts and superior return ratios across cycles, it added with a 'buy' rating and a target price of Rs 829 for it.

While zinc and lead prices remain stable, silver's earlier bullish momentum has eased. With prices cooling off from recent highs and volatility rising, the near term outlook for silver has turned uncertain amid ongoing geopolitical risks. Its expansion plans for the Rajpura Dariba and Zawar mines are expected to add volume and potentially increase silver production, said Geojit with an 'hold' rating and a target price of Rs 688.