vedanta
transforming for good

HINDUSTAN ZINC
Zinc & Silver of India

Integrated Annual Report
2025-26

HZL 2.0

Leading the Way to a Better Future

IN THE REPORT

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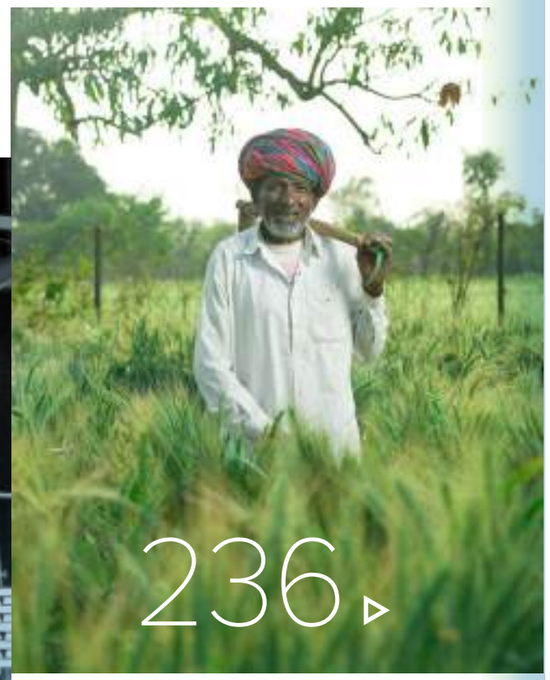

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HERE'S THE SCOOP

Under the surface lies a story of ambition, innovation, and impact. 'Here's the Scoop' brings together the moments that defined Hindustan Zinc's journey — from bold milestones and breakthrough ideas to the people and purpose powering progress every day.

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PERFORMANCE THAT POWERS THE NEXT PHASE

FY2026 WAS YET ANOTHER YEAR IN WHICH HINDUSTAN ZINC DELIVERED ACROSS EVERY DIMENSION THAT MATTERS, FROM PRODUCTION, PROFITABILITY, AND MARKET LEADERSHIP TO SUSTAINABILITY. WE SET NEW FINANCIAL RECORDS, SUSTAINED OUR GLOBAL COST LEADERSHIP, AND STRENGTHENED OUR POSITION AS A CRITICAL METALS AND MINING COMPANY WITH ONE OF THE MOST SUSTAINABLE OPERATIONS.

Excellence in operational performance

1,114 kt
Highest-ever mined metal production
▲ 2%

1,048 kt
Second-best refined metal production

627 MT
Silver production
(Over 20x growth in two decades)

14 kt
Highest-ever zinc alloy production
▲ 35%

Highest-ever Resources & Reserves (R&R)

468.6 Mnt
Record ore R&R

13.9 Mnt
Highest-ever metal reserves since underground transition

10.9 kt
Record silver reserves

Record financial performance

₹ 40,844 crore
Revenue
▲ 20%

₹ 22,162 crore
EBITDA
▲ 27%

c.54%
Industry-leading EBITDA margin
▲ c.300 basis points

c.45%
Precious metal contribution to profitability

₹ 13,832 crore
Net Profit
▲ 34%

₹ 13,337 crore
Strong free cash flow from operations*

c.67%
Industry-leading return on capital employed

c.77%
Strong return on equity

₹ 18,846 crore
Contribution to the exchequer (including ₹ 6,311 crore contributed to the state of Rajasthan)

*Pre-growth capex and renewable energy investment

Setting the global benchmark in sustainability

Ranked 1st
in S&P Global CSA 2025 (Metals & Mining sector) for the 3rd consecutive year

Commercialised EcoZen
Asia's first low carbon zinc

1st Indian Company
to join the prestigious International Council of Mining & Metals (ICMM)

Delivering value, recognised by the market

Inclusion in Nifty Indices
Nifty 100, Nifty Next 50, and the F&O segment on the National Stock Exchange

Inclusion in ESG Indices
Nifty100 ESG, Nifty100 Enhanced ESG, and Nifty100 ESG Sector Leaders

Amongst India's Largest
Amongst the Top 5 in Nifty Metal and the Top 40 in Nifty 100 based on market capitalisation of ₹ 212k crore as on March 31, 2026

2.71%
Increase in free float driven by two stake sales by Vedanta Limited

₹ 10 per share
Dividend paid (500% of face value) equivalent to ₹ 4,225 crore of dividend payout

The strength of this performance provides us with the financial foundation, operational momentum, and stakeholder conviction to enter our most ambitious phase of growth. This, combined with our irreplaceable asset base, makes us now ready to power what comes next.

LEADING THE WAY TO A BETTER FUTURE

WE ARE AT A DEFINING MOMENT

The next phase of our journey is bigger, bolder, and more consequential than anything we have undertaken before. It is a defining moment because the world is transforming at a pace and a scale not seen in generations.

- Energy transition is reshaping the power landscape globally
- India is in the middle of its most ambitious infrastructure build-out and clean energy transition journeys
- Advanced manufacturing, urbanisation, and the rise of the digital economy have become the urgencies for modern economies
- The Government of India is actively promoting self-reliance in critical minerals that will define the nation's economic future

These converging trends are together creating an insatiable demand for critical metals that Hindustan Zinc produces, and beyond. This is a decadal opportunity and a responsibility we are committed to.

RISING TO THE NATION'S CALL

The technologies, scale, and scope of the past will not be sufficient to meet the future. HZL 2.0 is our answer to the next, as we stride towards transforming into a larger, smarter, and future-facing multi-metal company.

HZL 2.0

IS NOT AN INCREMENTAL CHANGE. IT IS A STEP-CHANGE IN SCALE, CAPABILITY, AND PURPOSE:

SCALE

Doubling refined metal capacity to 2.0 Mtpa, the largest expansion in our history, backed by disciplined capital allocation and proven execution capability

DIVERSIFICATION

Entry into new critical minerals to build a multi-metal future aligned with national priorities

GETTING SMARTER

Embedding digitalisation, automation, data-driven intelligence, and artificial intelligence across operations

LEADING RESPONSIBLY

Scaling sustainability ambitions to ensure that mining is increasingly efficient, minimally invasive, and aligned with global best practices

On completion, HZL 2.0 will be a future-ready, diversified critical-metals company that powers India's industrial, energy, and infrastructure transformation. It reflects our evolution into a responsible, technology-enabled, multi-metal enterprise. It positions us at the centre of the next decade of growth, ready to deliver enduring value for shareholders, communities, and the nation.

WE ARE LEADING THE WAY TO A BETTER FUTURE FOR EVERYONE WE SERVE.

HZL 2.0 IS ABOUT

POWERING AN INDIA OF TOMORROW

Every major ambition India holds for the next decade runs through Hindustan Zinc's portfolio, be it building infrastructure, expanding and modernising the railway network, strengthening the power ecosystem, electrifying the vehicle fleet, or advancing to the digital economy. Through a diverse range of products across zinc, silver, and lead, Hindustan Zinc sits at the heart of these programmes. We are providing products that power the new-age economy and shape India's future.

Lead

- Lead acid batteries
- Construction
- Nuclear shielding
- Cable sheathing
- Brass alloys
- Lead in Galvanising Baths

Zinc

INFRASTRUCTURE & MOBILITY

- Roadways and bridges
- Railway infrastructure
- Automotive application
- Construction
- Telecom towers

ENERGY AND POWER

- Power generation and transmission
- Renewable energy

ADVANCED & EMERGING APPLICATIONS

- Zinc-air batteries
- Zinc oxide nanoparticles for water purification and germ-resistant hospital cleaners

Silver

LIFESTYLE & CONSUMER

- Jewellery
- Tableware & cutlery
- Investment

ENERGY & ELECTRONICS

- Electrical contacts
- Solar photovoltaic
- Semiconductors

HZL 2.0 IS ABOUT

BUILDING A LARGER, MULTI-METAL ENTERPRISE

The global transition towards clean energy, infrastructure development, and electrification has created strong, long-term demand for critical metals. Zinc for corrosion resistant infrastructure, renewable energy, and urbanisation. Lead for energy storage solutions and SLI (switching, lighting and ignition). Silver for renewable energy, electronics, and advanced manufacturing. These are areas with limited substitution potential.

Beyond these, a new tier of critical minerals has become indispensable, given their industrial importance and India's import dependence. Through HZL 2.0, we are positioning ourselves to address these long-term structural demand drivers while supporting India's self-reliance ambitions. The programme is expected to drive volume-led earnings growth, improve asset utilisation, and strengthen cash flow generation, while creating sustained long-term value for all stakeholders.

THE 2X EXPANSION: SCALE THAT CHANGES THE GAME

Anchored in scale, integration, and disciplined capital allocation, HZL 2.0 journey is designed to nearly double our refined metal capacity and further strengthen our position as the world's largest and India's only integrated zinc producer. Predominantly brownfield in nature, the expansion leverages our robust asset base, extensive mineral resources, and proven execution capabilities.

The expansion programme represents a synchronised, end-to-end capacity build-up across mining, beneficiation, and smelting to ensure a smooth ramp-up while avoiding operational bottlenecks.

Ore production c.17 Mtpa → c.35 Mtpa	Ore treatment capacity (concentrators) 19.3 Mtpa → c.35 Mtpa
Metal reserves 13.9 Mnt → 50 Mnt	Refined metal capacity 1.1 Mtpa → 2.0 Mtpa
Silver refining capacity 800 TPA → 1,500 TPA	Tailing refining India's first tailings reprocessing plant of 10 Mtpa feed capacity

Overall expected growth capex of

₹ 40,000-50,000 crore
in next 5 years

BOARD-APPROVED PHASE 1 PROJECTS

1 250 ktpa integrated zinc smelter
(along with matching mines and mills capacity)

Location	Investment	Completion target	Project status
Debari, Rajasthan	c.₹ 12,000 crore	Q2 FY2029	EPC partners locked in, site mobilisation started, and detailed engineering in progress

2 Tailings reprocessing plant with 10 Mtpa feed capacity

Location	Investment	Completion target	Project status
Rampura Agucha, Rajasthan	₹ 3,823 crore	Q4 FY2028	Detailed engineering completed, major orders placed, and activities started at site

3 Exploration programme

Location	Investment	Objective	Project status
Primarily at Zawar and Rajpura Dariba clusters	c.₹ 1,100 crore	Sustain 25+ year mine life post expansion	Technical and drilling partners locked in

EXPANSION PROJECTS OVERVIEW

MINING AND CONCENTRATOR EXPANSION

Mining capacity expansion is underway across Rampura Agucha, Kayad, Sindesar Khurd, Rajpura Dariba, and Zawar clusters, supported by strong reserves and resource base of 468.6 Mnt, providing long mine life and operational visibility.

The concentrator capacity will be enhanced through brownfield redesign and debottlenecking to improve throughput and metal recoveries while maintaining capital efficiency.

SMELTING EXPANSION

Smelting expansion, includes a 250 ktpa integrated zinc smelter at Debari, and a 400 ktpa integrated zinc smelter and 200 ktpa integrated lead smelter at existing locations. The project will be designed to leverage existing infrastructure, captive power availability, and integrated logistics, reinforcing our global cost leadership and operational reliability.

TAILINGS REPROCESSING AND SUSTAINABILITY

The tailings reprocessing plant would enable recovery of residual metal from legacy tailings at Rampura Agucha, reduce environmental impact, and provide incremental concentrate supply.

The circular economy approach strengthens operating margins and leadership in ESG performance.

SCALING EXPLORATION

A parallel 2x exploration program across key mining clusters is underway to extend mine life beyond the 2 Mtpa horizon. Targeted metal reserves expansion from 13 Mnt to 50 Mnt, primarily across Zawar and Rajpura Dariba clusters, is expected to support a mine life of over 25 years.

BECOMING A MULTI-METAL ENTERPRISE

We are advancing the exploration and evaluation of new critical minerals to strengthen long-term resilience and drive portfolio diversification. These minerals are critical to global energy transition and future technologies, with rising demand as the world shifts towards clean energy and digital infrastructure. For India, they present a strategic opportunity to enhance self-reliance and emerge as a global hub for critical minerals.

KEY BLOCKS SECURED

Tungsten block in Balepalyam, Andhra Pradesh

Rare earth elements (REE) block in Nawatola–Laband, Uttar Pradesh

Potash block in Jhandawali–Satipura, Rajasthan

HZL 2.0 IS ABOUT

BEING SMARTER, MORE EFFICIENT, AND VALUE-ACCRETIVE

Growing in scale is one part of the equation. The other and more critical one is to ensure that the larger company is more efficient and value accretive per tonne than what we are today. This is where our investments in digital intelligence and product innovation become decisive.

TECHNOLOGY POWERING THE NEXT PHASE

HZL 2.0 is being built on a technology-led operating model, whereby intelligence, automation, and digital systems work together to deliver exceptional outcomes.

Digital, automation, and intelligence at play

- Artificial Intelligence and machine learning (AI/ML)
- Industrial Internet of Things (IIoT) sensors
- Computer vision
- Tele-remote drilling and autonomous haulage
- Predictive maintenance systems
- Augmented reality and virtual reality

Advancing the next frontier of innovation through VSpark Deeptech Ventures

- Engaged 30+ technology startups on 60+ different projects
- Focused on solving operational bottlenecks and accelerating the deployment of advanced and emerging technologies towards smart, future-ready mining operations

IMPACT TARGETED

Sustained lower cost of production

Process optimisation and enhanced metal recovery

Improved equipment utilisation and uptime, reduced idle time, and energy efficiency

Safer operations, reducing man-machine interaction

A digital foundation that scales with the 2x operation

Refer to the Digitalisation & Automation chapter on page 54 for more details

MOVING UP THE MARGIN CURVE WITH VALUE ADDITION

We are building HZL 2.0 as a more resource-efficient and value-driven business, maximising recoveries, improving resource utilisation, creating value from waste, and developing products for emerging applications and higher value-added segments. The result will be a business that grows both in volume and value per tonne, resulting in stronger and more sustainable returns for shareholders. Over the years, we have increased our share of value-added products to c.22% in FY2026.

OUR VALUE-ADDED PORTFOLIO

Zinc aluminium magnesium alloys
Superior corrosion resistance for automotive and construction

Special CGG products
Continuous galvanising grade zinc for high-specification steel customers

EcoZen
Asia's first low-carbon zinc brand

Zinc-nickel batteries
An energy storage product innovation

Refer to the Innovation chapter on page 66 for more details

HZL 2.0 IS ABOUT

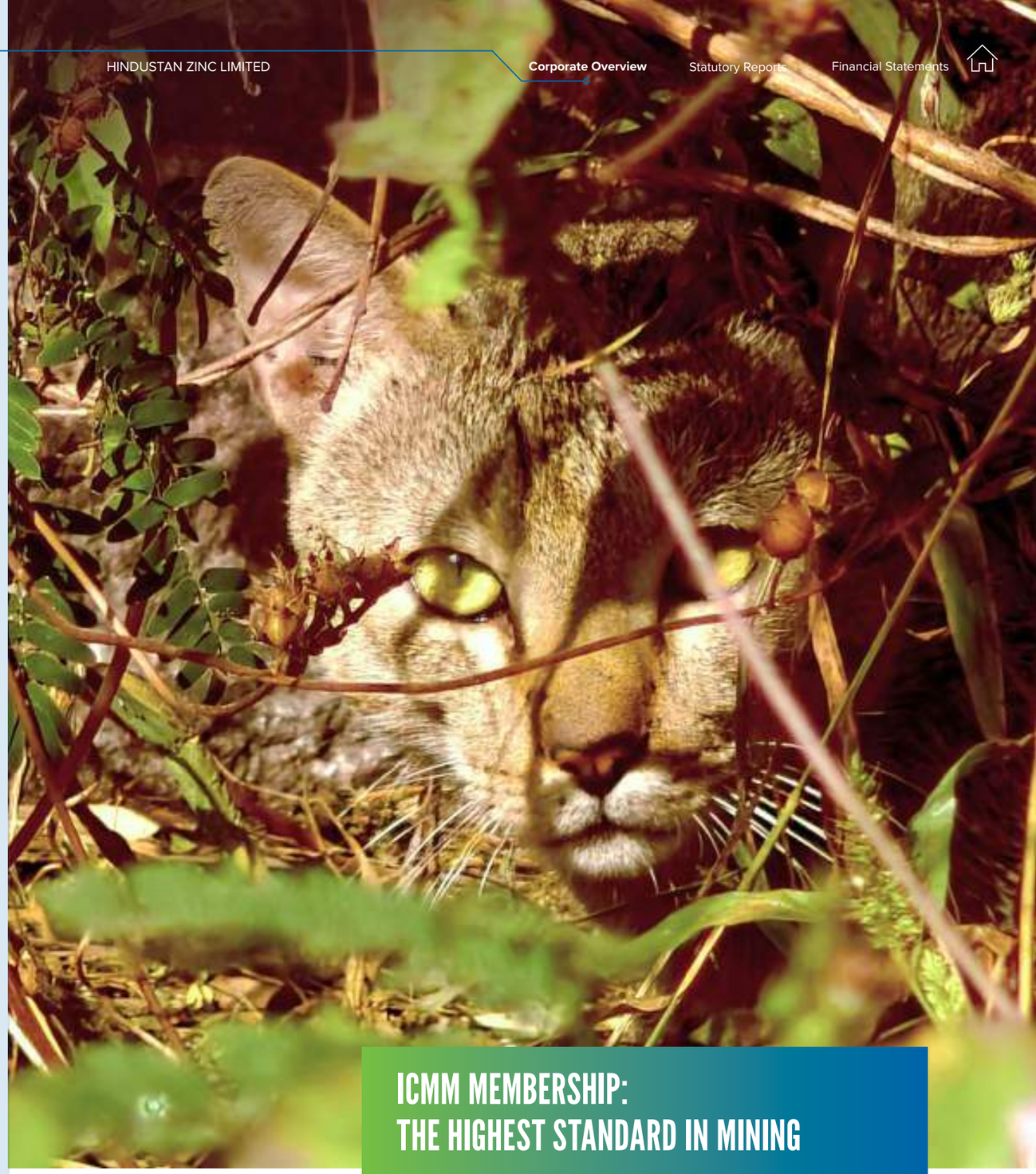
BEING MORE RESILIENT AND RESPONSIBLE

As India unlocks its vast untapped mineral wealth, the way mining is done will shape its resource story in the long term. As one of the nation's largest metal and mining companies, we are deliberately shaping HZL 2.0 to ensure our expanding footprint leaves a rather smaller environmental mark and benefits every stakeholder from our growth. These efforts ultimately translate into lower operational, capital, and reputational risk, resulting in sustainable, risk-adjusted return on capital.

SUSTAINABILITY GOALS 2030: A STEP-CHANGE IN AMBITION

Building on our Sustainability Goals 2025, we have now set a more ambitious ESG action plan for the next five years with Sustainability Goals 2030. Spanning eight themes, these goals are a step-change in ambition, aligned with our growing scale of operations.

Read more sustainability goals on page 184 for more details



ICMM MEMBERSHIP: THE HIGHEST STANDARD IN MINING

In FY2026, Hindustan Zinc became the first Indian company to be admitted to the International Council on Mining and Metals (ICMM), joining an elite list of global leaders. Requiring adherence to 40 rigorous performance expectations across environmental, social, and governance (ESG) dimensions, this membership will accelerate integration of globally benchmarked practices.

A LANDMARK MOMENT FOR HINDUSTAN ZINC AND FOR INDIA

BECOMING INDIA'S FIRST AND ONLY METALS AND MINING COMPANY TO JOIN ICMM

Hindustan Zinc operates in a global environment where investor expectations on safety, environmental stewardship, human rights, and ethical conduct continue to rise. In August 2025, we marked a significant milestone by becoming the 25th member of the International Council on Mining and Metals (ICMM), the first Indian metals and mining company to be admitted and also the first new member inducted since 2021. This milestone strengthens our governance and performance discipline through adherence to ICMM's Performance Expectations, independent assurance, and transparent reporting, while placing India firmly at the highest table of global responsible mining.

1st and Only
Indian Metals & Mining Company in ICMM

25th
Global ICMM Member

40
Performance expectations to be met

2 years
Commitment action plan

WHY THIS MATTERS FOR INVESTORS

ICMM membership necessitates commitment to 40 rigorous performance expectations across ESG dimensions, all independently assured, translating into five tangible benefits:

- **Stronger ESG credibility:** Independently verified consistent standards and third-party assurance
- **Reduced operational and regulatory risks:** Stronger practices embedded across safety, human rights, community engagement, and environmental management
- **Measurable, time-bound progress:** A structured ICMM Action Plan with defined milestones and accountability
- **Access to peer learning and best practices:** Strengthens preparedness for emerging ESG risks, evolving regulation and stakeholder expectations
- **Robust governance and leadership oversight:** Steering governance chaired by the CEO and representation from the COO, CFO, CHRO, Chief HSE&S, Head CSR, and IBU CEOs, reinforces ownership, monitoring, and delivery of commitment across assets

HOW WE ADVANCED ICMM PERFORMANCE EXPECTATIONS DURING FY2026

Following the launch of the ICMM Action Plan, we made measurable progress across every dimension that membership demands.

- **Governance and oversight:** Increased the frequency of site-level Social Performance Steering Committee meetings from quarterly to monthly to strengthen oversight of social, human rights, and community-related risks and actions.
- **Critical risk management (CRM):** Advanced a risk- and psychology-based safety framework, supported by enhanced underground supervision, deployment of safety technologies, and a Mine Safety Assurance Programme.
- **Human rights and social performance:** Implemented a rights-based approach through third-party human rights assessments, Social & Human Rights Impact and Risk Assessment (SHIRA) workshops, Voluntary Principles on Security & Human Rights (VPSHR) aligned security reviews, and site-level risk registers.
- **Psychological Safety:** Embedded psychological health and safety into the Occupational Health & Safety (OH&S) Policy to promote holistic worker well-being across the value chain.
- **Indigenous peoples and community rights:** Embedded Free-Prior Informed Consent (FPIC), due diligence, benefit sharing, and Indigenous Peoples Development Plans through a dedicated Indigenous Peoples Technical Standard.
- **Environmental and social impact assessment (ESIA):** Enhanced transparency through public disclosures, capacity building, third-party onboarding, and initiation of IFC-aligned studies for brownfield expansions.
- **Tailings management:** Achieved c.57% alignment through advancement of GISTM implementation across Rampura Agucha Mine (RAM), Zawar Group of Mines, and Rajpura Dariba Complex, supported by expert engagement, dam break analysis at RAM, and digital knowledge management systems.
- **Participatory Social Risk Monitoring:** Initiated discussion with stakeholders to ensure community participation in formalising principles for strengthening social performance.
- **People, inclusion and value chain:** Progressed psychological safety initiatives, supplier capability building, and rollout of a diversity, equity and inclusion (DEI) roadmap.
- **Leadership and Management Capacity Development:** Delivered 80 hours of workshops for 100+ executives from social performance teams, such as CSR, security, HR, land & legal, external affairs, exploration, and other field officers to strengthen understanding on SHIRA, VPSHR and FPIC-based human rights frameworks, risk assessments, and community engagement principles, aligning with the Company's broader social performance vision.
- **Local procurement:** Introduced a Local Procurement Policy and achieved c.22% local spend during the year.
- **Leadership accountability:** Embedded ESG-linked KPIs into CXOs performance evaluation.

THE BROADER PURPOSE

Hindustan Zinc's ICMM journey reflects a disciplined approach to embedding globally benchmarked standards into core operating and governance processes. With strengthened oversight, clearer accountability, and a structured implementation roadmap, we aim to further enhance safety and sustainability performance, improve the quality and assurance of ESG disclosures, and reinforce stakeholder confidence over the long term.

FY2026 HIGHLIGHTS

STRATEGIC & GLOBAL LEADERSHIP HIGHLIGHTS

- First Indian company to become a member of the prestigious International Council on Mining and Metals (ICMM)
- Rampura Agucha Mine (RAM) became the world's largest zinc-producing mine
- Partnered with Tata Steel and Silox India for the adoption of EcoZen, Asia's first low-carbon zinc, boasting a 75% lower carbon footprint as compared to global average, facilitating transition to lower Scope 3 emissions in galvanised steel production
- Collaborated with Virginia Tech and CSIR-NML for advancing research focused on grade improvements across our concentrators
- Industry-leading return on capital employed of c.67% and strong return on equity of c.77%
- Pioneered all-women-driven Leaching & Purification section at Chanderiya Smelting Complex through Tejaswini
- Broke barriers with night shifts for women in underground mines at RAM and Zawar Mines
- Achieved India's longest raise of 600 metres at Balaria mine at Zawar

SUSTAINABILITY HIGHLIGHTS

- Chanderiya Lead Zinc Smelter (CLZS) and Rampura Agucha Mine (RAM) became India's first sites to receive the Zinc Mark certification
- First-time inclusion in the Dow Jones Best-in-Class (DJBIC) Index (Emerging Markets), a globally respected benchmark for corporate sustainability performance
- Signed MoUs with Greenline Mobility Solutions Ltd for deploying 100 electric vehicle (EV) trucks and 100 liquified natural gas (LNG) trucks for inter-unit and finished goods logistics
- Flagged off 10 EV bulker trucks at Zinc Smelter Debari in collaboration with Enviiro Wheels Mobility Pvt. Ltd., which will further expand to 40 EV bulkers
- Repurposed 654 kt of Jarosite and Jarofix for use in the cement, road, and railway sectors
- Transformed 22.25 hectares of wasteland at the CLZS into a greenbelt, using Mycorrhiza technology in collaboration with The Energy and Resources Institute (TERI)
- Commissioned India's 1st diesel electric loader CAT R2900XE (17 MT capacity) at Rajpura Dariba Mine (RDM)

MEASURABLE PROGRESS ACROSS THE STRATEGIC AGENDA

HEALTH AND SAFETY HIGHLIGHTS

- Achieved 41% reduction in total recordable injury frequency rate (TRIFR) as compared to the base year of FY2020
- Implemented collision avoidance system, covering 30 equipment across Sindesar Khurd Mine, enhancing safety through the prevention of man-machine interactions
- Introduced the world's 1st tele-remote raise bore operation in Sindesar Khurd Mine (SKM) and tele-remote drilling in two long-hole production drills in RDM

COMMUNITY DEVELOPMENT HIGHLIGHTS

- Benefited c.2.6 million lives across 4,149 villages through 44 initiatives across seven verticals, with a total CSR spend of ₹ 278.15 crore
- Almost doubled the Nand Ghars (women and childcare centres) in Rajasthan to 9,274 from 4,681
- Launched the Zinc Football Girls Academy with its first residential batch of 19 talented girls from across Rajasthan
- Initiated the Rural Livelihoods Conclave 2026 in Udaipur, establishing ourselves as a thought leader focused on advancing rural economic mobility
- Organised 2nd edition of India's most beautiful Vedanta Zinc City Half Marathon in Udaipur, uniting 7,000 runners from 23+ states across the country and globe, under #RunForZeroHunger initiative by Nand Ghar

AWARDS & RECOGNITIONS

TOP AWARDS & RECOGNITIONS

- **Ranked 1st in the Metals & Mining sector for the 3rd consecutive year in the S&P Global Corporate Sustainability Assessment 2025, scoring 90 out of 100**
- **Integrated Annual Report FY2025 ranked No.1 amongst Indian integrated reports and 6th globally, winning its 1st Platinum in League of American Communications Professionals (LACP) Spotlight Awards 2025**
- **Placed in Top 1% in S&P Global Sustainability Yearbook 2026, featuring for the 9th consecutive year**
- **Business Responsibility and Sustainability Report (BRSR) was selected as the best report under the manufacturing large-cap category at the 4th ICAI Sustainability Reporting Awards**

GLOBAL RECOGNITION FOR RESOURCE SECURITY AND SUSTAINABILITY

- **Sustainability Report FY2025 has won a Platinum at the LACP Vision Awards 2024-25, along with a Special Achievement Award for the Most Creative Report Worldwide**
- **Accredited as a Great Place to Work, surpassing the Trust Index benchmark across manufacturing sectors in India with the ever-highest engagement score**
- **Recognised internationally as the Best Organisation in Leading Diversity, Equity, Inclusion, and Belonging initiatives with a Gold Award in Human Capital Management Excellence by the Brandon Hall Group**
- **Won 'Best CSR in Private Sector' award at the Mining & Minerals Excellence Award**

SUSTAINABILITY

- SKM and Kayad Mines (KYM) were awarded the prestigious GreenCo Silver rating
- Awarded 'Excellence in Waste Management' – Sustainable Operational Award at the CEE Waste Management Summit & Awards 2025
- Recognised with 'Outstanding Accomplishment in Corporate Excellence' at CII-ITC Sustainability Awards. Further, Zawar Mines was presented the 'Environment Excellence Award'
- Our R&D project, 'HZL's Greener Steps towards Sustainable Operations', honoured as an Excellent Environment Project at the CII National Award for Environmental Best Practices 2025
- Recognised at 12th CII Supply Chain & Logistics Excellence Award (SCALE) under 'Green Logistics' category

GOVERNANCE

- **Recognised at the India Risk Management Awards organised by CNBC TV-18 for ESG risk management in the large cap category**
- **Conferred with the GST Leadership Excellence Award and Excellence in Corporate Tax Compliance - Gold Award in BW CFO World - India Tax Leaders Awards 2025**
- **Legal team honoured with the 'Excellence in Compliance Initiative of the Year' at the ET Legal Awards**
- **Secured three Gold Awards at the 4th Total Quality Management (TQM) Summit, organised by Quality Circle Forum of India (QCFI)**
- **Secured two Gold Awards at the 11th CII National Kaizen Circle Competition, recognising Best Kaizen in cost reduction and productivity improvement**

PEOPLE'S PRACTICES

- **Declared as the "Best Organization for Women" in 2026 by the Times Group**
- **Ranked among the top companies with Great Managers, with three managers in the Top 100 and 12 managers in the Top 300 by the Great Managers' Association**
- **Presented with Twin Gold Awards by the Confederation of Indian Industries (CII) for Excellence in Diversity and Inclusion initiatives and Best HR practices in Employee Wellbeing and Mental Health Support**
- **Our management was recognised as:**
  - **Fortune India's Best CEOs 2025 in Metals & Mining**
  - **CFO of the Year for Excellence in ESG at the CII CFO Excellence Awards**

SAFETY

- Our rescue team won the British Safety Council "Team of the Year Award" 2025
- RAM, KYM, and SKM received the prestigious 5-star rating from the Indian Bureau of Mines (IBM)
- Multiple accolades at British Safety Council International Safety Awards 2026 with 'Distinction' for Zawar captive power plant (5-star rating), followed by 'Merit' for Dariba Smelting Complex, RAM, Zinc Smelter Debari, KYM, CLZS, fertiliser project, and Pantnagar Metal Plant (PMP)

COMMUNITY

- Zinc India Foundation was awarded the ISC-FICCI Sanitation Award for its sewage treatment plant project, which is recognised as a national benchmark for collaborative urban sanitation
- Honoured with six awards at Rajasthan's prestigious 29th Bhamashah Awards for positively impacting over 2,00,000 rural and tribal children annually
- Zinc Kaushal Kendras at Zawar, Dariba, and Debari recognised by district and block authorities for excellence in youth skill development
- Hind Zinc School, Chittorgarh, awarded as one of the best schools in Rajasthan by EducationWorld

APPROACH TO INTEGRATED REPORTING

ABOUT THE REPORT

This is Hindustan Zinc Limited's (Hindustan Zinc's or HZL's) seventh Integrated Annual Report developed as per the guiding principles of the International Integrated Reporting Council's (IIRC) Integrated Reporting <IR> framework, now part of the IFRS Foundation.

Through such reporting, we go beyond statutory requirements to provide holistic information on our value creation processes, using the six capitals. We disclose details on our external operating environment, the material issues impacting our business and stakeholders, and our strategy to maximise value creation. We further capture insights on our corporate governance practices, through which we protect the interests of our stakeholders and ensure long-term value creation.

Through such comprehensive and transparent reporting, we provide our investors with an additional lens to determine our performance and prospects. They can thus make informed decisions about their engagement with the Company.

REPORTING SCOPE AND BOUNDARY

This Report covers Hindustan Zinc's financial and sustainability disclosures for the period April 1, 2025, to March 31, 2026. These cover our diverse operational assets, including mines, smelters, power plants, and refineries across locations. We cover consolidated financial information and material issues relevant to our operations and our value chain partners, customers, communities, and other stakeholders.

We have provided a five-year trend, wherever relevant, for the key performance indicators (KPIs), including the Environmental, Social and Governance (ESG) indicators. This will equip our investors to understand our value-creation process better and analyse our performance.

REPORTING PRINCIPLES

The non-statutory section of the Integrated Annual Report is prepared in accordance with the guiding principles and content elements of IIRC's <IR> framework. Some of the data related to the integrated reporting could be management estimates and should be treated as such. The ESG section of the report has been prepared in reference to the requirements of the Global Reporting Initiative (GRI) Standards 2021.

The statutory sections, including the Directors' Report, the Corporate Governance Report, the Business Responsibility and Sustainability Report, and the financial section, comply with the following regulations:

- Companies Act, 2013
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the prescribed Secretarial Standards
- Indian Accounting Standards
- National Guidelines on Responsible Business Conduct (NGRBC)

For detailed disclosures on our key non-financial or ESG aspects, refer to our Sustainability Report, which can be accessed on our website www.hzlindia.com

APPROACH TO MATERIALITY

Several issues, opportunities, and challenges can materially impact our business and our ability to create stakeholder value. Such matters form the base of disclosures in our Integrated Annual Report. We have identified by applying the principles of materiality, involving and gathering insights from all our business units and key stakeholders. We rank these issues as per their relevance and potential impact on stakeholders, strategy, and value creation, helping us shape future-ready business strategies and goals.

Read more on our material topics on page 80 of this Report.

BOARD AND MANAGEMENT ASSURANCE

The Board of Directors and the management of Hindustan Zinc acknowledge their shared responsibility for the integrity and completeness of the information contained in it. They have applied their collective knowledge and have been actively involved in the Report's development. They are of the opinion that the Report captures all relevant material issues, and presents an accurate, fair, and balanced view of Hindustan Zinc's performance and its impact.

FORWARD-LOOKING STATEMENTS

This Integrated Report contains information to help investors and shareholders to properly assess our prospects and take informed investment decisions. This Report and other statements - written and oral - that we periodically make, contain information 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 all projections will be fulfilled, although we believe we have been judicious in our assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. Should any known or unknown risk or uncertainty materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should take this into consideration. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

LEADING REPORTING PRACTICES

OUR REPORTING SUITE

We are committed to providing information ethically and transparently to our stakeholders. We ensure this through our diverse reporting suite, which ensures clear and comprehensive disclosures.

OUR REPORTING SUITE INCLUDES THE FOLLOWING

Integrated Annual Report

Digital Integrated Annual Report

Tax Transparency Report

Sustainability Report

Climate Action Report

Taskforce on Nature-related Financial Disclosures (TNFD) Report

We are on social media

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Scan the code

to get Hindustan Zinc's IR FY2026 report on your hand-held screen

www.hzlindia.com

Our other reports can be accessed on our website above

INTEGRATED THINKING AT HINDUSTAN ZINC

Value creation at Hindustan Zinc emerges from the interplay between our resources (six capitals) and our relationships (stakeholders), both shaped by the external environment we operate in, the material issues facing our business, and the priorities we choose to act on. This integrated thinking helps shape our decisions, capital allocation, and strategic priorities, ensuring value for all stakeholders.

ESG Focus

Environmental, Social and Governance (ESG) is at the core of our business model.

ESG actions are driven by:

- Sustainability Goals 2030
- ZERO HARM, ZERO WASTE, ZERO DISCHARGE philosophy

Read more on page 178

VALUE CREATION AT HINDUSTAN ZINC IS

POWERED AND GUIDED BY

OUR VISION

Be the world's largest and the most admired Zinc-Lead & Silver Company

OUR MISSION

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

Be a globally lowest cost producer

Maintain market leadership and customer delight

OUR VALUES

- Entrepreneurship
- Trust
- Integrity
- Care
- Excellence
- Innovation
- Respect

STRENGTHENED BY

Our core strengths

- Large scale, low cost, irreplaceable asset base with mine life of 25+ years
- Ideally positioned to capitalise on India's growth
- Investments in high IRR projects driving strong shareholder returns
- Invested in metals relevant for energy transition
- Robust financial profile and strong balance sheet
- ESG excellence, investing in a sustainable future

Read more on page 50

and integration of strategy into the business model

We align strategic and ESG priorities, capital allocation, and stakeholder expectations through a single integrated decision-making framework, amplifying value creation while mitigating risk

Strategic priorities

- S1 Maintaining a portfolio of mines with long life
- S2 Expansion of capacities
- S3 Strengthening cost leadership
- S4 Building a diversified product portfolio
- S5 Progressing towards a sustainable future

Read more on page 108

SUSTAINED THROUGH STAYING ALIGNED WITH THE WORLD AROUND US

1 **Macroeconomic scenario**

We track external developments and accordingly align our strategy and business model to stay agile and responsive.

Read more on page 128

2 **Stakeholder expectations and concerns**

We address stakeholder needs and build stronger relationships for sustained value delivery.

Read more on page 76

3 **Risks and opportunities**

We identify material risks, including emerging and ESG risks, through a comprehensive assessment and manage them while tapping opportunities for continued success.

Read more on page 86

4 **Material issues impacting business**

We adopt a double materiality approach to assess both our impact on stakeholders and the environment, and the impact of ESG factors on our business, informed by external trends and stakeholder engagement insights.

Read more on page 80

THE OUTCOME OF OUR INTEGRATED APPROACH IS MANIFESTED IN

Value creation across six capitals

We continuously monitor and measure impact across all six capitals and enhance outcomes through targeted initiatives and investments.

Financial Capital

Manufactured Capital

Intellectual Capital

Human Capital

Social and Relationship Capital

Natural Capital

Value delivery for stakeholders

Stakeholders support our strategy and operations, and are also impacted by our operations. We remain focused on creating value through mutual engagement.

Customers

Suppliers

Communities

Government and Regulatory Authorities

Employees & Business Partners' Employees

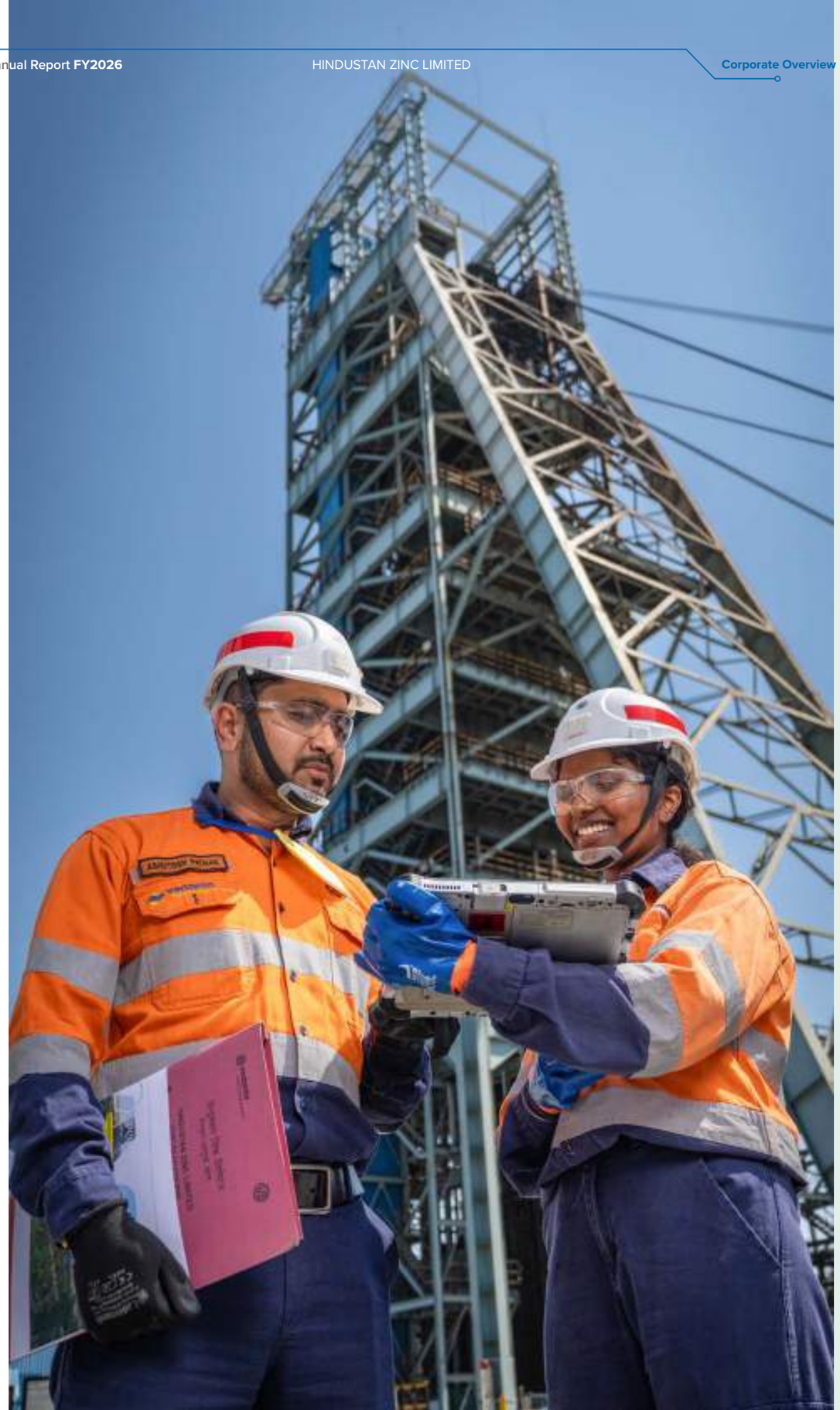
Investors/ Shareholders

NGOs

Positive societal and environmental impact

We ensure sustained progress on our ESG goals, aligned with the United Nations Sustainable Development Goals (UN SDGs), to enable sustainable outcomes.

Read more on page 184



Our inclusive and responsible growth strategy

Value creation strategy

- Investment in mineral resources, reserves, and exploration capability to support 2x growth and India's mineral self-reliance, while creating employment
- Multiple, long-term mining leases and investments in their development
- Seamless logistics and transportation
- Skilled, diverse, and technology-enabled workforce, with growing leadership representation of women

Value delivery strategy

- Globally benchmarked ESG practices anchored in ICMM membership and Sustainability Goals 2030
- Strengthening customer-centricity and digital innovation
- Deliver consistent fiscal growth, stakeholder value, and national contribution
- Embedded AI, automation, and digitalisation across mines and smelters
- Continued expansion of value-added products and customer-led innovation

Value sustenance strategy

- Strengthening ESG practices, ethics, and governance framework
- Visionary leadership
- Optimise resource use
- Proactive risk management and disciplined capital deployment into high-return opportunities
- Long-term stakeholder relations and talent development

DID YOU KNOW?

Zinc as a product

- India has about 50 million cars
- Each car requires 16 kg of zinc
- Galvanising all cars requires 800 kt of zinc

Hindustan Zinc achieved a record production of 851 kt in FY2026

1 YEAR ZINC PRODUCTION

SUFFICIENT TO COVER INDIA'S ENTIRE CAR FLEET

These are illustrative comparisons intended to provide a sense of scale, based on estimates and public data.

MESSAGE FROM THE CHAIRPERSON

Dear Stakeholders,

The future rarely announces itself. The past twelve months have made that abundantly clear. To be future-ready isn't an aspirational goal. It is about here and now.

At Hindustan Zinc, we have always tried to stay ahead of the curve on growth opportunities and at the bottom of the curve on costs. That is the best way to future-proof the company and be ready to perform at our best irrespective of external circumstances

The world is going through a massive churn. We are living through a generational inflection point, one where minerals and metals have moved to the centre of global geopolitics and geoeconomics, much as oil once did. Mineral security is now national security. India is actively pursuing self-sufficiency in critical minerals, and Hindustan Zinc is ready to help lead that journey – expanding well beyond our zinc-silver legacy into a broader, strategically relevant multi-metal portfolio.

INDIA: KEY TO A REORGANISING WORLD

There are multiple drivers of the shift towards a new mineral age. The first of these is technological advancement. The shift to clean energy, the rise of the digital economy, and the onset of AI has created a new demand for old minerals (like zinc and silver) and a fresh demand for new minerals (like rare earths and lithium). Over the next decade and a half, their demand is expected to surge by 500%, as forecasted by the World Bank.

The second is geopolitical: disrupted supply chains and shifting alliances have made self-reliance in strategic minerals a matter of urgency for nations worldwide. It may not seem intuitive given India's import dependence in minerals, but it does have an edge when it comes to resource from below-the-ground. We possess significant reserves of critical minerals and rare earth elements, 80% of which are still unexplored. We have a government that has moved with purpose, identifying 30 critical minerals, launching competitive auction processes, and signalling intent to make India a resource powerhouse. The opportunity, and the responsibility, lies in unlocking resources through scientific, sustainable, and minimally invasive mining methods. This is where Hindustan Zinc can contribute, with our operational legacy, our people, our technology, and the responsibility to lead this journey.

PERFORMING ON SOLID FOUNDATIONS

FY2026 exemplified what a disciplined, integrated, low-cost operating model can deliver across volatile markets and shifting global dynamics.

We achieved our highest-ever mined metal and second-best refined metal production. Our EBITDA and net profit reached an all-time high with industry-leading margins. And we achieved this while reducing the zinc cost of production by 9% YoY to a 5-year low of US$ 959 per tonne, which is amongst the lowest globally.

A key value driver in our integrated portfolio continues to be silver, a by-product of our zinc-lead operations that has steadily grown in strategic relevance. With its rising role in photovoltaics, electronics, and advanced manufacturing, silver is increasingly positioned at the heart of the energy transition and the digital economy in addition to its intrinsic value as a precious metal. Our ability to sustainably produce this critical metal within a low-cost, integrated operating system strengthens resilience through cycles and enhances the quality of our earnings.

Equally important, we continued to strengthen the sustainability of our core business through focused exploration and resource conversion. By steadily building our reserves and extending mine life, we are securing long-term visibility for our operations and reinforcing confidence that Hindustan Zinc's growth ambitions are anchored on a durable, high-quality resource base.

Our inclusion in the Nifty 100 and Nifty Next 50 indices in September 2025 marked a quiet but significant moment. This milestone reflects multiple years of disciplined growth, operational excellence, and commitment to creating long-term value for all our stakeholders and for the nation.

Beyond shareholder returns, Hindustan Zinc remains a significant contributor to the exchequer through taxes, royalties, and statutory levies, alongside sustained dividends that recycle value back into the economy. We take pride in the role our operations play in strengthening the fiscal and developmental capacity of the nation and the states in which we operate.

HZL 2.0: BUILDING A LARGER, MULTI-METAL ENTERPRISE

Beyond performance, FY2026 brought greater clarity to our vision in the decade ahead.

Our Board has approved our most ambitious capex programme, aimed at doubling the refined metal capacity to 2.0 Mtpa, which will almost double the annual revenue and EBITDA.

But HZL 2.0 is more than an expansion. It is a transformation from a zinc-focused company into a diversified multi-metal enterprise aligned with critical minerals, clean energy, and future technologies. This year, we secured three critical mineral blocks, rare earth elements (REE) in Uttar Pradesh, tungsten in Andhra Pradesh, and potash in Rajasthan, each vital to critical sectors:

- Rare earth elements for the permanent magnets in electric vehicle motors and wind turbines
- Tungsten for defence applications, high-efficiency industrial tools, and next-generation energy systems
- Potash for the fertilisers that sustain our agricultural economy

Each of these is a calibrated move into minerals where India urgently needs self-sufficiency, backed by Hindustan Zinc's geological expertise, operational capability, and financial strength.

SUSTAINABILITY GOALS

Our commitment to sustainability continues to deepen. For the third consecutive year, Hindustan Zinc was ranked the world's most sustainable metals and mining company in the S&P Global Corporate Sustainability Assessment 2025, achieving an industry-leading score of 90 out of 100. We were also recognised with the Best CSR in Private Sector Award at the Mining & Metals Excellence Awards 2025 for the meaningful impact we created on local communities.

One of the most significant milestones of FY2026 has been Hindustan Zinc's induction into the International Council on Mining and Metals (ICMM). With this, we become the first and only Indian company to join this prestigious forum.

One of the most significant milestones of FY2026 has been Hindustan Zinc's induction into the International Council on Mining and Metals (ICMM). With this, we become the first and only Indian company to join a prestigious forum comprising an elite cohort of 26 global mining leaders, highlighting both our and India's growing influence in the global critical minerals ecosystem.

This is both a recognition of where we stand and an elevated mandate for where we must go. To translate this milestone into measurable outcomes, we have instituted a structured governance mechanism with Board-level oversight and a management-led implementation roadmap, backed by periodic reviews and strengthened assurance.

Today, our absolute Scope 1+2 emissions stand at 5.02 million tCO_2e. Our renewable energy mix increased to c.18%, up from c.13% in the previous year, with new capacities from Serentica Renewables India Private Limited coming online. The path is all set to achieve 70% renewable mix by FY2028.

Our water stewardship tells a similar story. We have achieved 3.32 times water positivity, returning more water to our ecosystems than we consume. Our tailings dam water reuse and treated water recycling programmes at Rampura Agucha and Zawar Mines alone conserved over 1,65,000 m^3 of fresh water in FY2026.

The circular economy vision gained a significant boost with Board approval for India's first zinc tailings reprocessing plant of 10 Mtpa feed capacity. Upon completion in FY2028, this plant will help recover metal from legacy tailings, transforming decades of accumulated industrial residue into commercial value.

Our low-carbon zinc product, EcoZen, moved from innovation to commercial adoption this year as we entered supply agreements. This marks a positive step towards decarbonisation of downstream industries.

ADVANCING DIGITAL-LED SAFETY

At Hindustan Zinc, we have a deeply embedded safety architecture across all our operations. Our Critical Risk Management programme and Suraksha Kavach stewardship initiative ensure safety is embedded into every layer of our organisation. We are boldly deploying technology to scale up safety standards. The use of tele-remote drilling machines, remote mining operations from surface, and robotic automation is systematically removing people from hazardous environments. Advanced AI-powered camera surveillance systems deployed across operations strengthen vigilance and monitoring.

BUILDING A FUTURE-READY WORKFORCE

People are our greatest assets, and it is where we are investing deliberately and continuously. Our 27,000+ skilled workforce has been instrumental in delivering a record operational performance, all the while ensuring commitment to stringent safety and sustainability standards and advancing new capacity creation.

We are further building the workforce that HZL 2.0 will require. VEDAS (Vedanta Academy for Sustainability) is leading this effort by creating a digital learning ecosystem. Through VEDAS, our digital learning program, 88% of identified high potential employees upskilled in AI, ESG analytics, and data science this year. We are shaping the engineers and technologists who will run a 2 Mtpa operation with intelligence and precision.

Women now represent 26.4% of our workforce – a global benchmark in mining. What began with opening underground operations to women has evolved to women working night shifts in our mines. It is a matter of great pride that the leaching and purification section at our Chanderiya Smelting Complex is entirely women-led. We are proud to have set a global benchmark and are committed to raising it further, with a target of 30% representation by FY2030.

COMMUNITIES: OUR TRUE MEASURE OF SUCCESS

Through interventions in education, healthcare, skill development, water and sanitation, sports, and cultural preservation, we have positively impacted the lives of around 2.6 million people across 4,149 villages. Conceptualised as a platform to strengthen nutrition, support early childhood education, and empower women, our Nand Ghar initiative has evolved into one of the most impactful and scalable community platforms in rural Rajasthan.

In a unique initiative, Hindustan Zinc joined hands with the Rajasthan Heritage Authority to develop the Heritage Corridor at Poonchari ka Lautha Deeg. Through the project, we are preserving and restoring historical sites, developing botanical gardens, and promoting the cultural fabric of the communities that have been our neighbours for decades.

PROGRESSING WITH CLARITY AND CONVICTION

The road ahead is full of promise. Of course, delivering a 2x expansion, building a multi-metal future, scaling supporting capabilities, and meeting the expectations of ICMM would all require exceptional execution. Our track record of delivery gives us confidence in what we will achieve next.

We have a solid foundation in a robust balance sheet and prudent capital allocation, best-in-class assets and operational excellence, people, and technology.

Thank you to our valued stakeholders for trusting us through the years. We seek your continued support to build on our legacy of responsible mining and exploration, contributing to India's vision of self-reliance, and creating value for all stakeholders.

Priya Agarwal Hebbar

Chairperson, Hindustan Zinc Limited

MESSAGE FROM CEO & WTD

FY2026 was a landmark year for Hindustan Zinc, delivering record operating and financial performance through a structurally advantaged asset base and disciplined execution. With HZL 2.0, we are deploying capital with clear value thresholds to nearly double refined metal capacity, deepen cost leadership through efficiency and renewable energy, and progress critical minerals in alignment with national priorities. We are scaling digitalisation and automation to improve productivity and make operations safer with safety remaining non-negotiable. We have set clear Sustainability Goals 2030 across climate, water, circularity, social impact, and responsible sourcing to strengthen resilience and long-term shareholder value creation. We thank our shareholders for their continued trust as we build a stronger, more resilient Hindustan Zinc for the next decade.

Q&A WITH CEO & WTD

Q: Hindustan Zinc delivered a strong performance in FY2026. What were the key highlights?

A: FY2026 was, by most measures, the strongest year in Hindustan Zinc's history. We achieved the highest-ever mined metal production of 1,114 kt, driven by higher ore production and better grades. Refined metal production was the second-highest at 1,048 kt, as compared to 1,052 kt in FY2025.

Refined zinc production was the best-ever at 851 kt, up 3%, supported by commissioning of smelter debottlenecking projects and a new roaster, along with pyro operations on zinc-lead mode for the full year. Silver was the standout commodity story this year. Its prices rallied to an all-time high of US$ 118.45 per troy ounce in January 2026, resulting in the precious portfolio's contribution to our profitability increasing to c.45%. The cost of production was at a five-year low.

A breakthrough was achieved in our product, EcoZen, Asia's first low-carbon zinc, as it moved from launch to industrial adoption with a strategic supply partnership with Tata Steel and Silox India. This will enable our downstream customers to lower embedded emissions across their product portfolio and mark a step forward in such adoption.

Financial performance was at an all-time high, driven by strong operational performance, 5-year lowest cost of production, and a favourable commodity environment. Overall, the year validated the strength of our portfolio and operational model.

Q: Uncertainty and unpredictability peaked in FY2026. How did Hindustan Zinc navigate these?

A: The global macroeconomic environment was genuinely challenging, marked by tariff escalations, geopolitical uncertainty, and subdued industrial activities in key economies. Against this backdrop, our outperformance was not accidental, but the result of several advantages that provide resilience to macro headwinds better than most.

One of our biggest advantages is being an Indian company with significant domestic exposure. Around 70% of our refined zinc and almost 100% of silver production is sold domestically, ensuring insulation from global volatility and presence in one of the most constructive demand environments. This paid off in FY2026 as the Indian economy yet again stood out as one of the brightest spots globally. The nation's GDP grew by a projected c.7.5% with low inflation and manufacturing PMI firmly above 56 through most of the year.

Our portfolio, comprising energy transition critical metals, is also in the spotlight, supported by strong underlying fundamentals and rising demand. Zinc's role is extending beyond core steel galvanisation to renewable energy infrastructure and electric mobility applications, and in emerging technologies such as zinc-air batteries. Silver has emerged as a critical resource for a low-carbon, technology-driven world, with growing applications in solar cells, semiconductor chips, electronics, and 5G networks. This year, silver was included in the US critical minerals list, which further enhances its attractiveness among the global investor community.

We also benefited from our exceptional cost and execution discipline. Our teams ensured the scheduled commissioning of various improvement and debottlenecking projects, which contributed to record production and strengthened cost leadership quarter after quarter. Together, these efforts ensured a year of record performance.

Q: Hindustan Zinc strengthened its position as one of the lowest-cost producers. What are the key drivers of this advantage, and how sustainable is it going forward?

A: Cost leadership is built into our operating models, making it sustainable. Let me explain what I mean. Our mines offer amongst the most superior ore grades globally, ensuring higher metal extracted per tonne of rock mined. This is an irreplicable geological advantage.

Energy cost optimisation is yet another critical lever. In FY2026, c.18% of our total

power requirements were met by renewable energy as against c.13% in FY2025, with a clear trajectory to attain 70% by FY2028, supported by an agreement with Serentica. At the same time, we have re-engineered our captive power plants in such a manner that now we have increased the use of domestic coal to 53% versus 44% in FY2025.

The third is improved by-products realisation, which reduces the net cost of production. And finally, the technology piece, with AI, IIoT, and automation investments supporting better equipment utilisation and efficiency gains.

These efforts resulted in a 9% reduction in the zinc cost of production excluding royalty to US$ 959 per tonne in FY2026. Looking forward, we are confident of sustaining the cost of production by building on these levers, while also benefiting from economies of scale as we expand capacity.

Q A

The global metals industry is undergoing structural shifts driven by energy transition and geopolitical realignments. How is Hindustan Zinc positioned to capitalise on these changes?

At its core, energy transition is a story of critical metals. Hindustan Zinc could not be better positioned, and I say that without exaggeration.

Every galvanised steel structure across wind, solar, transmission infrastructure, or automobile requires zinc. Every solar panel and semiconductor contains silver. This means that demand for these metals is not cyclical; they are critical to support the transformation of the global energy system. It is a decadal opportunity playing out.

On the geopolitical side, deglobalisation and resource nationalism are on the rise, creating a significant opportunity for a company like ours. The Indian government is committed to domestic mining through the critical mineral mission and the global push to reduce dependence on concentrated supply chains are tailwinds for Hindustan Zinc.

As India's only primary zinc-lead-silver producer backed by premium assets, we are integral to India's critical mineral security challenge. Beyond this, we are shaping HZL 2.0, aiming to build a future-ready, diversified critical-metals company powering India's industrial, energy, and infrastructure transformation.

Aligned with this, we have laid out a roadmap to double our capacity and evolve into a multi-metal enterprise, with a focus on high-demand minerals where India is mostly import-dependent today. What lies ahead is a new beginning for Hindustan Zinc, built on stronger momentum and a transformative vision that will put us right at the centre of national self-reliance in critical minerals and global energy transition.

Q A

Where does the Company stand on its HZL 2.0 vision?

HZL 2.0 is no longer a vision. We have covered significant ground in this long-term growth journey, with the entire team rallying behind to make it possible.

The journey is designed to nearly double refined metal capacity from 1.144 Mtpa to 2.0 Mtpa, which will strengthen our competitive positioning in the critical metal ecosystem. This year, we have already commissioned the new 160 ktpa roaster at Debari and debottlenecked smelters at Dariba and Chanderiya.

In addition to this, the Board has approved expansion projects totalling around ₹ 17,000 crore, including:

- 250 ktpa of integrated refined zinc capacity at Debari, with matching mines and mills expansion
- India's first tailings reprocessing plant at Rampura Agucha of 10 Mtpa feed capacity to process the legacy tailings
- Exploration programme to sustain a mine life of 25+ years even after mining expansion

We have finalised EPC partners for the smelter expansion and the tailings reprocessing plant, alongside site mobilisation. These projects are expected to be completed by Q2 FY2029 and Q4 FY2028, respectively.

On critical minerals diversification, we secured three new mineral blocks, including tungsten in Andhra Pradesh, rare earth elements in Uttar Pradesh, and potash in Rajasthan. We have received the composite licence for Tungsten block and have started the exploration activities. For other two blocks, we have received the letter of intent and exploration activities will be started in FY2027, once all necessary approvals are in place. These minerals are the backbone of the global energy transition and future technologies and present a strategic opportunity towards becoming a multi-metal enterprise aligned with national priorities.

We are shaping HZL 2.0, aiming to build a future-ready, diversified critical-metals company powering India's industrial, energy, and infrastructure transformation.

Q A

How is Hindustan Zinc leveraging digitalisation and automation to build a more efficient and future-ready organisation?

Digital innovation is key to shaping the future of metals and mining. We are increasingly integrating innovative AI-driven monitoring, automation, and technology-led predictive systems to make operations more resilient, efficient, and safer. We have also established a first-of-its-kind digital collaboration centre that analyses data from all business units and provides real-time insights for robust decision-making.

Artificial intelligence (AI), machine learning (ML), computer vision (CV), video analytics, and sensor fusion technologies were scaled across operations for switchyard hotspot monitoring, collision avoidance, human detection with crane interlocking, rock fragmentation analysis, and chemical consumable optimisation.

Last year, we introduced collision avoidance system to strengthen our underground mobile equipment safety controls to improve situational awareness and reduce the risk of vehicle-to-vehicle and vehicle-to-person interactions in constrained underground conditions.

These efforts not only ensure the safety aspects but also contribute to cost optimisation, better asset utilisation, and improved recovery. They solidify the foundation for scalable, intelligent tech-first operations, which will be key to HZL 2.0.

Currently, through VSpark Deeptech Ventures, we are

collaborating with over 30 technology startups on more than 60 projects to tackle critical business challenges. The focus is on leveraging advanced technologies to drive large-scale, transformative impact in production, cost optimisation, value creation, ESG leadership, and safety practices.

Q A How is Hindustan Zinc unlocking new growth opportunities through innovation and diversification?

Our innovation efforts are focused on unlocking greater value from existing operations while building new growth avenues. In FY2026, we made breakthroughs in process innovations to improve lead-silver recovery, enhance metal grade, and optimally use waste. Our waste-to-wealth program included waste dumping in the underground mine without transporting it to the surface, converting Jarosite, manganese residue, sodium salt, and calcium residue into commercially valuable products.

Our 30 ktpa zinc alloy plant, operated by subsidiary Hindustan Zinc Alloys Private Limited, produced 13.7 ktpa alloys during the year. This not only enhanced the share of the VAP portfolio to c.22%, but also helped cater to the untapped demand for specific alloys such as die-casting alloys, etc.

Additionally, efforts are underway to unlock new revenue streams. Our DAP/NPK plant is progressing for scheduled commissioning in Q2 FY2027, which will position us to effectively cater to the demand of fertiliser industries. We are also progressing innovation in zinc air batteries and zinc alloys to target emerging areas.

Q A As mining activity expands, how is Hindustan Zinc ensuring that growth remains responsible, sustainable, and aligned with global standards?

This is a question that interests me most, because it goes to the heart of what kind of company we want to be as we grow.

The most significant step forward has been our membership in the International Council on Mining and Metals (ICMM), placing us in a community of the world's most responsible mining companies. It would require us to adhere to ICMM's rigorous performance expectations across environmental, social, and governance dimensions, learn from peers, and continuously raise our standards as global best practices evolve. We have already completed the ICMM assessment, and actions are being deliberated to strengthen our positioning as a sustainable global metal and mining leader.

Our Chanderiya Lead Zinc Smelter and Rampura Agucha Mine have become India's first sites to receive the Zinc Mark and Copper Mark certification, a testament to our commitment to responsible resource use, lower environmental impact, and industry-leading standards.

Post achieving our 'Sustainability Goals 2025', well ahead of schedule, this year, we launched a more ambitious 'Sustainability Goals 2030'. These goals span themes of climate action, water stewardship, biodiversity conservation, workplace safety and well-being, responsible sourcing, circular economy, workforce diversity, and social performance.

I must note here that responsible growth at Hindustan Zinc is as much about financial discipline as it is about sustainability. Our focus on mining efficiently, optimising resource use, ensuring inclusive growth, and operating within globally benchmarked frameworks lowers operational, regulatory, and reputational risk. That translates into a more resilient business model over time with predictable returns. It also places us at the forefront of India's resource-led economic growth story.

Q A ESG is a clear priority for the Company. What metrics and milestones should shareholders track to assess progress?

We want our ESG progress to be transparent and comparable, with clear milestones. Shareholders can track: (i) climate: 70% renewable power by FY2028; 50% reduction in Scope 1 & 2 emissions and 25% reduction in Scope 3 emissions by 2030 (from the FY2020 baseline), on the pathway to Net Zero by 2050 or sooner; (ii) water: 50% reduction in freshwater consumption by 2030 and 100% low-quality water for smelting; (iii) circularity: near-to-zero waste to landfill (>90%) for smelting process waste by 2030; (iv) nature: halt and reverse biodiversity loss and achieve no net loss at mine sites by closure; (v) social performance: positively impact 0.5 million lives and build employability for 30,000 individuals by 2030; and (vi) responsible sourcing: 100% active supplier evaluation on ESG/risk and 25% of procurement spend from local business partners by 2030 (base year FY2025). These milestones reflect our Sustainability Goals 2030 and our belief that responsible, measurable progress strengthens resilience and long-term shareholder value.

India, in particular, has an exciting outlook. Sustained infrastructure investment, rising steel demand, and expansion in industrial activity, especially in energy transition and technology-led sectors, are set to sustain market momentum and commodity demand.

Q A How do you view the industry scenario and Hindustan Zinc's priorities going forward?

Headed into FY2027, we expect a phase of cautious optimism. While the global economic environment may remain tepid due to geopolitical uncertainties, the commodity markets are expected to offer upside potential driven by steady demand from key downstream industries.

India, in particular, has an exciting outlook. Sustained infrastructure investment, rising steel demand, and expansion in industrial activity, especially in energy transition and technology-led sectors, are set to sustain market momentum and commodity demand.

Hindustan Zinc is advancing this market with confidence. Our priorities of doubling capacities and progressing towards becoming a multi-metal enterprise through broadening the critical minerals portfolio are aligned with this opportunity. This is backed by a solid foundation in a large reserve and resource base, a disciplined execution track record, and people, technology, and operational excellence. Our robust balance sheet, sustained low cost of production, and best-in-class assets give us the strength to invest through cycles and seize opportunities emerging from a favourable commodity environment.

Together, these priorities position us to navigate near-term uncertainties and create long-term value for all our stakeholders.

Q A Technology and automation are important themes. How are you strengthening safety culture and building capabilities for the next phase of growth?

Technology helps, but safety is non-negotiable. As we scale, we are reinforcing prevention through stronger standards, frontline leadership routines, tighter contractor integration and digital tools for real-time hazard controls. In parallel, HZL 2.0 needs new capabilities in project delivery, exploration, digital operations, and sustainability. We are building these through structured training, selective hiring, and leadership development, so we can execute growth safely, predictably, and with discipline.

Thank you for your continued trust and support.

Sincerely,

Arun Misra

Chief Executive Officer & Whole-time Director

ABOUT HINDUSTAN ZINC

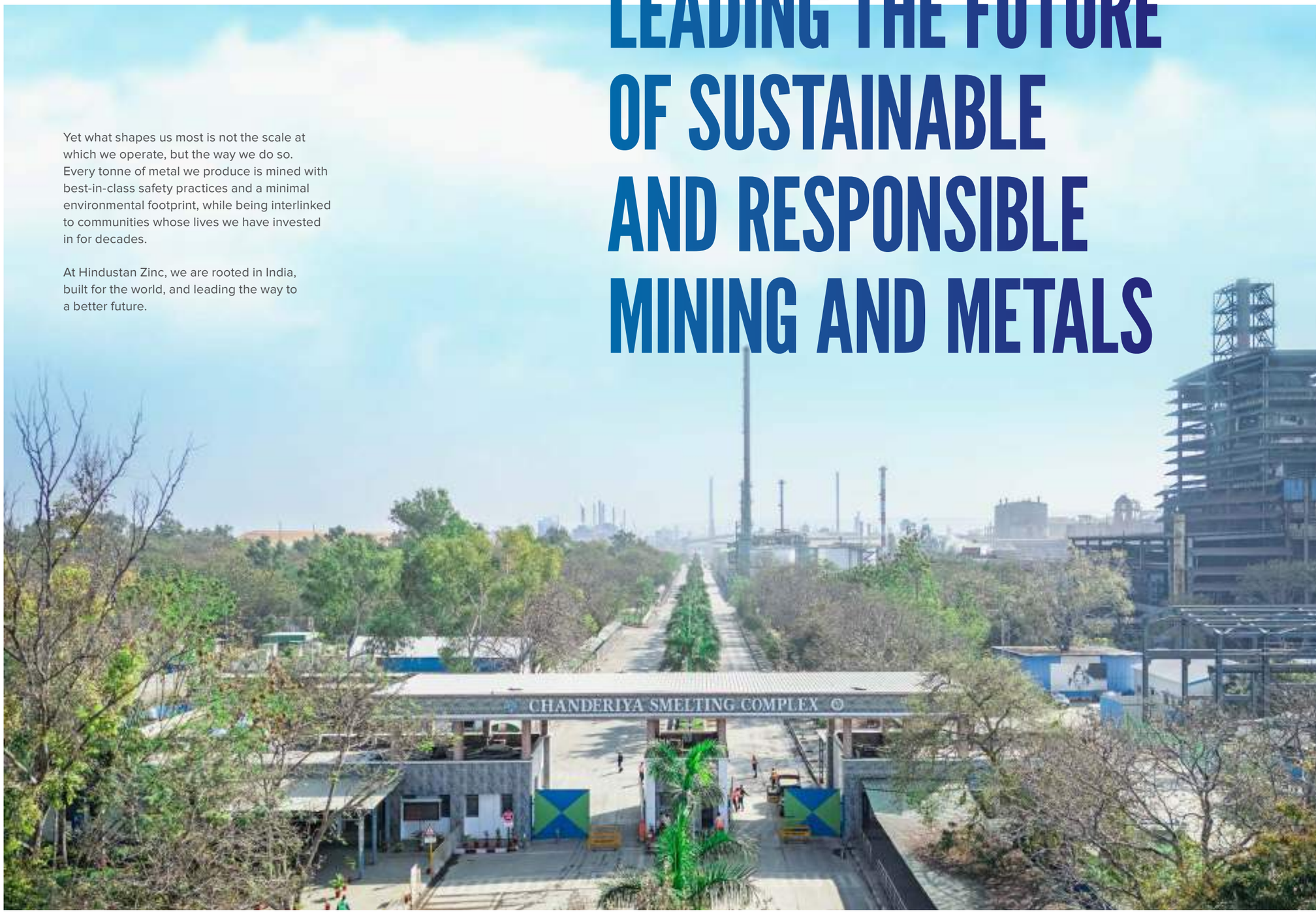
Hindustan Zinc is more than just a metals and mining company. As a Vedanta Group company, we are shaping a resilient, sustainable, and self-reliant resource future for India and the world beyond. Each day, our portfolio of conventional, value-added, and eco-friendly metals, sold across India and 40+ countries, supports critical industries and contributes to the needs of a rapidly evolving world.

Our scale, operational excellence, cost leadership, and the depth of technology and innovation capabilities make us an indispensable part of the global resources value chain. We are today among the global leaders in critical minerals and metals, with one of the largest and most diversified portfolios. By expanding our portfolio from zinc, silver, and lead to newer ones like rare earth elements, tungsten, and potash, we are evolving into a future-facing, multi-metal enterprise, ready for the next decade.

LEADING THE FUTURE OF SUSTAINABLE AND RESPONSIBLE MINING AND METALS

Yet what shapes us most is not the scale at which we operate, but the way we do so. Every tonne of metal we produce is mined with best-in-class safety practices and a minimal environmental footprint, while being interlinked to communities whose lives we have invested in for decades.

At Hindustan Zinc, we are rooted in India, built for the world, and leading the way to a better future.



OUR GROUP STRUCTURE

27.92%
Government of India

60.71%
Vedanta Limited

11.37%
Public

SHAREHOLDING

HINDUSTAN ZINC LIMITED

SUBSIDIARIES

Hindustan Zinc Alloys Private Limited (HZAPL)
Engaged in manufacturing zinc alloys aimed at meeting domestic demand and expanding our value-added portfolio.

Vedanta Zinc Football & Sports Foundation (VZF)
Operates all our sports initiatives, including Zinc Football Academy, an AIFF 3-star Elite Academy, and community schools to nurture local talent along with education.

Zinc India Foundation (ZIF)
Our not-for-profit arm for implementing community development and environmental projects, with a focus on tribal villages.

Hindustan Zinc Fertilisers Private Limited (HZFPL)
Establishing a 510 ktpa DAP/NPK fertiliser plant to utilise in-house sulphuric acid and reduce India's import dependency.

Hindmetal Exploration Services Private Limited (HESPL)
Focuses on identifying and developing high-potential mineral assets through advanced exploration technologies to enhance our long-term resource growth.

OUR UNIQUE POSITIONING

AMONG THE GLOBAL LEADERS IN ENERGY TRANSITION

World's Largest
Integrated zinc producer[1]
Zinc mining operations at Rampura Agucha[1]

Among Top 10
Globally in silver production[2]

Ranked #6
Global silver-producing mines at Sindesar Khurd[2]

World's 2nd Largest
Zinc and Lead metal reserves and resources[1]

Zinc Mark and Copper Mark
Chanderiya Lead Zinc smelter and Rampura Agucha Mine became India's first sites to receive the certification

Among Lowest
Zinc cost of production (ex-royalty) globally

ANCHORED IN INDIA, LEADING FROM THE FRONT

Largest and the Only
Integrated producer of zinc, lead, and silver in India

India's Only
Primary zinc alloy producer

India's Only
Listed primary precious metal (silver) company

c.74%
Expected market share in India's primary zinc industry

25+ Years
Mine life[3]

AAA rated
Investment-grade credit rating by CRISIL

(As on March 31, 2026)

Source:
[1] Wood Mackenzie for global mine/smelter rankings for zinc-lead reserves, production, and cost
[2] World Silver Institute for silver producer/mine rankings
[3] Mineral Resources and Ore Reserves (R&R) at current rate of metal production

BUSINESS SNAPSHOT

INTEGRATED. RESILIENT. READY TO SCALE.

Our operational strength lies in seamless integration, from ore body to end product, and from energy generation to customer delivery. This ensures every stage is connected and every advantage created in one part of the value chain, reinforcing the next, resulting in a compounded effect on efficiency. As we scale towards HZL 2.0, this model provides a strong foundation, allowing us to scale capacity, diversify into new minerals, and embed cutting-edge technology, all while sustaining our operational discipline and cost leadership.

OUR INTEGRATED OPERATIONS

Exploration

Building the resources for the next decade

- Highest-ever R&R base, supporting 25+ years of mine life, with a focus on building towards over 500 Mnt of resources with 250 Mnt of reserves
- Technology-led targeting through AI/ML, drone-based surveys, and 3D deposit modelling
- Continuous delineation and upgradation across assets

468.6 Mnt
Total R&R

Mines

The operational heart of Hindustan Zinc

- Eight world-class mines and one new greenfield mine at Bamnia Kalan, all strategically located in the ore-rich state of Rajasthan
- Operational excellence driven by best practices, safety standards, and a skilled workforce
- Focus on cost optimisation, efficiency, and circularity
- Volume growth through resilient underground operations

16.61 Mnt
Ore production

Smelters and refineries

- Three strategically located smelters adjacent to our mines and one zinc-lead-silver metal refinery at Pantnagar
- Fully integrated operations with captive power plants, enabling control over cost and reliability
- Ongoing debottlenecking to unlock additional capacity
- Expanding value-added portfolio, and advancing waste recycling and circularity

1.144 Mnt
Refined metal capacity

Captive power plants

- Thermal, solar, and waste heat recovery power plants for reliable, low-cost power
- Renewable energy (RE) focus: c.18% share in power mix, including a 530 MW RE power delivery agreement, which will increase RE share to 70%
- Innovating to enhance thermal efficiency to deliver more energy with less fuel

653.80 MW
Total captive capacity

BUSINESS SNAPSHOT

WHERE WORLD-CLASS ASSETS MEET WORLD-CLASS GEOLOGY

Our industry leadership rests on the quality, scale, and strategic location of the assets. These include long-life, high-grade mines in the mineral-rich state of Rajasthan, and technologically advanced smelters and refineries near ore sources, designed for scale, efficiency, and sustainability. Our captive power plants, with a growing renewable base, provide reliable, low-cost energy. Together, they give us an advantage that is irreplicable and a launchpad ready to deliver our next phase of growth.

OUR MINING ASSETS

Rampura Agucha Mine
Bhilwara, Rajasthan

17.7 Mnt	45.1 Mnt
Resource	Reserves

Reserve metal grades

9.6%	1.5%	44 g/MT
Zinc	Lead	Silver

Sindesar Khurd Mine
Rajsamand, Rajasthan

54.7 Mnt	35.2 Mnt
Resource	Reserves

Reserve metal grades

3.1%	1.8%	87 g/MT
Zinc	Lead	Silver

Rajpura Dariba Mine
Rajsamand, Rajasthan

29.9 Mnt	65.9 Mnt
Resource	Reserves

Reserve metal grades

5.0%	1.7%	65 g/MT
Zinc	Lead	Silver

Bamnia Kalan Mine
Rajsamand, Rajasthan

33.7 Mnt	8.4 Mnt
Resource	Reserves

Reserve metal grades

2.8%	0.9%	32 g/MT
Zinc	Lead	Silver

Kayad Mine
Ajmer, Rajasthan

9.8 Mnt	1.8 Mnt
Resource	Reserves

Reserve metal grades

5.1%	0.7%	13 g/MT
Zinc	Lead	Silver

Zawar Mines
Udaipur, Rajasthan

103.7 Mnt	62.7 Mnt
Resource	Reserves

Reserve metal grades

2.5%	1.2%	21 g/MT
Zinc	Lead	Silver

90.00 MW
Captive power capacity

R&R SUMMARY

219.1 Mnt	135.2 Mnt	114.3 Mnt
Reserve	Mineral Resource – Measured and Indicated	Mineral Resource – Inferred
4.9% Zinc, 1.5% Lead, 50 g/MT Silver	4.5% Zinc, 1.7% Lead, 52 g/MT Silver	4.2% Zinc, 1.9% Lead, 55 g/MT Silver

OUR SMELTER, REFINERY, AND POWER ASSETS

Chanderiya Lead-Zinc Smelter
Chittorgarh, Rajasthan

1,05,000 TPA
Pyrometallurgical Zinc Smelter

90,000 TPA
Pyrometallurgical Lead Smelter

4,89,500 TPA
Hydrometallurgical Zinc Smelter

290.00 MW
Captive power capacity

Dariba Smelting Complex
Rajsamand, Rajasthan

2,50,000 TPA
Hydrometallurgical Zinc Smelter

1,20,000 TPA
Lead Smelter

170.00 MW
Captive power capacity

Debari Zinc Smelter
Udaipur, Rajasthan

89,500 TPA
Hydrometallurgical Zinc Smelter

Pantnagar Metal Plant
Rudrapur, Uttarakhand

800 TPA
Silver refining

POWER AND SMELTING CAPACITY SUMMARY

9,34,000 TPA
Zinc Smelting

2,10,000 TPA
Lead Smelting

800 TPA
Silver Refining

550.00 MW
Captive Thermal Power

273.50 MW
Wind Power
(Rajasthan, Gujarat, Maharashtra, Karnataka, and Tamil Nadu)

40.70 MW
Solar Power
(Rajasthan)

63.10 MW
Waste Heat Recovery Boiler (WHRB) Power (Rajasthan)

Note: Operation of the pyrometallurgical smelter in zinc-lead mode is considered for smelting capacities. Actual production may vary based on the mode of pyro operations.

INVESTMENT CASE

STRATEGICALLY POSITIONED FOR THE NEXT GROWTH PHASE

Hindustan Zinc is the world's largest integrated zinc producer and amongst the top 10 silver producers globally, focusing on a multi-metal portfolio critical to the global economy and a greener future. In a world that is evolving, centred around new-age advanced technologies and energy transition, our market-leading position with expanding presence in transition-critical metals, cost leadership, and world-class assets and practices, positions us competitively. We continue to build on these capabilities to unlock new opportunities and create long-term value.

1 LARGE-SCALE, LOW-COST, IRREPLACEABLE ASSET BASE WITH MINE LIFE OF 25+ YEARS

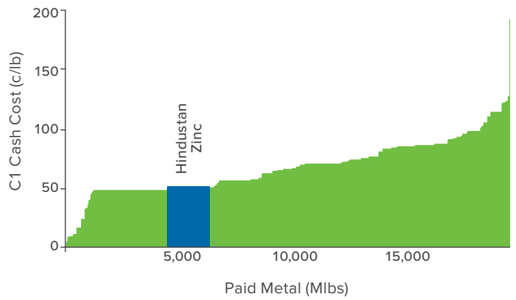
Large-scale operations with tier-1 assets and product portfolio

- World's largest integrated zinc producer and amongst the top 10 silver producers with world-class, strategically located mining and smelting assets
- Highest-ever ore R&R of 468.6 Mnt, with highest-ever metal reserve of 13.9 Mnt since underground transition and record silver reserves of 10.9 kt, supporting 25+ years of mine life and vision for 2x operational expansion, with sustained R&R replenishment through innovative technologies and advanced geophysics
- Diversified, customer-centric product portfolio with c.22% value-added products, strong domestic presence (c.74% expected primary zinc market share) and growing presence in over 40 countries

Global cost leadership

- First quartile in the global zinc mining cost curve and first decile in the global zinc smelting cost curve
- Sustainable cost reduction powered by integrated operations, economies of scale, structural cost reduction initiatives, automation, and digitalisation
- Power cost optimisation through increased RE share to c.18% and increased domestic coal use to 53%, insulating power cost from commodity price variations

Among lowest cost Zinc producers globally



25+ years
Mine Life

c.22%
Value-added Portfolio

2 INVESTED IN METALS RELEVANT FOR ENERGY TRANSITION

Portfolio aligned with future demand

- Portfolio anchored in base metals essential for a low-carbon, sustainable future
- Zinc is a critical metal for daily use and future technologies
  - Essential for galvanising steel, clean energy infrastructure, and EV manufacturing
  - Usage in 3D-printed automotive parts, UV-resistant coatings for modern buildings, and public health
  - Zinc oxide nanoparticles used to purify water and create germ-resistant cleaners for hospitals
  - Extends life of solar and wind assets by preventing corrosion
  - Zinc-based batteries offer a low-cost, long-life and sustainable alternative to the lithium variants, being non-toxic and effective across a wider temperature
- Silver's role is extending beyond previous metal to a catalyst for green economy
  - Supports transition to a low-carbon, high-tech world, with applications spanning electronic systems, including telecommunications, infrastructure, and EVs
  - Its unmatched conductivity makes it highly effective in the solar photovoltaic cells, semiconductors, and 5G network
  - It is critical due to its unique properties, making substitution nearly impossible

Building a multi-metal future

- Evolving into a multi-metal, future-enabling enterprise, aligned with India's critical mineral security vision; exploring high-potential minerals like copper, lithium, nickel, cobalt, potash, rare earth elements (REE) and gold, critical for electric vehicles (EVs), semiconductors, and clean technologies
- Expanded portfolio by securing new blocks for tungsten, potash, and rare earth elements (REE)

3 IDEALLY POSITIONED TO CAPITALISE ON INDIA'S GROWTH

Resilient economy and steel industry outlook

- India stands amongst the world's fastest-growing economies, supported by continued government capex, infrastructure and manufacturing push, and robust domestic consumption. Its GDP grew by an estimated 7.6% in FY2026 and projected at 6.4-6.9% for FY2027
- A booming economy continues to propel steel demand in India, with annual crude steel production growing at a compounded c.10%
- To sustain economic growth, India targets doubling domestic steel capacity to 300 Mtpa by 2030 with equal emphasis on energy transition (target to add 500 GW of non-fossil fuel-based energy by 2030 and become net zero by 2070)

Hindustan Zinc positioned for growth

- Macro factors are set to almost double the domestic zinc demand for steel galvanisation and silver demand by a multi-fold to support the energy transition
- Our global market-leading position in zinc and silver with dominant domestic presence, positions us to benefit from India's growth
- Capex for a 250 ktpa integrated zinc smelter at Debari and tailings reprocessing plant at Rampura Agucha positions us to meet rising zinc demand and gain market share

c.74%
Expected domestic primary zinc market share

250 ktpa
New integrated refined metal capacity expansion

c.100%
Silver produced sold domestically

10 Mtpa
Tailings reprocessing plant being set up at Rampura Agucha

4 ROBUST FINANCIAL PROFILE AND STRONG BALANCE SHEET

Financial resilience through cycles

- Consistently delivered phenomenal performance across all financial parameters, supported by operational efficiencies and cost optimisation strategies
- Resilient business model helps sustain industry-leading EBITDA margins across the commodity cycle and market volatilities
- Over six decades of expertise in commodity markets and a strong leadership suite, driving strategic decision-making, innovation, and operational consistency

Healthy balance sheet

- Consistent AAA investment-grade credit rating by CRISIL, reflecting a stable net debt position and robust free cash flow, while enabling cheaper financing
- Strong cash and cash equivalents supporting consistent dividend payments and staying opportunistic for organic and inorganic growth

₹ 22,629 crore*
Net worth

₹ 5,594 crore*
Net cash

c.54%
Industry-leading EBITDA margin in FY2026

₹ 13,337 crore
Free cash flow from operations pre growth capex and renewable energy investment in FY2026

*As on March 31, 2026

5 INVESTMENTS IN HIGH IRR PROJECTS DRIVING STRONG SHAREHOLDER RETURNS

Disciplined capital management

- Strategic investment in high IRR projects like fertiliser and hot acid leaching plant, with innovative measures to scale production, profitability, and achieve the sustainability targets
- Industry-leading returns driven by efficient capital allocation, process rationalisation, and targeted operational efficiencies and cost optimisation strategies
- Lower capex costs being based in India, among the world's cheapest labour and power market

Sustainable value creation and delivery

- Unique global positioning and expertise in navigating the market volatilities ensure resilience, agility, and maximisation in value creation
- Efficient project execution via trained partners and teams, detailed planning, and global expert collaborations
- Delivering strong shareholder returns through consistent growth and dividends in line with our dividend policy

₹ 5,844 crore
Capex utilised in FY2026
(including sustenance capex)

₹ 10 per share
Dividend paid during FY2026
(500% of face value)

77%
Industry-best return on equity

67%
Record return on capital employed

6 ESG EXCELLENCE, INVESTING IN A SUSTAINABLE FUTURE

ESG with fiscal prudence

- Sustainability integrated into operational, financial, and strategic decision-making
- Expanding adoption of RE and energy-efficient vehicles to optimise costs and accelerate decarbonisation
- EcoZen, Asia's first low-carbon zinc, finding commercial traction at better premiums

Business sustainability through responsible operations

- Industry-defining initiatives to achieve ambitious Sustainability Goals 2030
- Focus on circular economy and gainful waste utilisation and metal recovery through our recycling business
- Minor metal complex generating additional revenue through extracting critical metals from smelting waste, including cadmium
- Implementing an innovative hot acid leaching plant in Dariba to extract 27 MT of silver and 6 kt of lead additionally from Jarosite (smelting waste)
- Foraying into zinc-based batteries through strategic partnerships to catalyse the global energy transition
- Sustainability-led capabilities strengthening readiness for future regulatory requirements, low-carbon supply chains, and customer preference for responsibly produced metals

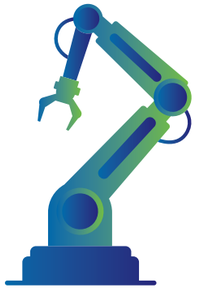
1st Indian Company
to be included in ICMM

Global No. 1
In S&P Global Corporate Sustainability Assessment 2025 for the 3rd consecutive year with an industry-best score of 90/100

2.6 million
Beneficiaries across 4,149 villages through sustained CSR initiatives

c.18%
Share of renewable energy

BUSINESS EXCELLENCE DRIVERS – DIGITALISATION AND AUTOMATION



BUILDING THE INTELLIGENT OPERATIONS OF TOMORROW

Digital innovation is key to shaping the future of metals and mining. We are systematically embedding technologies like artificial intelligence (AI), automation, connected systems, and tele-remote technologies to build a smarter, safer, and more responsive enterprise. As we advance HZL 2.0, these advanced technologies and intelligence will enable us to operate a larger, more complex enterprise with the same precision, reliability, and cost-effectiveness.

KEY TAKEAWAY

Hindustan Zinc is scaling digitalisation across mines and smelters

Advanced technologies are delivering measurable outcomes in safety, reliability, process stability, and cost, while improving operational continuity

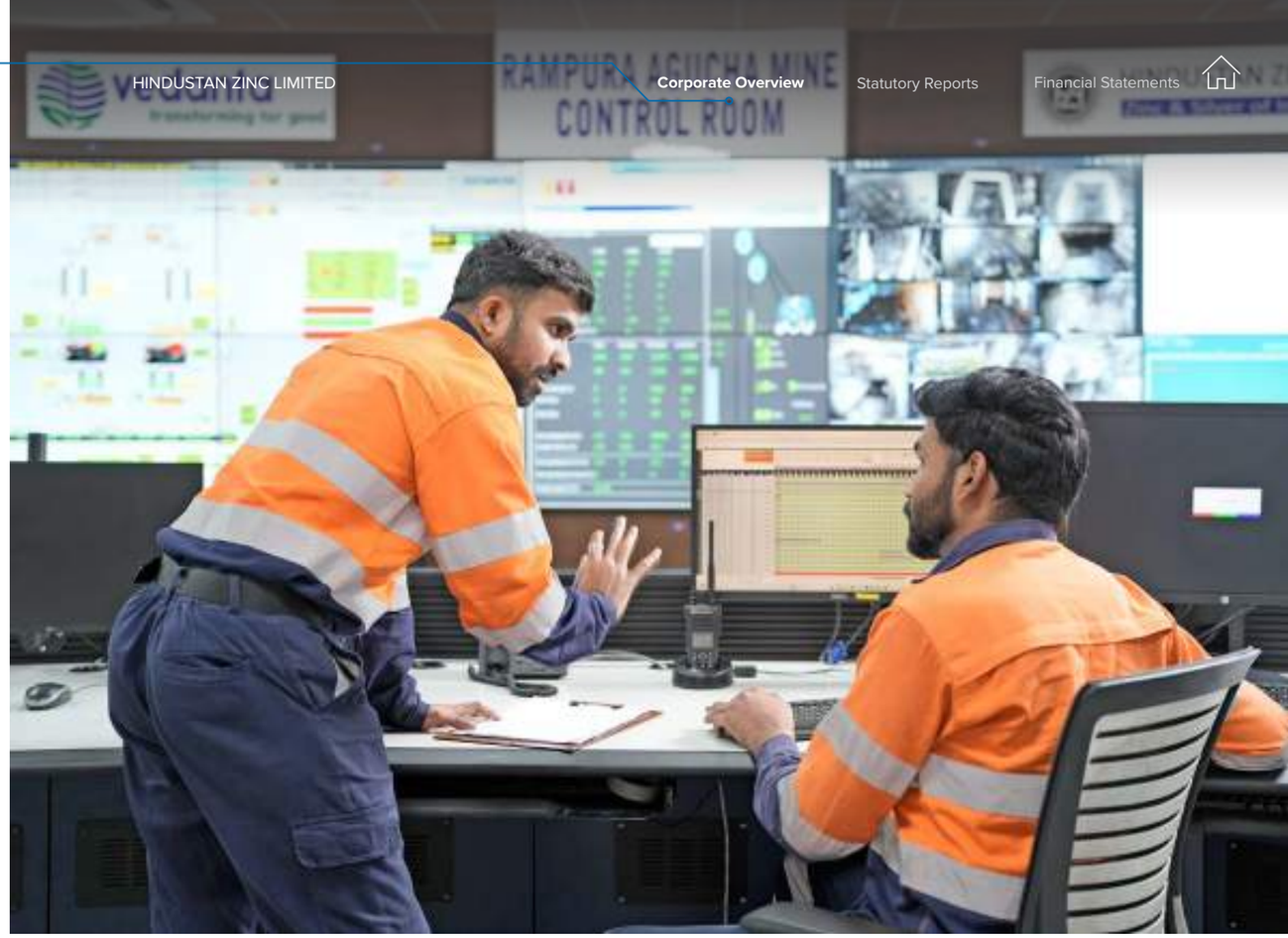
Hindustan Zinc 2.0 priorities: Scale every flagship deployment across all sites, deepen AI integration, and build a solid foundation for scalable, tech-first operations

DIGITAL TECHNOLOGIES ADVANCING HZL 2.0

AI I ML I Computer vision I Video analytics I Sensor fusion

Intelligent operations at scale

Switchyard hotspot monitoring, collision avoidance, human detection with crane interlocking, rock fragmentation analysis, and chemical consumables optimisation



Internet of Things (IoT) I Wireless sensing I Connected monitoring

Real-time field visibility

Applications for monitoring cell outlet temperature, drilling water pressure, and broader connected assets

Predictive maintenance I Condition monitoring and reliability

Equipment health and life

Equipment health visibility, reduce unplanned downtime, and strengthen maintenance effectiveness through thermal imaging, hot/cold spot detection, and asset health monitoring solutions

Process optimisation I Metallurgical analytics

Process stability, throughput continuity, and operating control

Anode grade tracking, cathode performance measurement, pallet grate bar monitoring and interlocking, and sinter discharge optimisation

Automation I Intelligent interlocking I Tele-remote operation

Process discipline and operational continuity

Ladle lifting lock interlocking, mechanised skimming, crane safety interlocks, and tele-remote rock breaker operation

Digital safety

Reduced hazardous interactions and safer operating environments

Proximity warning systems, personal protective equipment (PPE) detection, and machine-zone protection applications

Workflow automation I Digital governance

Traceability and data integrity

Automated booking of key production and consumption transactions for audit-grade transparency

HOW WE LEVERAGED ARTIFICIAL INTELLIGENCE IN FY2026

TECHNOLOGIES INVESTED IN

Sensor Fusion I AI

Collision Avoidance System (CAS)

Currently piloted at Sindesar Khurd Mine, this modular, original equipment manufacturer independent solution improves situational awareness and reduce vehicle-to-vehicle and vehicle-to-person interaction risks.

It follows a layered, fail-safe approach by combining multiple sensing and communication technologies to enable reliable proximity detection and timely operator & pedestrian warnings as visual and audible alerts.

BENEFITS

Heightened safety
for low-profile dump trucks (LPDTs), load-haul-dump (LHD) vehicles, and personnel

Enhanced operator awareness
during equipment movement

Vision AI

Smelter switchyard hotspot monitoring

Deployed an AI-based thermal and optical monitoring application that continuously scans critical high-load switchyard equipment. It enables real-time hotspot detection using infrared and optical feed, raises automated equipment-specific alerts along with tiered-criticality tagging and structured escalation of temperature anomalies.

172 hours
downtime saved across smelters

Increased reliability
of switchyard infrastructure

Operational Continuity
through maintenance effectiveness that avoids unplanned downtime

Speed and accountability
through automated escalation

AI-based pallet grate bar monitoring and interlocking

Implemented for sinter machine operations, this system enables real-time, intelligent monitoring of pallet grate bar condition, enabling early identification of abnormal situations and timely process intervention.

Seamlessly integrated with the plant control architecture, it supports condition-based maintenance, prevents grate bar-related unplanned stoppages, and strengthens the reliability of sinter operations.

Over 20%
breakdown reduction in sinter plant

Stable downstream smelting performance
through improved throughput continuity and better operating discipline

AI-based human detection and crane interlocking system

Deployed an advanced computer vision system to monitor cellhouse areas where personnel work in proximity to moving cranes during activities such as manual cell cleaning.

It automatically interlocks with the crane to halt movement whenever a person enters the defined risk area.

Enhanced
operational safety

ZERO
hazardous man-machine interactions

Rock fragmentation analysis and foreign object detection

Implemented an AI vision-based analytics solution at the crusher and silo in Rampura Agucha Mine.

The system continuously analyses rock size distribution and identify oversized boulders or foreign objects before they enter the crushing circuit.

Enhanced process reliability
through timely operational intervention

Improved crusher efficiency
through reduced equipment damage risks

OTHER KEY TECHNOLOGICAL DEPLOYMENTS IN FY2026

TECHNOLOGIES INVESTED IN

Industrial Internet of Things (IIoT)

Wireless drilling water pressure monitoring

Deployed a LoRaWAN-enabled wireless pressure monitoring system at the drilling water pressure reducing stations (PRS) in Sindesar Khurd Mine (SKM).

The system transmits pressure data to cloud-based dashboards in real-time, providing continuous visibility of PRS performance for early detection of fluctuations, faster issue resolution, and improved accuracy in monitoring drilling water availability.

BENEFITS

Reliable and efficient
drilling operations

Computer Vision I Automation I IIoT

Tele-remote rock breaker and drilling

Implemented tele-remote operation technology for rock breaking at Rampura Agucha Mine and drilling in high-temperature environments at Rajpura Dariba Mines. It enables controlling these operations from a safe, ergonomically-designed remote stations using high-definition cameras, real-time video streaming, and integrated control systems.

This ensures operator safety by removing them from high-risk underground zones, while also improving operational continuity by enabling higher productivity and reducing equipment idle time.

Safer and more productive
mining operations

c.17%
expected productivity improvement in drilling operations

IIoT I Sensor Fusion

Cell temperature monitoring system (CTMS)

Strengthened digital process visibility in our zinc jumbo cellhouses through individual cell outlet temperature monitoring. It helps detect abnormal thermal behaviour from low electrolyte flow, uneven operating conditions, localised hotspots and cold spots, and dendrite- or shorting-related disturbances.

Stable cellhouse performance
through improved visibility, faster operator intervention, and better process control

Refer to the Health & Safety chapter on page 222 for key digital interventions driving safety excellence

BUSINESS EXCELLENCE DRIVERS – QUALITY MANAGEMENT

At Hindustan Zinc, quality is rooted in a culture of curiosity and continuous improvement. As we advance towards Hindustan Zinc 2.0, we are evolving quality management from a compliance to an outcome-driven function through investments in robust systems, digital integration, and agile practices. We are encouraging our people to challenge traditional methods and innovate with confidence. Through this, we can drive consistency, reliability, and performance as well as ensure faster problem-solving and superior customer outcomes.

REIMAGINING QUALITY PRACTICES

KEY TAKEAWAY

Strong quality governance and management practices.

Recognised and globally certified quality standards.

Hindustan Zinc 2.0 priorities: Strive for zero-defect operations, end-to-end quality integration with digital systems, and adopt an agile, people-led quality culture.

QUALITY FRAMEWORK BUILT ON RIGOUR

Our quality governance is guided by dedicated Quality and Customer Delight Policies and Vedanta Quality Management Framework, under which all units are assessed annually by a third party.

A finished goods release assurance through a third party further ensures that all products that reach the customer meet the defined specification.

Our labs, integrated with the SAP S4 enterprise resource planning system and a fully digital laboratory information management system (LIMS), ensure complete traceability and data accuracy across all quality assurance workflows.

In FY2026, we strengthened quality management through the following measures:

Adopting agile quality practices

This year, we launched the Agile Quality Circle, which allows employees to select the most effective combination of quality tools tailored to specific challenges. This deepens employee ownership, engagement, and critical thinking, while accelerating decision-making and creative problem-solving.

Scaling product and service excellence

We undertook focused quality enhancement initiatives to strengthen product integrity and create greater value for customers, including:

- Improving mould design to enhance bundle stability and product compatibility
- Upgrading to strapping machine heads for more secure and consistent packaging

These measures have improved handling efficiency, reduced storage and transit-related damage risk, and reinforced the delivery reliability.

QUALITY: RECOGNISED GLOBALLY, TRUSTED BY CUSTOMERS

Our systems and products meet rigorous quality credentials, reinforcing trust and market acceptance.

Certification/accreditation	Customer relevance
ISO 9001:2015 certified mining and smelting units	Robust quality management systems with a strong customer focus, top management's involvement and continual improvement
NABL, ISO/IEC 17025:2017 certified laboratories	Assurance of reliable, impartial, and accurate test results
LME listing with product CoA via LME Passport	Internationally recognised product quality with transparent and standardised access to its quality information for all LME stakeholders
BIS - Zinc (IS 209), Zinc Alloys (IS 713), Lead (IS 27)	Assurance of compliance with national standards, reducing quality risk in domestic and export markets
LBMA - Acceptable Refiner of Silver	Globally accepted silver purity, refining and responsible practices standards, ensuring acceptance in international bullion markets
REACH & RoHS certification	Access to all 27 EU member states with full regulatory compliance
EPD international verification	Product-level environmental transparency across Hindustan Zinc's portfolio
Zinc Mark certification*	Affirming responsible production to global customers

NABL - National Accreditation Board for Testing and Calibration Laboratories; **LME** - London Metal Exchange; **CoA** - Certificates of Analysis; **LMBA** - London Bullion Market Association; **BIS** - Bureau of Indian Standards; **EPD** - Environmental Product Declaration; **REACH** - Registration, Evaluation, Authorisation and Restriction of Chemicals; **RoHS** - Restriction of Hazardous Substances

*Chanderiya Lead Zinc Smelter and Rampura Agucha Mine became the 1st Indian sites to get the Zinc and Copper Mark certification.

FY2026 QUALITY OUTCOMES

45% Reduction in customer complaints

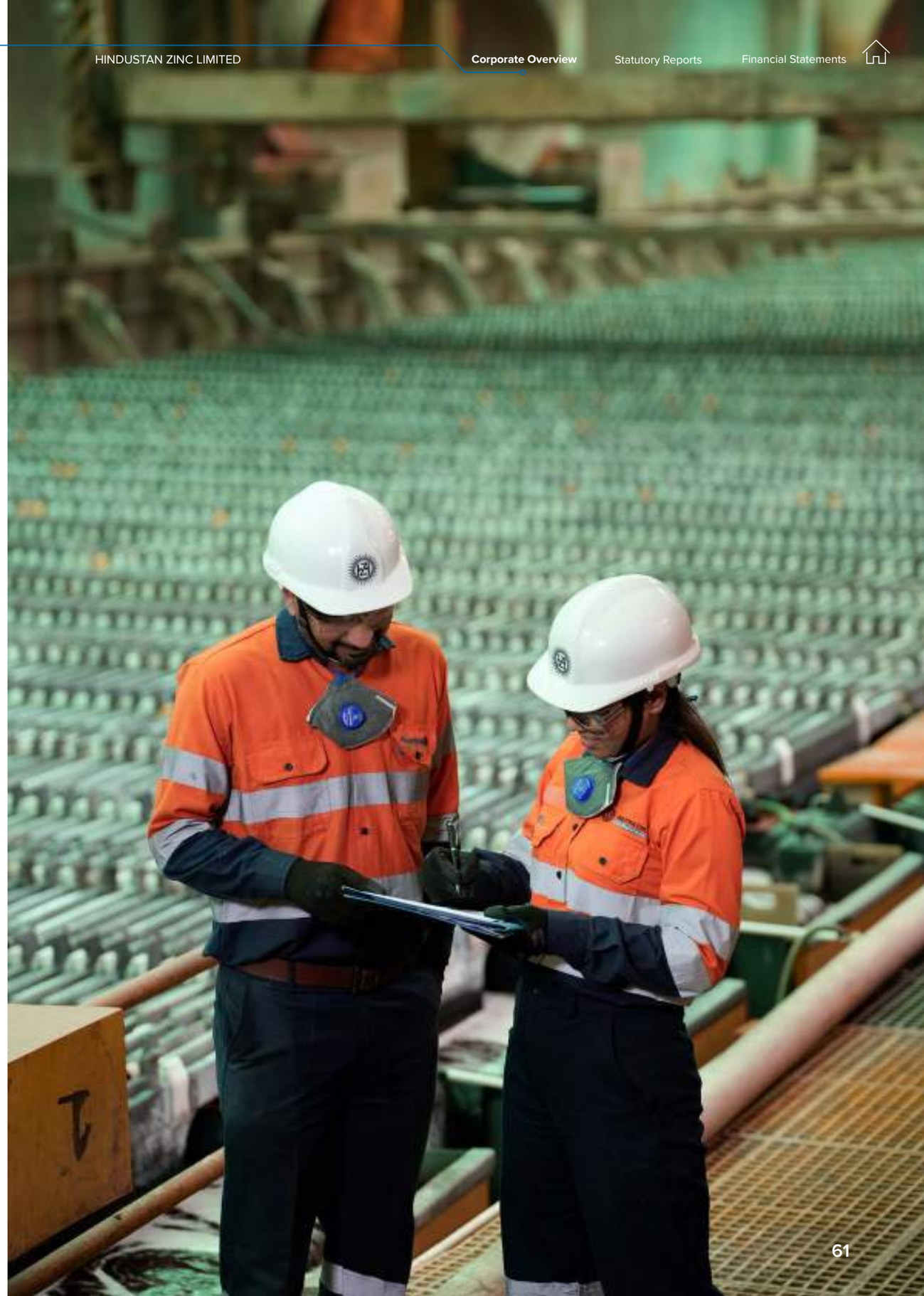
90% Average supplier quality score

47% Improvement in Quality Management Framework score to 56.9 from 38.8 last year

LEADING THE WAY TO BETTER QUALITY

We have planned several initiatives to strengthen quality as a strategic growth enabler. These include:

- Adoption of Total Quality Management (TQM) practices
- Enhancing digital integration of quality systems through LIMS
- Embedding a culture of zero defects and continuous improvement
- Focus on proactive defect prevention and standardisation
- Scaling quality governance and capability building initiatives



BUSINESS EXCELLENCE DRIVERS - ASSET OPTIMISATION

Asset optimisation is a key driver of sustainable and differentiated competitive advantage. We undertake structured initiatives to systematically strengthen the drive for measurable gains in equipment reliability, metal recovery, and cost efficiency, through critical asset integrity programmes, enhanced shutdown and overhaul management, advanced condition monitoring practices, and robust defect elimination frameworks. Embedded into daily operations and backed by higher employee ownership, these practices strengthen the foundation for building an AI-driven, future-ready organisation capable of unlocking new levels of operational performance and resilience.

UNLOCKING MORE FROM EVERY ASSET

KEY TAKEAWAY

Higher asset productivity improves throughput, efficiency, and cost optimisation.

Hindustan Zinc 2.0 priorities: Maximise asset productivity (reliability-led operations and digital monitoring), cost optimisation through efficiency gains, and unlocking latent capacity (debottlenecking, process optimisation, and improved recoveries).

OPTIMISING MINING AND MILLING ASSETS

JUMBO RELIABILITY

Maximising uptime to accelerate development

Undertook targeted mid-term overhauls and strengthened scheduled maintenance across the underground and satellite workshops at Rampura Agucha Mine.

IMPACT

c.800 bps increase in Jumbo availability to 75%

24% improvement in mean time between failures to 8.1 hours

BLAST PULL

Precision execution, predictable outcomes

Implemented best practices in accurate face-grid marking, parallel drilling, effective flushing of cut holes, with a focused leadership and mine-team approach at Rampura Agucha and Zawar Mines.

IMPACT

4.75% improvement in blast pulls to 4 metres, aligned with development targets

WASTE BACKFILL

Turning waste into value

At Rampura Agucha and Sindesar Khurd mines, underground waste previously hauled to the surface is now being directly utilised as backfill material within the stopes, eliminating the need for surface transport.

IMPACT

Reduction in handling and hauling costs

Reduction in diesel consumption, lowering greenhouse gas (GHG) emissions and supporting our commitment to sustainable and low-carbon mining operations

SHAFT DEBOTTLENECKING

Unlocking capacity

Undertook focused efforts to reduce the cost of hauling, through debottlenecking shaft capacity of Rampura Agucha Mine in record time with leadership driving rapid identification and execution.

IMPACT

Increase in hoisting capacity from 630 TPH to 660 TPH, leading to 70,000 tonnes additional shaft hoisting in FY2026

DILUTION REDUCTION

Precision mining for superior recovery

Undertook focused mine technical interventions in Rampura Agucha Mine under the ‘zero stope failure’ objective, including optimising slyping position and shoulder drill angles, adopting dome-shaped stope designs, and strengthening skin-retention practices.

IMPACT

20.5% reduction in overall dilution, even clocking a single-digit dilution during the year

FY2026 ASSET OPTIMISATION OUTCOMES

Maturity advancement

20% YoY

Third-party validated improvement in asset optimisation maturity, reaffirming the effectiveness of our initiatives and commitment to operational excellence

Culture of improvement

7% YoY

Increase in Kaizen and small group activity, initiated with strong people involvement, enabling grassroots-led operational enhancements

IMPROVING OPERATIONAL STABILITY THROUGH STRATEGIC ASSET RENEWAL

	Optimising Beneficiation	Optimising Smelting
Key challenge flagged by condition monitoring data	Elevated vibration levels in the ball mill	Process parameter deviations in the roaster furnace at hydro smelter, a critical unit for refined metal output
Our response	Timely, systematic, reliability focused upgrades, including replacing the ball mill shell	Targeted reliability focused upgrades in the roaster furnace dome
Outcome	Restored vibration levels within acceptable thresholds, enhanced asset reliability, and strengthened operational stability and predictability	Stabilised process parameters within the defined control range, enhanced asset reliability at Rampura Agucha Mine, and strengthened downstream operational stability

BUSINESS EXCELLENCE DRIVERS - INNOVATION

TURNING SCIENCE INTO A COMPETITIVE ADVANTAGE

Innovation at Hindustan Zinc goes well beyond incremental process improvement to unlocking higher value from every tonne mined and every opportunity emerging in the metals landscape. We are building a pipeline of intellectual property (IP) and commercial capabilities across recovery science, waste valorisation, critical minerals, and next-generation products to secure long-term and ensure future-readiness.

KEY TAKEAWAY

Hindustan Zinc is scaling investments in new products, processes, and IP creation to ensure future-readiness.

Hindustan Zinc 2.0 priorities: Maximise recovery and resource efficiency, waste-to-value conversion to enhance circularity and sustainability, focus on new applications and value-added products (especially in critical mineral and energy transition).

RECOVERY IMPROVEMENT INITIATIVES

- **Lead-silver enhancement:** Introduced advanced flotation techniques, including graphite removal (at Rampura Agucha Mill) and selective silver promoters (at Sindesar Khurd Mine) to improve lead-silver grade in the lead concentrate for downstream processing
- **New recovery pathways:** Developed an alternative process flowsheet for lead-silver recovery and grade enhancement from hydrometallurgical residue (low-grade lead cake), for which a patent has been filed and commercialisation is planned for FY2027
- **Reagent optimisation:** Evaluated depressants and collectors for improved concentrate quality, with some recommended reagents under plant trials
- **Operational stability improvement:** Developed simulation methodology to reduce process downtime due to slag choking in pyro operations

IMPACT

Higher recovery, improved metal yield, and more stable operations

WASTE-TO-WEALTH CONVERSION INITIATIVES

- **Jarosite transformation:** Developed an innovative process[1] to recover valuable metals from Jarosite and transform the residue into pigment-grade hematite
- **High-purity manganese:** Established a process to convert manganese bearing residue from the zinc hydrometallurgical circuit into high-purity manganese tetraoxide (Mn_3O_4)
- **Sodium-rich salt:** Validated a method to transform sodium-rich solid salt generated in zero liquid discharge plants into pure sodium sulphate crystals for internal reuse
- **Industrial gypsum:** Process[2] to convert calcium-bearing process residues to economical grade industrial gypsum with zero waste production
- **Pyrite:** Developed a conceptual flowsheet for pyrite concentrate generation from tailings

IMPACT

Reduced environmental footprint, improved resource efficiency, and creation of new value streams

[1] Under validation at the Council of Scientific and Industrial Research - Institute of Minerals and Materials Technology (CSIR IMMT), Bhubaneswar

[2] Patent pending

INNOVATION IN CRITICAL MINERAL & ENERGY TRANSITION SPACE

- Developed a flowsheet to treat the altered ore zone and generate concentrates suitable for treatment in our in-house smelters
- Conducting feasibility testing to extract additional cadmium from smelter streams
- Mapping opportunities across mines and smelters for minor and critical metals, and rare earth elements, alongside evaluating technology partners
- Developing inhouse capability to extract critical and minor metals like copper, antimony, cobalt, and bismuth from smelter waste and tailings

IMPACT

Faster technology adoption and access to cutting-edge research capabilities

INNOVATION TOWARDS DIVERSIFICATION OF PORTFOLIO

- **Zinc Batteries:** Developed zinc electrolytic manganese dioxide (Zn-EMD) pouch cell of 300 mAh with Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR). Demonstration of 1 kWh zinc air battery as a range extender in vehicles is planned with IIT Madras for early FY2027
- **Zinc Alloys:** Conceptualised three different grades of ZAM (Zinc Aluminium Magnesium) and two grades of toning alloys, and commenced production for the customers in steel galvanisation

IMPACT

Expanding addressable markets and strengthening value-added product portfolio

R&D HIGHLIGHTS

11
Patents granted till date

4
Patents filed in FY2026

2
IPs under filing in collaboration with JNCASR & IIT Madras for zinc batteries

₹ 21.24 crore
R&D spend in FY2026

R&D COLLABORATIONS

VIRGINIA TECH

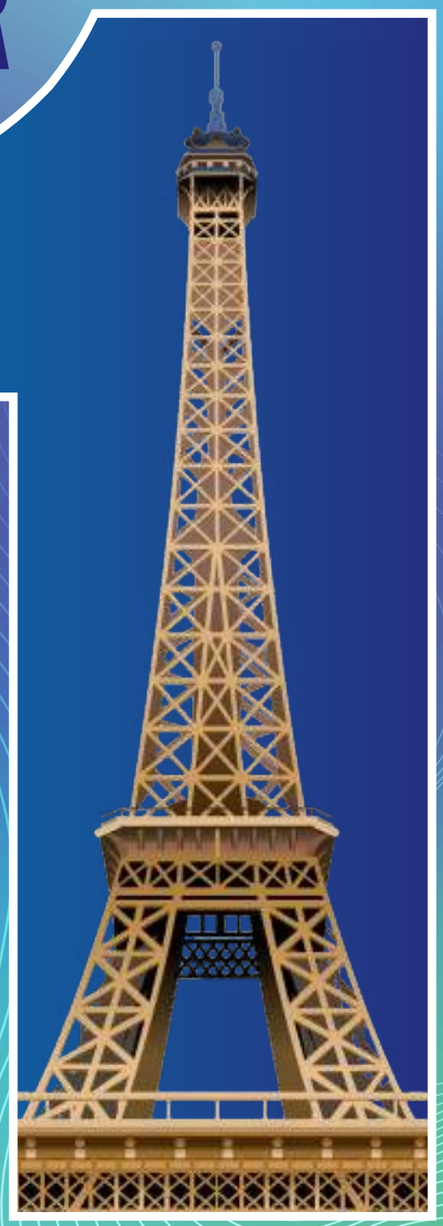
- For improving silver recovery through advanced techniques

COUNCIL OF SCIENTIFIC AND INDUSTRIAL RESEARCH - NATIONAL METALLURGICAL LABORATORY (CSIR–NML)

- For critical mineral blocks (tungsten, potash, and rare earth elements) with academic and research support for extraction process design
- For silver recovery improvement across our value chain (beneficiation and smelting)
- For alloy testing, improvement, and new product development
- For analysis, mapping, and extraction process design of minor/critical minerals present in the existing value chain

DID YOU KNOW?

OVER



1 KM DEEP

All Hindustan Zinc's mines together

Currently, most of our underground mines operate at depths of up to 1,000 metres.

- **Equivalent to 3 Eiffel Towers' in height (Eiffel Tower stands 330 metres tall)**
- **Equivalent to 10 Statue of Libertys' in height (Statue of Liberty stands 93 metres tall)**

THE HEIGHT OF THREE EIFFEL TOWERS

These are illustrative comparisons intended to provide a sense of scale, based on estimates and public data.

BUSINESS MODEL

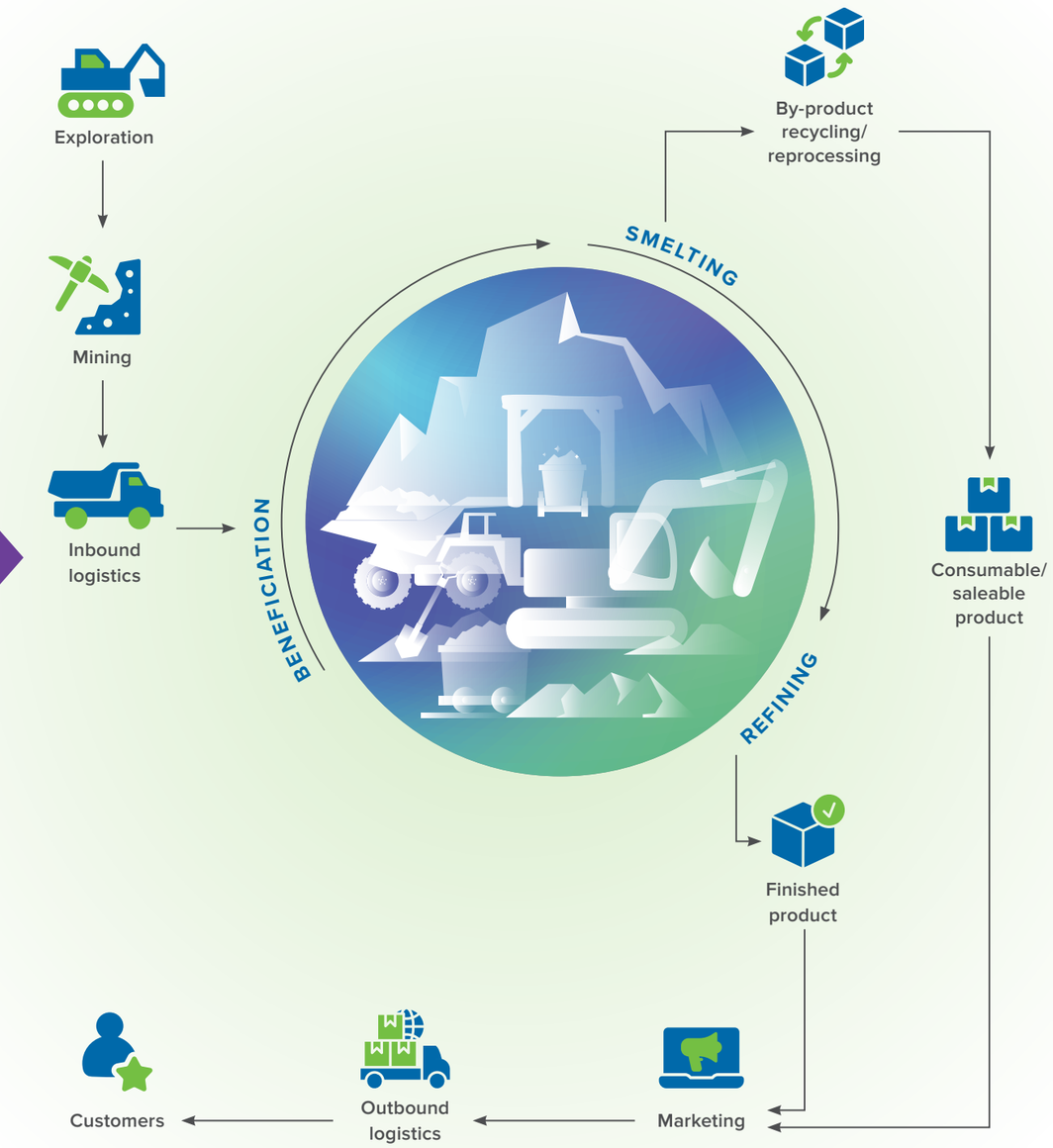
BUSINESS MODEL BUILT FOR TOMORROW'S OPPORTUNITIES

INPUTS	Inputs deployed	Key focus areas
NATURAL CAPITAL	▪ Ore R&R: **468.6 Mnt** ▪ Zinc-Lead Metal R&R: **29.2 Mnt** ▪ Silver R&R: **24.2 kt** ▪ Energy consumption per tonne of metal: **50.83 GJ** ▪ Water consumption per tonne of metal: **24.18 m³** ▪ Renewable energy share: **c.18%** ▪ Deployed 180 LNG and 52 EV trucks till date for inter-unit transport	▪ Set new sustainability benchmarks for the metals and mining industry through ambitious 'Sustainability Goals 2030' and strengthened practices in alignment with the ICMM membership ▪ Increase the share of RE and EV/LNG trucks towards decarbonisation ▪ Advance minimally invasive mining to prevent ecological degradation ▪ Reduce waste and optimise the natural resource usage ▪ Encourage conscious energy use through 'The Power of Less' awareness campaign ▪ Increase R&R to 500+ Mnt with c.50 Mnt metal reserves

MANUFACTURED CAPITAL	▪ World-class automated and technology-driven plants
	  ▪ Mines: **8** (at 5 locations)
	  ▪ Smelters: **3 locations**
	  ▪ Captive Thermal Power Plants: **550.00 MW**
	  ▪ Captive Renewable Power Plants: **103.80 MW**
	▪ Fixed assets (gross block): ₹ **53,910 crore**
	▪ Capex utilised: ₹ **5,844 crore**
		▪ Timely commissioning of expansion projects
		▪ Participation in critical mineral blocks auctions
		▪ Reducing the cost of production (CoP) through better metal grades, higher by-product realisation, and increasing the use of RE, alternative fuels, and domestic fuel
		▪ Maintain long mine life and R&R base for secured raw material availability
		▪ Modernise facilities to produce diverse products and enhance value-added portfolio share

INTELLECTUAL CAPITAL	▪ Collaborations/memberships with technical institutes: **6** ▪ R&D spend: **c.₹ 21.24 crore** ▪ Patents awarded till date: **11** ▪ Development and commercialisation of new value-added products	▪ V-Spark Deeptech Ventures to drive innovation-led transformation projects in collaboration with technology startups ▪ Strengthening team of geologists, geophysicists and data analysts ▪ Invest in expanding addressable markets and strengthening value-added product portfolio
HUMAN CAPITAL	▪ Total workforce: **27,263** ▪ Employee benefit expenses: ₹ **771 crore** ▪ Learning & development: **2,41,134 person hours** ▪ HSE training: **8,00,715 person hours** ▪ All-women driven leaching & purification unit ▪ Night shifts for women in underground mines at Rampura Agucha and Zawar	▪ Commitment to the highest standards of a safety-first culture ▪ Create a dynamic, performance-driven environment
SOCIAL AND RELATIONSHIP CAPITAL	▪ CSR spend: ₹ **2,78.15 crore** ▪ Productive engagements and strong relations with stakeholders	▪ Local employment, community partnerships and sustainable practices to ensure social licence to operate ▪ Addressing India's growing metal demand
FINANCIAL CAPITAL	▪ Equity capital: ₹ **845 crore** ▪ Net Cash: ₹ **5,594 crore** ▪ Reserves & surplus: ₹ **21,784 crore**	▪ Sustain strong cash flows to fund capex and preserve balance sheet strength ▪ Disciplined strategic hedging to protect margins ▪ Focus on creating long-term shareholder value

OUR VALUE CHAIN ACTIVITIES



SHAPING TOMORROW WITH AN INTEGRATED BUSINESS MODEL

OUTPUTS

Zinc	Lead	Silver
851 tonnes	197 tonnes	627 tonnes
(827 tonnes)	(225 tonnes)	(687 tonnes)

Figures in brackets are for the previous year FY2025

OUTCOMES	Outcomes delivered		Actions to improve outcomes		UN SDGs impacted
NATURAL CAPITAL	▪ Management system certifications for all units: ISO 50001 (Energy) and ISO 14001 (Environmental) ▪ Environment product declaration for zinc ▪ GHG emissions (Scope 1 & 2): **5.02 million tCO_2e**	▪ Zero liquid discharge: **All sites** ▪ Waste recycled/reused: **6.04 Mnt** ▪ Water recycled: **23.56 million m^3** ▪ Mine life (average): **25 years+**	▪ Increase RE share to 70% and enhance EV/LNG fleet to reduce emissions (Scope 1 and 2 by 50% and Scope 3 by 25% by 2030; net zero by 2050 or sooner) ▪ Disciplined exploration ensuring addition of more R&R than depletion and higher resource-to-reserve conversion	▪ Maintain a mine life of more than 25 years	6, 7, 9, 12, 13, 15, 17
MANUFACTURED CAPITAL	▪ Mined metal production: **1,114 kt** ▪ Refined metal production: **1,048 kt** ▪ 5-year lowest zinc CoP: **US$ 959 per MT** ▪ Secured letters of intent (LOIs) for critical mineral blocks: **3** (Potash, Tungsten and Rare Earth Elements)	▪ Composite licence received for Tungsten block	▪ Board approved c.₹ 12,000 crore capex to enhance integrated zinc smelting capacity by 250 ktpa ▪ Board approved India's first tailings reprocessing plant with feed capacity of 10 Mtpa with an investment of ₹ 3,823 crore ▪ Participate in auctions to expand the critical mineral portfolio	▪ Reduce zinc cost of production ▪ Launched 'Agile Quality Circle' to empower employees with diverse quality tools, accelerate problem-solving and practical innovation ▪ Exploration started for Tungsten block at Andhra Pradesh	9, 12, 13
INTELLECTUAL CAPITAL	▪ Value-added portfolio: **c.22%** ▪ Minor metal extraction capabilities ▪ Strong brand recall	▪ Partnered with Tata Steel and Silox India for adoption of low carbon zinc "EcoZen" ▪ Approval of HZDA5 diecasting alloy by a global zip manufacturer	▪ Advance new product areas like zinc aluminium magnesium die-casting alloy applications to enhance the VAP portfolio	▪ Undertake innovations in sustainable energy solutions like nickel-zinc, zinc-air, zinc-ion and zinc-sulphur chemistries	9, 12, 13, 17
HUMAN CAPITAL	▪ Revenue per employee: **c.₹ 12 crore** ▪ Executive diversity ratio: **26.4%** ▪ Attrition rate: **13.5%**	▪ Total recordable injury frequency rate (TRIFR): **1.57** ▪ **23** individuals from LGBTQIA+ community	▪ Improving diversity, equity & inclusion at all levels ▪ Investing in capacity building, talent management and behaviour-based safety and capacity building	▪ Focus on appreciation and quality of life	3, 5, 8, 10, 16, 17
SOCIAL AND RELATIONSHIP CAPITAL	▪ CSR beneficiaries: **c.2.6 million** ▪ Villages covered: **4,149** ▪ Nand Ghars built till date: **9,274** ▪ Contribution to the national exchequer: **₹ 18,846 crore**	▪ Contribution to Rajasthan's exchequer (including mining royalties): **₹ 6,311 crore** ▪ Average MSME payment cycle: **27 days** ▪ Local spending (Rajasthan and Uttarakhand): **22%**	▪ Holistic community development covering seven verticals: education, sustainable livelihood, asset creation, health, water & sanitation, sports & culture, women empowerment, and environment & safety ▪ Third-party assessments to measure effectiveness	▪ Adherence to CSR governance and community, environmental, and statutory regulations ▪ Capacity expansion and mineral basket widening towards India's critical mineral self-sufficiency	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 17
FINANCIAL CAPITAL	▪ Revenue: **₹ 40,844 crore** ▪ EBITDA: **₹ 22,162 crore** ▪ EBITDA margin: **c.54%** ▪ Net profit: **₹ 13,832 crore**	▪ Earnings per share: **₹ 32.7** ▪ Industry-leading ROE/ROCE: **77%/67%** ▪ Total interim dividend: **₹ 4,225 crore (₹ 10 per share)**	▪ Improve margin profile through focus on VAP, economies of scale, digital transformation, and waste-to-wealth initiatives	▪ Leverage strong free cash flows to fund growth capex while retaining surplus cash for disciplined capital returns	8

STAKEHOLDER ENGAGEMENT

At Hindustan Zinc, meaningful stakeholder engagement is a key pillar for responsible business conduct. We have a structured process in place to proactively identify, engage, and respond to the needs of our key stakeholders, ensuring their insights feed into our governance, sustainability strategy, and decision-making throughout the project lifecycle.

IDENTIFY AND ANALYSE
Proactively map key stakeholders and assess potential risks & impacts at site/project level

MONITOR AND ADAPT
Review and refine the process using continuous stakeholder feedback throughout the project lifecycle

STAKEHOLDER ENGAGEMENT PROCESS

INCLUSIVE MAPPING
Select key representatives and design specialised outreach for vulnerable/isolated groups

STRATEGIC PLANNING
Define tailored communication levels and formalise a stakeholder and engagement plan

SEVEN KEY STAKEHOLDER GROUPS, ONE SHARED PURPOSE

Driving responsible, inclusive, and sustainable business growth together...

- Customers
- Investors & Shareholders
- Suppliers
- Employees & Business Partners' Employees
- Communities
- Non-Government Organisations (NGOs)
- Government and Regulatory Authorities

STAKEHOLDER ENGAGEMENT STRATEGY IN FY2026

CUSTOMERS

Material issues

M1 M5 M7 M10 M11 M15 M17 M18

Strategic priorities

S2 S3 S4

Capitals Impacted

How We Address their Concerns

- Identify disruptive trends and new applications for our products
- Optimise serviceability, user experience, and ease of doing business to become a preferred supplier
- Align product development with specific user requirements and applications
- Integrate ESG practices to reduce environmental impacts

Read more on page 72 for value creation

SUPPLIERS

Material issues

M1 M2 M5 M10 M11 M12 M14 M18 M19

Strategic Priorities

S2 S3 S5

Capitals Impacted

How We Address their Concerns

- Ensure transparent procurement and ethical sourcing practices
- Optimise logistics for timely delivery
- Prioritise workers' safety and build capacities through training
- Hold regular discussions on service & ESG performance and address feedback & concerns
- Established formal grievance channels to resolve supplier grievances
- Enabling local businesses to access our supply chains with our local procurement process

Read more on page 72, 256 for value creation

COMMUNITIES

Material issues

M1 M2 M3 M4 M6 M7 M8 M10 M12 M16 M20 M21

Strategic Priorities

S5

Capitals Impacted

How We Address their Concerns

- Design development initiatives to enhance quality of life using a participatory approach
- Strengthen grassroots institutions through capacity building and livelihood support
- Reduce environmental & social impacts, community risks, and grievances for stronger relations

Read more on page 72, 236 for value creation

GOVERNMENT AND REGULATORY AUTHORITIES

Material issues

M1 M2 M3 M4 M5 M6 M7 M10 M11 M12 M13 M16 M18 M20 M21

Strategic Priorities

S1 S2 S3 S5

Capitals Impacted

How We Address their Concerns

- Contributing to country's socio-economic progress through products, taxes, CSR, restructuring, etc.
- Continuous engagement with government bodies to shape mining sector policies and protect the domestic markets
- Strong risk management to ensure business continuity
- Participation in various trade and industry forums

Read more on page 72, 268 for value creation

INVESTORS & SHAREHOLDERS

Material issues

M1 M2 M4 M5 M6 M10 M18

Strategic Priorities

S2 S3 S5

Capitals Impacted

How We Address their Concerns

- Maintain regular communication, gather feedback, and manage grievances effectively
- Provide timely and accurate disclosure on business, sustainability, and ESG performance

Read more on page 72, 268 for value creation

EMPLOYEES & BUSINESS PARTNERS' EMPLOYEES

Material issues

M1 M2 M4 M5 M6 M8 M9 M11 M12 M14 M17

Strategic Priorities

S3 S5

Capitals Impacted

How We Address their Concerns

- Use formal channels to gauge employee experience and resolve grievances
- Implement focused initiatives to enhance employee engagement and well-being
- Connect senior management with grassroots levels to understand employee needs
- Enhance workplace inclusivity using feedback from underrepresented groups
- Build trust, loyalty, and recognition to increase employee retention, performance, and motivation

Read more on page 72, 208 for value creation

NON-GOVERNMENT ORGANISATIONS (NGOs)

Material issues

M1 M2 M4 M6 M8 M12

Strategic Priorities

S5

Capitals Impacted

How We Address their Concerns

- Engage and hold regular discussions to implement and strengthen the CSR programs

Read more on page 72, 236 for value creation

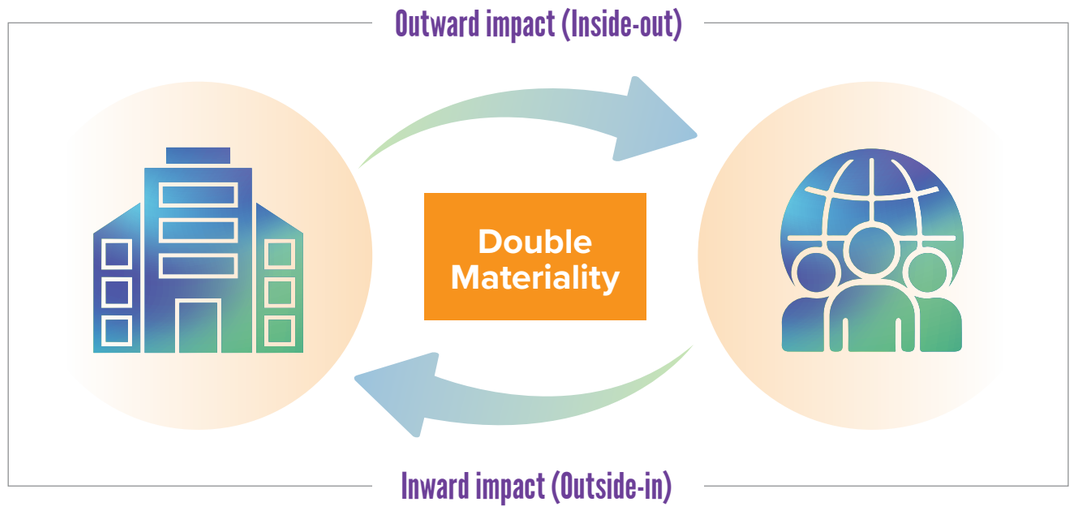
Read more about our Stakeholder Engagement in the BRSR - P4 on page 407

MATERIALITY

GUIDING LONG-TERM VALUE WITH DOUBLE MATERIALITY

Hindustan Zinc undertakes a comprehensive materiality assessment every three years, supported by an annual review to ensure continued alignment with the evolving sustainability landscape and stakeholder expectations. In FY2025, we conducted a double materiality assessment, aligned with the principles of the EU Corporate Sustainability Reporting Directive (CSRD). This approach enabled us to examine both dimensions of materiality.

- **Impact materiality (Inside Out):** This dimension examines the severity, reach, and irreversibility of impacts, factoring in outcomes for both human and environmental systems
- **Financial materiality (Outside In):** How sustainability-related risks and opportunities can influence our financial performance, enterprise value, and long-term resilience



5-STEP METHODOLOGY

1 Identification of Material Topics

- 200+ ESG topics identified through peer benchmarking and leading standards
- 21 material topics finalised

2 Mapping Impacts, Risks & Opportunities (IROs)

- 250+ IROs mapped to the material topics
- Inputs sourced from internal risk registers, human rights reports, community impact assessment reports, and industry standards (Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), etc.)

3 Stakeholder Engagement & Insight Gathering

- c.400 internal and external stakeholders consulted
- Financial materiality included engagement with our leadership and key institutional investors
- Impact materiality included engagement with business partners, suppliers, customers, employees, civil society, regulators, media partners, and local communities
- Structured and semi-structured interviews, focused group discussions, and surveys conducted

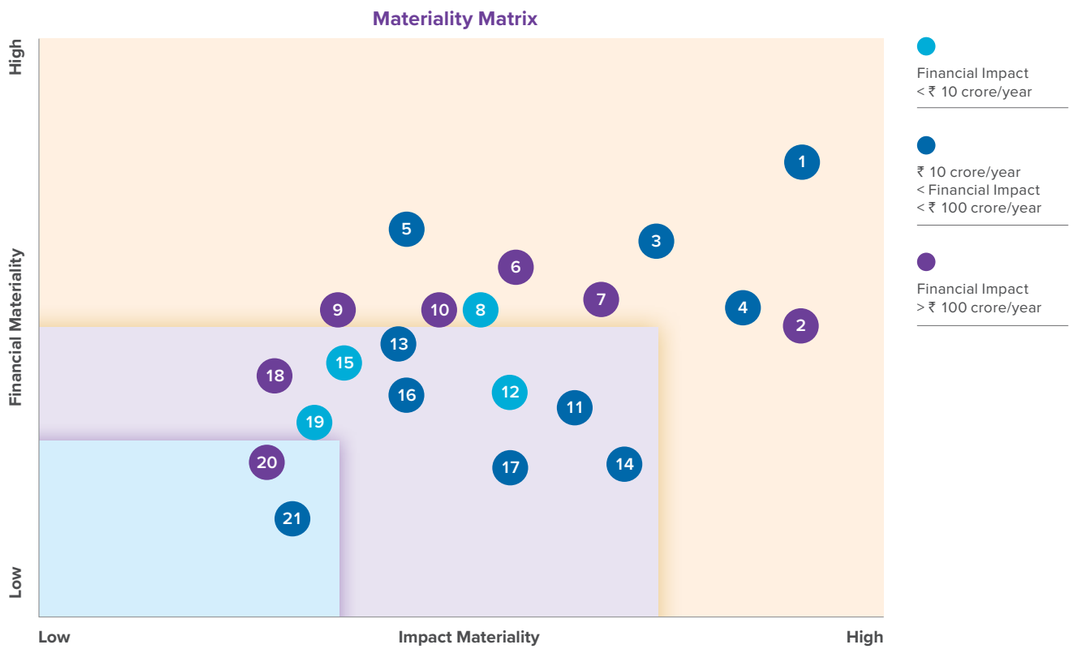
4 Materiality Matrix Development

- Material topics scored and weighted based on stakeholder influence and impact
- Thresholds considered for financial materiality as follows:
  - Low impact: < ₹ 10 crore per year
  - Medium impact: ₹ 10 - 100 crore per year
  - High impact: > ₹ 100 crore per year
- A consolidated double materiality matrix developed

5 Validation, Governance & Assurance

- Outcomes reviewed by senior leadership and approved by the Board's Sustainability & ESG Committee
- Independent third-party assurance was obtained for the materiality assessment process

OUTCOME OF MATERIALITY ASSESSMENT



ENVIRONMENTAL

S. No.	Material Topic	Priority
M2	Air Emissions and Quality	
M3	Tailings Management	
M4	Water Resource Management	
M7	Circularity and Waste Management	
M10	Climate Change and Energy Transition	
M16	Biodiversity and Ecosystems	

SOCIAL

S. No.	Material Topic	Priority
M1	Health, Safety and Well-being	
M6	Community Engagement and Development	
M8	Diversity, Equal Opportunity and Inclusion	
M9	Talent Attraction and Retention	
M12	Labour Practices and Human Rights	
M14	Learning and Development	
M20	Indigenous People and Cultural Heritage	
M21	Land Acquisition, Rehabilitation and Closure	

GOVERNANCE

S. No.	Material Topic	Priority
M5	Business Ethics and Corporate Governance	
M11	Innovation and Technology	
M13	Responsible Advocacy	
M15	Product Stewardship	
M17	Data Privacy and Cybersecurity	
M18	Macroeconomic and Geopolitical Impacts	
M19	Sustainable and Inclusive Supply Chain	

Low Medium High

During the current reporting year, the Company undertook an annual review of the material topics identified in the prior assessment, considering internal risk registers, ongoing stakeholder engagement, and changes in the operating and regulatory environment. The review confirmed that no changes were made to the material topics or their prioritisation. The review outcomes were presented to and endorsed by the Sustainability & ESG Committee, reaffirming that the existing materiality framework remains effective in capturing the Company's most significant ESG impacts, risks, and opportunities.

Aligning Materiality outcome with Enterprise Risk Management (ERM)

Hindustan Zinc aligns the outcomes of its materiality assessment directly with its Enterprise Risk Assessment (ERA) framework to ensure that key ESG priorities are embedded into strategic risk management. The insights from the materiality process are integrated into the enterprise risk universe, enabling a systematic identification and evaluation of ESG-related risks.

Consequently, air emissions and quality, tailings management, and water management are classified as top material topics and incorporated into core risk evaluations. Likewise, biodiversity, climate change, and waste management are recognised as critical enterprise risks due to their potential regulatory, operational, financial, reputational, and physical implications.

This alignment enables a unified and proactive approach to managing ESG risks. Risk indicators and targets are incorporated into the enterprise risk scorecard, supported by regular management and leadership-level performance reviews for continuous strengthening of the risk management.

Our risk-integrated approach towards materiality aligns our Sustainability Goals 2030 with the International Council on Mining and Metals (ICMM) Mining Principles and global best practices, positioning sustainability as a core driver of strategy, performance, and long-term value.

OUR HIGH PRIORITY MATERIAL ISSUES

Environmental Social Governance

M1 HEALTH, SAFETY & WELL-BEING

Impact: Risk

Time Horizon: Short term

Strategy Linked: S5

Key Performance Indicators

- Fatalities
- Total recordable injury frequency rate (TRIFR)
- Lost time injury frequency rate (LTIFR)

Capitals Impacted

UN SDGs Impacted

M2 AIR EMISSIONS & QUALITY

Impact: Risk

Time Horizon: Long term

Strategy Linked: S5

Key Performance Indicators

- SOx emissions
- NOx emissions

Capitals Impacted

UN SDGs Impacted

M3 TAILINGS MANAGEMENT

Impact: Risk

Time Horizon: Short term

Strategy Linked: S1 S2 S5

Key Performance Indicators
- Tailing disposal
- Alignment with Global Industry Standard on Tailings Management (GISTM)

Capitals Impacted

UN SDGs Impacted

M4 WATER RESOURCES MANAGEMENT

Impact: Risk

Time Horizon: Long term

Strategy Linked: S5

Key Performance Indicators
- Water positivity ratio
- Freshwater consumption in operations
- Water recycling rate

Capitals Impacted

UN SDGs Impacted

M7 CIRCULARITY & WASTE MANAGEMENT

Impact: Opportunity

Time Horizon: Long term

Strategy Linked: S2 S5

Key Performance Indicators
- Utilisation of process waste
- Waste to landfill
- Waste recycling

Capitals Impacted

UN SDGs Impacted

M8 DIVERSITY, EQUAL OPPORTUNITY & INCLUSION

Impact: Opportunity

Time Horizon: Short term

Strategy Linked: S5

Key Performance Indicators
- Workforce diversity %

Capitals Impacted

UN SDGs Impacted

M5 BUSINESS ETHICS AND CORPORATE GOVERNANCE

Impact: Risk

Time Horizon: Short/long term

Strategy Linked: S1 S2 S3 S5

Key Performance Indicators
- Reporting of ethical violations
- Completion rate of mandatory Business Ethics & Code of Conduct training for employees
- Whistleblower cases resolved

Capitals Impacted

UN SDGs Impacted

M6 COMMUNITY ENGAGEMENT AND DEVELOPMENT

Impact: Opportunity

Time Horizon: Long term

Strategy Linked: S5

Key Performance Indicators
- Lives positively impacted through social, economic and environmental initiatives
- Total spend on socio-economic development

Capitals Impacted

UN SDGs Impacted

M9 TALENT ATTRACTION & RETENTION

Impact: Opportunity

Time Horizon: Long term

Strategy Linked: S5

Key Performance Indicators
- Turnover rate
- Retention rate

Capitals Impacted

UN SDGs Impacted

M10 CLIMATE CHANGE & ENERGY TRANSITION

Impact: Opportunity

Time Horizon: Long term

Strategy Linked: S4 S5

Key Performance Indicators
- Scope 1, 2 & 3 emission
- RE power utilisation
- GHG intensity

Capitals Impacted

UN SDGs Impacted

Read more about material topic management in our Materiality Assessment
Also, read about our sustainability goals and progress on page 184

RISK AND OPPORTUNITY MANAGEMENT

FORTIFYING VALUE THROUGH PROACTIVE RISK AND OPPORTUNITY MANAGEMENT

At Hindustan Zinc, we integrate ISO 31000 certified risk management framework into our core strategy to drive sustainable growth. By combining risk aware culture with advanced ESG foresight, we transform potential uncertainties into opportunities for value creation. Our partnership with PwC enhances this framework, providing the expert guidance needed to navigate the ESG and emerging risk landscape. This proactive approach ensures operational resilience while maintaining the highest standards of governance and excellence across the entire value chain.

As a member of the International Council on Mining and Metals (ICMM), we align our Enterprise Risk Management (ERM) framework with the ICMM Mining Principles, including Principle 4 on effective risk management. The ERM framework integrates sound science, operational data and stakeholder perceived risk, combining quantitative assessments with qualitative inputs from stakeholder engagement, grievance mechanisms, regulatory interactions, internal audits, and management reviews. This approach enables the early identification and management of environmental, social and governance risks, including those related to human rights, biodiversity, water, and climate, even where such risks are not classified as principal enterprise risks, thereby strengthening resilience, regulatory preparedness and sustainable long-term value creation.

APPROACH TO RISK MANAGEMENT

BOARD OVERSIGHT

The Audit and Risk Management Committee oversees the Enterprise Risk Management (ERM) framework, reinforcing accountability, regulatory compliance, and sound risk governance in line with the Companies Act, 2013 and SEBI (LODR).

GLOBAL RISK MANAGEMENT STANDARDS

Our ERM framework aligns with ISO 31000, the Committee of Sponsoring Organisations (COSO) framework, and ICMM principles, along with the other statutory requirements in India.

INTEGRATED RISK MANAGEMENT APPROACH

Risks are holistically managed across the organisation, including capital investments, mergers and acquisitions, project activities, and crisis response management.

CRISIS AND BUSINESS CONTINUITY MANAGEMENT

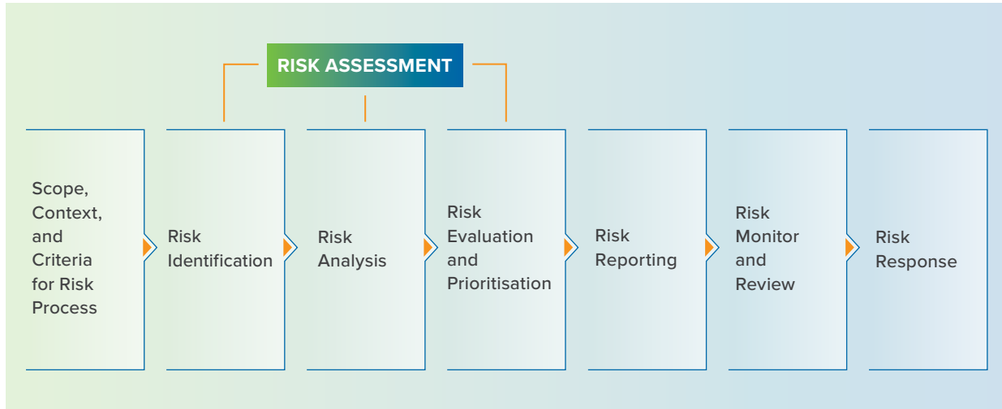
Crisis management and business continuity arrangements are maintained for critical scenarios, with defined roles, escalation protocols, and periodic testing. Learnings from drills/incidents and external developments are incorporated into the risk register, controls, and management reporting to strengthen operational resilience.

STAKEHOLDER-INCLUSIVE RISK IDENTIFICATION

Internal functions such as security, CSR, and corporate communications integrate and monitor key risk indicators (KRIs) based on stakeholder touchpoints such as community grievance mechanisms, employee safety observations, regulatory inspection outcomes, supplier assessments, and periodic interactions with local administrations. These insights combined with quantitative risk scoring, enable early detection of emerging ESG risks and support ICMM-aligned responsible mining practices.

RISK MANAGEMENT FRAMEWORK

We have laid down an ERM framework and manual, that provide guidance to our business units, corporate functions, and executive management in identifying, analysing, and responding to the top potential internal and external risks in a timely manner.



SCOPE, CONTEXT AND CRITERIA FOR RISK PROCESS

Defining the scope, context, and criteria establishes the risk management process, identifies internal and external factors, and sets the risk appetite alongside tolerance limits for effective risk measurement.

RISK IDENTIFICATION

- Identify potential uncertainties or risks that could affect our functional, organisational, and business objectives, or disrupt overall business continuity
- Identify emerging risks that currently have limited response plans due to their nature, but may need future inclusion in the risk register
- Adopt a multi-stakeholder approach, encouraging employees participation in the risk management process to facilitate early detection and understanding of emerging risks
- Engage key stakeholders, such as customers and suppliers through discussions and periodic surveys to identify external risks, gaining valuable insights that help mitigate potential impacts on the Company's broader operations
- Use our understanding of regulatory and legal requirements to anticipate potential risks and events that typically precede their emergence

Identify functional, unit and enterprise-wide risks → Identify stakeholders to be involved in the risk management process → Record risk and bucket into applicable risk categories → **RISK REPORTING**

Identifying Emerging Risks

- We have initiated global risk sensing to determine relevant emerging risks
- Employees are encouraged to submit potential risks for review to the unit risk officers or the Chief Risk Officer (CRO)
- Employees are necessitated to stay updated on industry trends through leading publications, participation in sector-specific events and continuous engagement with the senior management

RISK ANALYSIS, EVALUATION, AND PRIORITISATION

- **Risk Attribute Analysis:** We understand the causes, likelihood of occurrence, potential positive or negative impact, and velocity or the time taken for impact since their occurrence
- **Scoring & Prioritisation:** Using a 5-point scale, we assign risk scores and ratings based on its attributes to formulate appropriate response strategies
- **Severity Matrix:** Risks are classified as critical, severe, moderate, or acceptable risks, ensuring prioritised resource allocation and governance

RISK RESPONSE, MONITORING AND REVIEW

To address the evolving risk dynamics, we continuously monitor the external environment and internal controls in alignment with our business strategy. Quarterly risk reviews foster organisational agility, enabling timely actions and implementation of appropriate mitigation measures.

Governance and Monitoring

- Conduct quarterly Mancom-level reviews and biannual Board-level oversight to monitor risk exposure
- Risk owners review principal risks at least quarterly, while moderate and acceptable risks are reviewed biannually and annually, respectively
- Implemented the SAP governance, risk and compliance (GRC) risk management module for automated key risk indicator (KRI) monitoring, workflow-based risk submissions, assessments, mitigation planning, escalations, and reporting

KRI Tracking and Escalation

- All risk owners track assigned KRIs, either manually or through SAP-based "warning lights"
- All risk owners escalate KRI breaches, particularly those in 'red-high level' category, to the unit/corporate risk officer

Collaborative Mitigation

- Risk owners communicate response plans with implementation status to the unit/corporate risk officer
- The risk and response owner jointly develop new response strategies based on periodic reassessments of effectiveness of mitigation plans
- Moderate and acceptable risks exceeding KRI thresholds are reassessed and reviewed by risk owners for severity as per the severity matrix

Resilience Testing

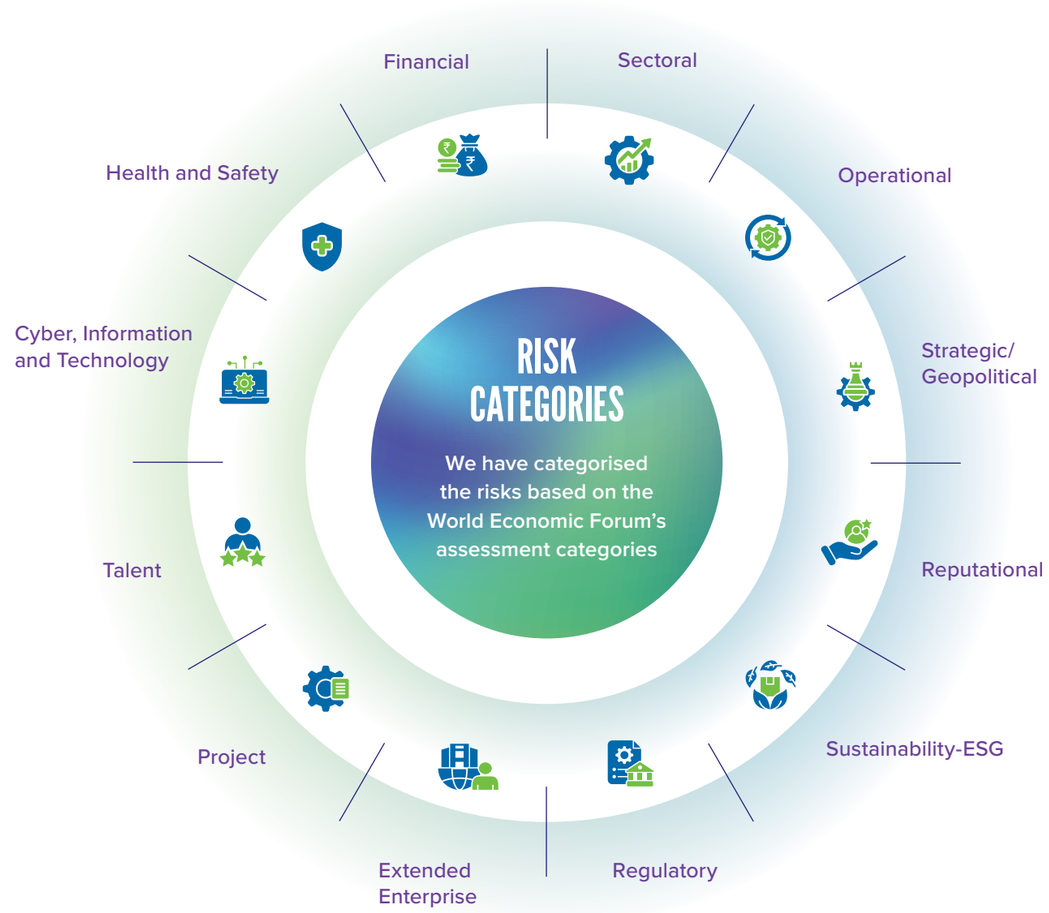
- Perform stress testing and sensitivity analysis using scenario modelling and simulations through a 'what-if' analysis and techniques like Monte Carlo simulation, to predict a range of possibilities and outcomes for an uncertain event

During FY2026, our ISO 31000:2018 certification was successfully validated through an external surveillance audit. We also conducted an internal audit during the year to verify the ongoing effectiveness and rigour of our risk management process.

RISK APPETITE AND TOLERANCE

We have established a well-defined risk appetite and corresponding tolerance thresholds to objectively assess our capacity for risk-taking and enable effective evaluation of identified risks. The Board-approved risk appetite articulates the level and nature of risks the Company is willing to take in pursuit of its strategic objectives. Risk tolerance operationalises this appetite through clearly defined quantitative metrics.

Each identified risk is evaluated using a 5-point impact scale. A potential impact exceeding 10% of the projected EBITDA, constituting a breach of risk tolerance, is categorised as a 'Very High' impact and assigned the maximum risk score of 5.

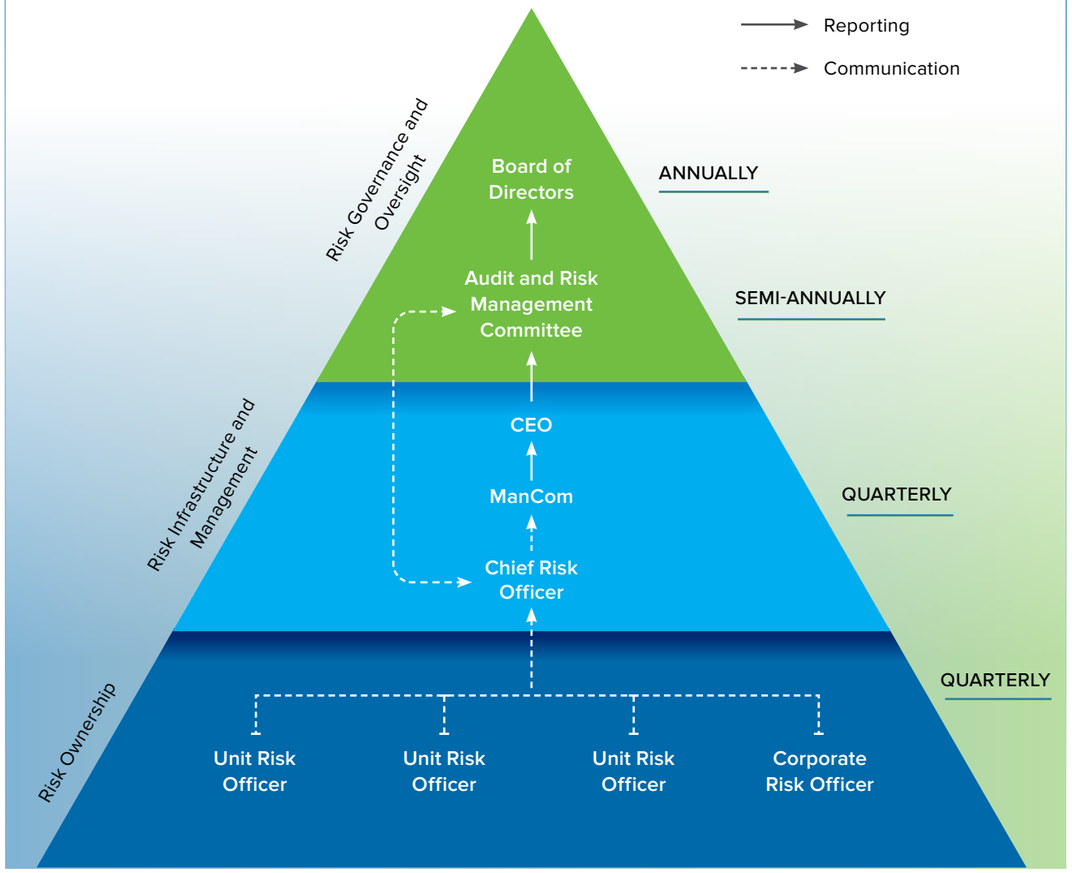


RISK GOVERNANCE

OUR THREE-TIER RISK GOVERNANCE FRAMEWORK

Integrates the Enterprise Risk Management (ERM) framework into strategic planning and executive decision-making processes.

1. Establishes a comprehensive governance framework for risk oversight, infrastructure, and management along with defined ownership
2. Enables rigorous quarterly risk assessments, monitoring, and reviews at appropriate governance levels
3. Clearly assigns roles, responsibilities, and accountability across every organisational tier



Governance Structure with Defined Roles and Responsibilities

Governance and Oversight	Board of Directors (BOD)	▪ Provides enterprise-wide risk oversight and approves critical risk policies
	Board-Level Audit and Risk Management (ARM) Committee	▪ Comprises majorly of Independent Directors, with at least one member possessing accounting or financial management expertise ▪ Reviews risk management practices semi-annually and apprises the Board annually
Risk Infrastructure and Management	Chief Executive Officer (CEO)	▪ Chairs the Management Committee (ManCom) that includes risk management matters in its agenda and ensures timely and adequate mitigation ▪ Monitors quarterly risk exposure, including the impacts of significant global developments ▪ Presents risk reviews before the ARM Committee
	Chief Risk Officer (CRO)	▪ Reports to the CEO as an overall custodian of the risk management process ▪ Leads the risk management team and guides unit and corporate risk officers ▪ Updates the ARM Committee on the existing and emerging risks ▪ Oversees and coordinates risk management activities at the operational level ▪ Guides management in determining risk appetite and identifying trends and emerging risks ▪ Monitors enterprise-level principal residual risks, reviews cost, adequacy, effectiveness of the response plans, and accuracy and completeness of reporting
Risk Ownership	Unit/Corporate Risk Officers	▪ Dedicated risk officer at each unit identifies and monitors location-specific risks ▪ Reports unit-level risks to the CRO ▪ Conducts quarterly Unit Risk Council meetings to evaluate mitigation plans ▪ Primary contact for employees to submit risks

Risk Management Process Audit

The Head of Internal Audit is responsible for evaluating the effectiveness of the risk management process and providing independent assurance on its compliance with the Company's risk strategies and policies. Findings from these audits are documented in a report, which is submitted to the Audit and Risk Management (ARM) Committee and the Head of Management Assurance System at the corporate level.

FOSTERING A RISK-AWARE CULTURE

Risk management is embedded into every business function through awareness initiatives and risk mitigation discussions, which promote a risk-focused culture centred on the following pillars:

Accountability through Performance

- A comprehensive risk scorecard with defined KPIs and targets helps scrutinise performance at the management and senior leadership level, ensuring risk management is a measurable component of organisational success

Rewarding Proactive Risk Management

- Incentive programmes align senior management and employees with risk and compliance metrics, rewarding proactive risk reporting and the timely implementation of risk mitigation plans

Continuous Risk Education and Training

- Periodic refresher training and awareness sessions for senior management on risk identification, resilience planning, and mitigation, as deemed necessary by the Board
- Tailored sessions familiarise Executive and Non-Executive Board members, including ARM Committee members, with the Company's risk management processes and emerging global risk trends
- Organisation-wide training, workshops, and communications, including e-mailers on risk management principles instil a risk-intelligent culture
- Annual surveys assess and enhance risk culture and awareness across the organisation

STRONG RISK MANAGEMENT FOUNDATION — DEMYSTIFIED BY THE RISK CULTURE SURVEY

The Foundation: A Purpose-Built ERM Architecture

At Hindustan Zinc, enterprise risk management (ERM) is an integral part of business operations rather than a standalone function. The framework is built on globally recognised standards and enabled through the SAP GRC ERM platform, ensuring structured risk governance. Leveraging a globally benchmarked ERM framework and a fully implemented SAP GRC ERM module, the Company ensures comprehensive risk visibility and governance. The deployment of AI-enabled risk sensing capabilities further strengthens its ability to anticipate and address dynamic risk scenarios. This framework is guided by experienced in-house experts and complemented by leading risk advisors, resulting in a strong and adaptive risk management ecosystem.

Hindustan Zinc firmly believes that the success of its risk management framework is anchored in the strength of its organisational culture. In line with this philosophy, the Company commissioned a comprehensive Risk Culture Survey to evaluate the degree to which risk awareness and accountability are embedded in employee mindset, behaviours, and decision-making across the enterprise.

The Survey at a Glance

A strategic diagnostic exercise was conducted to assess how risk is understood, embedded, communicated, and acted upon across the organisation. The survey encompassed:

- A near-complete participation rate of 98.4% (246 respondents out of 250), which in itself is a powerful indicator of organisational engagement with risk governance
- Multi-strategic business unit (SBU) and cross-functional coverage, ensuring representation across all major business verticals and operational layers
- 25 parameters assessed across four foundational pillars of risk culture - competence, communication, governance, and motivation

The Verdict: Risk Intelligent — The Apex of Maturity

The survey delivered a definitive and resounding outcome:

9.26 / 10

Overall Risk Culture Index

The Company is now positioned at the “Risk Intelligent” stage, the highest tier on the five-level risk culture maturity continuum. At this level:

- Risk actively drives strategic and operational decisions, not merely informs them
- Clear ownership, escalation, and accountability are embedded across the enterprise
- Risk management is no longer a function, it is an organisational reflex

This represents a maturity level where risk practices have transcended process compliance and become a source of competitive resilience and institutional strength.

A Compelling Trajectory: Three-Year Maturity Progression

The current score is not an isolated achievement; it is the culmination of a deliberate and sustained cultural evolution:

Year	Score	Maturity Stage
FY2024	8.30	Institutional
FY2025	8.90	Proactive
FY2026	9.26	Risk Intelligent

The consistent upward trajectory, reflected in an improvement of nearly one point over the past two years, underscores the effectiveness of the Company’s investments in ERM architecture, leadership commitment, capability building, and cultural reinforcement. This steady progression from ‘Institutional’ to ‘Proactive’ and further towards ‘Risk Intelligent’ signifies a disciplined and phased maturity journey, characterised by systematic and sustained advancement rather than isolated improvements.

Pillar-Level Performance: Strength Across All Dimensions

All four foundational pillars registered scores in excess of 9.0 out of 10, affirming that the risk culture is uniformly strong and not reliant on any single dimension:

Pillar	Score	What it Means
Competence	9.33	Risk Competence emerged as the strongest pillar, indicating a strong understanding of risk exposure, escalation pathways, and enterprise-wide impact of decisions.
Communication	9.25	Risk Communication demonstrated high levels of psychological safety, supported by a strong speak-up culture and confidence in fair review of escalated risks.
Governance	9.24	Risk Governance reflected a credible leadership tone and clear accountability structures, though with scope to further enhance frontline visibility of governance mechanisms.
Motivation	9.14	Risk Motivation, while improving year-on-year, remained the lowest-scoring pillar, highlighting opportunities to strengthen reinforcement through incentives, periodic reviews, and near-miss learning.

The consistency across pillars confirms that the Company’s risk culture is balanced, broad-based, and deeply embedded, exhibiting strength not only in what people know about risk, but equally in how they communicate it, how it is governed, and how they are motivated to act upon it.

What This Means

The FY2026 Risk Culture Survey highlights the effectiveness of the Hindustan Zinc’s investments in ERM, with an overall index of 9.26/10 and a consistent upward trajectory over three years. Strong performance across all dimensions reflects a well-embedded risk culture and a high degree of organisational maturity, positioning the Company to remain resilient in a dynamic risk landscape.

INTEGRATING RISKS AND OPPORTUNITIES WITH STRATEGY

Hindustan Zinc systematically integrates risks and opportunities into its strategic planning process to drive value and resilience. By embedding these evaluations into decision-making, the Company proactively manages uncertainties and makes informed choices, supporting organisational goals and securing long-term sustainable performance.

Risk Appraisal for Capital Projects

- A rigorous three-step risk assessment is in place for all capital expenditures prior to the approval of both payback and non-payback projects, including new product development projects
- Projects team conducts mandatory risk assessment for all capex projects to highlight critical risks
- The centralised risk team conducts mandatory risk assessments for all growth projects, unbudgeted capex for non-payback projects, and sustenance payback projects above a certain threshold

Incorporating Risk Criteria in Product and Service Development

- Risks are integrated across the entire product lifecycle to safeguard innovation
- Mitigating business partner risks with potential to impact the product development, using risk management frameworks, standard operating procedures (SOPs), and business partner management policy
- Rigorous reviews of product development risks address evolving customer expectations or regulatory requirements through proactive process adaptation
- The R&D department addresses innovation and product application risks through pre-commercialisation piloting and testing

ENTERPRISE RISKS AND OPPORTUNITIES

#	Risk & trend	Risk Category	Risk rating			Risk appetite
			Impact	Velocity	Likelihood	
R1	Environment regulation ↔	Environmental				
R2	Non-adherence to safety protocols ↑	Societal				
R3	Local community issues ↑	Societal				
R4	Structural stability ↔	Societal				
R5	Tailings dam collapse ↑	Environmental				
R6	Fall of ground ↓	Societal				
R7	LME/LBMA price decrease ↓	Economic				
R8	Fire ↓	Societal				
R9	Occupational hazards (exposure to gases and fumes) ↔	Societal				
R10	Cyber-attacks and data loss ↔	Technological				
ER1	Geopolitical trade wars	Geopolitical				
ER2	Geoeconomic fragmentation	Geopolitical				
ER3	AI-driven technological integration	Technological				

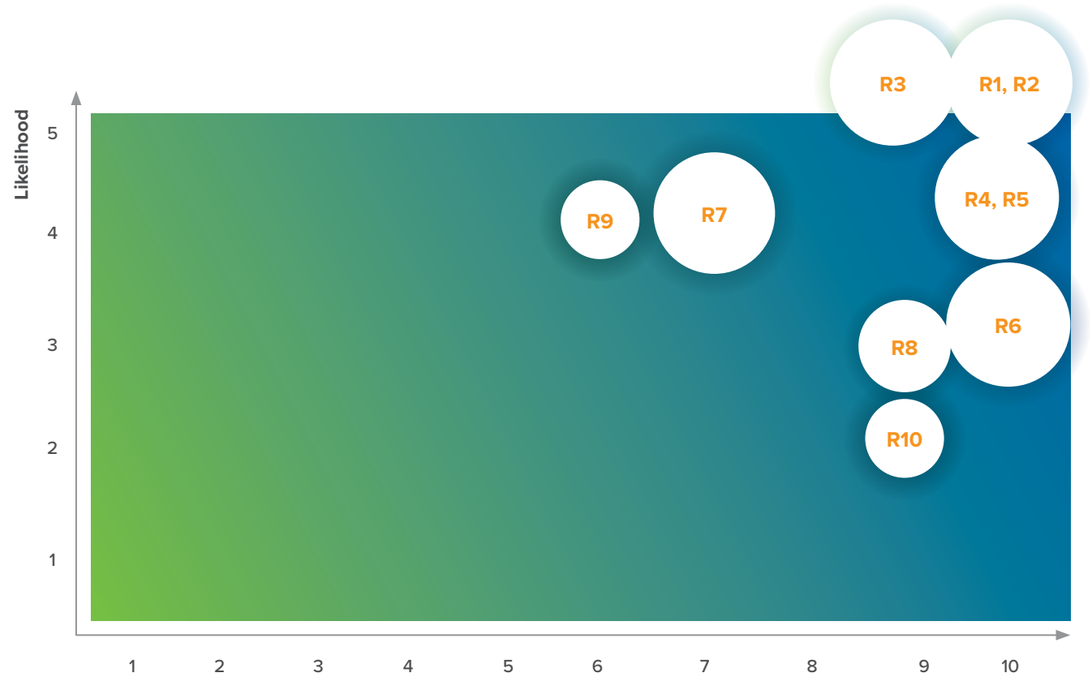
Risk Rating

Very Low | Low | Medium | High | Very High

Risk Appetite Level

Low | Medium | High | Very High

RISK HEAT MAP



R1 Environment Regulation

Risk Description

Non-compliance with regulatory norms on emissions (SOx, NOx, PM), waste management (hazardous waste, jarofix), effluents management, noise, and green belt area poses a significant risk to the business.

Material Topic

M2 M4 M7 M10 M16

Impact on Capitals

Risk Mitigation Strategy

- Strong monitoring mechanisms to track compliance with mining and smelting industry norms
- Investing in low emission technologies and zero liquid discharge (ZLD) plants in mines
- Innovative waste management through dry tailings stacking, construction of secured landfill (SLF) and jarofix yard and its green capping
- Installing dust extraction system, tail gas treatment (TGT) plant and additional wastewater treatment facilities to maintain statutory licence compliance

Associated Opportunities

- Generating value through tailings reprocessing, waste commercialisation, and development of responsibly produced metal offerings
- Boosting waste minimisation and rehabilitation performance to access lower cost, sustainability-linked financing
- Using Environmental Product Declarations (EPDs) to meet the EU's transparency demands and securing long-term contracts

Risk Outlook

We ensure strict compliance with all emissions and waste management regulations and maintain emissions within the permissible limits while pursuing ambitious ESG targets to strengthen our global sustainability leadership.

R2 Non-Adherence to Safety Protocols

Risk Description

Failure to adhere to safety protocols or errors in judgement by employees/contract workers (man-machine or machine-machine interactions, electrocution, fall from height, explosives handling) may lead to injuries and fatalities.

Material Topic

M1

Impact on Capitals

Risk Mitigation Strategy

- Strong safety protocols across all sites, including critical risk management (CRM) and critical control management, such as FSIPP, hazard identification and risk assessment framework
- Deployed proximity warning, anti-collision system, CCTV surveillance, remote operations, and automation across mines, mills, and smelters
- Systematically upgrading and replacing outdated systems and equipment
- Equipment and machinery training, monthly safety trainings, and lifesaving rules (LSR) for business partners
- Earth-leakage circuit breaker (ELCB) and neutral grounding resistance for transformers
- Vehicular safety best practices, such as underground workshops to minimise vehicular movement, a "Zero" vehicle reversal policy, NO-GO zones, and designated parking and pedestrian pathways
- Remote operations for stope bogging across all mines
- Increased automation at smelter plants to minimise human contact with calcine/ hot metal

Associated Opportunities

- Proactive accident prevention and HSE compliance strengthen sustainability and environmental performance
- A strong safety culture supports the Group's initiative to obtain Zinc Mark certification, creating an opportunity to enhance operational resilience and market reputation

Risk Outlook

Safety incidents may arise from negligence, procedural non-adherence, and equipment failure. We mitigate these risks by continuously strengthening our safety culture and deploying best-in-class monitoring technologies.

R3 Local Community Issues

Risk Description

Social discontentment, agitations, public protests, and disputes can potentially disrupt business operations and impact profitability.

Material Topic

M6 M12 M20

Impact on Capitals

Risk Mitigation Strategy

- Active community engagement and development programmes for education, livelihoods, women empowerment, health, water, infrastructure development, etc.
- Strong network with law enforcement and local authorities
- Strengthened crisis response with security measures at gates and critical installations, communication protocols, and escalation matrix
- Digital surveillance at mines through Build-Own-Operate-Transfer (BOOT) model, including CCTV, drones, automated gate, digital locking, walkie-talkie, and control rooms
- Mechanisms to monitor any community discontent, grievance mechanisms, strategic volunteering and brand ambassadors initiatives

Associated Opportunities

- Aligning contractor recruitment with local labour sourcing requirements through clear roles and contractual obligations
- Enhancing our social performance strategy to enhance stakeholder trust and community partnerships
- Securing long-term social licence to operate through formal community engagement, grievance mechanisms, and co-investing in shared community infrastructure

Risk Outlook

We continue to take proactive steps in managing social sensitivities through structured stakeholder engagement and transparent communication. By prioritising inclusive growth, livelihoods, and infrastructure development, we build community trust and mitigate grievances to ensure long-term social stability and responsible operational continuity.

R4 Structural Stability

Risk Description

Failures in structure or equipment (acid tank and roaster dam collapses, smelting furnace and shaft failures) from excessive wear and tear, ageing of assets, and improper/inadequate maintenance, may cause injuries, fatalities, and operational disruptions.

Material Topic

M1

Impact on Capitals

Risk Mitigation Strategy

- Standard operating procedures (SOPs) for permissible limits and equipment usage, and scheduled shutdowns for repairs and ageing/malfunctioning part replacements
- Upgrading old equipment with the latest ones and/or repairing and redesigning existing ones to enhance safety, corrosion resistance and material of construction (MOC)
- Remote-controlled operations to reduce manual intervention in high-risk structures like acid tanks
- Digital initiatives for real-time analysis of indicators signalling equipment degradation and distributed control systems (DCSs) for monitoring process parameters and health of various sections of the plant
- Training sessions for operators on equipment maintenance, troubleshooting, and safe operating methods

Associated Opportunities

- Reducing unplanned downtime improves throughput and cash flow predictability
- Advanced digital optimisation of processes boosts energy efficiency, metal recovery, asset performance, capital efficiency, and long-term operational resilience

Risk Outlook

We have established comprehensive preventive and maintenance frameworks, leveraging technology-driven monitoring and periodic inspections to mitigate structural integrity risks from design inefficiencies, harsh operating environments, high temperature and pressure levels, and corrosion.

R5 Tailings Dam Collapse

Risk Description

Catastrophic failure or operability loss of tailings facilities (wet dams, dry stacks, and hybrid) driven by overtopping, stability/internal erosion, excessive rainfall, and land/ permit constraints.

Material Topic

M1 M3 M16

Impact on Capitals

Risk Mitigation Strategy

- Implementation of dry tailings technology with support from expert agencies
- Using tailings and waste rock in underground backfilling via paste-fill and hydro-fill to reduce surface storage, securing residual tailings in engineered facilities for long-term stability and risk mitigation
- Bi-annual studies on structural stability and ongoing geotech monitoring to identify abnormal pressure in embankments
- Regular water reclamation and evaporation and construction of additional reservoirs relieve tailings dam pressure
- Procuring new land for expanded tailings storage and maintaining a one-meter freeboard to prevent spillovers and ensure safety buffer
- Construction of reinforced earth wall and cement concrete drains for dry tailing stacking and managing water flow

Associated Opportunities

- Stronger dam design, monitoring, and emergency preparedness enhance community trust, safety, and environment, reducing catastrophic impacts and securing our social licence to operate
- Strong regulatory compliance and ESG practices boost our reputation, promoting trust with authorities and communities
- Financial and long-term strategic value creation via lower insurance and remediation costs, access to sustainable finance, operational resilience, and competitive leadership in responsible tailings management

Risk Outlook

As our underground operations expand, increasing storage needs and volatile rainfall patterns due to erratic climate patterns could heighten overflow risks. To mitigate this, we continue to prioritise reducing wet tailings and conduct rigorous structural monitoring, ensuring dam safety.

R6 Fall of Ground

Risk Description

Instances of fall of ground (FOG) due to poor geotech conditions or heightened seismicity may lead to fatalities, damage to assets such as shafts and equipment, and operational disruptions.

Material Topic

M1

Impact on Capitals

Risk Mitigation Strategy

- Integrated critical control and Fatality and Serious Injury Prevention Plan (FSIPP) for safety across all sites
- Monthly safety trainings and skill upgradation of geotech engineers
- Strict adherence to the Ground Control Management Plan (GCMP) and executed Structural Stability Report (SSR) recommendations
- Regular inspections, annual audits, damage mapping, timely rehabilitation, and advanced footwall drive cable bottling
- Implementing online stress & seismic monitoring and tele-remote operations of the loaders and drill machines
- Using smooth wall blasting practices, slope stability radar, void reduction mechanism, paste-fill optimisation, and rock breaker in stopes across all locations

Associated Opportunities

- Optimised ground support design reduces unplanned stoppages and improves mining productivity
- Improved safety performance strengthens workforce confidence, social licence to operate, and can secure favourable insurance terms

Risk Outlook

Underground mining carries inherent fall-of-ground risks from unpredictable rock mass behaviour or seismic activity, etc. While our experienced geotechnical team and seismic monitoring technology have minimised this risks, we remain vigilant against potential equipment malfunctions or human negligence.

R7 LME/LBMA Price Decrease

Risk Description
Unfavourable changes in the commodity prices on the London Metal Exchange (LME) and London Bullion Market Association (LBMA) may impact profitability.

Material Topic
M18

Impact on Capitals

Risk Mitigation Strategy
- Formal hedging strategy in line with hedging policy to maintain monthly average LME prices on shipments
- Negotiating higher premiums through 100% e-commerce sales
- Enhancing domestic market share while cutting structural costs for cost-efficiency
- Diversifying into value-added products and minor metal recovery to buffer against price volatility

Associated Opportunities
- Securing transparent and standardised contracts with global customers. The Company can structure contracts with pricing floors, ceilings, or hybrid formulas to reduce volatility exposure while preserving relationships with large industrial buyers
- Improved project IRRs and long-term reserve strength

Risk Outlook

Current geopolitical events may trigger global metal volatility, yet current lead and zinc LME price forecasts remain favourable in the short term. The long-term outlooks for silver remain bullish.

R8 Fire

Risk Description
Fire incidents at operational sites threaten life, property, and equipment on site.

Material Topic
M1 M2 M10 M16

Impact on Capitals

Risk Mitigation Strategy
- 24x7 preparedness at all locations through fire extinguishers, suppression systems, firefighters, rescue teams, barriers, protection equipment, multipurpose tenders, hydrant points, sprinkler systems, etc.
- New-age firefighting vehicles, auto fire suppression systems, fire hydrant lines, early fire detection systems, fire banks, and fire walls for mills and underground mines
- Upgrading alarms, sensors, and nitrogen purging systems for accident prevention in smelters
- Fire safety training and awareness programmes, SOPs, and FSIPP for all workers at all locations
- Grounded fuel storage systems with lightning arrestors, and regular checks on earth connections and resistances

Associated Opportunities
- Stronger ESG ratings, investor confidence, and social licence to operate alongside reduced downtime, insurance premiums, and asset loss, ensuring sustained production

Risk Outlook

Short circuits and mishandling of combustibles and explosives pose high risk of fire incidents. We mitigate these through strict SOPs, automated suppression systems, workforce training & awareness, and specialised rescue teams

R9 Occupational Hazards (Exposure to Gases and Fumes)

Risk Description
Exposure to sulphuric acid fumes and hazardous gases, such as carbon monoxide (CO), lead and metal dust, sulphur dioxide (SO_2), chlorine, and propane, can pose a serious occupational health risks.

Material Topic
M1 M2 M16

Impact on Capitals

Risk Mitigation Strategy
- Conduct regular inspections, audits for internal and external structural integrity, and non-destructive testing (NDT) in all smelters
- Online hazardous gases monitoring sensors, work zone cameras, and personnel monitoring sensors to detect leaks
- Installing air filters and tail gas treatment (TGT) systems on all relevant equipment to reduce harmful and poisonous emissions
- Stringent use of personal protective equipment (PPE), including gas masks, eye protection, and gloves during operations
- Investing in new technologies, such as powered air purifying respirators (PAPR), safety showers, and diphtheriae kits in acid plants and auto cut-off systems for chlorine tonner leakage
- Structure strengthening and hygiene installation

Associated Opportunities
- Improving regulatory compliance and ESG ratings strengthens investor confidence and social licence to operate
- Reduced compensation costs and improved talent retention for long-term operational stability and competitive positioning

Risk Outlook

Structural failures and technology glitches or inadequate monitoring may pose occupational safety risks. However, our investments in state-of-the-art technology, including sensors and AI/ML, etc., mitigate such hazards.

R10 Cyber-Attacks and Data Loss

Risk Description

Cyber-attacks (malware, phishing, ransomware), security breaches of information technology/ operational technology (IT/ OT) systems, and loss of confidential/sensitive data such as unpublished price sensitive information (UPSI), generation data, personally identifiable information (PII), threaten operational continuity.

Material Topic

M17

Impact on Capitals

Risk Mitigation Strategy

- Implemented Incident Response and Security Information and Event Management (SIEM) for threat detection, compliance, and security incident management
- Up-to-date endpoint security with regular updates and continuous traffic monitoring
- Annual Certified Security Analyst (CSA) and IT infosec infrastructure configuration reviews
- Control of confidential data via manual tagging and business partner confidentiality agreements to prevent leaks
- Cloud proxy solutions, Endpoint Detection and Response (EDR) and secure hosting of IT systems on Azure or other cloud systems
- Mandatory virtual private network log-in for remote employees and contract staff ensures restricted access with multiple security layers

Read more about cybersecurity measures on page 278

Associated Opportunities

- Gain competitive advantage by safely adopting innovative technologies, expanding remote operations and integrated supply chain solutions

Risk Outlook

Despite state-of-the-art measures and information policies, escalating cyberattack sophistication may create advanced persistent threats, requiring the Company to continuously evolves its defenses and stay ahead of the emerging risks.

Beyond the above principal/critical risks, we have identified additional risks. These include climate change, water management, talent management, etc., categorised into severe to moderate categories, based on their impact, likelihood, and velocity. Understanding their potential to escalate in future, we have proactively initiated mitigation actions to manage them.

SUSTAINABILITY RISK MANAGEMENT

Guided by our Enterprise Risk Management (ERM) policy and ICMM-aligned approach, we adopt an integrated lens to evaluate risks and opportunities across geographies, business segments, and time horizons.

The Chief HSE & Sustainability Officer oversees ESG and climate risks, reporting to the Board's Risk Management Committee to ensure accountability and proactive governance. This approach not only mitigates threats across World Economic Forum's assessment categories but also leverages ESG insights to drive resilience, sustainable value creation, and business opportunities.

SUSTAINABILITY GOVERNANCE

Integrated Alignment

The ESG function collaborates with each business unit and function to ensure coordinated action while maintaining independence from service lines and other operational functions within our risk management framework.

Strategic Oversight

The Chief Risk Officer (CRO) oversees enterprise-wide risk management, including ESG risks, and provides bi-annual progress reports to the Board's Audit & Risk Management Committee.

Audits and Independent Assurance

The Internal Audit function provides strategic advisory on business activities, risks, and controls, while independent assurance validates the strict adherence of our risk management processes with the Company's established policies and procedures.

MANAGING SUSTAINABILITY RISKS AND OPPORTUNITIES

At Hindustan Zinc, ESG risk management is embedded into enterprise decision-making through continuous stakeholder engagement, materiality-based prioritisation and proactive mitigation of emerging risks. Our approach enables us to identify, assess and manage sustainability risks while unlocking long-term value creation.

Stakeholder and Materiality-led Strategy

We prioritise stakeholder engagement and materiality analysis to prioritise topics of significance for our internal and external stakeholders, and manage risks and opportunities effectively, aligning our goals and strategies with the evolving expectations of our partners and global markets.

For further details, please refer to Materiality Assessment

Top Material Priorities

We have identified our top three material topics and key enterprise-level ESG risks due to their potential regulatory, operational, reputational, financial, market access, and physical impacts.

How We Manage ESG Risks

Design-Level Integration

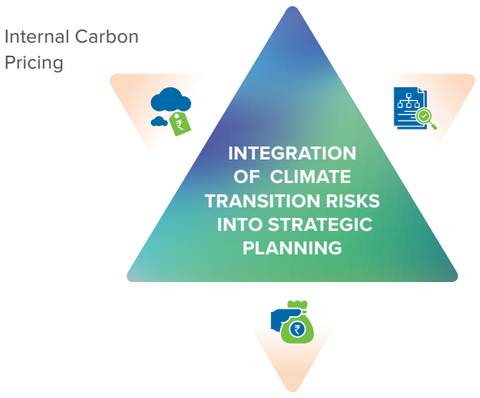
ESG considerations are integrated into our overall business strategy from day one. Potential project impacts are assessed during inception, ensuring mitigation measures are incorporated at the early stage.

Systemic Resilience

Our ESG risk management framework recognises the sustainability interdependencies and enables an integrated enterprise-wide approach to managing ESG risks and opportunities.

Air emissions and quality, tailings management, and water management are our top three material topics. Additionally, we treat biodiversity, climate change, and waste management as key enterprise risks.

CLIMATE-RELATED RISKS AND OPPORTUNITIES ASSESSMENT



Sustainability and climate-related risks are embedded into the corporate risk register and assessed based on likelihood, financial impact, and time horizon. The Company's Risk Management Committee oversees principal risks, including commodity price volatility, regulatory developments, climate transition risks, water availability, tailings management, and community relations.

We use scenario analysis and internal carbon considerations in capital allocation decisions, particularly for expansion projects and energy transition initiatives. Identified risks and opportunities are monitored through defined key risk indicators and their potential financial implications, such as impacts on operating costs, capital expenditure, and asset valuations, are evaluated to ensure connectivity between sustainability disclosures and financial reporting.

EMERGING RISKS

ER1 Escalating Global Regulatory Fragmentation, Geopolitical Trade Wars, and Compliance Mandates

Risk Description

- **Punitive Intermediary Timelines:** Strict timelines for developing auctioned blocks under the MMDR 2025 Act, with 1% monthly confiscation of total performance security on bidder-related delays
- **Mandatory Nature-Positive Assurance:** ESG reporting now requires mandatory financial assurance. SEBI's BRSR Core mandates external, audit grade verification of sustainability metrics, while Taskforce on Nature-related Financial Disclosures (TNFD) gains prominence and calls for quantified, geographically mapped local biodiversity disclosures
- **EU and UK CBAM Implementations:** The EU Carbon Border Adjustment Mechanism (CBAM) became fully operational on January 1, 2026, transitioning from voluntary reporting to mandatory carbon cost imposition on embedded emissions in imports like steel and aluminium, with the UK CBAM set to follow in 2027
- **Geopolitical Scenarios and Trade Wars:** Escalating trade wars and geopolitical fragmentation are reshaping the global economy, disrupting supply chains and market access. Uncertainty in US trade policy, including recent US Section 232 investigations into critical minerals and January 2026 tariff-related proclamations has increased severe unpredictability into global metal trade flows and dents exporter confidence

Possible Impact

- **Catastrophic Contingent Liabilities:** The 1% monthly penalty on performance securities for project delays, potentially destroying the net present value (NPV) of the Company's highly complex, multi-year capacity expansion projects
- **Erosion of Export Competitiveness:** Indian steel exporters may need to cut prices by 15-22% to absorb the CBAM tax burden. As zinc is primarily used in steel galvanisation, the reduced competitiveness of Indian steel directly threatens the Company's downstream demand and may push it to explore alternative export markets at potentially lower premiums
- **Supply Chain and Market Disruptions:** Rising tariffs, economic sanctions, and trade wars can disrupt our procurement of critical raw materials (such as coal and explosives) and limit market access, exposing the Company to revenue volatility, project cancellations, and increased logistics expenses
- **Loss of Capital Access:** Inability to produce transparent, standardised and forward-looking transition metrics that satisfy ISSB S2 auditors under the BRSR Core or TNFD frameworks could exclude Hindustan Zinc from global sustainable finance markets, drastically elevating the weighted average cost of capital (WACC)

Mitigating Actions

- **Leveraging Low-Carbon Zinc (EcoZen):** Proactively scaling the production and supply of EcoZen, Asia's first low-carbon zinc with a footprint of less than 1 tCO_2e per tonne of zinc, to help downstream steelmakers minimise their Scope 3 emissions and subsequent CBAM liabilities
- **Geopolitical Supply Chain Diversification:** Actively exploring alternative export markets with less stringent carbon taxes (such as the Middle East and ASEAN) and diversifying critical raw material suppliers to navigate global trade war uncertainties and mitigate single-region dependency
- **Agile Regulatory Navigation and Specialised PMO:** Establishing a dedicated, executive-level Project Management Office (PMO), operating independent of local site management, to exclusively monitor compliance with the MMDR 2025 intermediary timelines. This PMO must utilise advanced predictive analytics to foresee critical path delays and secure early production incentives
- **Enterprise-Grade ESG Data Architecture:** Transitioning all sustainability data from siloed, manual reporting systems into an integrated, blockchain-enabled, or enterprise resource planning (ERP) linked ESG data architecture. This ensures that metrics related to Scope 1, 2, and 3 emissions are recorded with the immutable, audit-grade fidelity required by external ISSB S2 and BRSR Core assurance auditors
- **Proactive TNFD Ecosystem Modelling:** Accelerating the deployment of drone technology, IoT sensors, and spatial AI to continuously map, quantify, and document the health of local ecosystems surrounding Rampura Agucha, Sindesar Khurd, and Zawar mines to empirically validate our "Nature-Positive" trajectory to TNFD-aligned institutional investors
- **Strategic Industry Advocacy:** Leveraging the Company's prominent position on the Governing Council of the Federation of Indian Mineral Industries (FIMI) to collaboratively shape the implementation guidelines of the State Mining Index and the National Critical Mineral Mission

ER2 Geoeconomic Fragmentation and Base Metal Margin Volatility

Risk Description

- **Macro Volatility:** The global macroeconomic environment governing base and precious metals is entering a phase of acute structural instability. While long-term demand for transition metals remains robust, the immediate 2026 forecast for zinc is characterised by price volatility
- **Tariff Architectures and Geopolitics:** Geopolitical risk is at a zenith. The implementation of aggressive US trade tariffs (e.g., Section 232 investigations into critical minerals) and the strategic recalibration of China's 15th Five-Year Plan create massive unpredictability in global manufacturing demand and metal trade flows
- **US-Iran-Israel Conflict and Regional Escalation:** The escalating Israel and Iran conflict, alongside US engagement in the broader Gulf region, have evolved into an active operational challenge for the Company's export operations in the following ways:
  - Material disruptions to established shipping corridors to our Middle East and Africa (MEA) markets, including vessel cancellations, sailing postponements, and emergency freight surcharges on Gulf-bound cargo
  - Introduced complexity into the Company's trade finance arrangements
  - Created downstream exposure on commodity hedging positions linked to affected shipments
- **Silver Cross-Commodity Dependency:** Hindustan Zinc is aggressively pursuing a multi-metal future, with its silver portfolio surging to rank among the top 10 globally. The structural hike in global silver prices is currently providing a massive financial buffer as silver contributed towards c.45% of the Company's overall profitability

Possible Impact

- **Cash Flow Variability:** Sustained price volatility may moderate the Company's cash flow predictability, integral to self-funding its annual project capex requirements and ongoing capacity expansions. A prolonged softening in global manufacturing demand, potentially exacerbated by evolving tariffs, could push LME prices downwards, necessitating reassessment of operational priorities and capital allocation across the asset portfolio
- **Energy Cost Inflation and Margin Erosion:** A sustained Hormuz-linked energy price shock and the Red Sea rerouting linked freight cost escalation could materially inflate the cost of diesel, explosives, and inbound raw material procurement, thereby threatening to inflate Hindustan Zinc's logistical, operational, and power procurement costs, directly compressing margins
- **Collapse of Cross-Commodity Subsidisation:** Any sudden cyclical macroeconomic correction in silver prices, with subdued or highly taxed zinc via carbon border adjustments could contract the enterprise EBITDA
- **Loss of Competitiveness against Global Supermajors:** As major global peers aggressively consolidate or sequence their portfolios to dominate the 1st quartile, wild margin fluctuations could leave Hindustan Zinc undercapitalised, limiting its competitiveness in the global export market or inhibiting ability to execute growth strategies

Mitigating Actions

- **Dynamic Strategic Hedging:** Expanding the enterprise risk management focus on financial derivatives to lock in favourable forward prices, Hindustan Zinc must deploy dynamic hedging strategies across its portfolio. Strategic hedging at Hindustan Zinc acts as a safeguard for margin protection to a certain extent of the annual production
- **Agile Export Market Reorientation, Geopolitical Supply Chain Diversification, and Logistics Resilience:**
  - Realigning near-term export strategy by redirecting contracted MEA-bound volumes towards Southeast Asian markets to sustain sales and minimise inventory risks amid ongoing Gulf disruptions
  - Maintaining active dialogue with international shipping liners to secure prompt vessel bookings
  - Renegotiating trade finance arrangements, including factoring and discounting positions, in coordination with banking partners
  - Reassessing open commodity hedging positions linked to diverted shipments
  - Commissioning supply chain stress tests modelling for Strait of Hormuz disruption and Red Sea rerouting scenarios, building strategic buffer inventories of critically exposed input materials such as explosives-grade ammonium nitrate and industrial diesel
  - Pre-negotiate contingency freight agreements across alternative logistics corridors
- **Asymmetric Capitalisation on Silver Dynamics:** Repositioning silver portfolio not as a by-product alone, but as a major critical global energy transition metal and a strategic financial lever, Hindustan Zinc is increasing silver production either

through high-grade silver output initiatives (such as the Sindesar Khurd operations) or recovery improvement initiatives to boost production and strengthen the silver portfolio for enhanced stakeholder value

- **Relentless Cost Curve Obsession:** Hindustan Zinc must maintain strict operational discipline to remain in the 1st quartile of the global cost curve amid market price fluctuations. This requires optimising power cost by sourcing from 530 MW round-the-clock renewable power agreements and coal sourcing rationalisation, driving higher productivity and better recoveries, and consistently optimising the cost of production across all operational sites
- **Geographical and Value-Chain Diversification:** Hindustan Zinc must dilute reliance on traditional export markets susceptible to sudden geopolitical tariff barriers and aggressively deepen domestic integration of its refined zinc into India's burgeoning domestic solar and wind infrastructure, railways, and automotive markets. This strategy will help create a localised, captive demand ecosystem that is highly immune to international trade wars

ER3 Operational Complexity and AI-Driven Technological Integration Vulnerabilities

Risk Description

- **The Complexity Ceiling:** As Hindustan Zinc executes its strategic target to double the production capacity, the inherent geological and mechanical complexity of its underground mining and metallurgical operations is expanding exponentially. Globally, the mining sector identifies operational complexity, driven by declining ore grades, deeper orebodies, and aging infrastructure, as its paramount systemic risk
- **IT-OT Convergence and Algorithmic Dependency:** The progressive integration of AI-driven automation and machine learning systems into core smelting and processing operations has inextricably converged Information Technology (IT) and Operational Technology (OT). While reducing manual dependency and optimising yield consistency, this convergence introduces profound new vectors of technological risk. The intersection of highly volatile physical chemistry with algorithmic autonomy means that any failure, miscalibration, or compromise can trigger immediate physical and operational consequences, not merely data or software-level disruptions
- **Model Drift and Algorithmic Fragility:** Machine learning algorithms deployed to control critical metallurgical processes, including chemical dosing and continuous hotspot monitoring, are trained on historical ore profiles and operational data. As the Company increasingly processes ore from newer, deeper underground veins or reprocessed tailings with materially different metallurgical properties, there is a growing structural risk that these algorithms may operate outside their training data. This model drift could result in significant AI miscalculations of critical chemical inputs, leading to metallurgical imbalances, compromised metal purity, infrastructure damage, or acute environmental discharges, without any visible warning to human operators

Possible Impact

- **Systemic Bottlenecking and Catastrophic Process Failure:** Unmanaged AI model drift in smelter dosing could cost millions of dollars in compromised metal purity, smelting infrastructure damages, or acute environmental discharges, with cascading impacts on production continuity and regulatory standing
- **Catastrophic Cyber-Physical Vulnerabilities:** The integration of real-time analytics and cloud-based OT systems vastly expands the Company's cybersecurity attack surface. A targeted cyber-intrusion, ransomware attack, or malicious disruption of the AI command centres could go beyond corporate data breaches to physically halt smelting operations, disrupt automated ventilation in deep underground shafts, or compromise the structural monitoring of highly sensitive assets like dry tailing plants
- **Workforce Disconnect:** Transitioning to highly automated AI environments may alienate the existing workforce. Without requisite digital literacy to interpret AI's autonomous decisions, the human may be unable to intervene safely during critical system failures, turning software glitches into physical safety incidents

Mitigating Actions

- **The Pivot to Agentic AI:** Hindustan Zinc partnered with applied AI firms like Ripik.AI and has deployed "Agentic AI" systems that utilise machine learning and computer vision to autonomously automate the dosing of critical chemical inputs (zinc dust, sodium sulphate, lime) and conduct 24/7 hotspot monitoring at historic assets like the Debari smelter. Critically, these deployments are governed by a strict human-in-the-loop validation architecture that ensures autonomous recommendations are subject to expert metallurgical review during periods of high operational variability
- **Dynamic Algorithmic Recalibration and Feedback Loops:** Mandating continuous, dynamic recalibration of all AI and machine learning models governing metallurgical processes. Establishing a strict closed-loop feedback mechanism to continuously feed real-time assay data from newly extracted ore and reprocessed tailings back into the AI training matrix, preventing model drift and ensuring the algorithms adapt instantly to shifting geological and chemical inputs
- **Advanced IT-OT Convergence Security Protocols:** Elevating cybersecurity from a traditional IT function to an enterprise-wide physical safety imperative. Implementing strict "air-gapping" protocols between core operational technology (OT) controlling physical mining/smelting hardware and broader corporate IT networks. Deploying autonomous threat-hunting algorithms for industrial control systems (ICS) to identify and neutralise anomalous network behaviour before physical infrastructure can be compromised
- **Redundancy and Human-in-the-Loop (HITL) Safeguards:** Despite the increasing focus on automation, critical failure points, such as the Switchyard & Rectifier Hotspot Monitoring System, maintain robust, analog fail-safes. A strict "Human-in-the-Loop" (HITL) architecture ensures AI-driven chemical dosing or automated shutdown recommendations undergo final validation by human metallurgical expert during high operational variability or feed changes
- **Comprehensive Workforce Upskilling and Digital Literacy:** Directly addressing the global mining skills deficit by reskilling the existing workforce, shifting labour allocation from manual execution to advanced digital oversight, ensuring on-site operators possess the requisite data literacy to interpret AI outputs, audit machine learning decisions, and override autonomous systems safely and efficiently during an operational crisis

STRATEGIC PRIORITIES

MOVING AHEAD TO A BETTER TOMORROW

Having built a resilient business with industry-leading capabilities and consistently delivering steady performance, Hindustan Zinc is now focused on the next phase of growth and value creation. We are focused on strengthening our core, expanding into new opportunities, and embedding future-ready capabilities across the value chain. Together, these priorities position us to strengthen our long-term competitiveness and unlock greater shareholder value.

S1 MAINTAINING A PORTFOLIO OF MINES WITH LONG LIFE

Enhancing exploration efficiency to add mineral resources and convert them into higher-confidence reserves. With deposits at depth, we are intensifying drilling programmes, supported by advanced technologies and innovative exploration techniques. These efforts improve operational resilience and support mining practices, targeting over 500 Mnt of resources and 250 Mnt of reserves.

Actions taken in FY2026

- Increased total ore reserves to 219.1 Mnt (net of production of 16.6 Mnt), as against 189.1 Mnt at the end of FY2025; total exclusive mineral resource stood at 249.5 Mnt at the end of FY2026
- Combined R&R stood at 468.6 Mnt with 29.2 Mnt of zinc-lead metal and 24.2 kt of silver, supporting the vision of 2x production
- Highest-ever metal reserves since underground transition at c.13.9 Mnt and record silver reserves of c.10.9 kt

Related risks

R3 R7 R9

Capitals deployed

KPIs tracked

- Total mineral resources & ore reserves (R&R)
- Overall mine life

WAY FORWARD

FY2027

Accelerate

- Add c.12 Mnt mineral resources, upgrade c.45 Mnt ore reserves
- Add metal of c.0.6 Mnt from resource addition and c.2.5 Mnt from reserve upgradation
- Active participation in base metal block auctions (focus on zinc and lead)
- AI/ML-led 3D deposit modelling and advanced geophysical surveys to identify potential target

FY2028

Scale to support 2x

- Add c.10 Mnt mineral resources, upgrade c.50 Mnt ore reserves to support doubling of capacity
- Add metal of c.0.5 Mnt from resource addition and c.3.0 Mnt from reserve upgradation
- Continue to bid for base metal, critical and strategic mineral blocks
- Deepen technology-led exploration target generation with advanced geophysical surveys, AI/ML-driven analytics, 3D geological modelling, etc.

FY2030

Sustain and expand

- Sustain existing leases and acquire new mining leases through auctions
- Continue leveraging exploration technology
- Achieve 50 Mnt of ore reserves and 25 years+ mine life

S2 EXPANSION OF CAPACITIES

Invest in organic and inorganic capacity expansion and operational excellence to become the world's largest and most admired zinc, lead, and silver company. A capex of ₹ 40,000-50,000 crore has been planned over the next five years to enhance refined metal capacity from 1.14 Mnt to 2.0 Mnt, with Phase-1 capex of c.₹ 17,000 crore approved by the Board in FY2026.

Actions taken in FY2026

- Commissioned a new 160 ktpa roaster at Debari, securing continuous feed to the cell houses and enhancing refined zinc production
- Debottlenecked the hydrometallurgical zinc smelters at Chanderiya Lead Zinc Smelter (CLZS) (Hydro-II) and Dariba Smelting Complex (DSC) with current increment from 200 kA to 212 kA, enhancing refined zinc capacity by 21 kt
- Initiated Phase-1 projects: Completed groundbreaking for the 250 ktpa integrated zinc smelting complex at Debari and 10 Mtpa tailings reprocessing plant at Rampura Agucha Mine (RAM)
- Technical and drilling partners are locked in for Rajpura Dariba and Zawar for advancing the 2x exploration programme
- Debottlenecked the shafts at RAM and Sindesar Khurd Mine (SKM)
- Excavated the box cut of Maa Annapurna portal at Rajpura Dariba Mine (RDM), along with associated surface civil works for further expansion

Related risks

R1 R2 R3 R4 R6 R7 R8 R9 ER1 ER2

Capitals deployed

KPIs tracked

- Mined metal production
- Refined metal production
- Silver production

WAY FORWARD

FY2027 — Commission, debottleneck, build

- Commission 510 ktpa fertiliser plant at Chanderiya
- Commission a hot acid leaching plant to recover an additional c.6 kt of lead and c.27 MT of silver through the zinc route
- 20% productivity gain across the mines and new mining production centres at RDM and RAM
- Commence debottlenecking and redesigning work to enhance concentrator capacity from 19.3 Mtpa to 35 Mtpa
- Debottleneck Hydro-I in CLZS to increase current from 200 kA to 212 kA, adding 10 kt refined zinc capacity
- Commencing construction of a 200 ktpa lead smelter, a 650 TPA silver refinery, and a 400 ktpa zinc smelter (to be integrated into the initial 250 ktpa smelter)
- Install a packed gas cooling tower in the sinter plant to unload additional feed of 1 TPH
- Unlock 100% capacity at the Fumer plant to produce 33 MT of additional silver
- Change from batch to partial continuous operation in Ausmelt, adding 5 kt of metal and 10 MT of silver annually

FY2028 — Bring new sources online

- Commission Maa Annapurna portal at RDM and the tailing reprocessing plant at Rampura Agucha
- Change from batch to complete continuous operation in Ausmelt, adding 15 kt of metal and 30 MT of silver annually
- Commence Bamnia Kalan Mine (BKM) production

FY2030 — 2x capacity

- Ramping up the 250 ktpa integrated zinc smelter at Debari
- Commissioning of 400 ktpa zinc and 200 ktpa lead smelters to scale refined metal capacity to 2,000 ktpa
- Commissioning of the new 650 TPA silver refinery to scale overall silver refining capacity to 1,500 TPA
- Enhance concentrator capacity to 35 Mtpa along with equivalent total mine capacity enhancement

S3 STRENGTHENING COST LEADERSHIP

Remain among the lowest-cost zinc producers globally, staying in the first decile of the global zinc cost curve to support our growth strategy. This will be driven through sustained volume expansion, grade improvement, stronger by-product realisations, innovation, automation, digitalisation, and investment in renewable energy (RE).

Actions taken in FY2026

- Achieved a 5-year lowest zinc cost of production (COP) of US$ 959/MT (ex-royalty) through volume enhancement, improved operational and energy cost efficiencies, better grades, higher recoveries, and digital improvements, leading to cost savings of c.US$ 93/MT
- Reduced energy costs through:
  - Sourcing c.18% RE power, including a 530 MW round-the-clock agreement
  - Improving efficiency and the percentage of Indian coal in the blend, which reduced power generation costs by 10%
- Undertook various alternative fuel innovations, thereby pushing operational efficiencies
- Enhanced minor metal recovery, leading to higher by-product credits
- Reduced equipment cost, increased productivity, and rationalised deployment and improved utilisation of machines underground, leveraging digital tools

Related risks

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10 ER1 ER2 ER3

Capitals deployed

KPIs tracked

- Zinc COP ex-royalty
- % Domestic Coal
- % Renewable Energy

WAY FORWARD

FY2027 — Anchor the cost base

- Maintain zinc COP (ex-royalty) at US$ 975-1,000/MT through efficient ore hauling, higher volumes and grades, stronger by-product realisations, and productivity improvements enabled by automation and digitalisation
- Monitor geopolitical situation for proactive cost risk management
- Ensure RE power mix of 35% and Indian coal blend over 50%

FY2028 — Protect the advantage

- Continue FY2027 efforts and sustain zinc COP below US$1,000/MT
- Increase RE power share to 70%

FY2030 — Cost leadership at 2x capacity

- Maintain zinc COP (ex-royalty) at c.US$ 950/MT via proactive cost savings, increased scale of production, and continued operational efficiencies

S4 BUILDING A DIVERSIFIED PRODUCT PORTFOLIO

Invest in expanding existing products, innovative value-added products (VAP), new critical metals essential for the clean energy transition, and enhancing customer responsiveness to meet their evolving needs.

Actions taken in FY2026

- Developed and commercialised new products like zinc-aluminium-magnesium (ZAM) for steel customers and toning alloys for the domestic market
- Approval of HZDA5 diecasting alloy by a global zip manufacturer
- Partnered with Tata Steel and Silox India to commercialise our low-carbon zinc, EcoZen, among steel galvanising mills and high-end chemical manufacturers
- Secured letters of intent (LOIs) for three critical and strategic mineral blocks, including rare earth elements (REEs), potash, and tungsten (exploration commenced in Q4 FY2026)

Related risks

R5 ER1 ER2

Capitals deployed

KPIs tracked

- VAPs added
- Share of VAP
- Critical and strategic mineral blocks

WAY FORWARD

FY2027

Broaden portfolio

- New VAP line as per customer requirement
- Complete utilisation of the existing alloy plant by onboarding new customers
- Start of zinc dust plant for the paint, chemical, and tyre industry
- Add critical minerals like lithium, copper, gold, and platinum group elements (PGEs) to meet the nation's needs

FY2028

Move up the value curve

- Commercialise new product market in 1.7 MT and 2 MT jumbos
- Commercialise customised alloy jumbos for the domestic and international market

FY2030

A multi-metal enterprise

- Continue adding critical and strategic minerals
- Increase the overall VAP production capacity to 458 kt
- Maintain a future-focused mineral mix

S5 PROGRESSING TOWARDS A SUSTAINABLE FUTURE

Sustainability as a key growth driver, enabled by our ambitious Sustainability Goals 2030. We aim to become a nature-positive company with sustained actions to reduce our carbon footprint and advance our circular economy goals, a healthier and safer workplace, responsible sourcing, diversity and inclusion, and community development, etc.

Actions taken in FY2026

- Secured membership in the prestigious International Council on Mining and Metals (ICMM)
- Optimising carbon footprint:
  - Increased RE power sourcing to c.18%, including 100% green power consumption at the Pantnagar Metal Plant
  - Increased green inter-unit transport fleet to 180 liquified natural gas (LNG) trucks and 52 electric vehicle (EV) trucks across locations
- Increased water recycling rate through the use of recycled water from the filtered tailing plants at Zawar and Rajpura Dariba Mines
- Finalised biodiversity management plans for all locations in collaboration with the International Union for Conservation of Nature (IUCN)
- Transformed 22.25 hectares of Jarofix yard (industrial wasteland) at CLZS into a greenbelt by planting 54,400 native saplings
- Advancing circularity through 101 kt reduction in Jarosite via fumer plant and 654 kt utilisation of Jarosite and Jarofix in the cement industry, road construction, and railway infrastructure
- Developed a comprehensive tailings management plan, aligned with ICMM and the Global Industry Standard on Tailings Management (GISTM)

Related risks

R1 R2 R3 R4 R5 R7 R8 R9 R10

Capitals deployed

KPIs tracked

- Metal recovery
- Specific water consumption
- Specific energy consumption
- Water recycled
- Waste recycled
- GHG emission
- Renewable power capacity

WAY FORWARD

FY2027

Tangible multi-dimensional actions

- Additional tail gas treatment (TGT) plants
- Deployment of 41 EV buses across locations for employee commute
- Transition from wet to filtered tailing disposal facility at Rampura Agucha
- Advancing municipal sewage treated water use at CLZS
- Commission hot acid leaching plant for lead and silver recovery from smelting waste at Dariba

FY2028

Restore and regenerate

- Permanent capping of phase 1 of Jarofix yard (10 hectares) through mycorrhiza technology at Dariba Smelting Complex (DSC)
- Initiation of natural forest at CLZS

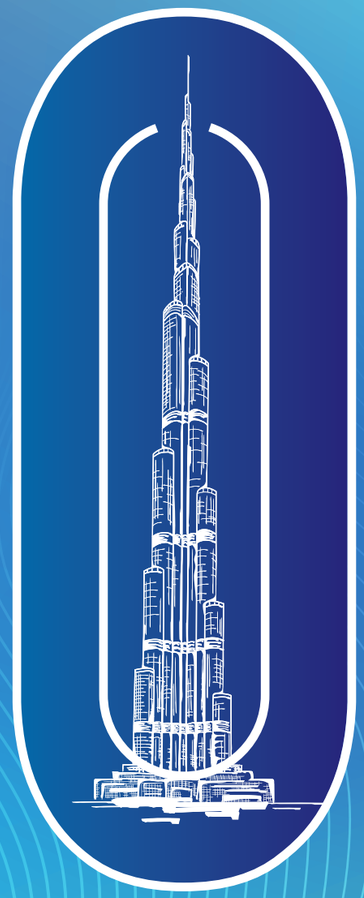
FY2030

Achieve Sustainability Goals 2030

- Reduce Scope 1 & 2 emissions by 50% and Scope 3 emissions by 25% in line with SBTi (Science Based Targets Initiative)
- Commission India's first 10 Mtpa tailings reprocessing plant at Rampura Agucha

Refer page 178 for more information on our sustainability efforts and plans.

DID YOU KNOW?



OUR RAMPURA AGUCHA SHAFT RUNS SO DEEP,

Rampura Agucha

- **Shaft depth is 950 metres**
- **Burj Khalifa's height is 828 metres**

YOU COULD INVERT THE BURJ KHALIFA UNDERGROUND

These are illustrative comparisons intended to provide a sense of scale, based on estimates and public data.

CFO'S STATEMENT

Dear Shareholders,

FY2026 was a strong year for Hindustan Zinc, with financial performance delivered ahead of our guidance at the beginning of the year. During the year, we crossed ₹ 40,000 crore mark in revenue and ₹ 20,000 crore mark in EBITDA for the first time, while achieving the lowest zinc cost of production in the last five years.

This performance was delivered alongside the execution of our capex programme while maintaining a prudent balance sheet and continuing our focus on shareholder returns. We remain committed to cost leadership, disciplined capital allocation, and rigorous execution, particularly through periods of commodity and macro-volatility.

A MACRO ENVIRONMENT THAT REWARDED DISCIPLINE

Globally, FY2026 was marked by uneven growth and geopolitical volatility. India remained relatively resilient, with GDP growth of c.7.5% and manufacturing PMI sustained above 56.

Commodity markets, despite some volatility, remained resilient through the year. The underlying metal fundamentals remained constructive, with acceleration in demand for transition-critical metals. Zinc demand was stable, supported by galvanisation, while lead continued to witness steady battery-driven demand. Silver stood out with strong demand from solar and electronics, resulting in a sustained deficit.

Both base (zinc) and precious (silver) metals closed the period in positive territory, with silver recording a strong rally during Q4 FY2026. The medium-term outlook for these metals remains constructive, with silver supported by industrial demand drivers; however, pricing may remain subject to macro conditions and market volatility.

In an environment characterised by volatility in commodity prices, energy inputs, foreign exchange, and regulatory developments, we remain focused on disciplined risk management. Our mitigations include structural cost competitiveness, continuous improvement in the energy mix and procurement, prudent liquidity and balance sheet management, and strategic hedging for a portion of production. For our growth programme, we have strengthened project governance and assurance to manage execution, safety, and sustainability risks and to deliver outcomes aligned to our capital allocation priorities.

RECORD PERFORMANCE, RECORD MARGINS

For Hindustan Zinc, which is positioned at the heart of the energy transition, these structural demand drivers, alongside our focus on cost leadership and operational excellence, translated into financial outperformance.

We delivered our highest-ever full-year topline and bottom-line performance. Revenues increased by 20% to ₹ 40,844 crore and EBITDA by 27% to ₹ 22,162 crore. Net profit grew by a strong 34% to ₹ 13,832 crore, with c.45% contribution from silver. We sustained industry-leading EBITDA margins of c.54%, around 300 basis points improvement over the previous year.

Zinc cost of production, excluding royalty, declined to US$ 959 per tonne, 9% lower, driven by higher domestic coal usage at 53% and softer imported coal prices. Internal drivers like record production volumes, growing renewable energy share, stronger by-product realisation, and better mine grades further optimised costs.

A key focus for us is to build resilience across commodity cycles through structural cost competitiveness, operating discipline, and a strong balance sheet. As part of our risk management framework, we undertake strategic hedging for a portion of our annual production, within policy limits, to support greater predictability of revenues, EBITDA, and cash flows and to mitigate adverse price movements. In line with our practice, we hedged 71 kt of zinc and 59 tonnes of silver at average prices of US$ 3,133 per tonne and US$ 60 per troy ounce, respectively. These positions are intended to provide protection against price volatility.

FUNDING THE FUTURE OF HINDUSTAN ZINC

The defining decision of FY2026 was the capital deployment in one of our most consequential growth programmes. Our Board has approved phase-1 projects worth c.₹ 17,000 crore towards doubling refined metal capacity to 2.0 Mtpa and building presence in new critical minerals.

In FY2026, our total capex spend (including sustenance capex) was ₹ 5,844 crore. This included spend towards the 250 ktpa integrated zinc smelter (including matching mines and mills capacity), a 10 Mtpa zinc tailings reprocessing plant, and exploration. Our planned capex for FY2027 is in the range of US$ 500-600 million, primarily directed towards the announced growth projects. We expect these investments to support a stronger medium-term operating profile, subject to project execution, market conditions, and other external factors.

A BALANCE SHEET BUILT TO DELIVER AMBITION

Our balance sheet is positioned to support our strategic priorities. Based on our internal planning assumptions, we estimate pre-growth capex free cash flow (FCF) generation of ₹ 55,000–65,000 crore over the next five years, against an estimated growth capex outflow of ₹ 40,000–50,000 crore. This provides capacity to execute the expansion programme while maintaining financial prudence and continuing our focus on shareholder returns.

In FY2026, our operations generated FCF before growth capex and renewable power investment of ₹ 13,337 crore.

We closed the year with a net cash position of ₹ 5,594 crore (as compared to a net debt position of ₹ 1,169 crore in the previous year). Gross investments and cash & cash equivalents were ₹ 13,846 crore as of March 31, 2026, invested in high-quality assets. We continue to maintain an investment-grade credit rating of AAA from CRISIL.

CONSISTENT VALUE DELIVERY

Our performance in FY2026 translated into value creation for shareholders. We delivered industry-leading return on capital employed of c.67% compared to 58% in the previous year. Dividend for the year stood at ₹ 10 per share, translating into a total dividend payout of ₹ 4,225 crore, among the higher payouts in the country.

Our market capitalisation reached a peak of around ₹ 3,10,000 crore during the year and stood at c.₹ 2,12,000 crore as of March 31, 2026. Since disinvestment in FY2002, Hindustan Zinc has delivered total shareholder returns of over 1400x with a compounded annual growth rate of around c.33%. The Company's inclusion in the Nifty 100, Nifty Next 50, and multiple Nifty ESG indices reflects the market's recognition of our long-term performance and governance standards.

During FY2026, we contributed ₹ 18,846 crore to the national exchequer, including over ₹ 6,000 crore to the state of Rajasthan, reinforcing our role as a significant contributor to the economy at both the central and state levels.

MOVING AHEAD WITH CONVICTION

FY2026 reflected the strength of our business model and execution as we delivered strong financial and operational outcomes. The year has also positioned us to pursue the next phase of opportunities as the world progresses towards electrification, decarbonisation, and energy security.

Hindustan Zinc intends to play a pivotal role by building future-ready capabilities, advancing sustainability, and delivering consistent returns. The discipline that has defined our financial performance through economic and commodity cycles will continue to guide how we steward shareholders' capital going forward.

I thank all stakeholders for their continued trust and support. We remain focused on executing responsibly and creating long-term value for the Company and its shareholders.

Sandeep Modi

Chief Financial Officer, Hindustan Zinc Limited

(Ceased to be CFO w.e.f. the close of business hours on May 30, 2026.)

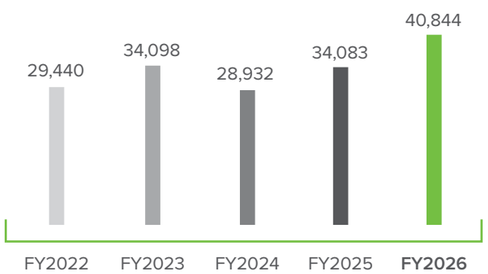
KEY PERFORMANCE INDICATORS

PERFORMANCE BUILDING THE FOUNDATION FOR HZL 2.0

CONSOLIDATED FINANCIAL PERFORMANCE

Revenue from Operations

(₹ crore) (including other operating income)



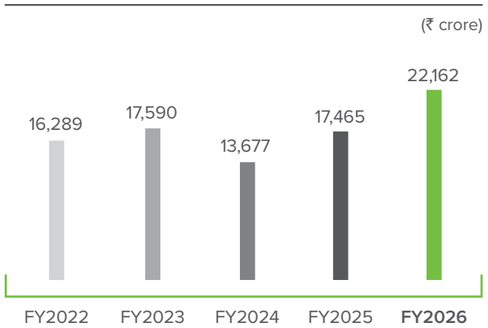
Revenue Mix

(%)

	FY2022	FY2023	FY2024	FY2025	FY2026
Zinc and Lead	81	82	77	77	68
Silver	14	13	19	18	24
Wind Energy	1	1	1	0	0
Others	4	4	3	5	8

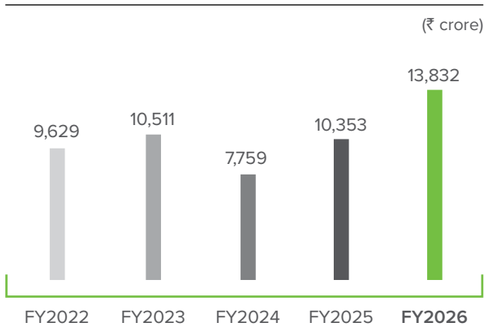
EBITDA

(₹ crore)



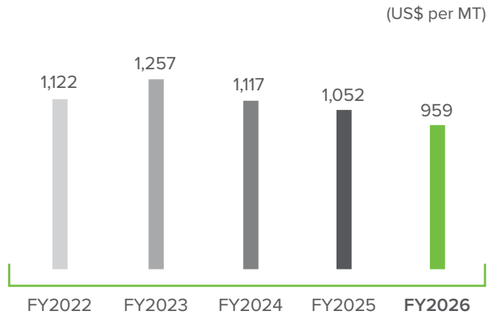
Net Profit

(₹ crore)



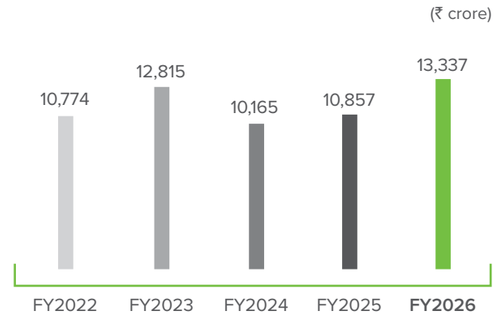
Zinc Cost of Production Excluding Royalty

(US$ per MT)



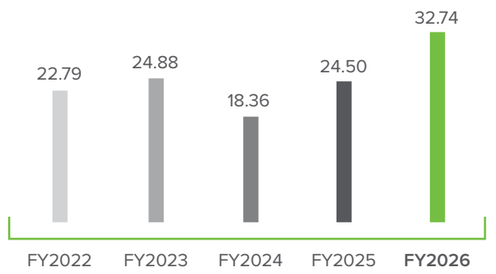
Free Cash Flow from Operations*

(₹ crore)



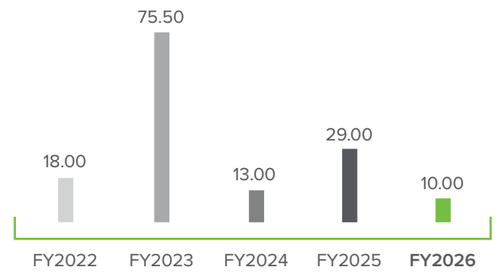
Earnings Per Share

(₹)



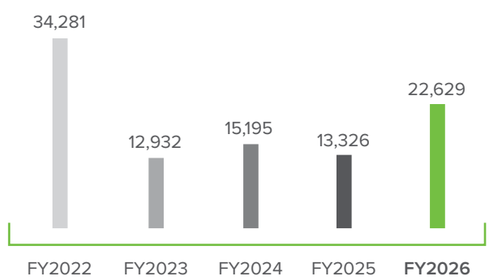
Dividend Per Share

(₹)



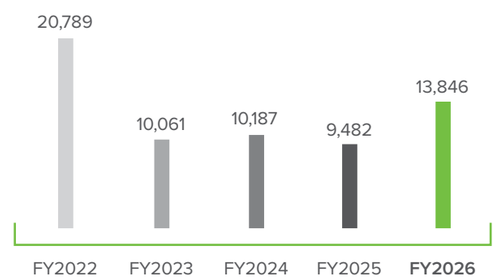
Networth

(₹ crore)



Gross Cash and Cash Equivalent**

(₹ crore)

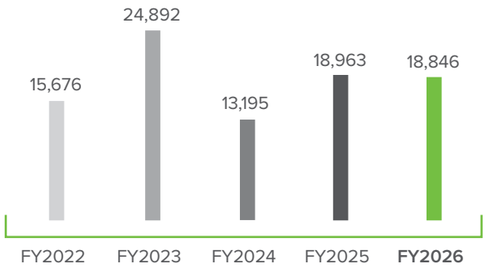


* Free cash flow from operations before growth capex and investments in renewable energy

** Includes cash and cash equivalents, investments as applicable, and other bank balances excluding dividend account balance

Contribution to Exchequer*

(₹ crore)



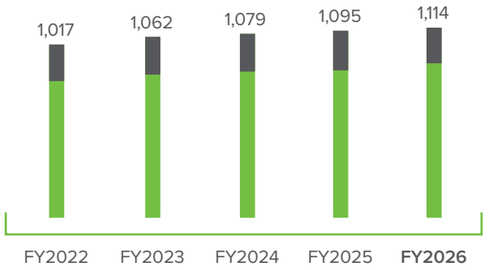
*on gross basis

SEGMENT-WISE PERFORMANCE

Base Metal Performance

Total Mined Metal

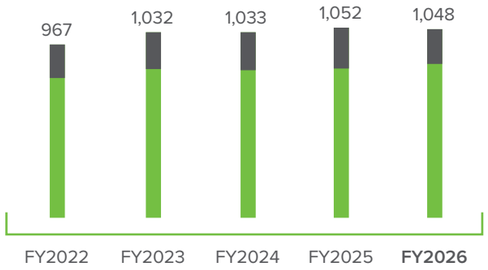
(kt)



	2021-22	2022-23	2023-24	2024-25	2025-26
Zinc (MT)	8,01,035	8,39,051	8,55,001	8,62,978	9,03,912
Lead (MT)	2,16,023	2,23,038	2,24,052	2,31,553	2,10,464

Total Refined Metal*

(kt)



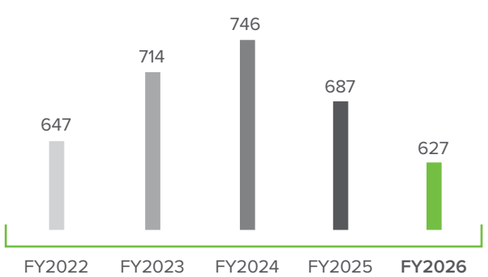
	2021-22	2022-23	2023-24	2024-25	2025-26
Zinc (MT)	7,75,808	8,20,898	8,17,059	8,26,812	8,51,303
Lead (MT)	1,91,185	2,10,690	2,15,984	2,25,470	1,96,832

Precious Metal Performance

With the global shift towards clean energy, silver has become increasingly important in the production of photovoltaic cells used in solar panels, making it a key component in the transition to renewable energy sources. Its unique characteristics make it irreplaceable in many modern and sustainable technologies. Over last 2 decades, Hindustan Zinc grew its silver portfolio by over 20 times from 24 tonnes to 627 tonnes in FY2026 and is among the top 10 silver producers globally.

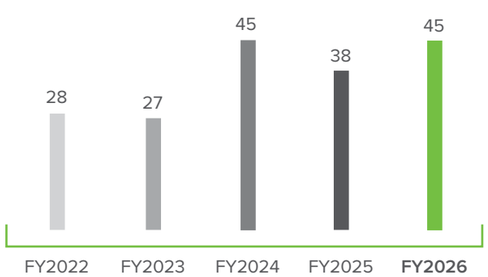
Total Silver*

(MT)



Contribution of Precious Metal in EBIT

(%)

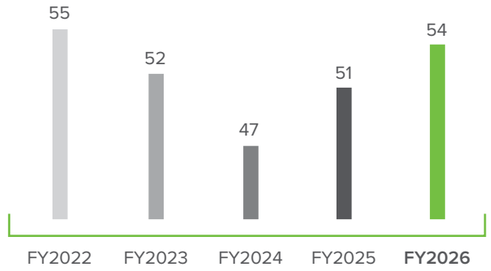


* Excludes captive consumption

KEY PERFORMANCE RATIOS

EBITDA Margin

(%)



Description

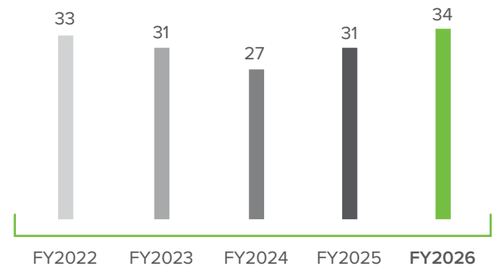
Earnings before interest, tax, depreciation and amortisation (EBITDA) is a factor of volume, prices, and cost of production. This measure is calculated by adjusting operating profit for special items and adding depreciation and amortisation and dividing it by revenue from operations.

Management Statement

EBITDA margin increased from 51% in FY2025 to 54% in FY2026 in line with better zinc and silver prices, favourable exchange rate, and lower cost of production, partly offset by losses from strategic hedging initiative, lower lead prices, and lower silver volume.

Net Profit Margin

(%)



Description

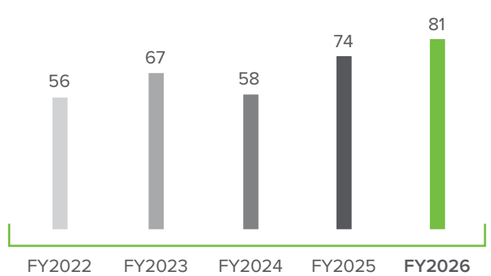
This is a measure of the profitability of a company. It is calculated as a ratio of net profit (before exceptional items) to revenue from operations (including other operating income).

Management Statement

Net profit margin is higher on account of higher EBITDA and a lower interest expense, offset by higher depreciation & amortisation and a lower effective tax rate in the base period (due to one-time reversal of tax provisions).

Return on Net funds for Business Operations

(%)



Description

This is calculated on the basis of operating profit net of tax expenses, as a ratio of net funds for business operations.

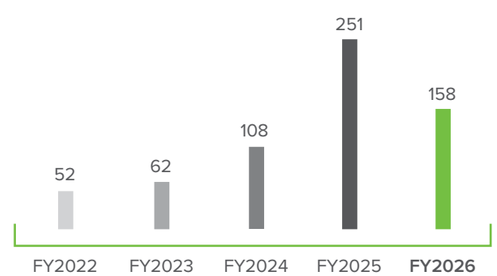
The objective is to earn a post-tax return consistently above the weighted average cost of capital.

Management Statement

Increase in return on net funds for business operations is mainly on account of higher operating profit net of taxes partially offset by higher net funds employed for business operations.

Debtor Turnover Ratio

(in times)



Description

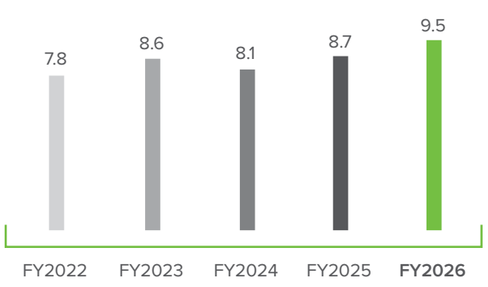
The debtor turnover ratio is an accounting measure used to quantify a company's effectiveness in collecting its receivables. This is calculated as a ratio of revenue from operation (including other operating income) to average trade receivables.

Management Statement

Decrease in debtor turnover ratio is primarily on account of higher trade receivables as compared to the previous year.

Inventory Turnover Ratio

(in times)

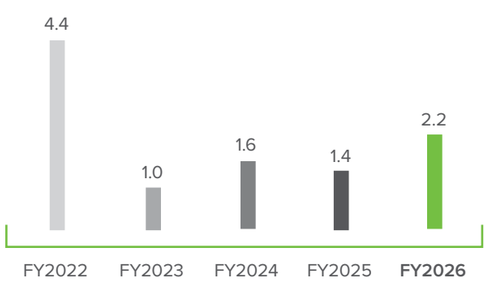


Description
The inventory turnover ratio is an efficiency ratio that shows how effectively inventory is managed. This is calculated as a ratio of cost of goods sold to average inventory.

Management Statement
Inventory turnover ratio was marginally higher on account of higher cost of goods sold.

Current Ratio

(in times)

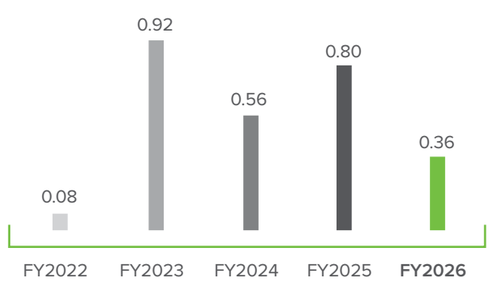


Description
The current ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. This is calculated as a ratio of current assets to current liabilities.

Management Statement
Current ratio is higher mainly on account of increase in current investments.

Debt Equity Ratio

(in times)

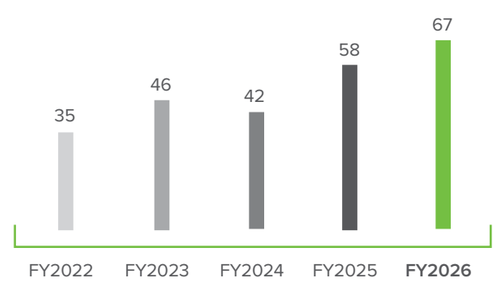


Description
The Debt Equity Ratio reflects the Company's ability to meet its short-term and long-term obligations in proportion to the net worth of the Company.

Management Statement
Debt Equity Ratio is lower on account of lower borrowings and higher shareholders' equity.

Return on Capital Employed

(%)

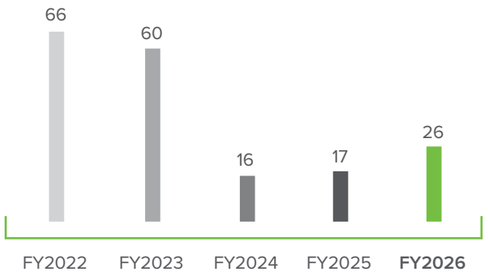


Description
Return on capital employed is calculated as a ratio of earnings before interest and taxes (EBIT) to average capital employed (capital employed = net worth + total debt).

Management Statement
Return on capital employed has increased due to higher EBIT partially offset by higher average capital employed.

Interest Coverage Ratio

(in times)

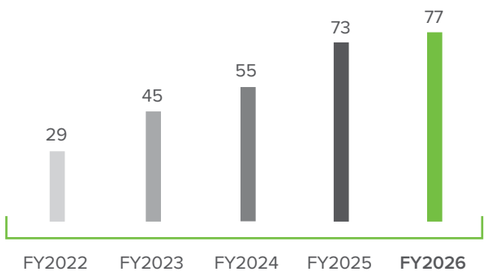


Description
The ratio is a representation of the ability of the Company to service its debt. It is computed as a ratio of EBITDA divided by finance costs.

Management Statement
The interest coverage ratio is higher on account of higher EBITDA and lower finance cost.

Return on Net Worth

(%)



Description
Return on net worth is a measure of the profitability of the Company. This is calculated as a ratio of net profit (before exceptional items) to average net worth (share capital + reserves).

Management Statement
Return on net worth is higher mainly on account of higher net profits after tax partially offset by higher net worth.

ECONOMIC VALUE ADDED

Economic value added (EVA) is a measure of a company's financial performance based on income generated post charging for the cost of capital provided by lenders and shareholders. It represents the value added for the shareholders by generating operating profits in excess of the cost of capital employed in the business.

(₹ crore)

	FY2022	FY2023	FY2024	FY2025	FY2026
Equity	15,195	12,932	34,281	32,313	22,629
Capital employed	13,464	14,712	16,315	17,183	17,035
Average capital employed	14,088	15,513	16,749	17,948	15,765
Economic Value Added					
Net operating profit after taxes (NOPAT)	7,828	9,925	9,205	7,031	13,852
Cost of capital (COC)	1,817	2,444	1,950	2,131	2,209
Economic Value Added (EVA)	**6,011**	**7,481**	**7,255**	**4,900**	**11,643**
NOPAT/Average capital employed (%)	55.6%	64.0%	55.0%	39.2%	87.9%
Weighted average COC (%)	12.9%	15.8%	11.6%	11.9%	14.0%
EVA/Average capital employed (%)	**42.7%**	**48.2%**	**43.3%**	**27.3%**	**73.9%**

Additional Information

NOPAT: Net operating profit after tax (NOPAT) is a financial measure that shows how well a company performed through its core operations, net of taxes. It is calculated as profit after depreciation and tax, but before interest.

Cost of Capital: Cost of capital is the return expected by investors to compensate them for the variability in return caused by fluctuating earnings and share prices.

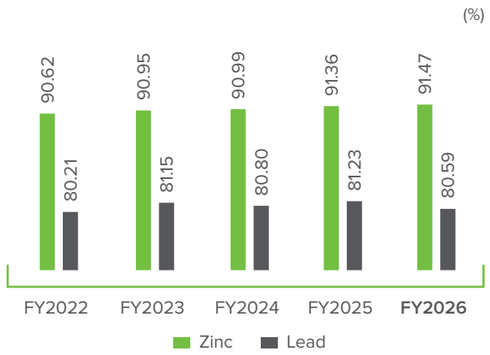
Capital Employed: Capital employed is the total amount of funds deployed in the business in order to generate profit exclusive of net cash and cash equivalents.

ESG OUTCOMES

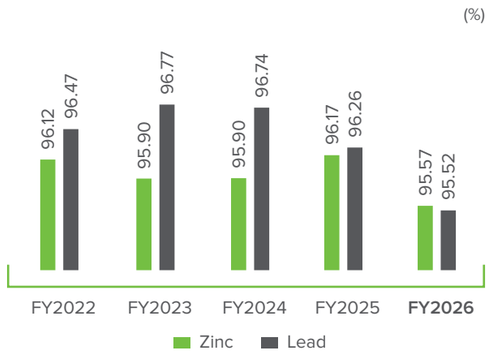
Our Environmental, Social and Governance (ESG) focus has enabled us to deliver sustained performance and growth across key ESG metrics. We are continuously working towards reducing our carbon footprint and lowering the impact of our business on environment through our concerted efforts. These efforts are aimed at improving operational efficiencies, ensuring optimal utilisation of natural resources, and increasing the use of renewable energy in our plants and processes. Safety and health of our workforce, and at our workplace, is central to our ESG strategy.

Metal Recovery Performance

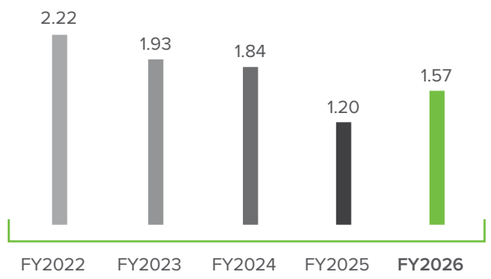
Mill Recovery



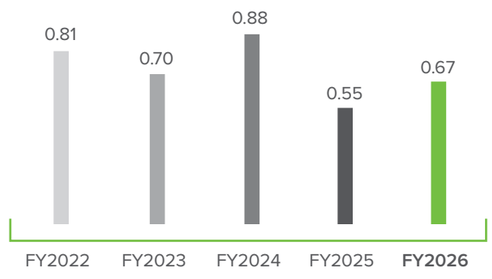
Smelter Recovery



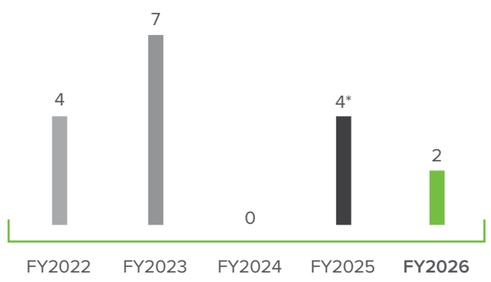
Total Recordable Injury Frequency Rate (TRIFR)



Lost Time Injury Frequency Rate (LTIFR)

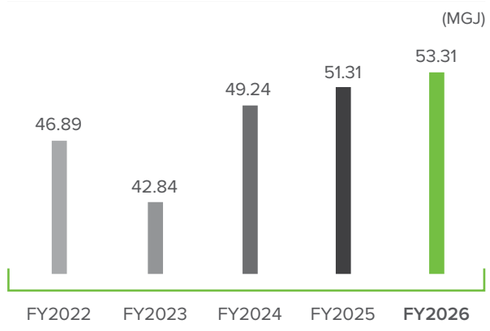


Fatality



*Including 1 at our subsidiary, Vedanta Zinc Football & Sports Foundation

Energy Consumption



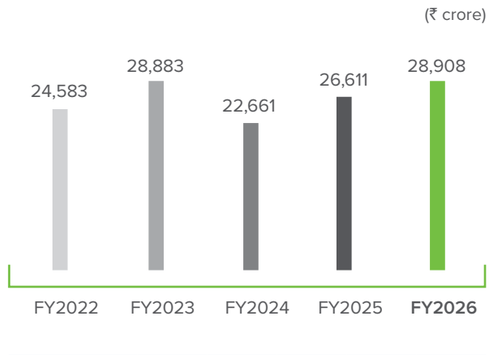
Sustainable Revenue Disclosure

Hindustan Zinc classifies revenue as sustainable where products align with EU Taxonomy activities, contribute to environmental objectives, and meet do-not-significant-harm criteria.

Covered categories: Zinc for galvanisation and long-life through corrosion-protection, recycled/by-products including sulphuric acid, wind power generation, lead for energy storage (lead-acid batteries), and other by-products and reprocessed waste from smelting process.

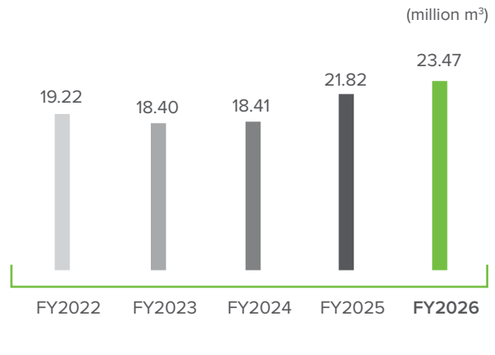
The assessment is based on internal evaluation and will be externally validated going forward.

Sustainable Revenue

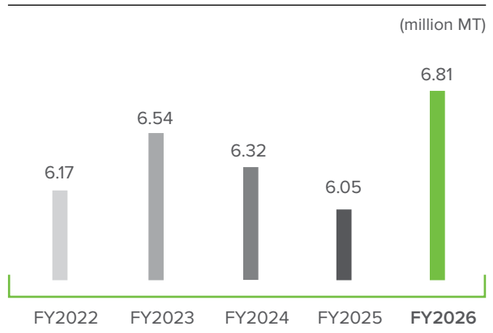


	FY2022	FY2023	FY2024	FY2025	FY2026
Sustainable Revenue (₹ crore)	24,583	28,883	22,661	26,611	28,908
Revenue from Operations (₹ crore)	29,440	34,098	28,932	34,083	40,844
% of Sustainable Revenue	84	85	78	78	71

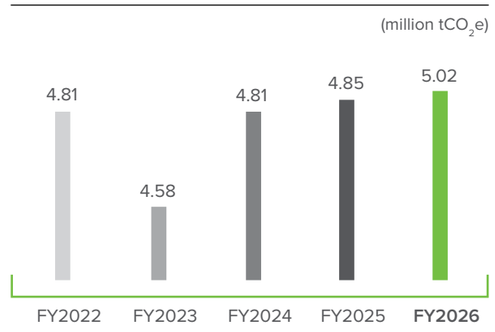
Water Recycled



Waste Recycled

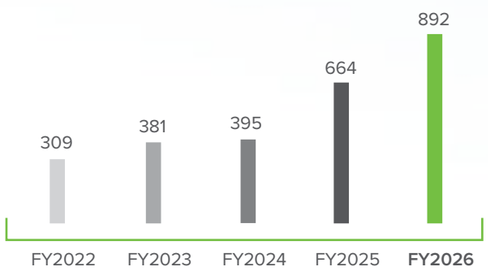


GHG Emission: Scope 1 + Scope 2



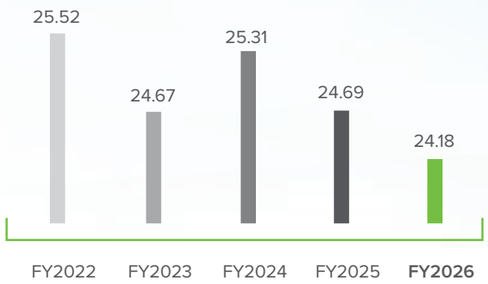
Renewable Power Consumption

(MU)



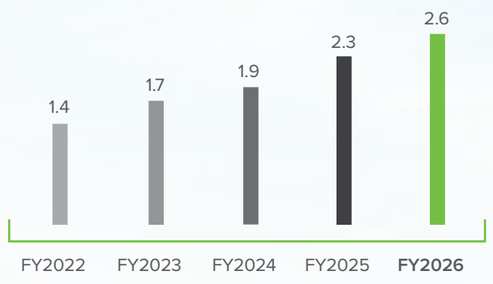
Specific Water Consumption

(m^3 per MT of metal)



CSR Beneficiaries

(million)

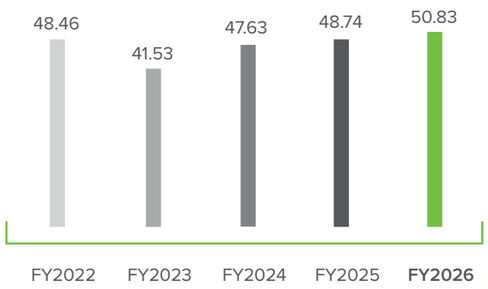


Suppliers Assessed

(suppliers)

Specific Energy Consumption

(GJ per MT of metal)

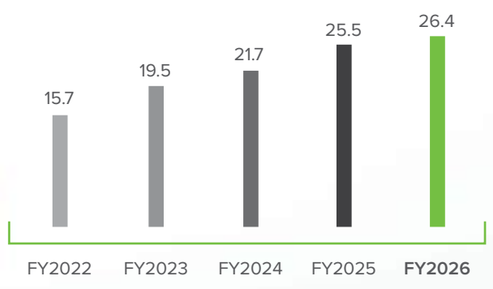


CSR Spend

(₹ crore)

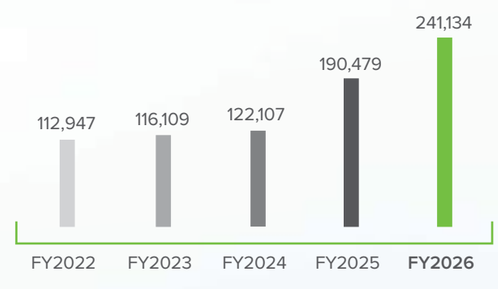
Diversity

(%)



Employee Trainings

(person-hours)



EXTERNAL OPERATING ENVIRONMENT

A WORLD IN TRANSITION, A COMPANY IN STRIDE

GLOBAL ECONOMIC SCENARIO

Resilient but Fragmented Growth

Global GDP remained steady at 3.3% in FY2026, but the recovery was uneven across regions. The United States (the US) acted as a primary engine, growing 2.2%, fuelled by investment in artificial intelligence (AI) and a strong services sector. In contrast, Europe and China continue to face structural stagnation with slower industrial recovery and subdued manufacturing activity. Furthermore, the global supply chains witnessed a fundamental shift from efficiency-driven "Just-in-Time" to resilience-led "Just-in-Case" models. This transition is resulting in more localised and expensive global supply chains, while reshaping global trade dynamics.

Monetary Policy Pivot and "Sticky" Inflation

Global headline inflation eased to 3.8% in CY2025, prompting central banks to pivot from aggressive tightening to gradual rate cuts. However, massive sovereign debt, driven by defence and tech subsidies, combined with persistent geopolitical tensions in the Middle East, Ukraine, and Venezuela are disrupting energy supplies and driving volatility in commodity prices, pushing up prices. Given the scenario, the interest rates are unlikely to return to the ultra-low levels of the past decade. This new monetary paradigm necessitates agile financial strategies and selective capital allocation, particularly for long gestation sectors.

The "Tariff Shock" and Manufacturing Uncertainty

Global manufacturing is currently navigating a fine line between expansion and contraction with purchasing managers' indices (PMIs) hovering near the expansion/contraction boundary. Rising protectionism and aggressive US tariff hikes (with some metals facing 50% duties) have disrupted traditional trade routes and have increased costs for global hubs like Mexico, Brazil and Vietnam. It has created a climate of policy uncertainty that is weighing on global capital expenditure and trade volumes.

INDIAN ECONOMIC SCENARIO

World-Leading Growth Momentum

India continues to outperform as the fastest-growing major economy, with FY2026 GDP growth projected at 7.5%. Various reports estimate FY2027 GDP growth in the range of 6.4%-6.9%, positioning India as an outlier amidst a broad-based global slowdown. This resilience reflects tailwinds, including powerful domestic demand, massive government infrastructure spending, and a successful push towards becoming a global electronics and renewables manufacturing alternative as a part of the 'China+1 strategy'.

Stable Inflation and Monetary Comfort

Unlike many Western peers, India's retail inflation remained relatively benign, declining to multiple-year low of 2.75% in January 2026, before rising due to increased food and energy prices. This stability has allowed the RBI to maintain a neutral-to-easing monetary stance, keeping the repo rate steady to support growth. This period of high growth alongside low inflation provides a supportive macroeconomic backdrop. While geopolitical tensions pose a risk to oil import costs, India's expanding network of bilateral trade agreements (like the 2026 India-EU Free Trade Agreement) is helping to insulate the domestic economy from external price shocks.

Structural Resilience Against Trade Wars

While global trade is slowing due to the US tariffs, India is partially insulated due to its low external leverage and shifting export focus. By signing new trade frameworks and attracting foreign inflows into its sovereign bond markets, India has managed to support the rupee despite global dollar strength. The manufacturing sector remains a standout, with the PMI averaging above 56 through most of the year and peaking to 59.3 in August 2025, fuelled by domestic consumption even as global export orders faced tariff-related friction.

KEY TAKEAWAY

Demand for zinc, silver, and critical minerals is driven by the energy transition.

India is a key growth engine amid global uncertainty.

Hindustan Zinc 2.0 priorities: Focus on transition-critical metals (scale existing capacity and diversify into new metals), strengthen role in India's critical minerals ecosystem, and ensure disciplined risk management and hedging.

METAL SECTOR OVERVIEW AND OUTLOOK

The metals and mining sector in FY2026 was defined by a shift towards selective growth and structural change rather than a broad industrial boom. While global GDP growth remains steady at around 3.3% for FY2026, the industry navigated a complex landscape of geopolitical tension, supply chain restructuring and shifting policies, particularly from China's 15th Five-Year Plan and the US trade manoeuvres.

On the demand side, the transition to a low-carbon economy continues to reshape metals consumption landscape. Further, as China moves away from infrastructure-heavy stimulus towards a consumption-based economy, metals demand is increasingly tied to high-tech sectors like AI infrastructure, electrification, and renewable energy. This has created a "split" market where energy transition critical metals (copper for its role in the power grid, silver for solar panels and zinc for galvanisation) and precious metals (gold as safe haven) are outperforming. Silver's designation as a critical mineral in the US, combined with its dual identity as both an industrial input and a safe-haven asset, led to a significant rally in FY2026, reinforcing its status as one of the most compelling commodities of the current cycle. Meanwhile, traditional materials like iron ore faced downward pressure as new supply entered the market and Chinese steel production cooled.

On the supply side, major mining companies are maintaining strict capital discipline, prioritising shareholder dividends and strategic acquisitions over the risky greenfield development of new mines. This cautious approach, combined with the real-world integration of AI to improve processing efficiency, keeps supply structurally tight for critical minerals. While battery metals like lithium and cobalt are seeing price rebounds driven by supply constraints and trade disruptions, the overall market is characterised by high volatility and a growing gap between different commodities. Ultimately, CY2026 will be a year where success depends on strategic sourcing and domestic policy rather than traditional economic cycles, favouring producers well-positioned in the increasingly electrified global economy.

HINDUSTAN ZINC: POSITIONING FOR THE FUTURE

As global supply chain changes and demand patterns evolve, driven by the transition to a low-carbon economy, we have aligned our strategy to capture emerging opportunities while mitigating risks. Anchored in transition-critical metals, we are scaling our capacity and diversifying into new minerals to build a larger, more resilient portfolio that is ready for the opportunities of tomorrow. We are also undertaking a disciplined approach to risk management, including strengthening cost leadership and strategically hedging some expected FY2027 volumes, to protect the balance sheet from pricing shocks. These efforts position us competitively to navigate a dynamic environment and drive sustained value creation.

PRODUCT OPERATIONAL PERFORMANCE

Zinc

KEY TAKEAWAY

Strong demand driven by infrastructure and galvanising, with India emerging as a key growth market.

Prices supported by tight supply dynamics.

Hindustan Zinc is well-positioned with scale and cost leadership.

Hindustan Zinc 2.0 priorities: Capacity expansion and portfolio upgrade (expanding value-added products and sustainable offerings).

GLOBAL DEMAND & SUPPLY

Firm prices amid geopolitical and supply dynamics

In FY2026, the zinc prices stayed buoyant, touching peak of US$ 3,487 per tonne, the highest level since February 2023, and averaging at US$ 2,970 per tonne, a 3% YoY increase. The rally was supported by tight physical inventories and strong consumption in galvanising and infrastructure segments, alongside rising geopolitical concerns and a weakening dollar.

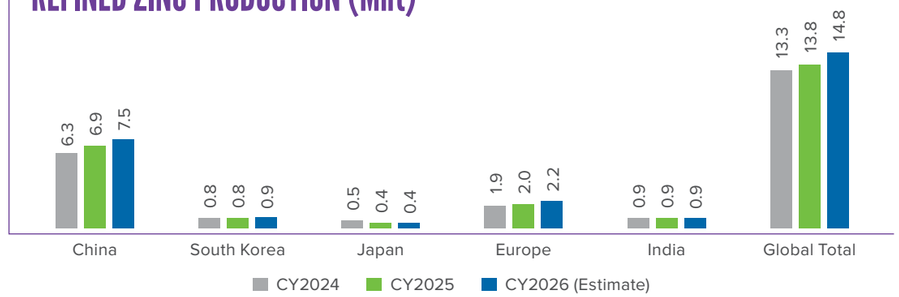
Recovering Demand

In CY2025, global zinc demand surged by 0.6% YoY to 13.66 Mnt, driven by rapid urbanisation, renewable energy (RE) transition, and structural consumption drivers in end-use markets. In China, the demand was weighed down by weak real estate, partially offset by growth in automotive and appliances. Europe witnessed c.2% consumption growth as auto production stabilised despite sluggish construction. In the US, steady steel mill utilisation, tariff developments, and firm non-residential construction supported galvanised steel demand, with a potential upside from continued steel and auto sector momentum.

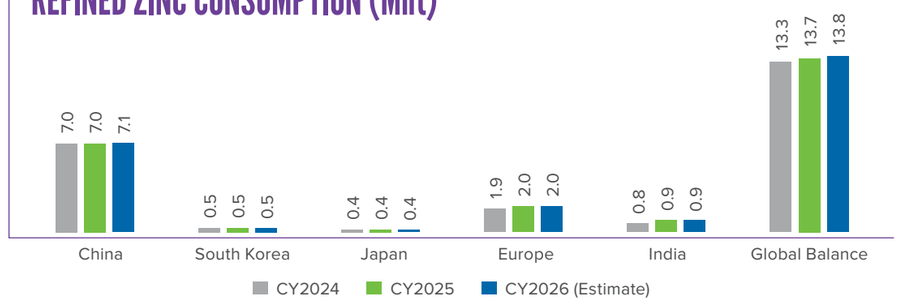
Balanced supply with emerging surplus trends

Refined supply grew by 4% YoY to 13.85 Mnt, resulting in a marginal surplus in the market. Inventory levels strengthened with London Metal Exchange (LME) stocks at 115 kt and Shanghai Futures Exchange (SHFE) stocks at 149 kt as of March 31, 2026, as compared to 141 kt and 72 kt, respectively, as of March 31, 2025. This resulted in a market mostly in contango, indicating improved near-term availability.

REFINED ZINC PRODUCTION (Mnt)



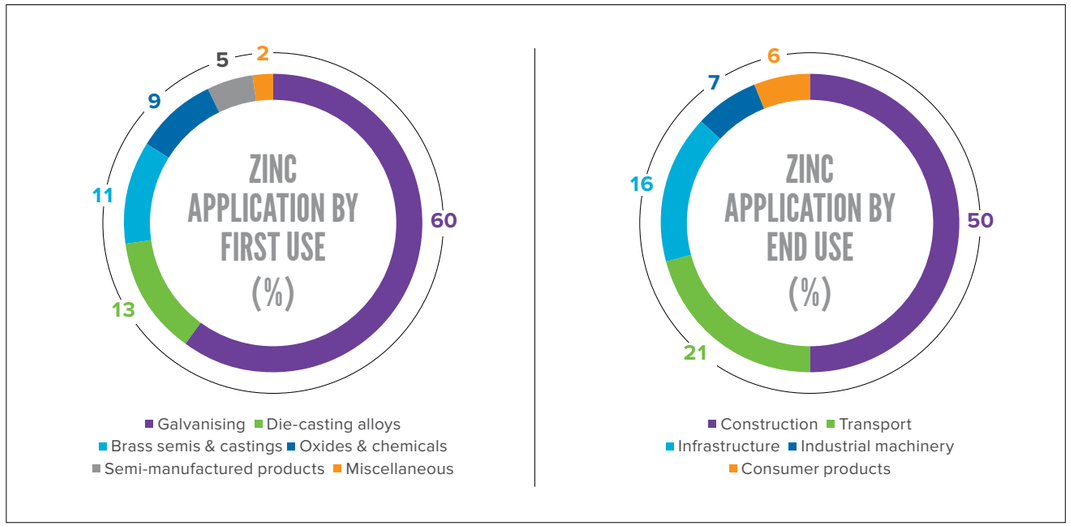
REFINED ZINC CONSUMPTION (Mnt)



Source: Wood Mackenzie. (2026, March). Global zinc short term outlook March 2026.

Robust application-led demand

Galvanising is the dominant zinc application, accounting for c.60% of the total use driven by its critical role in construction, transport, and infrastructure. Additional demand comes from die casting alloys, brass semis and castings, oxides and chemicals, semi-manufactured products, and miscellaneous applications, supporting sectors such as industrial machinery and consumer products. These diverse and critical end-uses reinforce zinc's relevance and resilience across economic cycles.



Source: Wood Mackenzie. (2026, March). Zinc investment horizon outlook March 2026.

INDIAN DEMAND DYNAMICS

Infrastructure and manufacturing as the demand engine

India remained a major global driver of zinc demand, with consumption rising from 814 kt in CY2024 to 851 kt in CY2025, supported by broad industrial and infrastructure growth. This was reflected in the India Manufacturing Purchasing Managers' Index (PMI), averaging around 58 in CY2026, and Index of Industrial Production (IIP), peaking in December 2025 with a growth of 7.8%, translating into higher demand for galvanised steel, zinc alloys, castings and chemicals.

Government programmes such as Gati Shakti and the National Infrastructure Pipeline, along with strong steel and cement demand, continue to sustain galvanising requirements across transport, power, housing, and utilities. Road and rail modernisation alone generates a large part of the demand for galvanised steel structures.

Energy transition and emerging opportunities

In recent years, energy transition investments, including in solar and wind installations, power grid expansion, and transmission towers, have emerged as significant drivers of galvanised steel structures. Simultaneously, rising auto and appliance production continues to boost demand for galvanised structures and zinc die cast components, with emerging applications in zinc-based batteries and specialised zinc products. Favourable trade dynamics and new export opportunities are further reinforcing India's role as a strategic zinc supply hub, supporting smelter throughput and domestic availability.

HINDUSTAN ZINC: BUSINESS OVERVIEW AND PERFORMANCE

A dominant market position, reinforced

Hindustan Zinc, the world's largest integrated zinc producer and India's only primary zinc manufacturer, held an expected domestic primary market share of 74% in FY2026 with 600 kt of domestic zinc sales. Value-added products (VAP) stood at 184 kt, contributing to c.22% of total sales. Around 70% of refined zinc was sold within the domestic market, while 30% was exported to South East Asia, the Middle East, the US, and Europe.

Strengthening market access and transparency

We continued to progress towards our ambition of 100% online price discovery (OPD) sales, achieving 95% OPD sales in FY2026. The launch of Zinc Moolya, a rupee-linked live pricing module, in January 2026, further enhanced price transparency and simplified transactions for micro, small and medium enterprises (MSMEs).

Advancing sustainable product offerings

FY2026 marked a breakthrough year for commercial scaling of EcoZen, Asia's first low carbon zinc brand with a carbon footprint of less than 1 tCO_2e per tonne. We signed Memorandums of Understanding (MoUs) with Tata Steel and Silox India Limited and delivered EcoZen, reinforcing efforts to accelerate its adoption across galvanising operations. This collaboration reinforces our shared commitment to sustainable, climate-aligned and future-ready metal sourcing.

Building India's first downstream ecosystem

- We signed MoUs with CMR Group and Tripura Group to operationalise manufacturing units at our upcoming Zinc Park in Khankhala, Rajasthan. These collaborations represent a key step towards building India's first integrated downstream hub for zinc-based industries that is scalable, efficient and sustainable, supported by assured raw material linkage and long-term offtake commitments. This initiative will help attract new investments, foster MSME growth, generate local employment, and accelerate, Make in India, manufacturing near our operations at Chanderiya, Dariba and Debari.
- The Company will continue advancing high performance zinc grades, specialised alloys and environmentally superior offerings such as EcoZen, supported by improved digital platforms for customer engagement.

ZINC OUTLOOK

As per Wood Mackenzie, global zinc demand in CY2026 is expected to grow at 1% YoY to 13.80 Mnt, supported by marginal increases in China, stabilising European consumption, and a stronger US steel linked demand. Mine supply is expected to remain tight, with output projected to fall by 4.1% YoY to 12.39 Mnt due to significant production cuts and the absence of major new project additions, resulting in consistently low treatment charges. Prices are forecast to average at c.US$ 3,064 per tonne in CY2026, supported by low refined stocks and a softer US dollar, before gradually easing towards c.US$ 2,800 per tonne from CY2027 onwards as refined stocks accumulate due to increased utilisation of China's new smelting capacity.

Over the medium term, the global mine output is expected to plateau by CY2028 and begin declining from CY2029 onwards as the pipeline of advanced stage projects remains thin.

Demand momentum will continue to be driven by:

- Strong galvanised steel consumption, supported by large-scale national infrastructure programmes, including road construction, dedicated freight corridors, metro expansion, and railway modernisation
- Rising vehicle, component and die-cast production, along with expansion across the automotive value chain and growing appliances demand
- Power grid strengthening and RE installations will support galvanising requirements for transmission towers, solar mounting systems and wind structures

India and Southeast Asia are expected to account for the bulk of incremental demand for refined zinc. With India targeting 300 Mnt of crude steel capacity by 2030, aligned with the National Steel Policy and long-term sectoral growth plans, the domestic zinc demand is forecasted to grow proportionately. This provides a strong foundation for our ambitious growth plan to double capacity.

PRODUCT OPERATIONAL PERFORMANCE

Lead

KEY TAKEAWAY

Demand anchored in automotive and stationary battery applications.

India demand supported by 2-wheeler/3-wheeler and telecom/backup power application growth.

Hindustan Zinc strengthened domestic market presence with 92% expected share.

Hindustan Zinc 2.0 priorities: Securing new customers and enhancing lead applications.

GLOBAL DEMAND & SUPPLY

Softening prices with stable supply

Lead prices softened during FY2026, averaging at US$ 1,954 per tonne and settling below US$ 1,900 per tonne. This was due to adequate supply in the market rather than weakening demand. In CY2025, global refined lead production increased by 1% to 14.35 Mnt, while primary mine output increased by 3.4% to 4.44 Mnt.

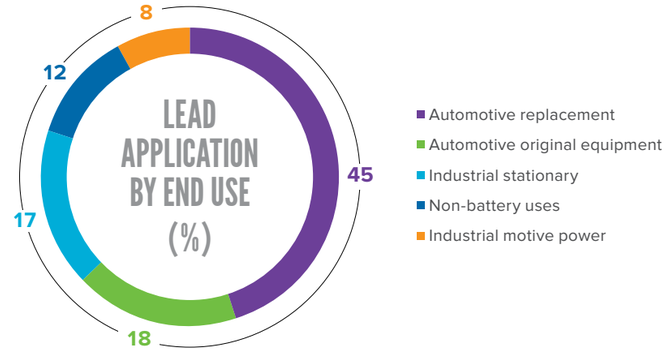
Battery-driven demand sustains growth

In CY2025, global refined lead demand surged by 0.5% YoY to 14.24 Mnt. This was mainly driven by strong automotive battery demand across both original equipment manufacturers and replacement markets, expansion in stationary battery applications across data centres, telecom and grid storage, and robust growth in Asia.

Lead demand continues to be anchored in starting-lighting-ignition (SLI) and auxiliary batteries across global internal combustion engines (ICE) and hybrid fleets, as well as energy storage and backup power applications. Factors like rising hybrid registrations in Europe, regulatory tightening on low voltage lithium-ion batteries in China, and sustained growth in two- and three-wheeler mobility and telecom/backup power applications in India continue to reinforce its demand. Its recyclability of over 95% enhances its sustainability profile, while its role in enabling cost-effective, large-scale energy storage supports RE integration and global energy security.

INDIAN DEMAND DYNAMICS

India's total lead consumption for FY2026 stood at 1.36 Mnt, majorly driven by batteries, cables, and galvanisers, etc. Indian lead demand is supported by batteries for automotive and energy applications, with overall consumption increasing due to its wider use in SLI batteries, cable sheathing, and PVC stabilisers. It also finds application, in sectors like defence systems, telecommunications, railways, logistics, and industrial backup power.



Source: Wood Mackenzie. (2025, December). Lead investment horizon outlook December 2025.

HINDUSTAN ZINC: LEAD BUSINESS OVERVIEW

Reinforcing market leadership

Hindustan Zinc strengthened its position as India's leading lead producer, increasing its expected domestic primary market share to 92% in FY2026, up from 74% in FY2025. The Company has long-term contracts with large battery manufacturers in India, which secure a stable and consistent offtake. Over 77% of our refined lead production, translating into 151 kt was sold domestically, with 46 kt in exports. The production was focused on 99.99% purity lead ingots, registered with the London Metal Exchange, with efforts underway to optimise sales mix towards 100% domestic consumption by securing new customers and enhancing lead applications.

LEAD OUTLOOK

STEADY DEMAND GROWTH WITH SUPPLY CONSTRAINTS

Global refined lead demand is projected to grow steadily by 2.2% YoY to 14.56 Mnt in CY2026, supported by stable automotive and stationary battery applications. China's refined lead demand is expected to reach 6.34 Mnt in CY2026, supported by strong new energy vehicle (NEV) related battery exports and industrial use. Against this, the global primary mine output is expected to shrink by 4.1% YoY to 4.25 Mnt with limited new project additions keeping concentrate markets tight.

INDIA ANCHORS DEMAND GROWTH

As India accelerates its development through widespread electrification and the expansion of digital infrastructure, reliable access to lead is becoming a strategic requirement. The country's manufacturing ambitions, aimed at boosting self-reliance, strengthening supply-chain resilience, and ensuring long-term energy security, depend on lead, which forms the backbone of industrial growth.

PRODUCT OPERATIONAL PERFORMANCE

Silver_

KEY TAKEAWAY

Prices supported by strong investment and industrial demand, along with a supply deficit.

Demand shifting to high-growth industrial applications (AI, electronics, and clean energy).

Hindustan Zinc's silver business grew over 20x in two decades; contributed c.45% to FY2026 profitability.

Hindustan Zinc 2.0 priorities: Capacity expansion and capturing technology-led demand.

GLOBAL DEMAND AND SUPPLY

Strong price momentum amid tightening markets

Silver prices rallied to record highs during FY2026, touching historic highs of US$ 118.45 per troy ounce in January 2026, and averaging at US$ 53.09 per troy ounce, up 75% YoY. This spike was driven by record exchange traded product (ETP) inflows, record tight market conditions, and heightened tariff and policy uncertainty in the US. Further, strong physical/investment demand that re-routed metal into US vaults while tightening availability in London, a compression of the gold-to-silver ratio below 72, and its new designation as a US critical mineral led to strategic stockpiling.

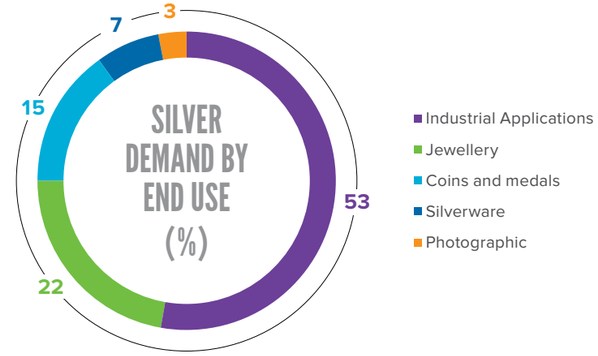
Demand shifting towards technology-led applications

Silver demand is being structurally redefined by high-growth sectors such as AI infrastructure, 5G, and EV components. These emerging applications, alongside India's massive bullion imports of over 6,000 tonnes outstripped industrial substitution efforts. As a result, industrial fabrication hit a new all-time high of c.700 Moz, offsetting the decline in photovoltaic demand caused by aggressive thrifting as manufacturers reacted to silver's price surge.

Supply constraints

Despite relief from Chicago Mercantile Exchange (CME) inventory transfers, the market remained physically tight due to geopolitical risks and fiscal instability, cementing silver's transition from a precious metal by-product to a strategic industrial asset.

Global mine output remained stagnant at 813 Moz due to declining ore grades and operational challenges across mines. The market recorded its fifth consecutive deficit of 95 Moz in CY2025 as total supply rose by only 1% YoY to 1,022 Moz, while demand reached 1,117 Moz. This persistent shortfall has resulted in a cumulative five-year deficit of over 820 Moz, severely depleting above-ground inventories.



Source: World Silver Survey Report 2026, Silver Institute.

INDIAN DEMAND DYNAMICS

India leads global silver consumption

India's silver demand reached an exceptionally high of 7,000 MT in CY2025, underscoring the country's position as the largest consumer of silver globally, with usage driven across industrial, investment, and fabrication sectors.

Domestic markets experienced notable tightness throughout CY2025 due to strong technology-linked consumption (solar manufacturing, EV production, electronics, and semiconductors), festive buying, and heavy investor accumulation. This resulted in periodic physical shortages as demand consistently outpaced available supply, while positioning silver as an essential material in India's clean energy and high-tech growth story.

Investor behaviour towards silver shifted dramatically, with buyers accumulating metal even at record high price levels. ETF inflows, bar and coin purchases, and minimal scrap selling highlighted strong confidence and created sustained upward pressure on physical demand.

HINDUSTAN ZINC: BUSINESS OVERVIEW AND PERFORMANCE

Hindustan Zinc is the only primary silver producer in India and is amongst the top 10 silver producers globally. Over the past two decades, we have delivered a remarkable growth of over 20x in silver production, and its contribution towards overall profitability increased to c.45% in FY2026 from c.38%, last year. We showcased a robust sales performance of 627 MT in FY2026, with almost 100% sales in the domestic market.

SILVER OUTLOOK

Global silver supply is forecasted to reach a decade high of 1,050 Moz in CY2026, up 1.5% YoY, driven by a surge in recycling and a modest rise in mine output to 820 Moz. While Mexico remains the leading producer, a long-term decline towards 186 Moz is anticipated by CY2029 due to maturing legacy assets.

- Total global demand remains structurally high but increasing diversified. While high prices may lead to thrifting and substitution in solar and electronics, yet this is expected to be offset by a c.20% jump in physical investment and emerging industrial uses
- The outlook is defined by a persistent physical tightness, as the market enters its sixth consecutive year of structural deficit, projected at 67 Moz. It sustains an optimistic environment where the metal's dual role as a safe-haven hedge and a critical technology mineral has established a significantly higher price floor compared to previous years

PRODUCT OPERATIONAL PERFORMANCE

Critical Minerals _

KEY TAKEAWAY

Demand accelerating with energy transition and technology growth.

India vulnerable due to significant import dependence.

Hindustan Zinc 2.0 priorities: Building a multi-metal ecosystem through expansion into rare earth elements (REEs), tungsten and potash, and driving India's mineral self-reliance.

One of the most pressing vulnerabilities facing India amidst the urgency of energy transition and national security is the nation's dependence on imports for critical minerals.

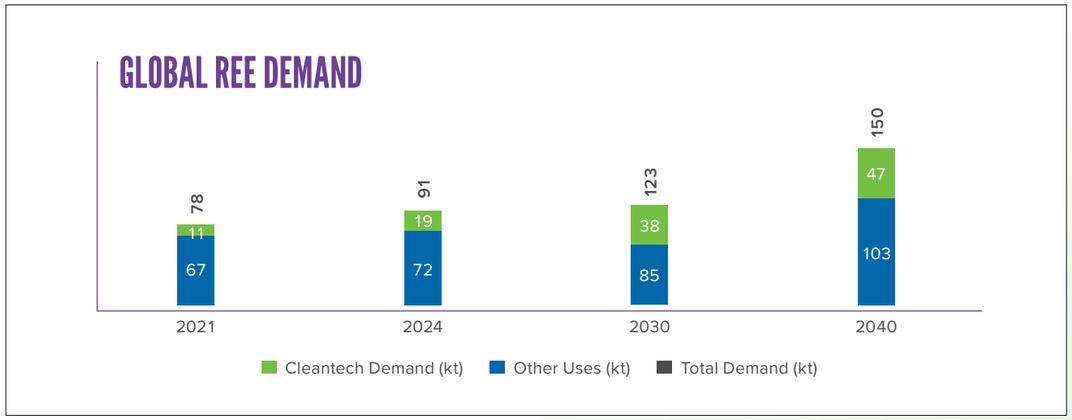
Hindustan Zinc is directly addressing the nation's requirements, securing three critical mineral blocks, including rare earth elements, tungsten and potash. This decisive step, aligned with India's Critical Mineral Mission, is a part of our strategy to support India's resource security and participate in the evolving critical minerals ecosystem.

RARE EARTH ELEMENTS (REEs)

A market defined by cleantech demand

As per the International Energy Agency, the global demand for magnet REEs is projected to grow 3x-7x by CY2040, driven by the electric vehicle (EV) and wind energy revolution.

The broader global REE market is projected to reach US$ 7.8 billion in CY2026, growing at a CAGR of 10.9% through CY2030. This growth is primarily underpinned by cleantech demand, the specialised requirement for minerals in high-growth green technologies. Within this segment, EV traction motors and offshore wind turbines alone account for over 80% of permanent magnet demand.



Source: International Energy Agency. Global critical minerals outlook 2025.

Hindustan Zinc: Advancing 'Mine-to-Magnet' capabilities

India holds the world's 5th largest REE reserves of c.6.9 Mnt, which are largely untapped. Hindustan Zinc has taken a step to unlock this potential and move towards a "Mine-to-Magnet" value chain through acquisition of 201 hectares of monazite-rich block in Uttar Pradesh. This will mitigate India's current 100% import dependence for finished magnets.

TUNGSTEN

Often cited as the "Hard Metal" of the industrial age, tungsten has seen an extraordinary price surge in early CY2026, with Ammonium Paratungstate (APT) prices rising significantly due to inventory tightening and heightened defence spending. Global mine production, majorly concentrated in China, is struggling to keep pace with a 4.8% annual demand growth from the aerospace and CNC tooling sectors. Beyond traditional industry, tungsten is increasingly vital in cleantech applications, including specialised alloys for high-efficiency turbines and nuclear fusion research.

Hindustan Zinc: Entering high-value, supply-constrained markets

Our entry into the 308-hectare Balepalyam block in Andhra Pradesh, positions us to capture value in a market where primary supply is increasingly inelastic.

POTASH

Global potash shipments are estimated to reach 75-77 Mnt in CY2026, with the market trending towards a delicate supply-demand balance. While international potash prices have stabilised at US$ 320-345 per tonne, the fiscal burden on India remains high due to 100% import dependency and rupee volatility. Given potash's irreplaceable role as a fertiliser, its security is critical for India's agricultural sector and food security.

Hindustan Zinc: Focused on food security

Hindustan Zinc marked entry into the potash segment, with a large 1,841-hectare potash block in Hanumangarh, Rajasthan. This project is not merely a mining venture but a strategic intervention in India's food security. With this, Hindustan Zinc aims to insulate the domestic agricultural value chain, a critical component of the broader bio-economy and sustainable cleantech landscape, from global price shocks and logistical disruptions.

DID YOU KNOW?

POWERING THE WORLD'S SMARTPHONES

Silver as a product

- Global annual smartphone production is 1.2-1.3 billion
- Silver consumption is 0.2-0.3 grams per smartphone device
- 627 tonnes of silver is equivalent to 2.5 billion smartphones

Hindustan Zinc produced 627 tonnes (20.2 million ounces) of silver in FY2026.

Which means, we can meet almost 2 years of silver requirement in smartphones.

FOR NEARLY

YEARS

These are illustrative comparisons intended to provide a sense of scale, based on estimates and public data.

MINES PERFORMANCE OVERVIEW

ACHIEVING MILESTONES, SHAPING THE FUTURE OF MINING

Our underground mines are redefining mining in a new era. From advanced methodologies to AI-enabled digital technologies, operational discipline, and world-class safety and sustainable practices, every mine in our portfolio is a global benchmark in next-generation mining. The result is a year of records across all parameters, while advancing automation, digitalisation, and geotechnical science to support the next phase of growth under HZL 2.0.

KEY TAKEAWAY

Delivered record mined metal production across multiple mining complexes

Expanded automation and tele-remote mining operations across underground assets

Strengthened deeper mining capabilities through geotechnical engineering

HZL 2.0 priorities: New infrastructure development to support expansion, enhancing remote operations and geotechnical capabilities to scale safety, and increasing underground waste utilisation to support sustainable mining

MINES OVERVIEW

We operate eight underground mines at five locations in Rajasthan, India. These mines are hosted by the Proterozoic-age sediment-dominated sequences, and their ore has undergone several deformation and metamorphic events. Their orebody host rocks range from strong dolomites to foliated metasediments at depths up to 1,000 metres below the surface.

One of our mines, Bamnia Kalan, located in the vicinity of Rajpura Dariba, whose mine plan was approved by the Indian Bureau of Mines (IBM) in January 2024, is now under development. Further expansion is being planned in all the mines for achieving the vision of HZL 2.0.

8 UNDERGROUND MINES I 5 LOCATIONS I 16.61 Mnt TOTAL ORE PRODUCTION

Mines	Ore Mined		Zinc Mined Metal				Lead Mined Metal			
	FY2025	FY2026	FY2025		FY2026		FY2025		FY2026	
	('000 tonnes)	('000 tonnes)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)
Rampura Agucha Mine (RAM)	4,790	5,077	515	11.74	534	11.54	52	1.69	42	1.32
Sindesar Khurd Mine (SKM)	5,476	5,431	134	2.73	148	3.02	88	1.83	84	1.80
Rajpura Dariba Mine (RDM)	1,168	1,025	49	4.41	47	5.06	10	1.13	9	1.27
Zawar Mine*	4,203	4,365	132	3.36	142	3.53	78	2.01	72	1.82
Kayad Mine (KM)	694	715	32	5.07	32	4.89	4	0.74	3	0.66
Total	**16,331**	**16,613**	**863**	**5.76**	**904**	**5.96**	**232**	**1.74**	**210**	**1.58**

*Includes four mines, namely Mochia, Balaria, Baroi and Zawarmala

RECORDS THAT REWROTE OUR MINING PLAYBOOK

Rampura Agucha Mine

- Highest-ever mined metal production of 576 kt, shaft hoisting of 2.94 Mnt, and stope recovery of 92.5%
- Record ore production and ore treatment of 5.08 Mnt and 5.76 Mnt, respectively
- First time underground waste dumping of 139 kt, eliminating surface haulage

Zawar Group of Mines

- Record mined metal production of 214 kt
- Crossed 1 Mnt of ore production and extracted first-ever ore (53 kt) from the Railway-River pillar at Balaria Mine
- Established the longest raise of 600.2 m at Balaria Mine
- Production commencement from the Rawa block (222-192 mRL) in Mochia mine
- Highest-ever stope recovery across Hindustan Zinc

Sindesar Khurd Mine

- World's 1st tele-remote raise bore operation
- Ever-highest mine development of 27.6 km

Rajpura Dariba Mine

- Record mined metal production of 56.6 kt and ore production of 443 kt from ramp
- Commissioned India's 1st diesel-electric loader of 17 tonnes capacity
- Started new mine access decline development for increasing the material handling capacity

Kayad Mine

- Deployed a new mining method of long hole open stoping (LHOS) variant for shallow-dipping ore bodies of 30 degrees or lesser

FUTURE-READY MINING WITH ADVANCED METHODS

Efficient underground mining systems

- **Long hole open stoping (LHOS):** LHOS deployed across all mines to optimise ore recovery
- **Smart backfill systems:** Tailings-based paste and hydraulic backfill stabilises stopes, supports rock walls, and enables safe access to deeper ore bodies

Automation and digital mining

- **Tele-remote operations:** Drills, raise bore machines, and loaders run remotely, enabling 200 km of production drilling during smoke hours in FY2026
- **Mine Excellence pilot project:** Achieved stope recovery of 94% through drill and blast optimisation
- **Advanced technology-led safety systems:** Collision avoidance and seismic monitoring to strengthen safe and sustainable underground mining

Innovative extraction approaches

- **Top-down sequencing:** Pioneered at Rampura Agucha, Sindesar Khurd, and Rajpura Dariba, delivering improved cost efficiency and ore yields versus conventional bottom-up approach.

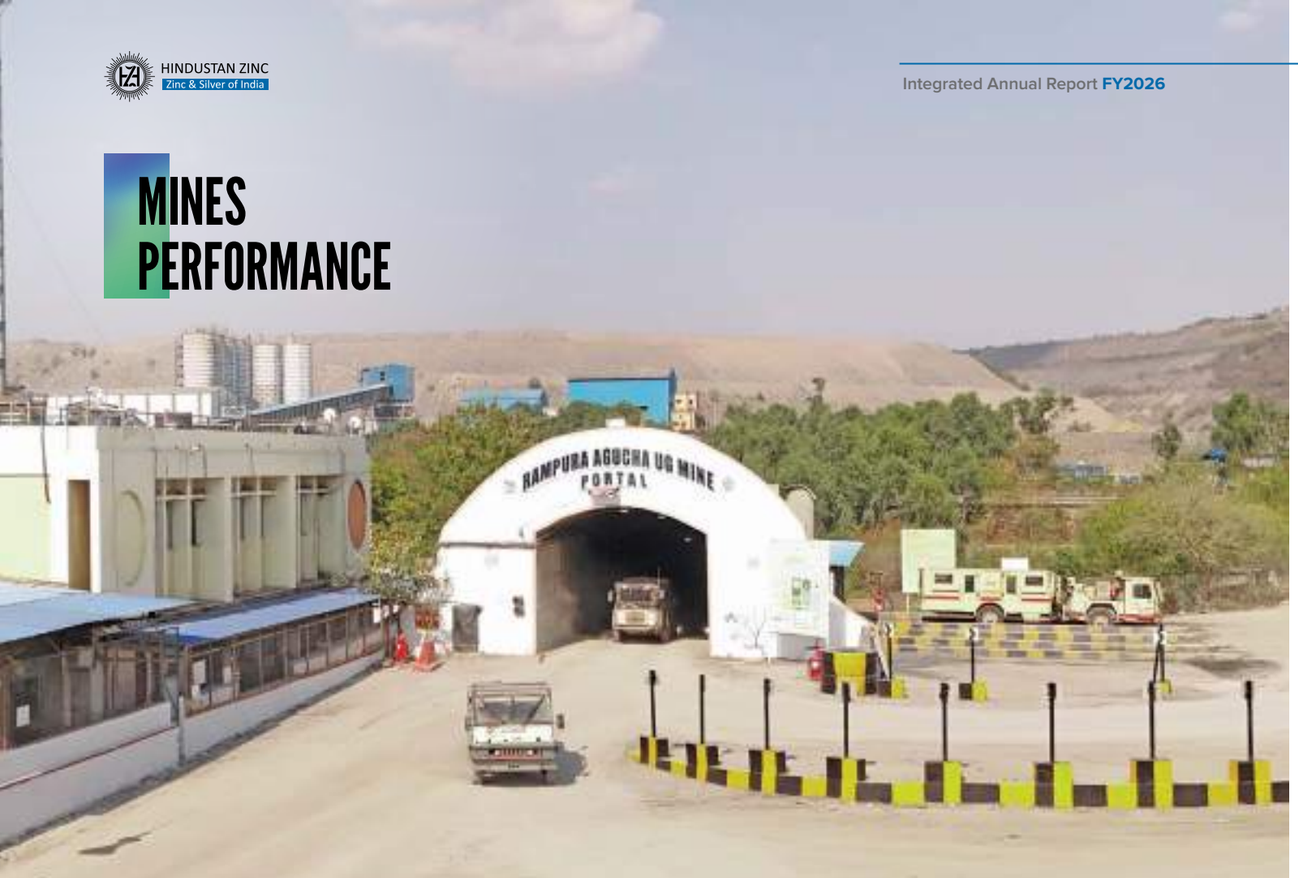
ENGINEERING STABILITY AT GREATER DEPTHS

In complex mining environments, geotechnical engineering is critical to safe and successful ore extraction. We have fully embedded geotechnical engineering across our operations to ensure that, as mining advances to greater depths and higher stress conditions, production targets are achieved safely, reliably, and efficiently. Besides safety, geotechnical engineering will be critical to sustain production growth under HZL 2.0.

Key efforts undertaken by our geotechnical teams include:

- Adopting innovative geological data collection and representation techniques, including enhanced fault mapping, to better characterise rock mass quality
- Applying advanced numerical modelling to predict mine response over the life of operations and quantify stress and deformation regimes
- Implementing comprehensive ground support systems, including bolts, cables, mesh, and sprayed concrete, to ensure long-term stability of underground excavations
- Deploying real-time monitoring systems to proactively manage ground behaviour, including RADAR for open-pit slope stability at Rampura Agucha and seismic monitoring in deeper underground mines

MINES PERFORMANCE



RAMPURA AGUCHA MINE

Rampura Agucha Mine (RAM), an ISO 9001, ISO 14001, OHSAS 18001, and SA-8000 certified mine, located in Bhilwara, Rajasthan, is the world's largest zinc-producing mine and is the operational cornerstone of Hindustan Zinc's production base. It is continually scaling its operations, infrastructure, technological superiority, sustainability focus, and safety credentials to set a global benchmark.

KEY STATISTICS FY2026

5.08 Mnt
Ore Production

12.86%
Grade

576 kt
Mined Metal Production

24.7 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

Ramping productivity and throughput

- Achieved first-ever underground internal waste dumping with c.140 kt waste dumped directly into the open stopes, eliminating surface haulage costs
- Enhanced safe and efficient working conditions at deeper levels by:
  - Commissioning a 27 MW refrigeration plant that delivers 400 m^3/sec of cool air
  - Developing a 2 km vertical development to strengthen the ventilation network reticulation
- Established three major pumping stations (at -355 mRL, -505 mRL, and -580 mRL) to achieve mine dewatering capacity up to 26,000 m^3/day
- Commissioned three level-to-level ore passes (from -505 mRL to -530 mRL and -455 mRL to -480 mRL) to decongest traffic in active levels
- Enhanced skip payload from 20 MT to 22 MT, increasing throughput from 630 TPH to 660 TPH, while optimising power consumption
- Optimised drill factor from 8.2 MT/m to 8.5 MT/m through stope drill design optimisation
- Developments at Stream-1:
  - Enhanced lead cleaner capacity through an indigenously developed flotation cell to increase retention time, improving lead and silver recovery by c.1%
  - Expanded multi-stream analyser (MSA) for enhanced operational monitoring, and refurbished zinc filter (PF-980), resulting in additional mined output of 300 MT of lead and 0.5 MT of silver

Technology and digital integration

- Deployed computer vision-based rock fragmentation and foreign material detection to enable real-time ore quality monitoring, reduce downstream damage risk, and improve crushing efficiency
- Installed 86 internet of things (IoT) sensors across stream 1, 2, and 3 mills and blower mills for real-time velocity and temperature monitoring
- Integrated RIPIK.AI with the distributed control system (DCS) for AI-powered optimisation in consumables usage; model fine-tuning is currently in progress

Safety and environmental developments

- Reused 1,08,002 m^3 of tailings dam water (up 13% vs FY2025) in the mill and recycled 4,47,510 m^3 of treated water from the water treatment plant, reducing fresh water withdrawal
- Reduced carbon footprint by 962 tCO_2e through a 0.23 kWh/tonne reduction in the mill's specific power consumption
- 5.24x water positive

Rampura Agucha Mine has been conferred the Certificate of Recognition, Rajasthan Energy Conservation Award 2023 and 2024 by the Department of Energy, Government of Rajasthan

ENABLING HINDUSTAN ZINC'S 2X GROWTH PLAN

Actions planned

- Implementing India's first zinc tailings reprocessing plant of 10 Mtpa feed capacity
- Onboarding a best-in-class business partner for deeper mine development and boosting production efficiency
- Deploying a filtered tailing plant and a wet tailings storage facility for efficient tailings management
- Installing a raise-bore hoisting shaft to enhance underground material handling
- Developing power and water reservoirs to strengthen supporting infrastructure

7 Mtpa
Targeted ore production capacity by FY2029, up from 5.5 Mtpa

MINES PERFORMANCE

SINDESAR KHURD MINE

Sindesar Khurd Mine (SKM), recognised as the world's sixth largest silver producer, is a flagship asset of Hindustan Zinc's portfolio and a cornerstone of its 2.0 transformation. Located in Rajasthan's Rajsamand district, its silver-rich polymetallic deposits and rapidly advancing digital infrastructure are redefining the boundaries of underground mining excellence. Certified ISO 9001, 14001, 45001, and 50001, alongside a 5-star rating from the Indian Bureau of Mines (IBM), the mine is evolving into a high-tech, high-velocity mining ecosystem.

KEY STATISTICS FY2026

5.43 Mnt
Ore Production

4.81%
Grade

232 kt
Mined Metal Production

27.6 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

Ramping throughput and productivity

- Achieved the highest-ever mine development of 27.6 km
- Scaled ventilation capacity to 1,950 m^3/hr and established a 400 m^3/s chiller unit to support efficient operations at deeper levels
- Debottlenecked the secondary crushing system in the beneficiation plant, improving throughput (from 460 TPH to 520 TPH) and reliability of the crushing system

Infrastructure and mine development

- Set global benchmark with the commissioning of the world's first tele-remote raise bore operation
- Upgraded the 1.05 km production shaft with high-tensile CASAR Germany wire ropes, a critical enabler for the 2x expansion

Technology and digitalisation

- Implemented a digital LLP (life loss prevention) system to optimise asset reliability
- Automated ventilation fan speed reduction during shift changes, significantly lowering power consumption without compromising air quality

Safety and Environmental Stewardship

- Deployed an advanced collision avoidance system (CAS) across the underground fleet to reduce man-machine interaction risk
- Expanded seismic monitoring with five new sensors for enhanced event detection and coverage
- Introduced a battery electric vehicle (BEV) Charmec, furthering the decarbonisation of underground operations
- Earned a Silver Rating in GreenCo certification, validating our commitment to environmentally conscious mining practices

SKM is setting new benchmarks in Industry 4.0 while accelerating next-generation mine development, ready to catalyse the next phase of HZL 2.0.

ENABLING HINDUSTAN ZINC'S 2X GROWTH PLAN

Actions planned

- Increasing hoisting capacity from 3.75 Mtpa to 4.0 Mtpa, with improved rate of descent to access new auxiliary lenses
- Expanding beneficiation capacity from 6.75 Mtpa to 7.5 Mtpa by debottlenecking secondary crushing and grinding circuits
- Onboarding an expat production manager to introduce global mining best practices
- Implementing advanced tailings storage facility (TSF) management to support volume leadership alongside operational resilience and sustainability

7.5 Mtpa
Targeted ore production capacity by FY2029, up from 6.0 Mtpa

MINES PERFORMANCE

RAJPURA DARIBA MINE

Rajpura Dariba Mine (RDM), established in 1983, is strategically situated in Rajpura Dariba, Rajasthan, and has mature underground operations supported by best-in-class technology, automation, and operational practices. Certified ISO 9001, ISO 14001, ISO 45001, and ISO 50001, the mine is expanding its operations and infrastructure while strengthening technological leadership, sustainability initiatives, and safety standards.

KEY STATISTICS FY2026

1.03 Mnt
Ore Production

6.34%
Grade

56.6 kt
Mined Metal Production

7.51 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

Ramping productivity and throughput

- Commissioned India's first diesel-electric loader, 17 tonne capacity CAT-R2900XE
- Completed new Maa Annapurna Portal for a larger cross-section decline and started decline development from underground and surface, enabling the introduction of higher capacity fleet like 65 MT low-profile dump trucks (LPDTs) and 21 MT load-haul-dump (LHD) vehicles
- Implemented top-down mining method with paste fill, unlocking high-grade blocks in Main and East Lodes
- Completed paste fill reticulation in the newly commissioned E4 block of East Lode

Technology and digital integration

- Installed 28 Machine Max sensors for LPDTs and LHDs idle hour tracking and an Infinite Uptime sensor on the cage and skip winder for real-time data monitoring
- Installed internet of things (IoT) sensors for 11 critical equipment items for 24/7 monitoring across the rod mill, ball mill, blowers, ventilation fan, and the filter feed tank agitator in the paste fill plant

Safety and environmental developments

- Generated the highest-ever filtered tailings of 1.59 Mnt
- Commissioned the following:
  - Tele-remote SIMBA drilling machines, enabling smoke hour drilling
  - Dust extraction (DE) system at the secondary crusher to improve air quality
  - 1 MVA dry-type transformer with an automatic fire detection and suppression system for main shaft winders
  - High-capacity pumps at 11 mRL with remote operation from surface, enabling unmanned pumping operation
- Integrated a 360° AI-based motion detection camera into the MT42 LPDT to prevent man-machine interaction risks
- Established an underground occupational health centre at -157 mRL and a rest shelter at 300 mRL
- Installed motion sensor at 100 mRL grizzly for traffic control system and launched radio frequency identification (RFID) based collision awareness system

In FY2026, Rajpura Dariba Mine achieved record ore production from ramp of 443 kt, and Rajpura Dariba Mill achieved record milling recoveries, the highest-ever mined metal, and the best-ever grade of lead concentrate and silver content in lead concentrate.

ENABLING HINDUSTAN ZINC'S 2X GROWTH PLAN

Actions planned

- Deploying automation technologies, such as tele-remote drilling and automated/remote pumping
- Deploying a higher capacity fleet: 42 MT dump trucks, M2D development drills, and tele-remote SIMBAs for drilling
- Developing decline for East and South Lode mining (mining partner mobilised)
- Developing a next-generation material handing mechanism to achieve 6.0 Mtpa ore production
- Boosting operational efficiency, strengthening safety protocols, and optimising resource utilisation through predictive maintenance systems

6.0 Mtpa
Targeted ore production capacity by FY2029, up from 2.0 Mtpa

MINES PERFORMANCE

ZAWAR GROUP OF MINES

Zawar Mines near Udaipur are among the world's oldest zinc mining and smelting sites, with over 2,500 years of legacy. Renowned for pioneering early zinc distillation techniques, they reflect India's advanced ancient metallurgical capabilities. Today, Zawar seamlessly blends rich industrial heritage with modern, large-scale mining, playing a key role in India's zinc production and mineral security. Certified with ISO 45001, 14001, 50001, and 9001, and with four mines – Mochia, Balaria, Zawarmala, and Baroi – having a combined R&R base of 166 Mnt and an ore production capacity of 4.8 Mtpa, it is evolving into one of the largest integrated mining complexes.

KEY STATISTICS FY2026

4.36 Mnt
Ore Production

5.34%
Grade

214 kt
Mined Metal Production

35 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

Ramping up productivity and throughput

- Balaria Mine crossed a landmark of 1 Mtpa production
- Baroi Mine achieved the highest-ever mined metal production of 67 kt and a record 65 MT mined silver production through mining of challenging narrow vein lenses
- Expanded Mochia-Balaria cluster by commencing ore production from the new area of Rawa in the western part and the 9E lens in the eastern part

Infrastructure and mine development

- Commissioned a 500 KW exhaust fan at Central Baroi surface, enhancing air capacity by 150 m^3/s to 450 m^3/s, thereby improving ventilation
- First-ever remote operation of the underground pump at Mochia mine from the surface with real-time monitoring

Safety and environmental developments

- Established a visualised emergency response system for the shaft at West Mochia Mine, enhancing safety standards and emergency response capabilities
- Established Hindustan Zinc's longest raise of 600.2 m at Balaria Mine, improving the mine environment condition
- Introduced hydro filling in Balaria Mine, which will increase tailings utilisation from 17% to 25% and minimise waste footprint
- Replaced conventional ammonium nitrate-based charging practices with bulk emulsion charging for safety and productivity improvements

Received the CII-ITC and Federation of Indian Mineral Industries (FIMI) Hindalco award for environmental excellence and sustainable mining.

ENABLING HINDUSTAN ZINC'S 2X GROWTH PLAN

Actions planned

- Accelerated exploration and development of new mines
- Adding new beneficiation and paste filling plants
- Rapid decline development and ventilation capacity buildup
- Relentless focus on operational excellence and efficiency improvements
- Ramping up Balaria and Baroi Mine production to 2.0 Mtpa
- Focusing on responsible expansion to establish it as a benchmark in sustainable and high-performance mining

8.0 Mtpa
Targeted ore production capacity by FY2029, up from 4.8 Mtpa

MINES PERFORMANCE

KAYAD MINE

Commissioned in 2011 and located in Ajmer, Rajasthan, Kayad is one of India's most recognised underground (UG) zinc-lead mines for safety, sustainability and operational excellence. This ISO 9001, 14001, 45001, and 50001 certified mine has been recognised with the prestigious Indian Bureau of Mines (IBM) 5-Star Rating nine times and holds a GreenCo Silver Rating from CII - Sohrabji Godrej Green Business Centre.

KEY STATISTICS FY2026

0.7 Mnt
Ore Production

5.54%
Grade

35.5 kt
Mined Metal Production

6 km
Mine Development

OPERATIONAL & STRATEGIC DEVELOPMENTS

Ramping productivity and throughput

- Commissioned two fans parallelly, one of 132 kW at +250 mRL and other of 450 kW at +120 mRL, boosting airflow by 150 m^3/sec and enabling efficient operations in deeper levels
- Reduced the level interval of K21 Lens from 20m to 15m to control hang wall failure, reducing dilution and improving stope recovery
- Transitioned from longitudinal to transversal mining method through a combination of uphole and downhole methods, which eliminated footwall drives, enhancing ore recovery and resulting in cost savings
- Improved stope design through detailed, fast-track exploration from drilling drives to delineate ore-bodies and optimise extraction drive placement
- Deployed Machine Max software to reduce idle time of low-profile dump trucks (LPDTs), enabling rapid project execution through smart resource optimisation

Safety and environmental developments

- Commissioned the first EV loader for ore hauling, reducing annual Scope 1 emissions by c.135 tCO_2e
- Unlocked ventilation in the lower section through the highest-ever raise boring drilling of 791m
- Installed three man-passes in mines, eliminating the secondary outlet

Kayad Mine got certified as a 10x water positive unit by Det Norsk Veritas

ENABLING HINDUSTAN ZINC'S 2X GROWTH PLAN

Actions planned

- Accelerating exploration in the S22 lens
- Increasing mine development in new areas
- Deploying more automated or advanced vehicles to expedite turnaround time and increase ore production rates

1.5 Mtpa
Targeted ore production capacity by FY2030, up from 1.0 Mtpa

DID YOU KNOW?

OVER

460

KM

OF DRILLING ANNUALLY

Exploration drilling

- A standard marathon equals 42.195 km

Hindustan Zinc's exploration drilling for FY2026 is 464.32 km.

EQUIVALENT TO MORE THAN 11 MARATHONS

These are illustrative comparisons intended to provide a sense of scale, based on estimates and public data.

OPERATIONAL PERFORMANCE – EXPLORATION

STRENGTHENING THE ENGINE BEHIND EVERY FUTURE TONNE

This year, with our growth programme moving into execution and the addition of three diverse critical mineral blocks, exploration shifts from being a sustaining function to the foundation on which HZL 2.0 will be built.

We are undertaking a strategic and outcome-driven approach to deliver measurable value. We are strengthening our integrated exploration framework with end-to-end execution by investing in skilled technical experts, building capability and technological competency, and adopting best-in-class technologies. These efforts support systematic delineation and expansion of our mineral resources and ore reserves, strengthening our long-term resource pipelines for sustained production growth and positioning us to contribute to national mineral security.

KEY TAKEAWAY

Highest-ever R&R ore base achieved in FY2026, with record additions at Zawar, Rajpura Dariba, Kayad, and Bamnia Kalan

Initiated groundwork to commence exploration for new critical minerals blocks (tungsten, rare earth elements, and potash)

Building technology-led exploration capability spanning advanced surveys, digital platforms, and AI/ML to sharpen discovery outcomes

HZL 2.0 priorities: Fast-tracking reserve base expansion, deploying AI/ML-enabled high-tech rigs, and scaling technical expertise for aggressive exploration

HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED

A PLATFORM BUILT FOR SCALE AND CREDIBILITY

Hindmetal Exploration Services Private Limited (HESPL), our wholly-owned exploration arm, has emerged as one of India's most capable mineral exploration platforms. It is accredited by the National Accreditation Board for Education and Training (NABET) under the QCI-NABET Scheme for mineral exploration.

HESPL provides end-to-end exploration support to Hindustan Zinc for both existing and new mineral blocks, and to Vedanta Limited across its critical and noble mineral portfolio. These activities encompass the entire value chain from mineral block acquisition and statutory clearances to execution, technical evaluation, and systematic exploration. This highlights HESPL's strong execution capability, technical depth, and ability to operate across diverse geopolitical terrains and regulatory environments.

Exploration performance milestones, FY2026

464.32 km
Drilling

88.08%
Brownfield exploration success rate

32 Mnt
Ore added

Over 25 years
Of mine life

HOW HESPL SCALED CAPABILITIES

In FY2026, HESPL achieved significant institutional, operational, and technology milestones that further strengthen its credibility. These strategically position it to advance mineral exploration opportunities with sustainable and responsible practices, with the long-term objective of building a diversified, multi-commodity exploration portfolio.

1 STRENGTHENING CREDENTIALS

- As per Gazette Notification S.O. 1764(E) dated April 16, 2025, issued by the Ministry of Mines, Government of India, Hindmetal Exploration Services Pvt. Ltd. has been accredited as a Category 'A' Exploration Agency
- Achieved ISO 9001, 14001, and 45001 certifications, supported by an integrated management system (IMS) for quality, environment, health and safety, and process excellence
- HESPL was awarded the first-ever 100% NMEDT-funded (National Mineral Exploration and Development Trust) exploration projects as a National Private Exploration Agency (NPEA) in rare earth elements across three projects in Balotra, Rajasthan, reinforcing its role as a trusted partner in government-funded exploration

2 BUILDING IN-HOUSE CAPABILITIES

- Strong exploration team (young, multidisciplinary, and execution-oriented) comprising geologists, geophysicists, and data analysts with field and analytical expertise.

Enhanced technical depth and exploration-readiness

- Multiple large-scale training programmes by industry experts from Datamine, the National Committee for Reporting Mineral Resources and Reserves in India (NACRI), and the Geological Survey of India (GSI)
- Focus on improving modelling efficiency, interpretation quality, and alignment with future project requirements, Indian Mineral Industry Code (IMIC) alignment, and field capability
- 512 hours of training delivered

3 TECHNOLOGY AS A MULTIPLIER OF EXPLORATION OUTCOMES

TECHNOLOGY AREA	IMPACT TARGETED
Advanced survey technologies ▪ Drone-based magnetic surveys integrated with LiDAR and high-resolution imagery ▪ Borehole electromagnetic (BHEM) surveys to identify subsurface anomalies and generate priority drilling targets ▪ Hyperspectral imaging and remote sensing techniques for alteration mapping and lithological differentiation	▪ Sharper target definition ▪ Reducing geological uncertainty
Digital platforms for data management and analysis ▪ ArcGIS Web Portal for managing geological and spatial data sets ▪ Leapfrog and Datamine Studio for advanced 3D data visualisation, interpretation, and scenario-based resource modelling ▪ acQuire DBMS for structured data capture with automated quality assurance and control ▪ Power BI for real-time operational monitoring and intelligence on operational metrics (drilling productivity and downtime assessment)	▪ Data reliability and transparency ▪ Faster analytical turnaround

AI and machine learning
▪ AI/ML pilots in collaboration with specialised third-party providers across key assets to assess effectiveness and scalability:
  ▪ **Rampura Agucha and Ghanpur-Mudholi:** Delivered advanced analytical insights from complex geoscientific datasets
  ▪ **Kayad:** Preliminary outputs supporting regional target generation and encounter of significant intersections
  ▪ **Rajpura Dariba and Zawar clusters:** Pilot underway for new target generation and drilling optimisation
	▪ Accelerate discovery timelines
	▪ Strengthen data-driven decision-making
	▪ Drilling and cost optimisation
	▪ Identify high-potential mineral zones

HESPL OPERATIONAL DEVELOPMENTS, FY2026

Hindustan Zinc growth projects

Core Commodities (Zinc-Lead-Silver)

HESPL implemented a structured and well-defined exploration roadmap to identify new prospective targets and evaluate the presence, continuity, and scale of mineralisation across Hindustan Zinc's brownfield assets. This supports our 2x growth vision, whereby disciplined efforts, planning, technical governance, and phased execution translate into higher R&R addition than what we produce each year.

Key developments include:

- Highest-ever R&R ore and ore reserves of 468.6 Mnt and 219 Mnt, respectively, with highest-ever metal reserves since underground transition at 13.9 Mnt and record silver reserves of 10.9 kt (350.8 Moz)
- Highest-ever R&R ore at Zawar Group of Mines, Rajpura Dariba Mine, Kayad Mine, and Bamnia Kalan Mine
- Zawar secured forest department approval for 56 forest-land boreholes, unlocking new areas for exploration
- Conducted reconnaissance at Zawarmala, improving structural interpretation and target identification
- Engaged senior and experienced industry experts as technical consultants to refine the structural geology of Zawar and Rajpura Dariba complexes, facilitating new target generation and improved ore body correlation

Critical Mineral Diversification:

HESPL made significant progress in the critical mineral domain during FY2026 in line with India's strategic priorities and Hindustan Zinc's diversification agenda.

Blocks secured by Hindustan Zinc	Tungsten block in Balepalyam, Andhra Pradesh	Rare earth elements (REE) block in Nawatola-Laband, Uttar Pradesh	Potash block in Jhandawali-Satipura, Rajasthan
Exploration progress	Received the surface exploration rights (grant of composite licence) and exploration activities commenced from Q4 FY2026	▪ Letters of intent (LoI) received ▪ Regulatory approval for grant of composite licence expected by early FY2027	Achieved successful deed execution

VedEx (Vedanta Exploration) Projects

During FY2026, HESPL undertook the following exploration initiatives for Vedanta:

Secured surface exploration rights and commenced exploration activities across Vedanta's critical mineral blocks:

- **Genjana Block, Bihar:** Nickel-Chromium-Platinum Group Elements (PGE)
- **Depo Block, Arunachal Pradesh:** Graphite-Vanadium

Initiated preliminary exploration activities at Baghmara Gold Block in Chhattisgarh, where phase I exploration confirmed refractory gold mineralisation at an approximate depth of 300 metres, indicating strong potential for further resource delineation and development

Discovered new ore lenses below c.75 m from surface at Ghanpur-Mudholi Copper-Gold Project in Maharashtra, adding c.6.5 Mnt ore resources

EXPLORATION PERFORMANCE

In FY2026, brownfield exploration activities delivered strong and consistent outcomes:

- 88.08% of the drill holes successfully intersected mineralisation, indicating a high success rate
- Gross addition of 32 Mnt of ore R&R and 2.1 Mnt of metal reserves

We executed a total of 464.32 km of drilling across operations, comprising 160.67 km of surface drilling and 303.65 km of underground drilling. We remain focused on further strengthening the R&R base across existing deposits, while continuing the systematic identification and evaluation of new exploration targets within its mining leases.

RESERVES AND RESOURCES (R&R) STATUS

The Mineral Resources and Ore Reserves for Hindustan Zinc as of March 31, 2026, were audited by SRK Consulting (UK) Limited ("SRK"). Below are the Mineral Resource and Ore Reserve statements reported in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code, 2012 Edition ("JORC").

Ore Reserves

Estimated at 219.1 Mnt of ore, grading 4.9% zinc (Zn), 1.5% lead (Pb), and 50 g/MT silver (Ag), containing 10.6 Mnt zinc, 3.3 Mnt lead, and 350.8 Moz silver.

Mineral Resources

Estimated at 249.5 Mnt of ore, grading 4.3% zinc, 1.8% lead, and 53 g/MT silver, containing 10.8 Mnt zinc, 4.4 Mnt lead, and 426 Moz silver. At current mining rates, the R&R supports our vision of 2x production.

ORE RESERVES AND MINERAL RESOURCES (R&R), AS OF MARCH 31, 2026

(based on Annual R&R audit by SRK (UK))

Our Assets	Total Reserves					Measured & Indicated Resources					Inferred Resources				
	Tonnage (Mnt)	Zn%	Pb%	Ag (g/MT)	Metal (Mnt)	Tonnage (Mnt)	Zn%	Pb%	Ag (g/MT)	Metal (Mnt)	Tonnage (Mnt)	Zn%	Pb%	Ag (g/MT)	Metal (Mnt)
Rampura Agucha	45.1	9.6	1.5	44	5.0	13.3	11.5	2.8	74	1.9	4.4	0.1	4.9	177	0.2
Kayad	1.8	5.1	0.7	13	0.1	5.5	7.1	0.9	16	0.4	4.4	4.6	0.4	8	0.2
Sindesar Khurd	35.2	3.1	1.8	87	1.7	47.4	3.6	1.6	76	2.4	7.3	3.1	1.3	48	0.3
Bamnia Kalan	8.4	2.8	0.9	32	0.3	18.2	3.2	1.0	38	0.8	15.5	3.6	1.5	49	0.8
Rajpura Dariba	65.9	5.0	1.7	65	4.4	7.4	6.2	1.8	69	0.6	22.5	6.3	1.8	90	1.8
Zawar	62.7	2.5	1.2	21	2.3	43.5	3.3	1.7	26	2.2	60.2	3.9	2.1	38	3.6
Total	**219.1**	**4.9**	**1.5**	**50**	**13.9**	**135.2**	**4.5**	**1.7**	**52**	**8.3**	**114.3**	**4.2**	**1.9**	**55**	**7.0**

Note: Mineral resources are reported exclusive of ore reserves, reported at variable cut-off grade per mineral asset

STRATEGIC EXPLORATION PATHWAY TOWARDS 2X PRODUCTION

Looking ahead, HESPL's exploration agenda is organised around three priorities, each directly aligned with Hindustan Zinc's strategic ambitions:

Expanding reserve base
in a fast-track manner to support the expansion program

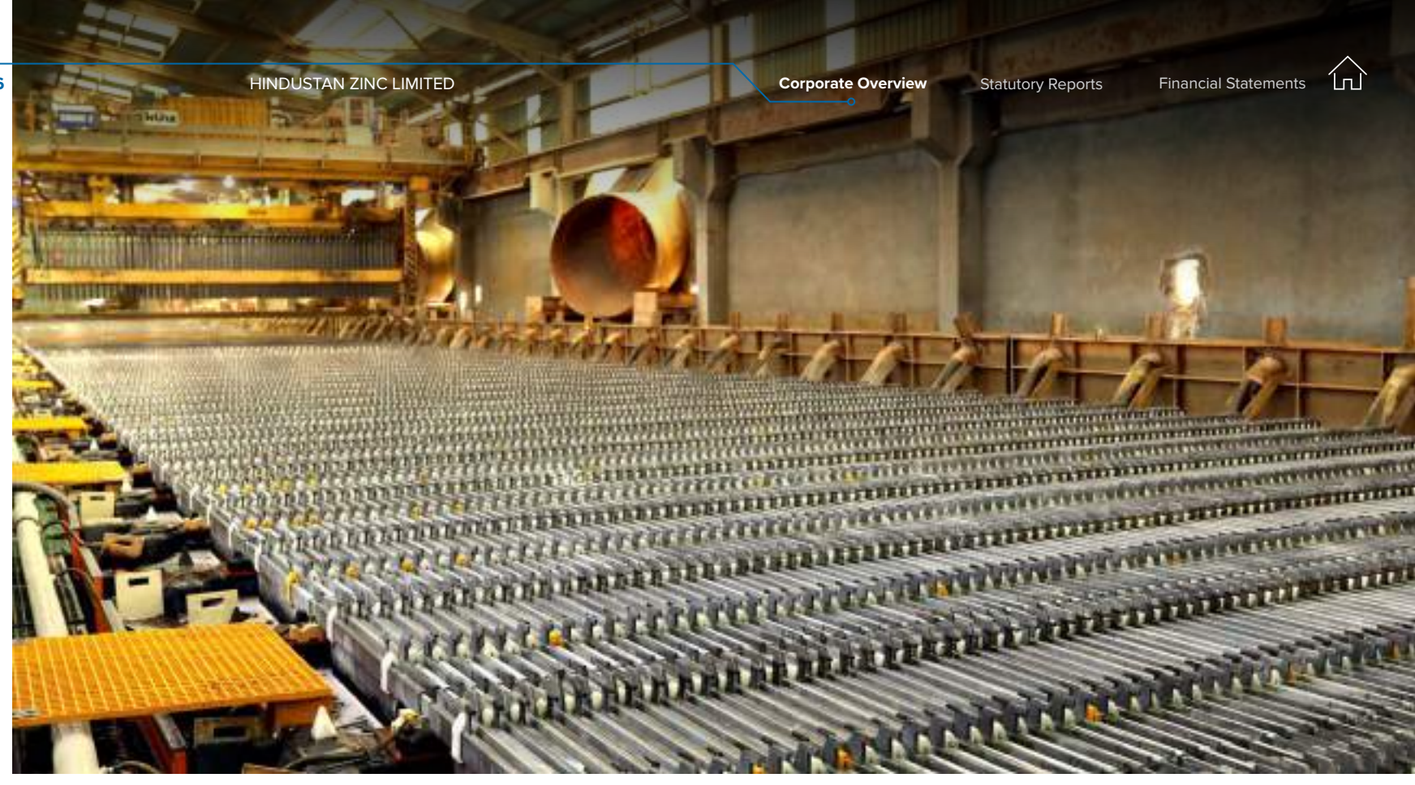
Procuring advanced high-tech drilling rigs
with AI/ML-enabled target generation and deep drilling capacity for aggressive exploration

Enhance execution efficiency
by strengthening internal capabilities and leveraging selected specialised technical expertise

OPERATIONAL PERFORMANCE – SMELTERS AND CAPTIVE POWER PLANTS

UNLOCKING CAPACITY, DRIVING COST LEADERSHIP

Smelters are the economic engine of an integrated metals and mining business – and ours are redefining what's possible. Our ongoing efforts to maximise output, save energy through process optimisation, and drive technology-led cost-efficiency contributed to our best-ever margins in FY2026. This year marks an inflection for our smelters, with the expansion programme moving into execution, alongside a step-change in throughput, efficiency, and reliability, which support the momentum that the next chapter of our growth requires.



KEY TAKEAWAY

Unlocked additional capacity from existing assets with minimal capital outlay through debottlenecking and throughput improvement measures

Reduced cost of production with focus on scrap and residue sales, operational reliability, and domestic coal usage

Technology deployment improved operational reliability, cost, and safety

Hindustan Zinc 2.0 priorities: Scaling digital and automation deployments and brownfield debottlenecking to drive low-cost capacity growth alongside the 2x expansion

PERFORMANCE SNAPSHOT FY2026

Smelter production

851 kt
Zinc (▲ 3%)

197 kt
Lead (▼ 13%)

627 MT
Silver (▼ 9%)

Power generation*

72.13 MU
Solar power (▲ 1%)

384.42 MU
Wind power (▲ 1%)

4,113.81 MU
Captive thermal power (▲ 2%)

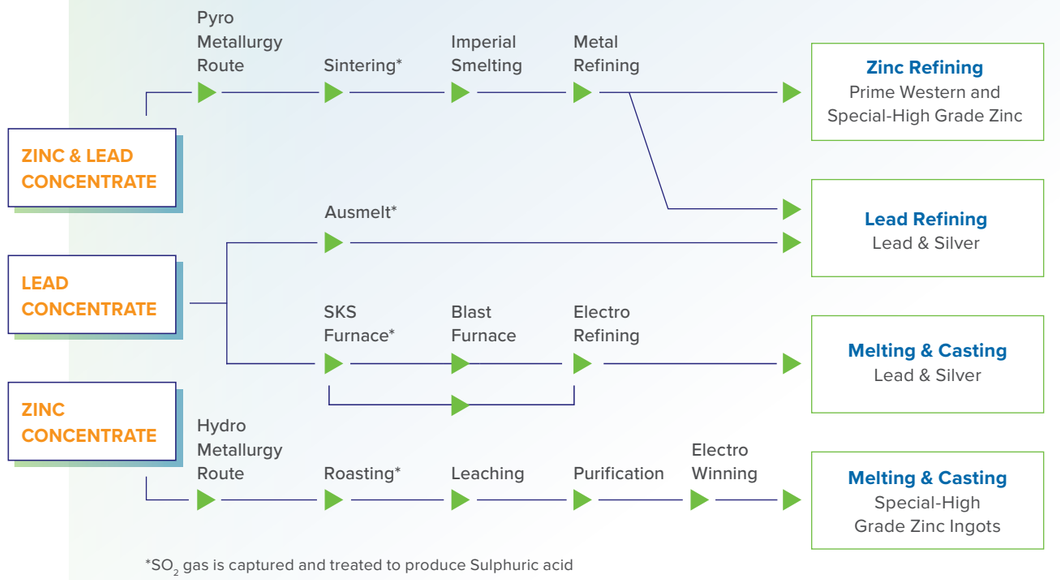
285.62 MU
Waste heat recovery boiler power (▲ 25%)

*Gross production

EXCELLENCE WITH SUPERIOR SMELTING TECHNOLOGIES

Our smelters deploy advanced technologies and tools to produce high-quality zinc, lead, and silver from captive mine concentrates, supported by reliable in-house power. Digital technologies like real-time monitoring, automation, and data-led optimisation enhance process control, improve recoveries, and minimise variability. We ensure a circular and efficient operating model by effectively managing by-products (selling or captively consuming) produced during the smelting process.

Our smelting technologies and products



*SO_2 gas is captured and treated to produce Sulphuric acid

Zinc grades

99.995% Zn
SHG (Special high grade)

99.95% Zn
HG (High grade)

98.65% Zn
PW (Prime western)

ZAMAK 3, ZAMAK 5, CGG & ZAM and more
Multiple value-added products

Lead grade

99.99%
Purity Lead

Silver grade

99.99%
Purity Silver

SCALING EFFICIENCY AND OPERATIONAL THROUGHPUT

SMELTERS

MEASURES UNDERTAKEN	IMPACT ACHIEVED
Projects completed	
Debottlenecked Chanderiya (Hydro II) and Dariba hydrometallurgical plants through installing new rectifiers, cooling towers, and horizontal belt filtration (HBF) units, and major pump overhauls	**21 ktpa** refined zinc production capacity unlocked, supported by an improvement in current from 200 kA to 212 kA
Installed an oxygen plant at the sinter in the pyrometallurgical plant at Chanderiya	**9 kt** additional metal production led by an enhancement in throughput by 2.2 TPH
Commissioned a new 160 ktpa roaster in Debari	**Production bottlenecks removed** supported by continuous calcine feed even during roaster shutdowns, which sustains full design throughput
Increased campaign life of the SKS plant in Dariba to the highest-ever 518 days through continuous monitoring of boiler panels and furnace brick lining	**6 kt** additional metal production **20 MT** additional silver production
Highest-ever scrap and residue sale of ₹ 700 crore	**US$ 93 per tonne** reduction in zinc cost of production excluding royalty
Projects under execution	
Replacing the older star cooler setup with a packed gas cooling tower (PGCT) to upgrade gas-cooling capacity	**3 kt** additional metal driven by a 0.8 TPH increase in throughput, enhancing process stability and expanding sinter plant capacity
Installing an innovative hot acid leaching plant in the Dariba cell house	**6 kt lead and 27 MT silver recovery** from hydrometallurgical zinc circuit by extracting low grade lead concentrate (LGLC) from leaching

Hindustan Zinc onboarded the globally renowned YKK (Yoshida Kogyo Kabushikigaisha) team for a quality inspection of the alloy plant. The visit highlighted the areas of quality improvement, while setting the foundation for high-value, quality-driven growth

CAPTIVE POWER PLANTS (CPPs)

MEASURES UNDERTAKEN	IMPACT ACHIEVED
Upgraded turbine blade profile for three steam turbine generator units	**3.9 MW/year** additional capacity unlocked with minimised mechanical losses
Maximised plant load factor (PLF) by operating units beyond technical feasibility	**₹ 3.5 crore** cost savings in FY2026
Increased domestic coal consumption to 53% in FY2026 vs 44% in FY2025	**₹ 39 crore** cost savings in FY2026
Operationalised a 4.8 MW solar plant in Dariba	**100%** operationalisation of 40.70 MW, aiding renewable energy integration

DRIVING TECH-POWERED TRANSFORMATION

TECHNOLOGY FOR BETTER ASSET UTILISATION

During the year, we deployed technologies like computer vision, OT-IT convergence, and AI/ML to enhance asset utilisation.

Reliability

Sinter pallet grate bar monitoring and interlocking

Computer vision-based solution eliminates unplanned stoppages from grate bar anomalies in sinter machine pallets, improving plant availability and process stability

19%

Reduction in unplanned stoppages from the pallet grate bar

Reliability

Switchyard hotspot detection

Thermal vision-based solution replaces manual checks with real-time insights, enabling planned maintenance and sustained peak performance of switchyards

20%

Reduction in production losses from unplanned switchyard outages

Cost optimisation

Process optimisation through autonomous dosing

Deployed end-to-end OT-IT integrated, ML-based autonomous dosing system, optimising non-fuel chemical consumption across smelters

4%

Reduction in chemical consumption norms

TECHNOLOGY FOR ENSURING SUSTAINABLE OPERATIONS

During the year, we deployed technologies like robotic process automation and computer vision

Safety

Real-time detection of man-machine interaction

Integrated a human detection system with crane hardware, enabling the crane to operate in an automated, proximity-aware mode

Zero

man-machine interactions in cell-houses where humans work in proximity to a moving crane

Improved

governance

Governance

100% auto-booking of products

SAP booking for all our products is end-to-end automated to achieve best-in-class governance in our operations

ADVANCING PROCESS SAFETY

Safety at our smelters has moved decisively from procedural compliance to engineering-led elimination of risks. Key measures undertaken in FY2026 to scale process safety include:

- Computer vision-based ladle transfer monitoring at the Chanderiya pyrometallurgical plant has resulted in 100% elimination of high-risk hot metal spillage during transfer
- Brokk machines and mini dozers are being used for periodic cleanout activities across plants, eliminating safety hazards related to manual cleaning
- Replaced manual valves with automated ones in the sulphuric acid storage tank area, eliminating operator exposure to hazardous environments
- Installed safe and reliable automatic climbing systems in wind power projects, enhancing technician safety and reducing manual climbing risks

OPERATING RESPONSIBLY AT SCALE

We advanced environmental performance at our smelters across four dimensions in FY2026:

Water conservation

- 8.49 million KL out of 8.89 million KL of water consumption is from the sewage treatment plant
- 28% recycled water usage
- Installation of a new water treatment plant along with new roaster commissioning at Zinc Smelter Debari

Clean air

- Installation of tail gas treatment plant is in progress at Chanderiya hydrometallurgical plant

Circular Economy

- 178 kt Jarosite utilised in cement industries, up 9% YoY
- 475 kt Jarofix utilised in road construction, up 41% YoY
- 101 kt reduction in Jarosite/ Jarofix generation through improvement in fumer utilisation
- 2.8 kt of metal and 11.9 MT of silver produced additionally by the fumer in FY2026 as compared to 3.1 kt and 6.1 MT, respectively, during the last year

Sustainable mobility

- Expanded green fleet to 180 liquified natural gas (LNG) vehicles and 52 electric vehicles (EVs) to reduce GHG emission

STORIES THAT SHAPE HZL 2.0

Circular economy as a profit-and-risk lever

From waste generation to responsible stewardship across our value chain

Hindustan Zinc has long considered waste as an inevitable cost of mining and metal. Recently, we systematically shifted waste management from a disposal-led model to a value-led model, adopting a multi-pathway approach that prioritises prevention, recovery, reuse, and safe co-processing. The programme improves resource efficiency, reduces long-term environmental liabilities, and unlocks incremental metal recovery and by-product monetisation.

PROBLEM STATEMENT

Mining, milling, and smelting generate significant volumes of overburden, waste rock, tailings, Jarosite, slags, and dusts that require engineered storage, monitoring, and closure planning. They also contain recoverable zinc, lead, silver, and minor metals, alongside cadmium-rich streams arising as smelting by-products. Limited downstream recovery capability meant part of this embedded value remained unrealised.

The opportunity: Build commercially viable pathways that convert waste into products and recover metals, while strengthening operational resilience and ESG performance.

Hindustan Zinc approach

Key efforts undertaken in FY2026 to scale environmental performance and translate them into measurable economic value, include:

- **Reduction at Source:** Initiated underground internal waste dumping directly into open stopes to reduce surface haulage, footprint, and associated handling costs
- **Recovery from Legacy Wastes:** Developing India's first tailings processing plant at Rampura Agucha with 10 Mtpa feed capacity for additional zinc, lead, and silver recovery from legacy tailings while lowering long-term storage and closure liabilities
- **Residue Utilisation:** Jarosite co-processed in cement manufacturing and Jarofix deployed in road/rail infrastructure applications
- **Process Innovation:** Advanced fumer and hot acid leaching technologies to reduce or eliminate Jarosite formation, while enabling incremental recovery of 12 kt metal and 60 MT silver annually
- **By-Product Monetisation:** Partnered with Runaya Green Tech to process cadmium-rich purification cake generated during smelting, and refine it into finished goods

Impact created

- Established a defined pathway towards net zero Jarosite disposal through in-house R&D, global technology engagement, and industry partnerships
- Scaled multiple utilisation routes (including hematite conversion, alternative gypsum, and hybrid technologies), leading to gainful utilisation of c.653 kt of Jarosite/Jarofix (around 55% of total generation) in FY2026, c.3.8x the FY2020 baseline
- The fumer plant recovered 2.8 kt of additional metal and 11.9 MT of silver in FY2026, while reducing Jarosite generation by 101 kt
- Produced cadmium finished goods in FY2026, demonstrating monetisation potential from secondary material streams
- Improved resource efficiency, lowered landfill dependence, and reduced environmental risk, supporting stronger licence to operate and long-term stakeholder value creation

WHAT THIS MEANS FOR INVESTORS

Circular economy at Hindustan Zinc is critical on both ESG and profit-and-risk lever fronts. It reduces environmental liability and regulatory exposure, unlocks capital-efficient growth optionality from existing waste streams, and reinforces the operational resilience that underpins long-term value creation.

Value creation from circular initiatives in FY2026

₹ 300 crore+
Revenue generated

₹ 100 crore+
EBITDA contribution

STORIES THAT SHAPE HZL 2.0

Women Shaping the Future of Mining

In a sector historically defined by structural barriers to women's participation, Hindustan Zinc has broken the barrier with transformative efforts. We have moved beyond the question of whether women can work in mining to demonstrating, year after year, how women are leading it as decision-makers, business leaders, and role models for the next generation.

PROBLEM STATEMENT

For decades, mining, especially underground and shift-based operations, remained male-dominated, with barriers limiting women's access to career-defining, core operational roles.

This created a dual challenge: the urgency of diverse talent and inclusive leadership to drive productivity and transformation, and inclusion of women.

Hindustan Zinc approach: enabling access, safety and progression

In FY2026, we deepened our agenda from enabling participation to enabling leadership through interventions designed to enable access, safety and progression, at scale and sustainably.

Key efforts included:

- **Advocacy and access:** Engaged stakeholders to drive broader acceptance of women in core mining roles, supported by safety, dignity, and enabling infrastructure in alignment with long-term people strategy.
- **Safe and enabling infrastructure:** Strengthened the ecosystem for women working in mines and across shifts to make participation sustainable and to ensure equal access to growth opportunities. Key interventions included:
  - Safe transportation and shift movement protocols
  - Dedicated facilities, gender-sensitive infrastructure, and enhanced security protocols
  - Supervisor sensitisation and inclusive leadership training
  - Prevention of Sexual Harassment (POSH) awareness and respectful workplace training through PRISM (Prevention, Respect, Inclusivity, Safety & Mindset)
- **Building talent pipeline:** Strengthened hiring across STEM, mining, engineering, operational, and technical roles through enhanced campus engagement, early career hiring, and role-based deployment.
- **Leadership progression:** IGNITE (Inclusive Growth to Nurture and Inspire Talent to Excellence) programme to prepare women leaders for future CXO roles.

Impact created

- **TEJASWINI:** Deployed a 30-member all-women team in core smelting operations (Leaching and Purification section), providing hands-on exposure for future operational leadership roles.
- **Women in night shifts and back shifts:** Enabled participation through structured safety, transport, supervision, and operational protocols, breaking one of mining's most persistent shift-based barriers.
- **Women of Valor:** Established India's first all-women mine rescue team, demonstrating that high-intensity mining roles can be performed with capability, training, and a strong safety culture.
- **IGNITE:** Preparing 16 senior women leaders for future CXO roles, including exploration, operations, silver business, commercial, security, and corporate communications.

Our structured interventions have shifted the narrative from "Can women work in mining?" to "Women are shaping the future of mining."

How we broke barriers in mining in FY2026

26.4%
Overall gender diversity in Executives

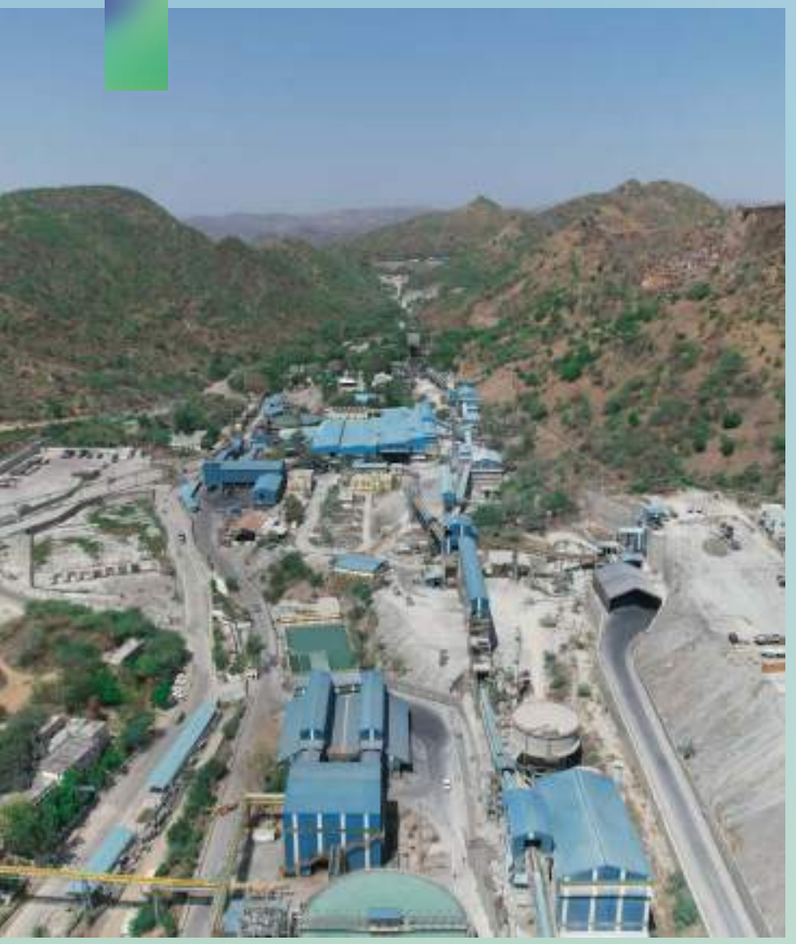
30%
Decision-making bodies gender diversity

22%
Technical & shop floor gender diversity

44%
Enabling functions gender diversity

41 individuals from LGBTQIA+ & PWD communities
Diversity beyond gender

STORIES THAT SHAPE HZL 2.0



Zawar: 2,500 Years of mining legacy

From Heritage to modern mining excellence

Zawar group of mines in Rajasthan is the world's oldest known site of industrial-scale zinc mining and smelting. While Europe only mastered zinc smelting in 1,743 CE, the metallurgists of Zawar were perfecting the craft as early as 750 BCE. Its transformation from an ancient metallurgical pioneer to a 21st century automated powerhouse is a remarkable journey of innovation spanning over 2,500 years.

ZAWAR AT A GLANCE

2,500 years
Of zinc mining and smelting heritage (one of the world's oldest known)

Multi-mine cluster
Mochia, Balaria, Zawarmala, and Baroi

A HERITAGE OF INNOVATION AND TRANSFORMATION

Key inflection points in Zawar's journey

- c.500 BCE – Early industrial zinc production at Zawar using zinc retort (reverse distillation) technology with precise temperature control and water-cooled chambers, intricately crafted clay pots coated with turmeric to collect pure zinc vapour, and ancient furnaces
- 1966 – Nationalisation of Hindustan Zinc Limited
- 1972-1988 – Ramp-up of modern mining at Zawar
- 2009-2013 – Ore production reached c.1.0 Mnt; expansion project initiated (2012)
- 2022 – Mined metal production reached c.160 ktpa; resources & reserves (R&R) stood at c.154 Mnt
- 2025-2026 – Ore production reached 4.36 Mnt and mined metal production c.214 ktpa

EVOLUTION FROM MANUAL MINING TO MECHANISED, TECHNOLOGY-LED OPERATIONS

EXPLORATION

Conventional diamond drilling → Mechanised drilling, geophysics-based exploration, and creation of 3D ore body modelling & lithological models

MINE DRIVES AND DRILLING

Jack hammer drilling → Mechanised, fully automated development drills

STOPING

Jack Hammer Stopes → Mechanised EH Drills and Precise Single Shot Stope Blasting

LOADING & HAULING

U-Tub & Loco hauling → Large Loading equipment for faster mucking, tele-remote operated loaders & truck hauling

Advanced underground mining capabilities

- Specialisation in narrow vein lens designing and mining
- Use of bulk emulsion explosive with mechanised charging
- Mechanised raise boring with zero exposure of personnel

ZAWAR TODAY

Zawar today stands not just as a heritage landmark, but as a modern, mechanised mining cluster. It demonstrates how India's metallurgical legacy can be scaled through technology, safety, and sustainable operating practices.

Scale & productivity

4.36 Mnt
Ore production (▲ 4× since disinvestment in FY2002)

c.214 kt
Mined metal output (highest-ever)

Resource base

c.167 Mnt
R&R (highest among Hindustan Zinc's mines)

Exploration outperformance

111 km
Surface drilling (highest-ever)

Operational milestones at Balaria

1.0 Mnt
Ore production (highest)

600 m
Raise at Balaria (longest)

Women inclusion

India's first
underground all-women mine rescue team

Night shift
operations for women

Technology & safety

Remotely
operated underground dewatering system at Mochia

DID YOU KNOW?

Lead as a product

- India has 2 million e-rickshaws
- Each e-rickshaw consumes 110 kg of lead in batteries

Hindustan Zinc produced 197 kt of lead in FY2026.

One YEAR LEAD PRODUCTION CAN POWER ALMOST THE ENTIRE E-RICKSHAW FLEET OF INDIA

These are illustrative comparisons intended to provide a sense of scale, based on estimates and public data.

SUSTAINABILITY OVERVIEW

SUSTAINABILITY 2.0

ELEVATING AMBITION, ACCOUNTABILITY, AND IMPACT

OUR APPROACH: A UNIFIED FRAMEWORK TO SUSTAINABILITY

At Hindustan Zinc, guided by our 'Zero Harm, Zero Waste, and Zero Discharge' vision, we are tangibly progressing towards a sustainable future, aiming for the SBTi-validated Net Zero target by 2050 or sooner.

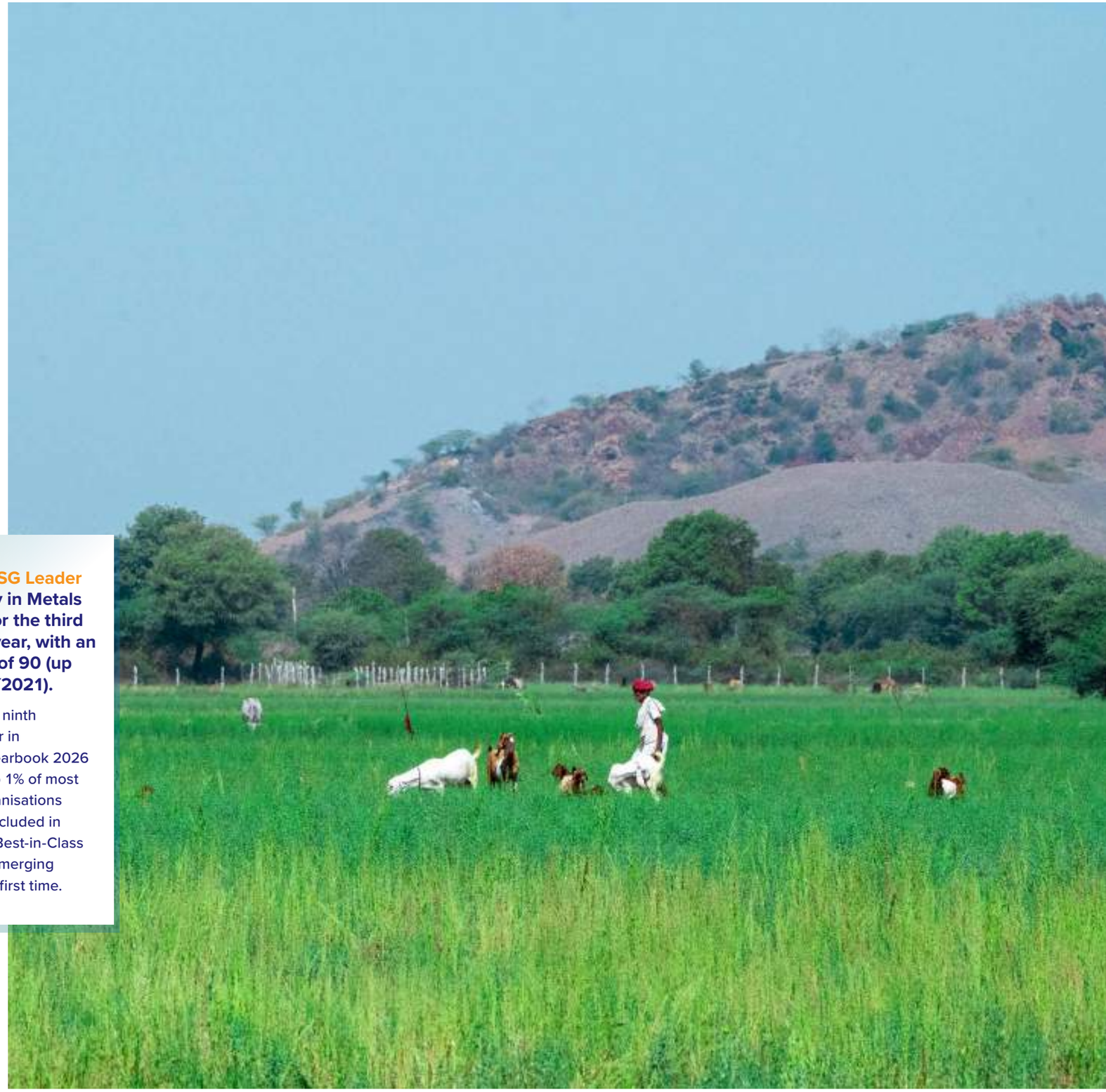
The Company has implemented an Integrated Management System (IMS) across all its operational units. Each site holds valid certifications to internationally recognised standards, including ISO 9001 (Quality Management), ISO 14001 (Environmental Management), ISO 45001 (Occupational Health & Safety Management), and ISO 50001 (Energy Management), reflecting a unified and robust approach to quality, safety, environmental protection, and energy efficiency across its mining, smelting, and refining operations.

Hindustan Zinc follows a Sustainability Framework adopted from its parent company, which is aligned with the guidelines from International Finance Corporation (IFC) and International Council on Mining & Metals (ICMM). It provides a structured approach to embed sustainability in operations and decision-making through well-defined sustainability policies, standards, and guidance notes that support operational and social excellence.

Having come a long way in our sustainability efforts, from pioneering low-carbon innovations to championing biodiversity and social development, we are now embarking on the next, more profound chapter – **Sustainability 2.0.** We are embedding perseverance, accountability, and global benchmarking into our core strategy. This evolution reflects a transformational shift towards purpose-led, inclusive, and future-ready operations.

S&P Global ESG Leader
No. 1 globally in Metals and Mining for the third consecutive year, with an overall score of 90 (up from 77 in FY2021).

Featured for the ninth consecutive year in Sustainability Yearbook 2026 – among the top 1% of most sustainable organisations globally. Also, included in the Dow Jones Best-in-Class (DJBIC) Index (Emerging markets) for the first time.



GOVERNANCE AND ACCOUNTABILITY

Three-Tiered Sustainability Governance Structure

Our three-tier governance structure enables us to integrate sustainability into every aspect of our decision-making from setting the vision at the top to driving its implementation on the ground.

TIER 1

Sustainability and ESG Committee of the Board

Committee details - Three Directors

Meeting frequency - Half-yearly

Mandate - Oversight of ESG matters and strategic direction

Read more on the Committee's members and its role in Corporate Governance Report on page 350

TIER 2

Sustainability Committee at Executive Level & ICMM Steering Committee

Committee details -

Chairperson: Chief Executive Officer

Members: Entire Executive Committee and chairpersons of our 12 communities, including:

- Energy & Carbon Community
- Waste to Wealth Community
- Biodiversity Community
- Water Management Community
- Central Occupational Health & Safety Council
- People Community
- Corporate Social Responsibility (CSR) Community
- Supply Chain Community
- Communication Community
- Finance Community
- Social Performance Management Committee
- Tailings Community

Meeting frequency - Monthly

Mandate -

- Formulation of strategy, goals, and targets
- Resource allocation, tracking project status, and reviewing progress towards achieving goals
- ICMM Steering Committee tracks the project progress and implementation of ICMM Action Plan

TIER 3

IBU ESG Committee

Committee details - Chaired by CEOs of independent business units (IBUs) and includes the site-level community heads

Meeting frequency - Monthly

Mandate -

- Executes projects under Tier 1 and 2 committees' guidance to achieve the sustainability vision
- Identification, impact analysis, mitigation, and monitoring of risks specific to the strategic business units (SBUs)

Sustainability Assurance Programme

Under our Sustainability Assurance Programme, each site is systematically assessed annually across 13 key pillars to measure implementation of the sustainability framework and assign site-specific sustainability scores. The outcomes of the assessment are discussed in the Executive-level Sustainability Committee, which in turn reports to the Board. The outcomes flow directly into corrective and preventive action plans, periodically reviewed, evaluated, and documented by the business units.

Incentive Linkage

10% of the annual performance bonus and incentives of the leadership and employees are linked to the Sustainability Assurance Score. Long-term incentives are also linked to the broader ESG performance of the Company, driving accountability across all levels.

SUSTAINABILITY ASSURANCE PROGRAMME ELEMENTS

- Compliance
- Leadership
- Objectives, Targets & Performance
- Safety
- Competency & Training
- New Projects
- Process Safety & Management of Change
- Incident Investigation
- Assessment and Continual Improvement
- Supplier & Contractor Management
- Social Sustainability & Stakeholder Engagement
- Environment
- Occupational Health

In FY2026, Hindustan Zinc obtained reasonable assurance by independent third-party on ESG indicators, which include BRSR Core. Limited assurance was obtained for the remaining BRSR and GRI Indicators. For the first time, we have conducted an ICMM self-assessment and audit at priority locations, Rampura Agucha Mine (RAM), and Chanderiya Lead-Zinc Smelter (CLZS).

SUSTAINABILITY BEYOND OPERATIONS: CUSTOMERS AND SUPPLY CHAIN

Hindustan Zinc has consciously extended its sustainability culture to the customers and suppliers, key stakeholders for Hindustan Zinc. The customer service proposition is built around our wide portfolio of products and transparent disclosure of the environmental impact of our products.

LCA and EPD-Based Transparent Environmental Disclosures

Published an independently verified Environmental Product Declaration (EPD) for our zinc products, assessing their environmental impacts, using Life Cycle Assessment (LCA) based on Cradle-to-Gate approach.

Our Zinc EPD is compliant with ISO 14025:2006 and EN 15804:2012+A2:2019, and benchmarked to ISO 14040 and ISO 14044, enabling consistent comparison for global customers.

EcoZen: Low Carbon Innovation

Launched EcoZen in FY2025, Asia's first low carbon zinc and expanded its adoption across the manufacturing industries through strategic partnerships in FY2026, addressing value chain emissions.

EcoZen has 75% lower carbon footprint vs the global average and is certified to have <1 tCO_2e per tonne of zinc produced.

Read more under the Environment section on page 186

Supply Chain Sustainability

- Introduced electric vehicles (EVs) and liquified natural gas (LNG) vehicles in our fleet to reduce our inter-unit transport-related GHG emission
- Driven business partner engagement and capacity building through initiatives such as 'Business Partner ESG Connects' and 'Wednesdays for Transition'
- Launched Supply Chain Sustainability Programme in FY2026 for a comprehensive sustainability evaluation of critical suppliers

100%
of our critical suppliers
were assessed for ESG Risks

For further details, please refer to the Responsible Sourcing chapter on page 256 of this report.

SUSTAINABILITY 2.0: SCALING AMBITION

Our sustainability ambition reset marks a decisive shift from the Sustainability Goals 2025 to the 2030 goals. It strengthens accountability, stakeholder integration, and global benchmarking to drive higher-impact outcomes across climate action, water stewardship, inclusive growth, and governance excellence.

Goals 2025
Internal targets aligned with global benchmarks embedded sustainability into core business processes, setting the base for a more ambitious, stakeholder-centric approach

ICMM Alignment & Double Materiality
Our ICMM alignment focuses on Social performance. Topics identified and prioritised based on the significance to stakeholders and business, integrating outcomes into strategy, policies, and targets for a deeper impact

Sustainability 2030 Goals
A stakeholder-centric, purpose-led and globally benchmarked ambition focused on Zero Harm, Zero Waste, and Zero Discharge, driving transformational impact across the value chain

Sustainability 2.0 Focus : Strengthening Governance, Accountability, and Global Alignment

Our Sustainability 2.0 vision is anchored in a strengthened governance framework, enhanced accountability, and a clear commitment to global best practices, ensuring sustainability is embedded across every layer of operations.

Global Standards Alignment
- Working towards aligning fully with the ICMM Mining Principles, Performance Expectations, and Position Statements

2030 Sustainability Goals
- Zero Harm | Zero Waste | Zero Discharge approach
- Supported by redesigned ESG KPIs, rigorous monitoring, and transparent disclosures

Social Performance & Human Rights
- Comprehensive social & human rights impact & risk assessments (SHIRA) across all sites, strengthening our commitments to indigenous and tribal people

Operational Excellence & Risk Management
- Targeting 100% conformance with the Global Industry Standard on Tailings Management (GISTM)
- Prioritising psychological safety, and updating our security risk frameworks at sites in line with the Voluntary Principles on Security and Human Rights (VPSHR)

Health, Safety, and Capability Building
- Strong leadership commitment towards a robust safety culture, and implementation of a critical risk management system
- Investing in capacity building for our workforce and partners to embed ICMM-aligned systems and behaviours

Transparency, Responsibility, and Ethical Conduct
- Alignment with Extractive Industries Transparency Initiative (EITI) and clear reporting of taxes and government payments
- Chanderiya Lead Zinc Smelter (CLZS) and Rampura Agucha Mine (RAM) received the Zinc Mark certification, strengthening our market leadership through verified, sustainable operations

SUSTAINABILITY GOALS 2030*

Climate Change

2030 targets
Reduction of Scope 1 and 2 emissions by 50% and Scope 3 emissions by 25%

FY2026 Status
- Absolute emissions (Scope 1+2): 5.02 million tCO_2e
- Absolute Scope 3 emissions: 1.47 million tCO_2e

UN SDGs

Circular economy and material stewardship

2030 targets
Achieve near to Zero waste to landfill by diverting all smelting process waste away from landfill through reuse, recycling, and recovery

FY2026 Status
- 29.43% of total waste reused/ recycled/recovered
- 104% high-volume-low-toxic (HVLT) waste utilisation

UN SDGs

Water stewardship

2030 targets
- Achieve a 50% reduction in freshwater consumption in operations from the 2020 baseline
- Securing 100% municipal treated sewage water for smelting operations

FY2026 Status
- 13% reduction in freshwater consumption in operation from base year FY2020
- 47% municipal treated water used in smelting operation
- 49% water recycling rate

UN SDGs

Biodiversity conservation

2030 targets
- Halt and reverse biodiversity loss, through measurable gains in the health, abundance, diversity, and resilience of species, ecosystems, and natural processes
- Plan and strive to achieve no net loss of biodiversity at all mine sites by closure through applying mitigation hierarchy

FY2026 Status
- 1,13,500 plantations done in the year
- 1,105 hectares restored up to FY2026

UN SDGs

Ensuring zero harm

Year-on-Year targets
- Zero fatality and 100% elimination of high consequence work injuries

FY2026 Status
- 2 fatalities
- 1 high consequence work-related injury (excluding fatalities)

UN SDGs

Diversity and inclusion

2030 targets
- Increase gender diversity to 30%, with a strong focus on decision-making roles

FY2026 Status
- 26.4% gender diversity
- 30% in decision-making roles

UN SDGs

Responsible sourcing

2030 targets
- 100% active supplier evaluation on ESG and risk management
- 25% procurement from local business partners
- Transition to greener fuels for advancing Scope 3 emission reduction

FY2026 Status
- 100% suppliers evaluated
- 22% spend on local procurement

UN SDGs

Social performance

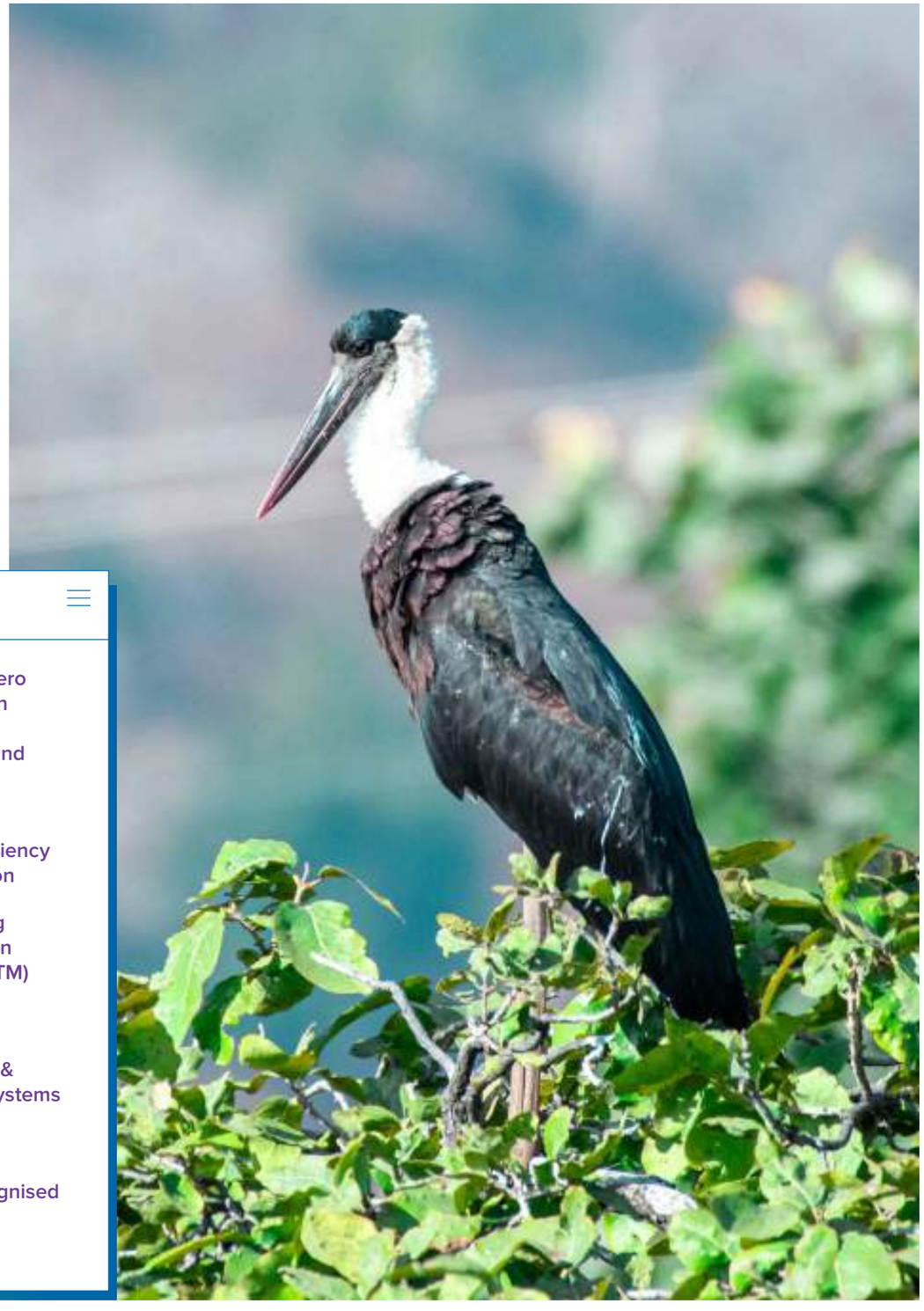
2030 targets
- Management plans basis Social & Human Rights Impact Assessment
- Impact 0.5 million lives through economic enhancement
- Make/develop 30,000 individuals with skilling & entrepreneurial opportunities

FY2026 Status
- 1.64 million lives impacted with economic enhancement
- 13,314 individuals made employable

UN SDGs

*Except Responsible sourcing (baseline FY2025), baseline for all others is FY2020

ENVIRONMENTAL



KEY TAKEAWAY

A clear SBTi-aligned Net Zero roadmap accelerating clean energy transition, energy efficiency, clean mobility, and supply chain collaboration

Innovation and process optimisation for water efficiency and circular waste utilisation

Tailings management using Global Industry Standard on Tailings Management (GISTM) and other best practices

TNFD and IUCN-aligned approach for conservation & restoration of natural ecosystems and biodiversity

Sustainable mine closure planning aligned with recognised international standards

RESPONSIBLE STEWARDSHIP OF NATURAL RESOURCES FOR A GREENER FUTURE

As a key player in the metals and mining industry, Hindustan Zinc is strengthening its commitment to natural capital through strategic investments in innovative and sustainable mining practices.

This year, we advanced our journey towards a sustainable future by deepening the alignment of ICMM mining principles across our operations. Our focus spans climate and environmental actions through GHG reduction, energy transition and efficiency, alongside responsible water, waste, and biodiversity stewardship. We remain deeply committed to going beyond compliance to support a resilient planet and thriving communities.

Material topics

M2 M3 M4 M7 M10 M16

Capitals Impacted

Stakeholder affected

Strategy linked

S5

UN SDGs

Strategy linked

- Environmental Policy
- Energy & Climate Change Policy
- Water Management Policy
- Tailings Management Policy
- Biodiversity Policy

ICMM Principles

Principle 6
Environmental Performance

Principle 7
Conservation of Biodiversity

Environmental performance FY2026

c.80,000 GJ
Energy savings

0.83 million tCO_2e
GHG emission abated through renewable energy (RE)

13%
Reduction in freshwater consumption from FY2020

3.32 times
Water positivity

892 million units
Total green power consumed

c.18%
Total RE power consumption

104%
High Volume Low Toxicity waste utilisation

Over 863 kt
Gainful utilisation of smelting process waste

0.85 million
Cumulative plantation since FY2020

100%
Coverage of operational sites with site-specific biodiversity management plans (BMPs)

2 filtered tailings plants
Commissioned at Zawar and Rajpura Dariba Complex

At Hindustan Zinc, caring for the environment is deeply embedded in the way we operate and grow. **Aligned with the ICMM Mining Principles, particularly Principle 6 (Environmental Performance)**, and anchored in our ESG commitments, we take a holistic approach to accelerating climate action and safeguarding natural resources.

We seek to go beyond regulatory compliance by strengthening environmental performance and advancing solutions that enhance long-term environmental resilience. During the year, our investments in advanced and sustainable manufacturing practices have strengthened progress towards GHG emission reduction, reinforcing our commitment to responsible resource management and creation of enduring value for the environment, communities, and future generations.

Read about climate and environmental goals under the Sustainability section on page 184

DRIVING CLIMATE ACTION AND ACCELERATING THE ENERGY TRANSITION

OUR APPROACH

Our Energy and Climate Change Policy focuses on adopting best practices in energy management, complying with regulatory requirements, and supporting the Paris Agreement and global climate goals. The policy drives measurement and reduction of Scope 1, 2 and 3 greenhouse gas emissions, increased use of renewable energy, and a clear roadmap to achieve SBTi-approved net-zero emissions by 2050.

We integrate climate considerations into strategy, risk management, and investment decisions. By promoting energy efficiency, innovation, and low-carbon technologies, we aim to reduce carbon intensity, strengthen climate resilience, and contribute to a sustainable, low-carbon future. This approach is backed by transparent disclosures aligned with global frameworks and active collaboration with stakeholders.

INTEGRATING CLIMATE RISK INTO BUSINESS STRATEGY

Climate-related risk considerations are integrated into our strategic planning and long-term financial and operational decision-making to strengthen our ability to anticipate disruptions, safeguard value, and maintain competitiveness in a rapidly changing global environment. We use structured risk assessment frameworks aligned with global standards to evaluate transition risks, physical climate threats, policy changes, and evolving stakeholder expectations. These insights influence capital allocation, energy strategy, asset design, and operational planning, ensuring that climate resilience is embedded across every stage of the business.

Physical risk & transition risk assessment

Hindustan Zinc has identified and classified climate-related risks and opportunities across short-, medium- and long-term horizons. These include both physical risks (e.g., rising temperatures, droughts, floods, and extreme weather) and transition risks (e.g., policy shifts, technological changes, market dynamics, and reputational impacts). In line with IFRS S2 recommendations, we used scenario analysis to assess these risks. Our strategy incorporates and addresses a broad range of climate risks and opportunities, mapped across 2030 and 2050 timeframes. We conducted baseline assessment of our business units by using ThinkHazard tool to assess potential baseline physical risks.

Mitigation/adaptation of physical climate change risks

Hindustan Zinc undertook multiple initiatives to mitigate and adapt to identified risks and opportunities across our operations. These initiatives encompass climate and environment-related issues and include:

- Increasing renewable energy
- Driving energy efficiency improvements
- Responsible water usage by reducing freshwater consumption
- Adopting circularity measures for efficient waste management
- Implementing nature conservation actions

Climate Action Report

Hindustan Zinc's Climate Action Report (CAR) provides detailed insights into the Company's climate change strategy and actions taken to mitigate its impacts. It also presents clear progress towards the climate change goals, including the performance against targets and the implementation of the relevant projects.

Refer Climate Action Report 2025 for more details.

PILLAR 1

Transitioning from **captive thermal power to renewable** and **clean energy** sources

PILLAR 2

Decarbonising transportation through adoption of low emission fuels and technologies

NET-ZERO TRANSITION

KEY PILLARS

As climate change intensifies global risks, we are taking decisive steps to address it. Our commitment to reach net zero emissions by 2050 is guided by four focused pillars that steer our decarbonisation pathway.

PILLAR 3

Partnering with critical value chain stakeholders to drive reductions in Scope 3 emissions

PILLAR 4

Enhancing **energy efficiency across operations** to optimise consumption and lower carbon intensity

PILLAR 1

Accelerating the transition to clean energy

We've been driving a transformative shift towards renewable energy over the past few years. Our green power portfolio includes wind, solar, and waste heat recovery power, with continuous renewable energy capacity expansion, aligned with our greenhouse gas reduction targets. To further accelerate our progress toward SBTi targets, we procure renewable energy through strategic power purchase agreements.

KEY HIGHLIGHTS IN FY2026

Our green power portfolio: 273.50 MW of non-captive wind power, 40.70 MW of captive solar power, and 63.10 MW of waste heat recovery power

100% green power at our Pantnagar Metal Plant, helping us cut emissions by over 30,000 tCO_2e each year

Received 519 MU of renewable power from 530 MW round-the-clock renewable energy (RE-RTC) power agreement with Serentica India Renewables Limited, increasing our renewable power share to c.18% (including captive RE) and abating GHG emissions by 0.83 million tCO_2e

ADVANCING ZINC-ION BATTERY TECHNOLOGY

As part of our continued collaboration with Indian Institute of Technology (IIT) Madras and Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), we are working on advancing the development of next-generation battery storage solutions. JNCASR has developed and demonstrated a zinc-ion pouch cell prototype. In parallel, IIT Madras is working on developing a zinc-air battery prototype and has successfully demonstrated it at lab scale, with ongoing work focused on vehicle-level demonstration as a range extender. These collaborations aim to enhance the viability of zinc-based batteries for a sustainable energy future.

ECOZEN - ASIA'S FIRST LOW CARBON ZINC

Hindustan Zinc launched EcoZen, Asia's first low carbon zinc brand, certified through life cycle assessment (LCA), which sets a new benchmark for sustainability in the industry. Produced using 100% renewable energy, EcoZen achieves over 75% lower carbon emission than conventional zinc. It is enabling greener manufacturing and accelerating low carbon supply chains across key sectors including automotive, renewables, and infrastructure. During the year, the Company strengthened partnerships with multiple customers for scaling the adoption of EcoZen across galvanised steel production, facilitating transition to lower Scope 3 emission.

PILLAR 2

Transforming mining & logistics with clean mobility

We expanded electric mobility across our operations, with 3 underground battery-electric vehicles (UG BEVs) and 52 EVs in inter-unit transport to cut emissions and advance our SBTi aligned decarbonisation goals. We are in the process of deploying electric buses for employee commute.

Strengthening clean mobility beyond mining, we also initiated one of India's largest green logistics transitions in partnership with GreenLine Mobility Solutions. Through a ₹ 400 crore investment, the collaboration will deploy 100 electric trucks with battery swapping infrastructure and add 100 liquified natural gas (LNG) trucks, significantly accelerating progress towards a fully decarbonised supply chain and our Net Zero 2050 vision.

These clean mobility upgrades are reducing diesel reliance, improving underground air quality and strengthening both operational efficiency and our pathway to Net Zero.

PILLAR 3

Building a net zero ready value chain

Achieving our climate ambitions requires progress across the entire ecosystem we operate in. This year, we deepened engagement with key suppliers and partners to accelerate Scope 3 decarbonisation and build shared understanding of emerging ESG expectations. Through our "Wednesdays for Transition" learning series, we delivered focused capacity building sessions on climate action, ESG strategy, materiality, net zero pathways, water stewardship, waste and biodiversity management, and human rights practices.

By equipping value chain partners with the knowledge and tools needed for sustainable transformation, we are creating a more resilient, responsible and future-ready supply network. This collaborative approach not only strengthens our environmental performance but also embeds lasting sustainability practices well beyond our operational boundary.

For further information, refer the chapter 'Responsible Sourcing' on page 256.

PILLAR 4

Driving energy efficiency for a low-carbon future

We continued to prioritise energy efficiency across our operations by upgrading equipment, refining processes, and deploying advanced digital technologies that support our long-term net zero pathway.

Key initiatives include-

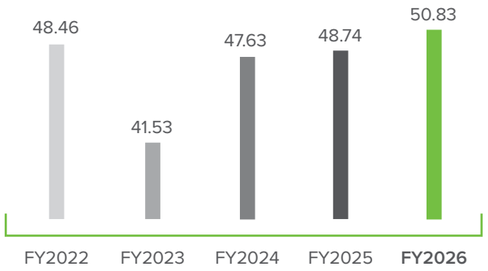
- Energy optimisation in compressor systems, saving up to 1,435 GJ
- Reduction in power consumption of drill machines by increasing utilisation, saving up to 1,600 GJ
- Reduction of idle running of dust conveying system, saving 1,887 GJ
- Reduction in energy consumption of compressors in all mines, saving up to 4,300 GJ

These actions enhanced smelting and process heat performance, reduced overall energy intensity, and lowered operating costs. By embedding efficiency into every stage of production, we are strengthening operational resilience while advancing the transition to a cleaner, greener future.

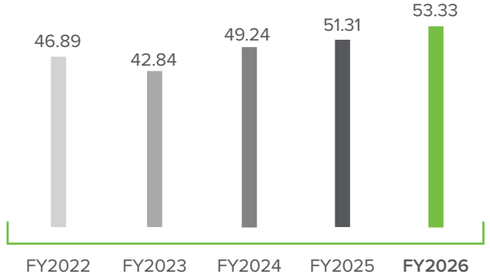
c.80,000 GJ

of energy savings achieved in FY2026 through variable-frequency drive (VFD) installations, high-efficiency system upgrades, and AI-powered real-time optimisation.

Energy Intensity (GJ/MT)



Energy Consumption (million GJ)



IMPACT STORY

LIFE CYCLE ASSESSMENT (LCA)

Hindustan Zinc conducted a 'Life Cycle Assessment' study in line with ISO 14040:2006 (and its amendment 14040:2006/Amd 1:2020) and ISO 14044:2006, using a cradle-to-gate approach for their zinc, lead, and silver products. The study establishes baseline impact of 'Production of 1 tonne of Average Special High-Grade Zinc, 1 tonne of Average Refined Lead and 1 tonne of Refined Silver Product' for the Hindustan Zinc facilities.

LCA Objectives

This study maps environmental impacts from raw material extraction to material production for three products from various routes and across all sites of Hindustan Zinc. It also helps evaluate the savings potential, which can further be used for setting sustainability targets or communication to the stakeholders. LCA is instrumental in:

- Assessing the environmental impacts associated the production for zinc, lead, and silver over a cradle-to-gate system boundary
- Internal decision-making by operational and management teams, using product-level footprint data
- Optimisation and improvement of the production processes
- Competing with materials that disclose their product-related environmental information into the marketplace, enabling access to a new & potential customer base
- Identifying key areas for improvement, prioritising actions to reduce environmental impacts and comparing outcomes against benchmarks and best available technologies to drive continuous improvement
- Objectively analysing different future scenarios, possible alternatives, and their life cycle implications

Key Applications

Life cycle inventory and impact assessment results have been used for internal and external benchmarking against best available technologies across key impact indicators. The LCA outcomes are aggregated and used for public communication to the customers, downstream/end users, and other stakeholders to showcase the environmental performance of our products.

LCA Recommendations Enabling Future Action

Key recommendations provided to the Company to reduce environmental impact include:

- Transition to renewable energy sources, such as solar, wind, and hydro power, to mitigate the global warming potential associated with electricity consumption
- Partial or complete substitution of fossil fuels with biomass, briquettes, or biofuels
- Optimise resource utilisation for waste reduction and improved product yield

Continuous Improvement

In FY2026, external experts conducted an LCA workshop, covering LCA principles, ISO 14041/44 and their critical role in minimising carbon footprint. This workshop builds the capacities of our internal energy, environment, and R&D teams on conducting LCA, analysing and interpreting the results.

More information under Principle 2 of BRSR report on key actions taken and Integrated Annual Report FY2025.

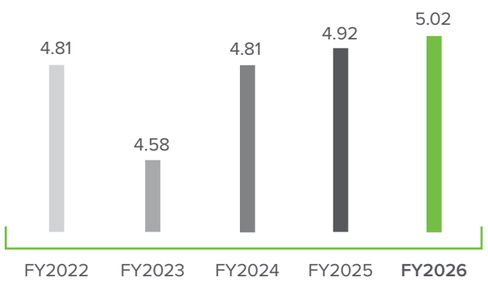
SCALING GROWTH WITH DECARBONISATION AT THE CORE

As Hindustan Zinc progresses towards doubling its capacity to meet surging global demand for critical minerals, decarbonisation continues to guide every aspect of this growth. Each new expansion is being engineered to align with our SBTi approved net zero pathway, shaping a larger, more competitive business, designed for a low carbon future.

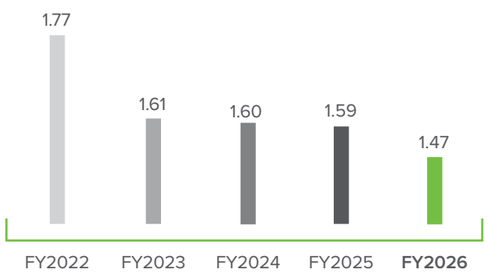
Key Levers Driving Low Carbon Growth

- Large scale renewable energy adoption
- Low carbon product development
- Prioritisation of clean technologies
- Adoption of greener logistics
- Electrification of mining operations
- Deep supply chain collaboration
- Deployment of energy-efficient systems

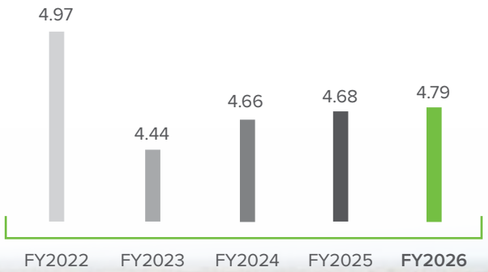
Absolute emission (Scope 1 and 2) (million tCO_2e)



Scope 3 emissions (across all categories) (million tCO_2e)



GHG intensity (Scope 1 and 2)/MT



ADVANCING RESPONSIBLE WATER STEWARDSHIP

OUR APPROACH

Water stewardship at Hindustan Zinc is guided by its Water Management Policy, and shaped by the ICMM Mining Principles, particularly Principle 6 (Environmental Performance) and the ICMM Water Stewardship Position Statement. Our water stewardship efforts also align with SDG 6: Clean Water and Sanitation. This framework emphasises responsible water governance, efficient water use, protection of shared water resources, and transparency across the asset lifecycle, including closure. In line with these principles, we seek to identify, assess, and manage water-related risks and impacts, strengthen site-level water governance, and support catchment-level water security.

Through efficient water use, zero liquid discharge practices, and responsible engagement with stakeholders in water-stressed regions, we plan, use, and safeguard water resources to support long-term water security for ecosystems, communities, and future generations.

Read about our water-related goals under the Sustainability section on page 184

Cornerstones of our
Water Management Strategy

- **01** Minimising freshwater consumption
- **02** Exploring alternative water solution
- **03** Increasing the use of recycled water
- **04** Replenishing groundwater
- **05** Monitoring and auditing of water consumption at end-user, withdrawal from source, water balance, quality of water, including wastewater and efficiency of wastewater treatment facility

Alignment with Global Water Stewardship Frameworks

We align with the UN Global Compact Water Action Platform (CEO Water Mandate), adopting its strategic framework to drive responsible water management. We are constantly working to improve our water stewardship maturity framework in line with ICMM requirements, which include:

- Transparent and efficient corporate water governance structure
- Effective water management at operations
- Collaboration for sustainable water use

ADVANCING WATER CIRCULARITY THROUGH WATER TREATMENT SYSTEMS

We maintain zero liquid discharge (ZLD) at all active sites. We are continuously expanding our waste water treatment facilities across the units to enhance our water recycling and recovery through closed-loop water management approach. We also manage process water by treating it at on-site state-of-the-art effluent treatment plants (ETPs). These efforts have significantly improved water efficiency and reduced freshwater withdrawal, reinforcing a future-ready water strategy with a focus on maximising recovery, reducing dependence on freshwater, and embedding circularity across operations.

KEY HIGHLIGHTS IN FY2026

WATER TREATMENT PLANT
Benefited from phase 1 of a 4,000 KLD unit at Rampura Agucha Mine, with another 4,000 KLD unit underway at Chanderiya Lead Zinc Smelter

WATER SAVINGS
1.65 million m^3 of water savings achieved through recycling projects and advanced treatment systems, enabling internal reuse

Strengthening water recovery with advanced tailing filteration solutions

We continued to scale up innovative tailings management technologies by commissioning a second filtered tailing plant at Rajpura Dariba Complex, building on the success of India's first facility at Zawar Mines. This technology significantly reduces the environmental footprint of tailings handling by producing filtered tailings while enabling high levels of water recovery. The deployment of filtered tailing technology is driving multiple sustainability benefits, including:

- **Enhanced water recovery** and lower freshwater withdrawal
- **Improved safety and stability** of tailings infrastructure by reducing reliance on conventional tailings dams
- **Reduced waste volumes** and more efficient land use through filtered tailings
- **Lower environmental risk** and stronger long-term operational resilience

KEY HIGHLIGHTS IN FY2026

Over 80%
water recovery
(c.5,000 m^3/day of reclaimed water) achieved through filtered tailing plants, with a 5% increase in water recycling at Rajpura Dariba Complex

Creating water-positive futures for our communities

Hindustan Zinc continues to set higher benchmarks of water positivity and responsible water management through sustained efforts in large-scale rainwater harvesting, groundwater recharge, and extensive process water recycling.

Over the past five years, we have worked closely with communities in water-stressed regions to strengthen local water security. Through more than 280 water-related interventions covering rainwater harvesting structures, pond deepening, check dam construction, and provision of freshwater infrastructure, we have significantly enhanced water resilience in surrounding communities.

KEY HIGHLIGHTS IN FY2026

3.32x
water positivity
achieved, independently verified by a third party. This shows a significant increase from 2.41x in FY2020

62.3 million m^3
of community water-credit potential
created through 280+ water-related interventions

STRENGTHENING WATER RISK MANAGEMENT FOR LONG-TERM RESILIENCE

We adopt a risk-based, basin-level approach to water stewardship, recognising water as a shared and increasingly constrained resource across our operating geographies. Water-related risks, including scarcity, variability, regulatory changes, and competing demand, are periodically assessed using globally recognised tools and are integrated into site-specific water management plans. These assessments incorporate sensitivity analysis, stress testing, and evaluation of potential regulatory shifts to ensure a comprehensive understanding of water-related risks.

Given the variability of water risks across regions, we use multiple globally recognised tools, such as the WBCSD India Water Tool, WRI Aqueduct and GEMI Local Water Tools, to analyse factors including water stress, seasonal fluctuations, flooding and drought exposure, groundwater status, and future risk scenarios.

Insights from these assessments guide the development of site-specific risk mitigation strategies. Futuristic analysis using the Aqueduct Water Risk Atlas has highlighted high water stress zones at several locations, reinforcing the need for proactive planning. Through this data-driven approach, we remain committed to safeguarding operational continuity while minimising impacts on local communities and ensuring water security well into the future.

STRATEGY ALIGNED TO LOCAL WATERSHED RISK & STAKEHOLDER CONTEXT

Water risks are prioritised based on basin-level stress and their potential impacts on operations and communities, guiding the design of mitigation measures, capital allocation, and expansion planning. High-risk sites are subject to enhanced controls, including zero liquid discharge systems, filtered tailings management, and increased water recycling.

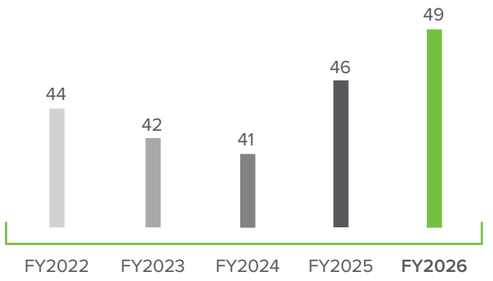
PLANNING FOR CAPACITY DOUBLING: WATER BY DESIGN

As we plan to double capacities, water efficiency is being engineered into new assets from the outset. Expansion projects follow a "water by design" principle:

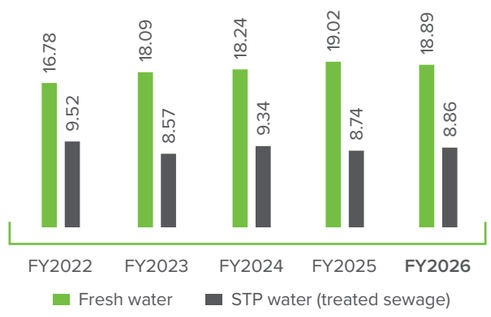
- Right size and integrated water and waste water treatment facilities as core utilities
- Prioritise municipal treated water sourcing with redundancy for reliability
- Incorporate filtered tailings and paste fill to maximise recovery
- Enforce best available technology selection for cooling, dust control, and process-water loops
- Embed digital twins and smart metering for real-time water-balance optimisation

This ensures that growth does not increase freshwater intensity, keeps us aligned to 2030 targets, and safeguards shared watershed resilience.

Water recycled (%)



Water withdrawal (million m^3)

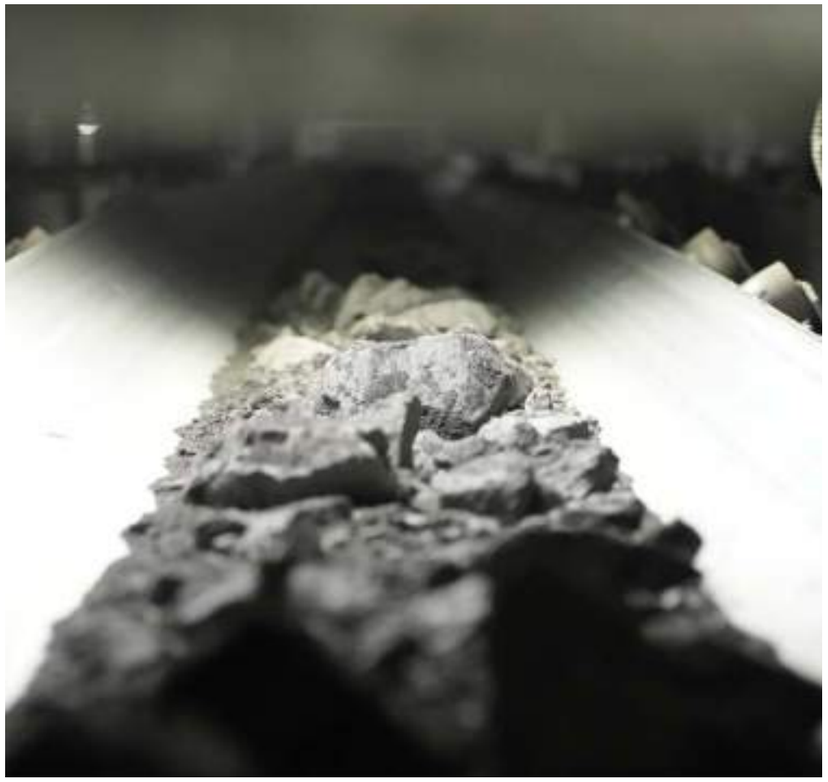


WASTE MANAGEMENT AND CIRCULAR ECONOMY

OUR APPROACH TOWARDS CIRCULAR ECONOMY

Our Environmental Policy drives responsible waste management through a circular economy approach, anchored in the 4R principles of reduce, reuse, recycle, and reclaim, across our operations. The efforts are directed at minimising waste generation, reducing waste intensity, improving resource efficiency, and maximising the recovery and utilisation of waste through innovative technologies & sustainable practices. Residual waste is managed through environmentally responsible disposal methods.

The policy promotes continuous monitoring, risk assessment, and integration of circularity considerations into business decisions. We also engage employees, partners, and stakeholders to enhance awareness, build capabilities, and drive collective action towards minimising environmental impact and achieving our ambition of zero waste to landfill. For further information, refer Sustainability | Waste Management.



KEY CIRCULAR ECONOMY OUTCOMES

- Reduced 101 kt of Jarosite through optimisation of the fumer operations
- Enabled large-scale waste utilisation by repurposing 654 kt of Jarosite and Jarofix for use in the cement, road, and railway sectors
- Recycled input material in alliance with Runaya Green Tech Private Limited with waste recovery of 43,448 MT and recovery of other minerals in the form of copper dross, copper sulphate, etc.
- Developed an innovative process to recover iron and cadmium from Jarosite where iron is getting converted into hematite (Fe_2O_3)

KEY INITIATIVES AND PARTNERSHIPS

- Board approved India's first zinc tailings reprocessing plant at Rampura Agucha with an investment of ₹ 3,823 crore and a 10 Mtpa feed capacity, strengthening secondary resource use
- Entered into an MoU with Virginia Tech to advance research on improving silver recovery from lead-zinc concentrators through enhanced flotation techniques and optimised reagent usage, strengthening concentrate quality and plant performance
- Advanced in-house technology development for recovery of hematite and other valuable metals from Jarosite, with a 5 MT pilot plant planned for commissioning in March 2027, supported by ongoing technical validation

ADVANCING WASTE INNOVATION THROUGH RESEARCH & DEVELOPMENT

This year, we intensified our R&D agenda by strengthening our scientific capabilities and expanding state-of-the-art research infrastructure to drive next-generation waste reduction technologies. The focus remains firmly on reducing waste to landfill dependency, placing Waste to Wealth Community at the core. Through this integrated approach, we are advancing towards a future where every manufacturing by-product is converted into value, creating a waste-free ecosystem.

Reducing Waste to Landfill Dependency

- Continuous experimentation
- Material recovery innovations
- Process optimisation

R&D FOCUS AREAS FOR CIRCULAR AND SUSTAINABLE OPERATING MODEL

Waste to Wealth Community

- Leads cross-functional research initiatives
- Identifies and scales emerging waste utilisation innovations
- Converts manufacturing by-products into valuable resources

OUR CIRCULAR ECONOMY LEVERS

- Promoting responsible material production with a sustained focus on preserving natural resources
- Adopting advanced mining processes and techniques to reduce waste and maximise resource recovery
- Optimising refining processes to enhance efficient extraction of zinc and other valuable by-products

Transforming smelting residues into sustainable material values

Pioneering Value from Smelting Residue

We have ramped up our R&D efforts by investing in skilled scientists and state-of-the-art technical facilities. Strategic partnerships with world-class universities, research institutes, and technology providers are integral to driving innovation. Our R&D focus is squarely on achieving zero waste by 2030, with an emphasis on eliminating the need for waste disposal in secure landfills (SLFs).

Iron Recovery from Jarosite: Unlocking New Potential

Our R&D team has developed an innovative process to recover iron from Jarosite, converting it into hematite (Fe_2O_3). This new process is being further validated at the bench scale and we are excited to explore the product's market potential, expanding the range of materials that can be sustainably sourced from waste.

Zinc Fumer Plant: A Game-Changer in Metal Recovery

Commissioning of the fumer plant at Chanderiya is one of the landmark achievements for the Company. This cutting-edge facility has enhanced metal recovery, particularly silver, from zinc waste residues. The plant transforms Jarosite into clean slag, enabling waste recycling and creating both economic and environmental benefits.

Innovative Recycling in Effluent Treatment

In line with our sustainability goals, we continue to develop innovative methods to recover zinc metal losses and reduce solid waste in effluent treatment plants (ETPs). These efforts are part of our broader strategy to minimise waste generation across all stages of the production process.

TAILINGS MANAGEMENT

OUR GOAL

Tailings Safety

Fully implement GISTM across all tailings facilities with zero tolerance for harm and reduction of risk by 2027.

Hindustan Zinc is implementing a comprehensive Tailings Management Framework aligned with its Tailings Management Policy and the Global Industry Standard on Tailings Management (GISTM). The Framework (Tailings Management Systems-TMS) prioritises the reduction of risk and the safety of employees, communities, and the environment across the full lifecycle of tailings storage facilities (TSFs), supported by robust engineering design, continuous monitoring, regular stability assessments, and independent technical reviews to ensure long-term integrity and risk minimisation.

Hindustan Zinc operates multiple tailings storage facilities across its mining operations, which are systematically inventoried and classified based on consequence in alignment with GISTM. Facilities are classified according to potential downstream impacts, with governance, monitoring, and assurance measures applied proportionate to their consequence classification. The Company currently manages five tailings facilities across three sites, all of which are in active use. Each facility requires careful monitoring and maintenance to manage risks and ensure they operate within safety guidelines.

For further information, please refer our approach on Tailings Management

STRATEGIC FOCUS AREAS

- **Implementing world-class tailings governance and engineering practices** aligned with ICMM Tailings Good Practice Guide, ICOLD Bulletin B194, and the GISTM
- **Maintaining rigorous standards** across all tailings storage facilities, with consequence classification and risk-based assurance programs
- **Partnering with global technical experts** for ongoing TSF design, real-time monitoring, and independent technical reviews
- **Maximising tailings value through backfill applications** while enhancing safety by managing filtered tailings transition at all TSF sites

ROBUST TSF GOVERNANCE FRAMEWORK

Hindustan Zinc maintains a comprehensive tailings storage facility (TSF) governance structure aligned with GISTM principles, featuring Board and CEO oversight, an Independent Technical Review Board (ITRB), and Tailings Community of Practice (CoP) meetings. The Accountable Executive (Chief Operating Officer) enforces compliance with our Tailings Management Policy, internal standards, and GISTM requirements across the full TSF lifecycle, from design and operations, through closure and post-closure. His responsibilities are delegated through the IBU CEOs. This multi-layered approach targets zero harm to people and the environment by proactively addressing short- and long-term risks, including catastrophic failure prevention.

KEY HIGHLIGHTS

- Commissioning of filtered tailings plants at Zawar and Rajpura Dariba Complex
- Planning and design at Rampura Agucha Mine is at the advanced stage and is expected to be initiated by FY2027
- Revised dam-break analysis for tailings storage facilities across all mine sites to identify and close gaps, strengthen engineering controls, reduce failure risk, and enhance emergency preparedness
- Advanced our filtered tailings journey by operating filtered tailings plants (FTPs) at Zawar and Rajpura Dariba, with the Rampura Agucha FTP progressing, enabling a reduction in risk from completely wet tailings, improved management of water usage, and improving environmental safety
- Enhanced and initiated a comprehensive Tailings Management Framework that guides safe, efficient storage and helps maintain the structural integrity of all tailings storage facilities
- Strengthened oversight through a dedicated Tailings Management Community of Practice (CoP), which drives implementation of our Tailings Management Policy and GISTM requirements while fostering continual improvements in safety and operational performance
- Strengthened our alignment with the GISTM, with full implementation by FY2027 end
- Continued aligning site-level tailings practices with ICMM principles and global good practices, embedding these requirements into day-to-day operations

MANAGING TAILING STORAGE FACILITIES (TSF) WITH LEADING GLOBAL STANDARDS

Our TSF designs, operation, and closure practices will align with leading international standards, including GISTM, ICMM guidance, and applicable national regulations.

- Robust Tailings Management Policy with firm organisational commitment to safe practices
- Dedicated TSF Committee of internal experts, driving GISTM compliance
- Engagement of leading engineering firms for TSF design and oversight
- Regular TSF risk assessments with targeted mitigation measures
- Tailings reuse via paste-fill and hydro-fill backfilling applications
- Transition from wet to filtered tailings disposal systems
- Recovery and recycling of supernatant water for operational use
- Garland drains around TSFs maintaining zero liquid discharge
- Deployment of satellite-based interferometric synthetic aperture radar (InSAR) monitoring technique to provide early warning of surface ground movements

At Hindustan Zinc, we are committed to implementation of GISTM and to managing our TSFs in a safe and environmentally responsible way, without compromising on the health and well-being of our employees as well as communities. The Tailings Management Framework is an essential prerequisite for sound tailings governance and provides the strategy for implementing the Tailings Policy and GISTM, as most failures of tailing storage facilities around the world result from inadequate governance and management. Effective implementation of the Tailings Management Framework not only results in safer TSFs but will frequently reduce overall costs associated with operation and closure of the facility. The main focus of management of tailings facilities is to prevent potential flow failures. Each facility requires careful monitoring and maintenance to manage risks and ensure they operate within safety guidelines.

For further information on TSF governance, tailings monitoring and surveillance, tailings dam management, and tailings dam inventory, kindly refer Tailings Management Framework.

ADVANCED GEOTECHNICAL MONITORING

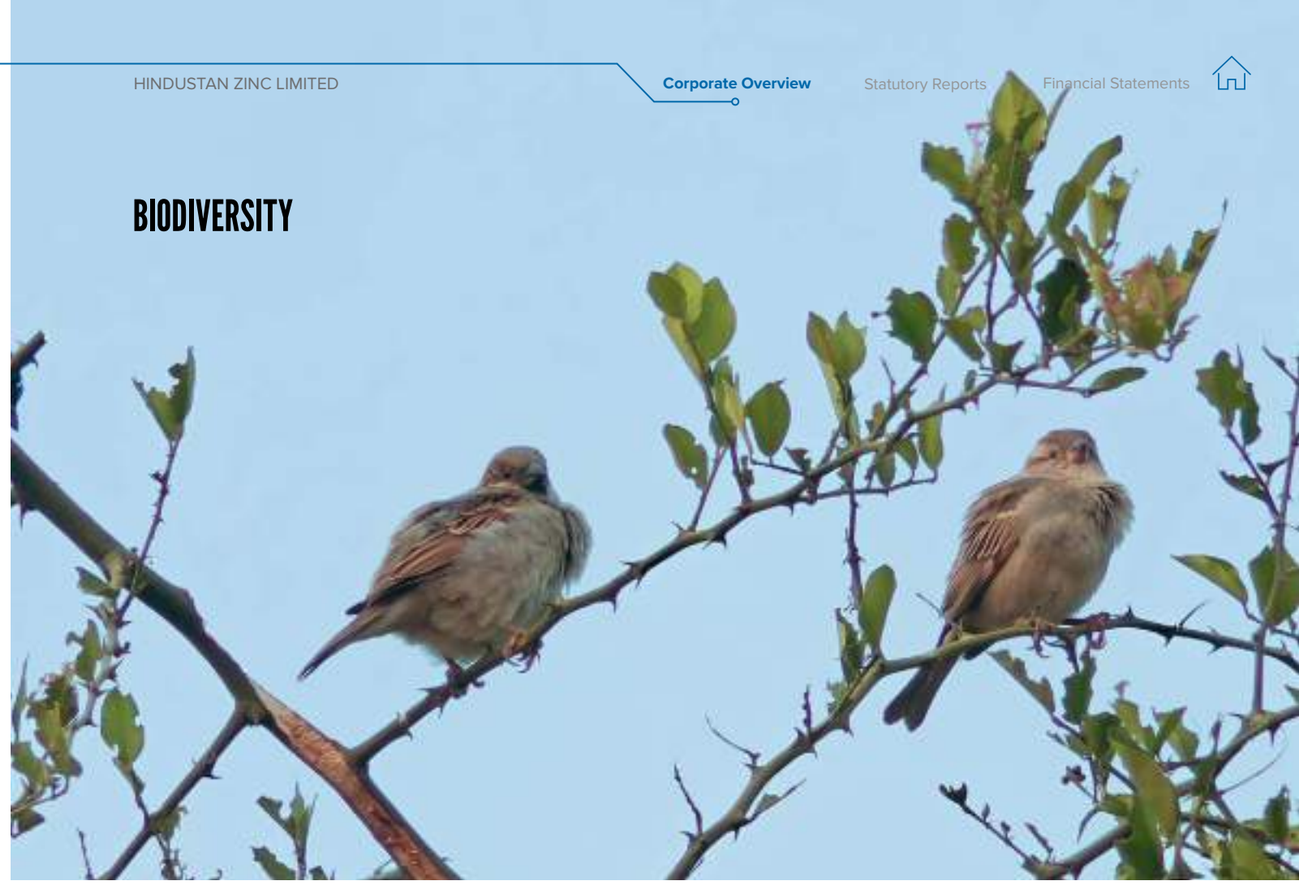
It is intended to enhance monitoring by adding state-of-the-art monitoring technologies to safeguard tailings dam stability, including:

- Total station surveys tracking slope movements
- Vibrating Wire Piezometers (VWP) monitoring pore water pressures
- InSAR satellite monitoring to measure long-term surface deformations
- Real-time water monitoring supported by satellite imagery
- Seepage flow monitoring
- Inclinometers detecting subsurface deformations
- CCTV systems for continuous security and visual inspections

COMMITMENT TO LEADING THE WAY IN TAILINGS SAFETY AND TRANSPARENCY

Hindustan Zinc is dedicated to enhancing the safety and transparency of its tailings facilities through a range of initiatives, including the adoption of international standards such as the Global Industry Standard on Tailings Management (GISTM) and the Tailings Management Guidelines set by the International Council on Mining and Metals (ICMM).

BIODIVERSITY



STRENGTHENING BIODIVERSITY STEWARDSHIP ACROSS THE MINE LIFECYCLE

We are committed to protecting and enhancing biodiversity across the full lifecycle of our operations. Aligned with the ICMM Mining Principle 7 and Nature Position Statement, we work closely with recognised expert organisations to minimise impacts and strengthen ecosystem resilience. Our approach is grounded in science-based planning, continuous assessment of biodiversity risks and dependencies, and proactive conservation actions, in line with our Biodiversity Management Policy.

For further information please refer to HZL's approach on Biodiversity Management

KEY ELEMENTS OF OUR BIODIVERSITY PROGRAMME

Governance Framework

A dedicated Biodiversity Policy, site-specific biodiversity management plans (BMPs), Biodiversity Action Plan (BAP), wild life conservation plan, and operational standards that guide actions from project planning to closure

Mitigation Hierarchy throughout the Lifecycle

Mitigation hierarchy application at all mining sites, aimed at achieving no net loss of biodiversity against our FY2020 baseline by the time of site closure with site-specific dedicated biodiversity management plans

Assessments and Awareness

Comprehensive biodiversity assessments, afforestation efforts, restoration of exhausted waste dumps, protection of Schedule I species, and long-term partnerships to support conservation and awareness

Restoration Efforts

Ecosystem restoration measures, such as planting native species, removing invasive species, and improving habitat quality around operational areas

STRENGTHENING TRANSPARENCY THROUGH TNFD LEADERSHIP

Hindustan Zinc is an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD) framework. As active TNFD member, we contribute to the evolution of the framework through ongoing feedback. Our participation in the Taskforce on Nature-related Financial Disclosures (TNFD) strengthens integration of nature-related risks, dependencies, and opportunities into core business and financial decision-making. This approach enables us to systematically evaluate how ecosystem changes may affect our operations while ensuring greater transparency and accountability in our nature-related reporting.

SITE-SPECIFIC BMPS IN COLLABORATION WITH IUCN

We updated biodiversity management plans (BMPs) for all operational sites, achieving a major milestone in our three year collaborative programme with the International Union for Conservation of Nature (IUCN). These IUCN-guided plans provide a science based roadmap to achieve no net loss (NNL) of biodiversity by closure, aligned with global best practices.

The collaborative exercise includes:

- **Revising our biodiversity policy, technical standards, and guidance framework** to align with international benchmarks and support our NNL ambition
- **Evaluating and updating existing BMPs,** integrating global best practices and developing site-specific protocols for biodiversity and ecosystem services management
- **Creating annual action plans** with clear activities, budgets, and timelines that align with the updated BMPs and corporate biodiversity commitments
- **Building internal capability** through training programmes that enhance employee understanding of biodiversity and ecosystem services management
- Establishing a **year-on-year pathway** to achieve no net loss, supported by targeted interventions at each site
- Assessed ecosystem-related risks and opportunities by evaluating the impacts and dependencies of our operations on local ecosystems, supported by the development of detailed, site-specific BMPs for all Rajasthan units

100%

of operational sites are covered by site-specific BMPs, aligned with the mitigation hierarchy and subject to periodic review.

TRANSFORMING WASTEYARD INTO HIGH-DENSITY GREEN BELT

We successfully revived 22.25 hectares of wasteland at the Chanderiya Lead-Zinc Smelter into a thriving greenbelt, using Mycorrhiza technology in collaboration with The Energy and Resources Institute (TERI). This technology fosters a symbiotic relationship between plants and fungi, enabling vegetation to thrive in challenging conditions.

Scaling Green Cover

The initiative was carried out in two phases: 6.5 hectares in the first phase in FY2024 and 16 hectares thereafter. The initiative led to the plantation of c.56,400 native trees, creating a high-density green cover.

Ecosystem Impact and Recognition

The current phase aims to stabilise dump slopes, control erosion, and boost carbon sequestration. The project was recognised with the CII National Award for Environmental Best Practices and highlights the Company's commitment to enhancing biodiversity and protecting natural ecosystems.

Plantation and restoration pledge of Baghdarra Crocodile Reserve

Hindustan Zinc, in partnership with the Forest Department, Udaipur, launched a large-scale plantation drive at the Baghdarra Crocodile Conservation Reserve under the Hariyalo Rajasthan and Ek Ped Maa Ke Naam initiatives. The Company planted 500 native saplings and committed to nurturing 5,000 more to bolster habitat biodiversity, green cover, and local ecosystems.

Through a ₹ 5 crore MoU with the Forest Department, this public-private collaboration will support the ecological rejuvenation of nearly 400 hectares. The effort aims to restore wetland ecosystems, enhance biodiversity, protect marsh crocodiles, and foster community participation in Rajasthan's vital conservation landscape.

CLOSURE AND REHABILITATION PLANNING

All Hindustan Zinc's operations are required to follow the requirements with regard to the mechanisms for decommissioning and site closure. All the operations ensure the mechanisms for undertaking decommissions and site closure meet the requirements of international standards (e.g., IFC development/ performance standards, IFC EHS guidelines and ICMM principles) and impact assessment and consultation processes where these apply. This site closure plan follows a detailed and structured framework and plan, which is detailed in the technical standard on Site Closure.

KEY ASPECTS OF MINE CLOSURE PLANS

- Focus on identifying, minimising, and managing environmental, social, health & safety, and reputational risks associated with closure
- Incorporate land rehabilitation, ecosystem restoration, and long-term stability of closed sites
- Define post closure land use in consultation with communities and government authorities
- Ensure compliance with ICMM Principles, IFC Performance Standards, IFC EHS Guidelines, internal technical closure standards, and statutory requirements
- Include detailed environmental and social impact and risk assessments
- Assign clear accountability for implementation and monitoring throughout the closure process

HOW CLOSURE PLANS ARE DEVELOPED & UPDATED

We adopt a progressive mine closure approach, aligned with the guidelines of the Indian Bureau of Mines (IBM), Government of India, wherein closure plans are developed in parallel with mining plans, ensuring that environmental, social, and economic considerations are integrated throughout the operational phase. This forward-looking strategy enables us to rehabilitate land systematically, restore biodiversity, and support post-mining community resilience in a phased and responsible manner.

Foundational Approach

- Systematic environmental & social baseline studies
- Impact assessments and technical evaluations
- Prepared from the early stages of the project

Continuous Refinement Throughout Mine Lifecycle

- Stakeholder engagement, including consultations with local communities and authorities
- Formally updated at least once in every five years or earlier when significant operational changes occur

Governance and Funding

- Sufficient funds are set aside for both planned or premature closure scenarios
- Necessary approvals from statutory authorities are secured for both the progressive and final mine closure plans
- Progress is communicated periodically to internal teams and relevant external stakeholders

100% **of operational mines have progressive closure plans in place, ensuring readiness for responsible and sustainable site transition**

AIR EMISSIONS MANAGEMENT

OUR APPROACH TOWARDS AIR EMISSIONS MANAGEMENT

At Hindustan Zinc, we recognise that improving air quality is essential for the well-being of our communities and the environment. To achieve this, we have established air quality monitoring stations near our operations. These stations play a crucial role in tracking air quality and responding swiftly to any concerns raised by the public. Our operations are governed by robust control strategies and comprehensive monitoring programs, all designed to reduce emissions and ensure that our activities have minimal impact on the environment.

Refer to Our Approach on Air Emissions for more information.

In line with ICMM Mining Principle 6 (Environmental Performance), Hindustan Zinc adopts a preventive and risk-based approach to manage non-GHG air emissions. Emissions from material sources at all our operations are managed through state-of-the-art air pollution control devices, robust fugitive emission controls, and operational discipline. Continuous emission monitoring systems (CEMS) enable real-time monitoring of particulate matter, SOx and NOx, with performance reviewed against statutory and internal benchmarks. Any deviations are addressed through timely corrective and preventive actions, with emissions data routinely reported to regulators.

AIR QUALITY MANAGEMENT AND EMISSIONS CONTROL

Our primary focus is on reducing particulate matter and harmful gases emitted during mining, materials handling, processing, and transportation. Our efforts to reduce air emissions are centred around the following initiatives:

Advanced Emission Control

We continuously measure, control, and reduce air emissions across our operations by investing in state-of-the-art technologies and systems

Community Engagement

We maintain an open dialogue with local communities to address their concerns about air quality and ensure that the necessary processes are in place to address these issues effectively

Environmental Compliance

We uphold the highest standards of environmental responsibility by ensuring strict adherence to our environmental licence conditions

Real-time Monitoring

Our advanced continuous emissions monitoring systems are directly connected to the servers of the Pollution Control Board, providing real-time updates and transparency on our air emissions

AIR EMISSIONS TREND

Parameter	Unit of Measurement	FY2023	FY2024	FY2025	FY2026
NOx	MT	4,851	7,033	6,606	6,379
SOx	MT	17,247	25,199	26,753	22,525
Particulate matter (PM)	MT	1,048	1,261	1,247	1,240
Hazardous air pollutants (HAP)*	MT	-	-	BDL	BDL

*HAP here includes Mercury emissions which are below detectable levels (BDL)

ENVIRONMENTAL INCIDENT MANAGEMENT AND CORRECTIVE ACTION PLAN

ENVIRONMENTAL INCIDENT MANAGEMENT APPROACH

Our advanced digital platform “Vunified” has been designed to streamline the reporting of environmental incidents. It enables employees to promptly report any incidents occurring within the plant premises, ensuring a structured and efficient incident management process. The system facilitates timely response actions and continuous improvements in our environmental performance, preventing future recurrences.

The Environment Incident Reporting and Management system encompasses the following steps:

- **Incident Reporting:** Employees utilise Vunified to report environmental incidents within the plant
- **Evaluation and Assessment:** Reported incidents are assessed using predefined severity scales, which determine the appropriate resolution timeframe
- **Investigation:** Incidents are thoroughly investigated to uncover the root causes and key issues of the incidents
- **Corrective and Preventive Actions (CAPA):** Depending on the severity of the incidents, corrective and preventive measures are formulated
- **Action Plan Distribution:** The developed action plans are distributed and executed at the site level to effectively resolve the incidents

SEVERITY LEVEL CATEGORIES

Severity 5 Category 5

Description
Incidents which may result in possible suspension or closure of operations or can attract national media coverage.

Remediation is required and likely to take more than 3 months.

Severity 4 Category 4

Description
Incidents which may lead to fines or other sanctions resulting in receipt of directions from regulatory authorities.

Remediation is required and likely to take more than 1 month and less than 3 months.

Severity 3 Category 3

Description
Incidents likely to cause a short-term impact on the environment (inside/outside premises).

Remediation is required and likely to take less than 1 month

Severity 2 Category 2

Description
The incident that has localised short-term impact on the environment within the premises.

Requires minor intervention for remediation.

Severity 1 Category 1

Description
The incident that has localised short-term impact on the environment within the section of our premises.

Remediation is not required, or clean-up is quick and easy.

The Company reported ZERO Category 4 and Category 5 incidents during the reporting period.

SOCIAL – EMPLOYEES

At Hindustan Zinc, human capital is a strategic driver of enterprise value, operational excellence, and long-term resilience. Our people strategy focuses on building future-ready capabilities, inclusive workplaces, leadership strength, and a high-performance culture that enables sustainable growth and business continuity.

Material topics

M8 M9 M10 M13 M14 M16 M17 M23 M24

Capitals Impacted

Stakeholders affected

Strategy linked

S3 S4 S5

UN SDGs

DRIVING EXCELLENCE THROUGH PEOPLE

KEY TAKEAWAY

Building future skills to strengthen business resilience

Strengthening inclusive practices to drive equity and retention

Strong leadership pipeline ensures execution continuity

A robust learning ecosystem enables continuous capability building

Digital HR transformation improves agility and productivity

Key focus areas

- Performance-driven & capability-led culture
- Internal talent & leadership development
- Employee experience, engagement & well-being
- Inclusion, safety & respect across the workforce

HR Vision

To develop our people and partnerships, and to build a future-ready organisation

Our HR Philosophy

Our HR philosophy is inspired by the belief that people are at the centre of our growth strategy. It is led by our vision to be the most admired employer brand where every employee can openly engage within the organisation with a clear sense of ownership and develop in a high-performance environment to serve as our best brand ambassador.

Human resources impact FY2026

50% & 37%
Local employment (organisational level & senior management level, respectively)

30%
Women representation in the EXCO

10.7
person-day training provided per executive for skill upgradation

26.4%
Women representation in the executive workforce

23
Employees from LGBTQIA+ community

13.5%
Attrition rate among executives

HUMAN CAPITAL STRATEGY AND APPROACH

Hindustan Zinc's human capital strategy is designed to create enterprise value through capability, culture, and continuity. The Company positions talent management as a direct lever for productivity, innovation, and operational reliability, with each talent priority explicitly mapped to a business outcome.

LEVER 1	LEVER 2	LEVER 3	LEVER 4
Build future skills at scale	**Deepen leadership bench strength**	**Hard-wire performance and accountability**	**Sustain an inclusive, safe, and engaging workplace**
Asset performance and cost leadership	Execution continuity	Outcome ownership and capital discipline	Engagement and retention in critical roles

BUSINESS OUTCOME

Through data-backed talent reviews, targeted learning pathways, and clear role architectures, we align individual growth with business outcomes, ensuring the right talent, in the right roles, with the right skills, at the right time to support sustainable growth and long-term value creation.

DIVERSITY, EQUITY AND INCLUSION

As Hindustan Zinc advances its ambition of 2x business expansion, our diversity, equity, and inclusion (DEI) philosophy remains a core enabler of sustainable growth, workforce resilience, and future-ready talent. We believe that an organisation poised for exponential scale must be built on the foundations of equity, representation, and psychological safety, ensuring every employee thrives as a key contributor to the Company's transformation journey.

ZINCLUSION: DRIVING REPRESENTATION, EQUITY & WORKFORCE EVOLUTION

During FY2026, Zinclusion continued to deepen workplace inclusion by creating greater representation across gender, age, education, and regional diversity.

Enabling Policies and Practices

This momentum was fuelled by pioneering inclusion policies at Hindustan Zinc, including financial assistance, gender reaffirmation support to LGBTQIA+, parenthood, and inclusive housing benefits. These initiatives help remove structural barriers and create an enabling environment for long-term career growth.

23

LGBTQIA+ workforce participation, reflecting equitable opportunities for transgender employees.

Creating Meaningful Career Pathways

Beyond policy, the transgender professionals are being integrated into core, high responsibility functions such as finance, supply chain, marketing, laboratory operations, and medical services. By opening doors to mainstream roles in a traditionally male-dominated sector, Hindustan Zinc is not only fostering inclusion but also creating meaningful, skill-enhancing career pathways that empower transgender employees to thrive, contribute, and grow as valued members of our workforce.

PRISM Under Zinclusion: Shaping a Safer Workplace

Under the Zinclusion umbrella, PRISM (Prevention, Response, Inclusion, Safety & Mindset) strengthened workplace respect and accountability across locations. The initiative advanced organisational capability by strengthening awareness on Prevention of Sexual Harassment (POSH), Internal Complaint Committee readiness, and leadership accountability for dignity at work. These efforts integrate safety and inclusion into everyday decisions, reinforcing that trust, fairness, and respect are non-negotiable for achieving performance outcomes.

Women Development through Technology, Opportunity & Sponsorship

Hindustan Zinc's women in workforce movement continues to create industry benchmarks:

- **Night shifts for women across mines and smelters**
- **IGNITE leadership programme, a sponsorship-based development journey, to develop next cadre of women leaders**
- **India's first women underground mine managers and all-women mine rescue teams**
- **TEJASWINI initiative to introduce all-women operational shifts at the Chanderiya Smelting Complex**
- **Expanded opportunities for women across mining, smelting, and digital operations due to technology integration, safety-first design, and inclusive job structuring**

TEJASWINI: DRIVING GENDER EQUITY IN INDUSTRIAL OPERATIONS

TEJASWINI

Launched on International Women's Day 2026, it introduces all-women operational shifts at the Chanderiya Smelting Complex. This is a landmark step in Hindustan Zinc's commitment to gender equity. The initiative places women in leaching & purification section, a critical smelting function, where an all-women team now manages core processes, maintenance activities, and production operations.

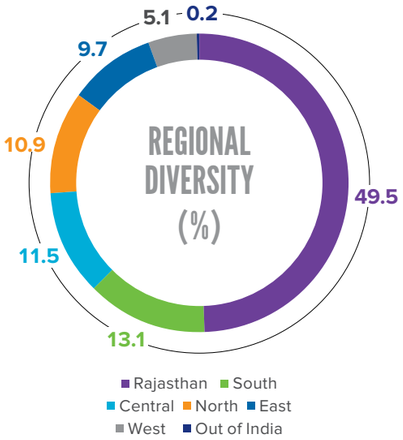
Creating a Safe and Enabling Workplace

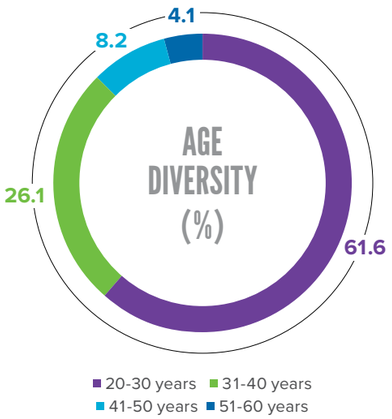
To support this transition, comprehensive infrastructure upgrades such as CCTV surveillance, dedicated support facilities, enhanced transport systems, and robust on-floor safety mechanisms were implemented. TEJASWINI redefines inclusion in heavy-industry by creating a safer, gender-balanced workplace for women in metals and mining.

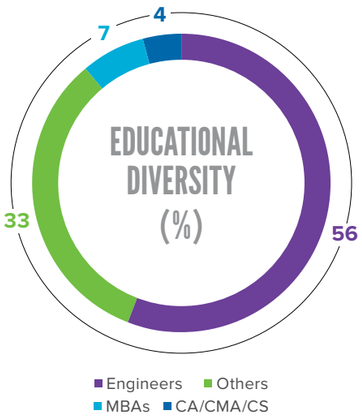
Launch of Inclusive Language Guidebook

The launch of Inclusive Language Guidebook further institutionalised respectful communication practices, reinforcing inclusivity in daily interactions.

An e-module has been designed with real-time examples to promote awareness amongst the employees, covering 100% of our organisation. As a next step, we are planning to create a regional language guidebook as well which would be shared across the organisation for ensuring inclusivity.







TALENT MANAGEMENT AND LEADERSHIP PIPELINE

AIKYAM – The Leadership Summit (CXO Convergence)

Hosted in Ajmer, AIKYAM convened the Company's top leadership to co-create the future of sustainable mining and operational excellence. The summit enabled meaningful strategy conversations, tight strategic alignment, and focused leadership development, inspiring fresh thinking and strengthening cross-functional collaboration to translate priorities into execution.

ENTERPRISE WORKSHOPS THAT ALIGN AND ACCELERATE

ASCEND – HR 2x Ready (Collaboration • Ownership • Business Impact)

ASCEND brought together HR teams from all locations to align on a unified people strategy anchored in collaboration, ownership, and business impact. The workshop sharpened HR's role as a strategic business partner, built shared priorities across sites, and strengthened a collective operating rhythm to deliver higher organisational impact on the ground.

Building Robust Leadership Bench Strength

Talent Review Council (TRC)

Through a digitally-tracked succession mechanism, 234 executives were assessed and 190+ talent cards were created, mapping successors for critical roles. During the year, we have completed TRC for 234 high potentials (HiPos) in smelters and 144 HiPos in mines, while 100% rotations were executed in sensitive functions, boosting risk mitigation and internal mobility.

Accelerated Competency Tracking & Upgradation (ACT UP)

ACT UP is a flagship programme designed to identify and nurture future leaders by unlocking their potential, building key competencies, and creating growth opportunities. 290+ emerging leaders were evaluated through situational judgement and gamified assessments, out of which 54 ACT UP Stars (38 technical and 16 business stars) were fast-tracked into larger roles with personalised mentorship to ensure accelerated-readiness.

Executive Coaching

In partnership with Dale Carnegie, 13 mid-senior leaders completed psychometrics, 360° feedback, and 312 hours of tailored coaching, elevating influence, communication, and decision quality for larger spans of control.

IGNITE: Sponsorship for Women Leaders

IGNITE advances women leadership through a 12-month sponsorship-based journey that builds confidence, leadership identity, and mobility, strengthening the pipeline across operations and enabling functions.

Under IGNITE, a peer-driven coaching model was initiated for 16 women employees to promote collaborative learning and experiential development.

This enabled experience sharing, collective problem-solving, and real-time application of learning through structured coaching conversations, supported by active leader sponsorship.

Disruptive Talent Management Initiatives

SHIKHAR – Fast Track for Early Talent

A structured pathway for graduate engineering trainees (GETs) and management trainees (MTs) that blends mentoring, cross-functional exposure, and career acceleration. SHIKHAR NextGen focuses on retaining 46 high-potential early talent and readying them for expanded responsibilities.

SmeltInnovators – Innovation in Smelter Talent

A practice-led initiative to surface, test, and scale ideas from frontline smelter teams. By pairing subject matter experts with data and operations leaders, SmeltInnovators converts practical insights into measurable productivity, safety, and quality outcomes.

V Aspire

A leadership aspiration platform launched at the Group level, that spotlights 159 high potential talent and codifies clear, merit-based pathways to enterprise leadership roles, ensuring transparency in growth journeys. This creates a strong, future-ready leadership pipeline aligned with long-term strategic priorities.

AI Committee Formation

Formed a cross-functional forum guiding responsible AI adoption in talent, safety, and operations, embedding digital fluency and governance into people practices.

EMPOWERING OUR WORKFORCE THROUGH CONTINUOUS LEARNING

The organisation's capability development philosophy is anchored in the belief that sustained performance, operational excellence, and long-term resilience can only be achieved through continuous investment in people capability. Our learning & development ecosystem builds technical, managerial, leadership, and future-ready skills to strengthen workforce competencies and readiness for future.

2.41 lakh+

learning person-hours delivered across employees and business partners in FY2026

A) SAKSHAM – The Foundation of Continuous Capability Building

SAKSHAM, Hindustan Zinc's flagship learning framework, anchors the organisation's learning and growth agenda. Through 6,183 unique learning programmes spanning levels, functions, and locations, SAKSHAM embeds capability development into daily business rhythms, ensuring learning remains contextual, relevant, and application oriented rather than episodic. As work models and skill requirements continue to evolve, SAKSHAM has expanded into focused pathways aligned to emerging learning trajectories.

SAKSHAM LEARNING PATHWAYS

1 SAKSHAM ViSTA: From Potential to Performance

The ViSTA (Visioneering Skills and Training for Advancement) programme is a one-month immersive induction journey designed to accelerate the technical preparedness of fresher engineers and align early-career talent with organisational expectations. During the year, 100% graduate engineering trainees (GETs) and post-graduate engineering trainees (PGETs) completed the programme.

2 SAKSHAM DRONA & Emerging DRONA: Strengthening Internal Expertise

A Train-the-Trainer initiative focused on building a strong internal subject matter expert (SME) ecosystem and ensuring continuity of critical technical knowledge. 580+ internal experts were identified, out of which 154 DRONAs and 66 emerging DRONAs have been recognised.

3 SAKSHAM UTKARSH: Upskilling Business Partner Workforce

A structured external learning initiative in partnership with Nettur Technical Training Foundation (NTTF) to upskill and reskill the extended business partner workforce in modern tools, methodologies, and quality practices.

4 SAKSHAM UDBHAV: Transition Support to Retiring Employees

A five-year e-learning programme designed for our retiring employees covering key life dimensions, including financial-readiness, health and wellness, emotional resilience, and lifestyle planning.

5 SAKSHAM Jeevan Raksha Shrinkala: Learning to Save Lives

A life-saving learning initiative that builds awareness, preparedness, and confidence among employees to respond effectively during medical or safety emergencies, both within and beyond the workplace.

B) Structured Development and Succession-Readiness Programmes

Hindustan Zinc emphasises individual capability enhancement as a direct contributor to organisational succession-readiness and sustainable growth.

1 Work Integrated Learning Programme (WILP)

Through structured academic partnerships, the Company continues to nurture future-ready leaders. 40 executives have graduated from the programmes at Indian Institute of Management, Udaipur, and BITS Pilani, with six participants sponsored under the WILP policy for the IIM Post Graduate Diploma in Business Administration (PGDBA) programme. Currently, 30 executives are pursuing master's programmes as part of this continuous learning initiative.

2 Benchmarking Initiatives

To infuse outside-in thinking and promote adoption of best practices, Hindustan Zinc facilitated targeted benchmark visits and industry interactions. These engagements enabled employees to translate external insights into operational and process improvements. During the year, teams visited leading organisations and global market leaders, with a focused emphasis on mining excellence.

3 Other Flagship Programmes

Hindustan Zinc continues to invest in flagship development programmes delivered through a blend of internal expertise and external institutional partnerships. Key initiatives conducted during the year included:

- Commercial for Non-Commercial
- Finance for Non-Finance
- Mining Mates
- Managerial capability programmes covering business etiquette, first-time managers, and Prevention of Sexual Harassment (POSH) sensitisation for managers

4 Scaling Capability Through Technology

Hindustan Zinc's digital learning ecosystem is powered by platforms such as LinkedIn Learning and Disprz, enabling employees to build technical, managerial, and future-ready skills through curated learning paths, self-paced modules, and personalised development journeys. This technology-enabled approach, promoting learning anytime and anywhere, clocked 43,800 digital learning hours, reinforcing seamless integration of learning with digital enablement.

PERFORMANCE MANAGEMENT AND REVIEWS

Building a High-Performance Organisation

Quality of Key Performance Indicators (KPIs)

During the year, we aligned individual efforts with our broader organisational vision through a series of Key Result Area (KRA) Townhalls, conducted across all locations. Organised by the Unit HR teams and led by the respective independent business unit (IBU) heads, these townhalls facilitated effective cascading of goals and improved clarity of expectations at every level.

In line with our "One Team – One Goal" philosophy, the KRA Townhalls helped contextualise KRAs, reinforce strategic priorities, and ensure alignment across the organisation, enabling a transparent, collaborative, and performance-cohesive culture.

Outcome

During the year, we continued to strengthen the culture of continuous performance dialogue across the organisation by enabling and equipping managers to drive effective feedback, set clear expectations and have development-focused conversations.

As a result, structured performance discussions were conducted across teams, supporting both individual and collective growth.

Remuneration Governance Practices

Hindustan Zinc's remuneration philosophy supports employee well-being, entrepreneurship, performance, and long-term value for the Company and its shareholders.

Pay for Performance

Our rewards framework aligns individual and business outcomes, supporting a well-rounded employee value proposition

Executive Compensation

Structured around operational and financial performance, social responsibility, and sustainable business outcomes, ensuring value creation for all stakeholders

High-Potential Talent

Accelerated development opportunities and competitive rewards for high-potential employees, including stock options and long-term incentive plans, to encourage sustained contribution and long-term commitment

PERFORMANCE ORIENTATION

A transparent and performance-driven culture to support operational excellence and deliver industry-leading growth is enabled through rigorous business planning, clearly defined KPIs, and robust performance measurement systems. Executive compensation is linked to a balanced assessment of operational and financial outcomes, leadership capabilities, achievement of strategic priorities, and sustainability performance. The integration of ESG parameters, including climate-related considerations, risk, and compliance, into our reward framework reflects our commitment to *Zero Harm, Zero Waste, Zero Discharge*. Our governance practices continue to drive improvements in reward management, ensure pay equity, and uphold the highest standards of integrity and accountability.

HUMAN RIGHTS AND LABOUR RELATIONS

Human Rights & Labour Relations

Maintaining Cordial Labour Relations

At Hindustan Zinc, we pride ourselves on fostering harmonious labour relations. Our workers' union, affiliated with the Indian National Trade Union Congress (INTUC), is recognised across all locations. At the corporate level, the Hindustan Zinc Workers' Federation (HZWF), established on October 23, 1982, serves as the sole negotiating agent for workers. Operating under the principle that 'If the Company grows, our growth will be taken care of', HZWF engages in discussions on service conditions, wages, benefits, and policies, aiming to resolve matters through dialogue and mutual consideration. Executive members of the Federation, representing recognised unions, collaborate with management to strategise on employee issues. Multiple bipartite forums, such as the Joint Consultation Committee and Safety Committee, ensure equal representation from management and the union, addressing all workmen-related matters.

Our Approach to Human Rights

Respecting fundamental human rights is central to our business ethos. Our human rights policy, aligned with the United Nations Guiding Principles on Business and Human Rights, prohibits forced labour within our operations and supply chain. This policy is integrated into our business ethics and corporate Code of Conduct, protecting the rights of all employees, business partners, and communities. We ensure fair and equitable remuneration, compliant with statutory obligations. We maintain zero tolerance for harassment, abuse, or discrimination, with appropriate actions for any breaches. All personnel are expected to adhere to applicable human rights laws and the principles of the Universal Declaration of Human Rights.

Access our policies on human rights here.

Commitment to Address Human Rights Exposure

We recognise the human rights risks associated with our business and are committed to implementing programmes to address these risks effectively.

KEY ACTIONS FOR HUMAN RIGHTS PROTECTION

- Comprehensive human rights policy framework
- Meaningful collaboration with impacted stakeholder groups
- Transparent procedures for tracking and reporting human rights concerns and grievances
- Conducting human rights due diligence

Business and Human Rights Practices

- **Equal Opportunity Policy**
  We are committed to providing equal employment opportunities and fostering an inclusive work culture, free from discrimination and harassment
- **Combating Slavery and Human Trafficking**
  We comply with the UK Modern Slavery Act 2015, ensuring our business and supply chain are free from modern-day slavery
- **Protecting and Upholding Labour Rights**
  We respect employees' rights to freedom of association and collective bargaining, ensuring all agreements are negotiated fairly
- **Environmental Responsibility**
  We proactively address environmental concerns through responsible waste management and risk assessments

Effective Communication of Human Rights Policy

We ensure all personnel and stakeholders clearly understand our human rights policy through open communication and regular updates. This includes in person meetings, emails, newsletters, and other forms of communication in the local language.

Human Rights Due Diligence

We employ the United Nations Global Compact (UNGC) human rights self-assessment tool to systematically identify and address human rights risks, ensuring prompt corrective actions.

Read more under BRSR-P5 on page 413

EMPLOYEE ENGAGEMENT AND WELL-BEING

Our employee engagement framework is governed through a structured, inclusive, and purpose-driven framework that places employees at the heart of organisational decision-making. At the core is the Engagement Management Committee (EMC) across locations, which ensures that engagement is not transactional, but strategic and continuously evolving.

Hindustan Zinc has once again been certified as a **Great Place to Work**, with a Trust Index score of 89%, higher than the average manufacturing industry benchmark, possible only through its strategic employee engagement approach.

ORGANISATION-WIDE ENGAGEMENT INITIATIVES

Our employee engagement initiatives are curated to strengthen connection, recognition, learning, and belonging across the workforce:

Ambavgarh Dialogue: Deepening Leadership Self Awareness

Immersive leadership journeys, designed for high potential leaders, offering a retreat style environment for reflection, strategic thinking, and alignment with organisational priorities. It provides candid dialogue platforms where leaders share experiences, challenges, and solutions, fostering authenticity and collaboration. This strengthens our leadership depth and prepare senior talent to steer the Company through its 2x expansion journey.

Sampark & IBU SYNC

Flagship engagement platforms where employees interact directly with the CEO to foster transparency, strategic alignment, and a shared understanding of business priorities and future direction.

Leadership Connect

A focused engagement forum that strengthens relationships between leaders and employees by enabling open conversations and two-way communication to build trust, collaboration, and collective accountability.

Engaging Awards, Rewards, and Recognition

Structured recognition programmes that celebrate high performance and exceptional contributions by acknowledging excellence across

teams and roles, reinforcing a culture of appreciation, motivation, and continuous improvement.

Vartalaap

A structured dialogue platform for our extended business partner workforce, designed to strengthen partnerships and operational alignment.

Aagman Sessions

Interactive onboarding engagements for freshers and transfer joiners, helping them connect with the organisation's culture, values, and people, thereby enabling smoother transitions and early engagement.

Cultural, National & Social Celebrations

The celebration of cultural and festive occasions, along with the observance of important days/ months such as Engineers' Day, Women in Mining month, and Pride month, etc., complemented by picnics and social gatherings, brings vibrancy and joy to the workplace. These shared experiences foster stronger interpersonal connections and reinforce a collective sense of identity, belonging, and camaraderie among employees.

Inclusive Engagement Platforms

Monthly catch-ups driven by Women Councils ensure representation, gender inclusion, and safe dialogue, reinforcing our commitment to diversity, equity, and inclusion.

EMPLOYEE WELL-BEING AT HINDUSTAN ZINC

Hindustan Zinc strongly believes that sustainable performance begins with holistic wellbeing. The organisation adopts a comprehensive approach to support physical, mental, emotional, and social health, recognising employees not just as professionals, but as individuals with diverse needs.

A.U.R.A – Awaken, Unwind, Restore & Adapt

A flagship wellbeing initiative that focuses on helping employees pause, rejuvenate, and evolve, both personally and professionally. Through art therapy sessions, wellbeing podcasts, group counselling, and guided meditation, A.U.R.A creates safe spaces for emotional expression, stress relief, and mental balance.

We also ensure to celebrate the Mental Health month to reinforce the importance of psychological safety, resilience, and self care.

Physical Health & Wellness Programmes

Holistic physical and mental health programmes are delivered through reputed institutional partnerships such as The Art of Living, promoting fitness, mindfulness, and preventive healthcare. Apart from these, the Company also hosts sport championships and tournaments revolving around cricket, football, basketball, and volleyball across locations.

24x7 Professional Counselling Support

In collaboration with Silver Oak, Hindustan Zinc provides round-the-clock confidential counselling services - available not only to employees, but also to their families - ensuring support when it is needed most. Under this collaboration, we also launched the habit-tracking app to empower employees to adopt healthy routines, reinforcing long-term wellbeing through small, consistent actions.

QUALITY OF LIFE

Hindustan Zinc enhances the quality of life by creating comfortable living environments and continuously upgrading community infrastructure based on employee feedback, fostering comfort, wellbeing, and fulfilling lives.

Feedback-Led Improvements

Regular internal and external pulse surveys, psychological and physiological safety and other feedback platforms help assess employee wellbeing and living standards

Comprehensive Wellbeing Assessment

Surveys assess key quality of life parameters, including accommodation, medical facilities, recreational amenities, education infrastructure, and community support services, ensuring a holistic understanding of employee needs

Residential Revamp

Feedback insights guide focused interventions to upgrade residential colonies, improve accommodation quality, medical and dispensary facilities, community and dining facilities, and recreational facilities like gyms, children's park, swimming pool, etc., that further improves overall living comfort for employees and their families

HR DIGITAL TRANSFORMATION

At Hindustan Zinc, our HR digital transformation journey is a strategic initiative aimed at enabling long-term organisational resilience, inclusivity, and sustainable growth. By leveraging technology, we are reimagining people practices and strengthening the employee value proposition.

Transitioned to Unified HRMS

Completed the shift from legacy HR platforms to next-generation human resource management system (HRMS), creating a single integrated digital ecosystem across the organisation

Mobile-First AI-Enabled Platform

Enabled end-to-end employee lifecycle through a mobile-first, AI-enabled architecture that improves accessibility, responsiveness, and standardisation across locations

Inclusive Access for All Employees

Extended the unified HRMS to blue-collar employees, ensuring equitable access to digital HR services and strengthening transparency across all workforce segments

Improved Efficiency and Sustainability

Retirement of legacy systems and process redesign reduced manual dependencies, improving operational efficiency and environmental sustainability

Driving Value Beyond Implementation

Hindustan Zinc leads among the Group companies in HR digital utilisation, reflecting effective change management, high workforce engagement, and intuitive system design. This sustained adoption ensures that digital investments create enduring organisational value. We have also advanced our people analytics capabilities, transitioning from descriptive reporting to predictive and insight-led analytics. Enhanced data visualisation and workforce storytelling now support leadership in anticipating trends.

Continuous Learning and Future-Readiness

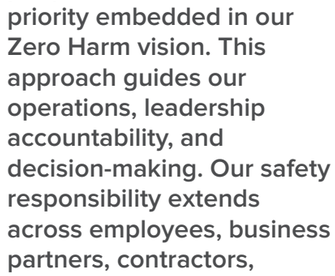
Our LinkedIn Learning partnership provides employees with 24x7 access to world-class digital learning resources, enabling continuous upskilling and supporting future-ready talent pipelines aligned to evolving business needs.

Our integrated approach to HR digitalisation, encompassing technology transformation, analytics maturity, workforce inclusion, and continuous learning, was recognised as **Champion in the People First Award for Technology Deployment in HR.** More importantly, it reflects our commitment to building a sustainable, agile, and inclusive organisation.

SOCIAL – HEALTH AND SAFETY

ADVANCING OUR COMMITMENT TO ZERO HARM

At Hindustan Zinc, safeguarding the health, safety, and well-being of people is a fundamental priority embedded in our Zero Harm vision. This approach guides our operations, leadership accountability, and decision-making. Our safety responsibility extends across employees, business partners, contractors, and the communities. We continuously strengthen our safety management systems through proactive risk identification, critical controls, and learning from operational experiences. By embedding psychological safety and digital capabilities into our safety framework, we aim to ensure holistic safety and eliminate high consequence risks every day.



KEY TAKEAWAY

Strengthened fatality prevention through a Critical Risk Management (CRM)-centric safety management systems.

5 critical risks were launched in FY2026 - HEMM fire, Ventilation failure, Corrosive substance and acid exposure, Excavation hazards, and Gas exposure.

Completed over 1,23,313 CRM inspections to enhance proactive risk management across operational sites.

Invested ₹ 61.78 crore towards strengthening infrastructure safety, improving critical risks and reducing risk exposure.

Conducted comprehensive HAZOP studies across all operations, reinforcing early risk identification and strengthening implementation of preventive process safety controls across mining and smelting activities.

Key focus areas

- Zero fatality
- Elimination of high consequence work-related injuries
- Zero occupational illness cases

Health and safety vision

To achieve ZERO HARM by embedding world-class safety practices, strong leadership accountability, and proactive risk management across all our operations.

Material topics

M1

Capitals Impacted

Stakeholder affected

Strategy linked

S5

UN SDGs

Policies

Health & Safety Policy

ICMM Principles

Principle 05: Health and Safety

Health and safety performance FY2026

02
Work-related fatalities

41%
Reduction in total recordable injury frequency rate (from base year of FY2020)

100%
Operational sites are ISO 45001 certified

2030 GOALS

CONTRIBUTE TO REACH ZERO FATALITY AND 100% ELIMINATION OF HIGH CONSEQUENCE WORK-RELATED INJURIES.

HEALTH AND SAFETY APPROACH

Hindustan Zinc's safety management framework, guided by its Health & Safety Policy is aligned with ISO 45001 and ICMM's Mining Principle 5, structured process safety management, and rigorous contractor safety governance. The Company is progressively enhancing its systems and infrastructure to meet ICMM's critical control management expectations as it advances towards a full alignment under the Sustainability 2.0 transformation roadmap.

For more details refer Sustainability | Health & Safety Management.

Critical Risk Management (CRM) Centric Safety Management System

- Core pillar of the fatality prevention strategy at Hindustan Zinc that ensures all critical activities are performed in safe manner
- Added five new risks to the CRM system during the year: heavy earth moving machinery (HEMM) fire, ventilation failure, corrosive substance and acid exposure, excavation hazards, and gas exposure
- Deployed digital monitoring and systematic field verification to strengthen risk management
- Safety inspections and leadership oversight ensure effective implementation of safety controls
- Significantly improves operational transparency and monitoring of safety controls

Infrastructure Inframatrix

- Ensures the availability of adequate resources for the implementation of critical risks
- Evaluates and prioritises critical risk vulnerabilities and supports targeted interventions to improve critical risk infrastructure safety

Hazard and Operability (HAZOP) Study

- Conducted HAZOP studies across all operational units to strengthen risk identification and prevention
- Evaluated operational scenarios, identified hazards, and assessed mitigation measures with third-party experts
- Strengthened proactive identification of emerging risks and operational preparedness across mining and smelting operations

1,23,313 CRM
inspections conducted during the year

₹ 61.78 crore
invested during the year to enhance infrastructure safety and reliability and reduce risk exposure

HEALTH AND SAFETY GOVERNANCE

Hindustan Zinc maintains a structured and multi-layered safety governance framework to ensure effective oversight, accountability, and continuous improvement in health and safety performance across all operations.

Our safety governance structure drives systematic safety management with clear accountability and escalation across organisational levels. Regular reviews and monitoring ensure the timely mitigation of safety issues, ensuring transparency and continuous improvement in safety performance.

Corporate Safety Council

- Chaired at the highest leadership level, provides strategic safety oversight
- Ensures leadership accountability and aligns safety objectives with business strategy

Specialised Corporate Sub-Committees and Zone Apex Committees

- Translate strategic safety priorities into actionable programmes to be implemented across business units

Zone Sub-Committees and Unit Implementation Committees

- Execute safety action plans and initiatives, monitor compliance, and facilitate the timely resolution of safety concerns

Safety Management System Overview

Hindustan Zinc's safety management system is designed to provide a comprehensive and integrated approach to managing workplace risks and strengthening safety culture. The system incorporates multiple interconnected pillars that collectively support the Company's objective of achieving Zero Harm and eliminating high-consequence incidents.

Critical Risk Management

Identification of high-consequence operational risks with verification of internal controls

Visible Felt Leadership

Active leadership engagement reinforcing safety expectations and open communication

Incident Management Framework

Systematic investigation, root cause analysis, corrective & preventive action, and cross-site organisational learning

Process Safety Management

Structured risk assessments and engineering controls for hazardous processes and materials

Contractor Safety Management

Training, monitoring, and performance evaluation throughout the contract lifecycle

Training and Competency Development

Workforce capability development, ensuring employees and business partners can manage operational risks

Strengthening Safety Performance through Integrated Systems

Integrated governance and safety programmes ensure proactive safety management through coordinated oversight across all levels. Safety policies are effectively implemented and continuously improved. This integrated framework strengthens accountability, workforce participation, risk mitigation, and continuous improvement, while embedding safety leadership and operational discipline to support long-term sustainability.

42 leaders trained

33 employees and 9 business partner representatives

10 leaders

Completed six one-to-one interactive coaching sessions to strengthen accountability and drive behavioural change

STRENGTHENING SAFETY CULTURE AND CAPABILITY

S.A.F.E Leadership Coaching

Hindustan Zinc launched Safety Awareness For Excellence (S.A.F.E) leadership workshops and individual one-on-one interactive coaching sessions, to strengthen leadership capability in managing operational risks and reinforcing safety culture. The programme focused on visible felt leadership, proactive risk management, and accountability for safety outcomes. As a way forward, one-on-one sessions for the next set of 20 identified leaders (including business partners) will be conducted in the upcoming financial year.

Safety Culture Survey

Hindustan Zinc initiated a safety culture survey pilot at Chanderiya Lead-Zinc Smelter (CLZS) to better understand workforce perceptions related to safety practices, leadership commitment, and risk awareness.

OCCUPATIONAL HEALTH MANAGEMENT

The Company's occupational health governance framework focuses on preventing occupational illnesses, strengthening industrial hygiene practices, and promoting overall employee well-being across operations. Through proactive risk identification, continuous health surveillance, and preventive healthcare interventions, the Company enables early detection of workplace hazards and timely mitigation. We provide:

- Periodic medical examinations and health assessments through dedicated occupational health centres across operational locations
- Robust emergency response infrastructure in the form of 24×7 advanced life-support ambulance services and trained medical personnel

Industrial Hygiene and Exposure Monitoring

During the year, we strengthened industrial hygiene and workplace safety by:

- Conducting quantitative exposure assessments (QNEAs) to assess employee exposure to occupational chemicals and identify suitable controls
- Performing personal and respiratory protective equipment fit assessments and ergonomic studies to improve protective equipment effectiveness and workplace ergonomics
- Converting 43 high-exposure zones into green zones, improving workplace safety

Employee Well-being and Preventive Health Initiatives

Hindustan Zinc promotes employee well-being beyond occupational risk management through preventive health programmes and awareness initiatives, reinforcing a safe and healthy workplace culture.

- Regular health education sessions and wellness programmes are conducted to improve occupational health awareness
- Wellness programmes encourage healthy lifestyle practices and long-term wellbeing

Zero
Cases of occupational health illness

37,265
Medical examinations conducted

CONTRACTOR SAFETY MANAGEMENT

Hindustan Zinc maintains a structured contractor safety management (CSM) framework to ensure that contractors and business partners operate in alignment with the Company's health and safety standards. The framework integrates safety requirements throughout the entire contract lifecycle, ensuring that risk management, compliance, and workforce protection remain central to all contractor activities across operations.

FIVE-PHASE CSM LIFECYCLE

SCREENING
Pre-qualification of contractors based on HSE performance and compliance capability

PLANNING
Safety requirements, controls, and KPIs are set out prior to contract award

MOBILISATION
Safety orientation, competency verification, and site-specific training before work begins

EXECUTION
Regular inspections, compliance tracking, and monthly leadership reviews throughout execution

CLOSURE
Formal close-out upon completion of scope of work to ensure full adherence and accountability

Business Partner CEO Connect

Business Partner CEO Connect sessions strengthen engagement with contractor leadership to review safety performance, discuss operational challenges, and align with Hindustan Zinc's safety standards and expectations in a collaborative manner.

Safety Pause

Safety Pause promotes workforce empowerment and engagement across operations under the theme "Right to Refuse Unsafe Work," which encourages both employees and contractor personnel to proactively identify hazards and stop unsafe activities.

CEO Safety Townhalls

CEO-led Safety Townhalls directly engage the workforce and reinforce safety expectations and awareness on critical safety priorities.

STRENGTHENING PSYCHOLOGICAL SAFETY ACROSS OPERATIONS

At Hindustan Zinc, safety is not confined to physical protection but extended to the psychological well-being of our workforce, reinforcing a culture of openness, trust, and accountability. The Company is progressing towards a mature, human-centric safety culture where robust engineering controls are complemented by empowered people, enhancing incident prevention, resilience, and the sustained pursuit of zero harm.

ADVANCING PSYCHOLOGICAL SAFETY ACROSS OPERATIONS

Policy Integration

Psychological Safety has been explicitly integrated into the Company's Health and Safety Policy during the year

Empowered Voice

Employees can speak up, report concerns, and intervene without fear of reprisal

Integrated Risk Approach

Hindustan Zinc will embed psychological safety within its risk management framework, extending beyond engineering and procedural controls

Pause Work Authority

Employees and business partners are actively encouraged to pause unsafe work, articulating organisation's stance that safety takes precedence over production

PERFORMANCE MONITORING AND ASSURANCE

It is with deep concern and a strong sense of responsibility that we report two fatal incidents this year due to man-machine interactions. Incident cause analysis method (ICAM) based investigation was conducted focusing on PEEPO (people, environment, equipment, procedure, organisation) factors. Immediate corrective actions have been identified and are being implemented across all sites. We remain deeply committed to learning from these incidents and reinforcing our goal of Zero Harm through sustained vigilance and accountability.

Our Safety Performance**

	FY2022	FY2023	FY2024	FY2025	FY2026
Fatalities	4	7	0	4*	2
Lost time injury frequency rate	0.81	0.70	0.88	0.55	0.67
Total recordable injury frequency rate	2.22	1.93	1.84	1.20	1.57

*Including 1 at our subsidiary, Vedanta Zinc Football & Sports Foundation

** For further details on split between employees and contractors, refer to the Sustainability Report

KEY ACTIONS TAKEN

- Implementation of collision avoidance system pilot at Sindesar Khurd Mine
- Installation of blind spot cameras across load-haul-dump (LHD) trucks at Hindustan Zinc
- Established and reinforced an explicit prohibition on simultaneous LHD operation within a single stope
- Strengthened deployment and shift-planning to ensure prevention of conflicting or overlapping equipment allocation

FORTIFYING SAFETY WITH DIGITAL CAPABILITIES

Hindustan Zinc leverages advanced analytics, computer vision, automation, and remote operations to transform traditional risk management approaches into proactive and technology-driven safety systems.

HOW DIGITAL INITIATIVES ENHANCE OUR SAFETY POSTURE

- Minimise human exposure to hazardous environments
- Improve operational reliability and workforce safety
- Enhance real-time monitoring of critical activities
- Enable data-driven decision-making to prevent incidents

Prevent high-consequence risks and incidents

COLLISION AVOIDANCE SYSTEM FOR UNDERGROUND OPERATIONS

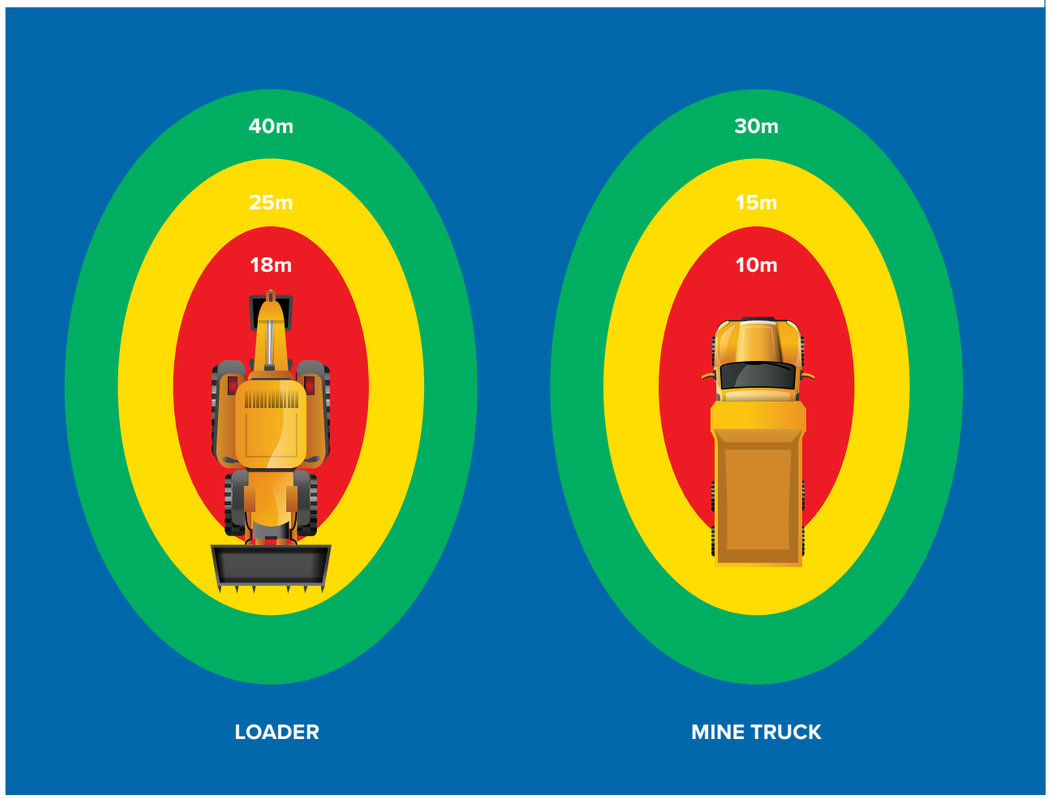
To enhance underground safety, Hindustan Zinc implemented collision avoidance system (CAS) on 11 low profile dump trucks (LPDTs) and 19 load-haul-dump (LHD) vehicles at Sindesar Khurd Mine. The system prevents potential collisions between mobile equipment, heavy machinery, and personnel.

Purpose

To improve underground safety and prevent vehicle-to-vehicle and vehicle-to-human incidents.

System and Benefits

- Equipment-mounted sensors, pedestrian tags, and proximity detection technologies monitor the movement of equipment and personnel
- Generates visuals and vibration alerts when equipment and personnel come within predefined safety zones
- Helps operators maintain safe distances and respond quickly to potential hazards
- Continuous operator feedback has improved system functionality, such as alert settings, interface positioning, and firmware upgrades



COMPUTER VISION MONITORING FOR SAFER LADLE TRANSFER OPERATIONS

At Chanderiya Lead Zinc Smelter, the transfer of hot metal ladles is a critical high-risk activity due to the extreme temperatures and potential consequences of procedural deviations. Earlier, manual monitoring of ladle transfer activities restricted real-time detection of deviations from standard operating procedures, compromising safety.

Technological Solution

Hindustan Zinc implemented a computer vision-based monitoring system for ladle transfer operations at Chanderiya Lead Zinc Smelter. The new system automatically monitors operational conditions, identifies potential safety deviations during the transfer process, and prevents unsafe equipment operations.

Benefits

- Enhanced real-time detection of anomalies and operational discipline
- Reduced reliance on manual supervision for critical safety checks
- Strengthened risk controls and safety assurance in the pyro smelting process

TELE-REMOTE DRILLING OPERATIONS

Context and Challenge

Hindustan Zinc expanded the use of tele-remote drilling technology at Rajpura Dariba Mine to minimise operator exposure to underground hazards and high risks conditions such as blasting zones and unstable ground, where physical presence increases safety risks.

Technological Solution

Through wireless communication networks and remote operating consoles, drill rigs can now be operated from secure control rooms located away from active mining faces.

Benefits

- Enables safe drilling without physical presence in high-risk underground zones
- Ensures continuous operations during shift transitions and other operational intervals
- Improves equipment utilisation, productivity, and operational efficiency

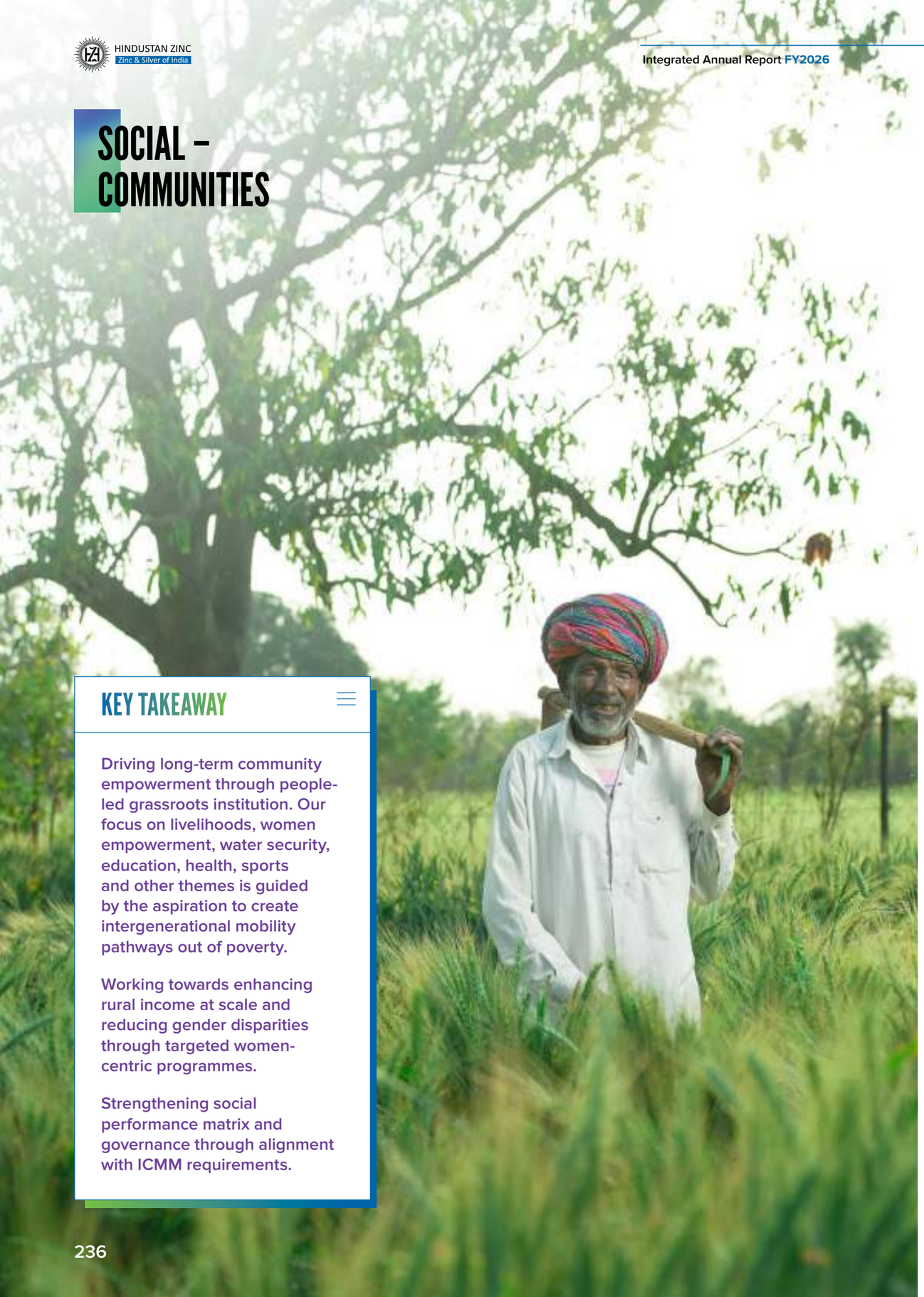
DID YOU KNOW?

2nd Edition of India's most beautiful Vedanta Zinc City Half Marathon in Udaipur

UNITED 7,000 RUNNERS FROM

23+ STATES ACROSS THE COUNTRY AND GLOBE, JOINING FOR #RUNFORZEROHUNGER INITIATIVE BY NANDGHAR, BLENDING FITNESS WITH PURPOSE

SOCIAL – COMMUNITIES



KEY TAKEAWAY

Driving long-term community empowerment through people-led grassroots institution. Our focus on livelihoods, women empowerment, water security, education, health, sports and other themes is guided by the aspiration to create intergenerational mobility pathways out of poverty.

Working towards enhancing rural income at scale and reducing gender disparities through targeted women-centric programmes.

Strengthening social performance matrix and governance through alignment with ICMM requirements.

MAXIMISING THE SOCIAL VALUE

At Hindustan Zinc, our CSR vision is anchored in advancing inclusive and sustainable development for all our stakeholders. Through high impact programmes across our core thematic areas, we strive to create measurable and lasting social value.

CSR VISION

To enhance the quality of life and economic well-being of the communities around our operations.

CSR IMPACT FY2026

2.6 million
Lives positively impacted

2.01 million
Women and children beneficiaries

₹ 278.15 crore
Total CSR spend

4,149
Villages benefited, including an aspirational district[1]

4,679
Nand Ghars[2] built by Hindustan Zinc

[1]Aspirational Districts Programme is an Indian government initiative to rapidly improve development in the country's most underdeveloped districts across key social and economic sectors

[2]Women and children care centres

Under the aegis of the Anil Agarwal Foundation, flagship initiatives such as Nand Ghar – a women and children care centre designed on a modernised Anganwadi model, marks our commitment to child nutrition, early learning, and women's empowerment, enabling the creation of resilient and thriving communities.

Material Topics

M6 M8 M12 M16

Strategies Linked

S5

Capitals Impacted

Stakeholders Affected

UN SDGs

CSR: ENABLER OF THE COMPANY'S PURPOSE, VALUES, AND BUSINESS STRATEGY

At Hindustan Zinc, CSR is an integral extension of the Company's purpose to create enduring value through responsible and sustainable operations. Our CSR approach is guided by the belief that business success and social progress are deeply interconnected, and that long-term value creation must go hand-in-hand with community well-being and environmental stewardship.

Aligned with our core values of integrity, care, innovation, and sustainability, Hindustan Zinc's CSR programmes place strategic focus on addressing critical development priorities particularly in communities surrounding our operations. These interventions are designed to be inclusive, locally relevant, and outcome-driven, ensuring that growth is shared and opportunities reach even the vulnerable sections of society.

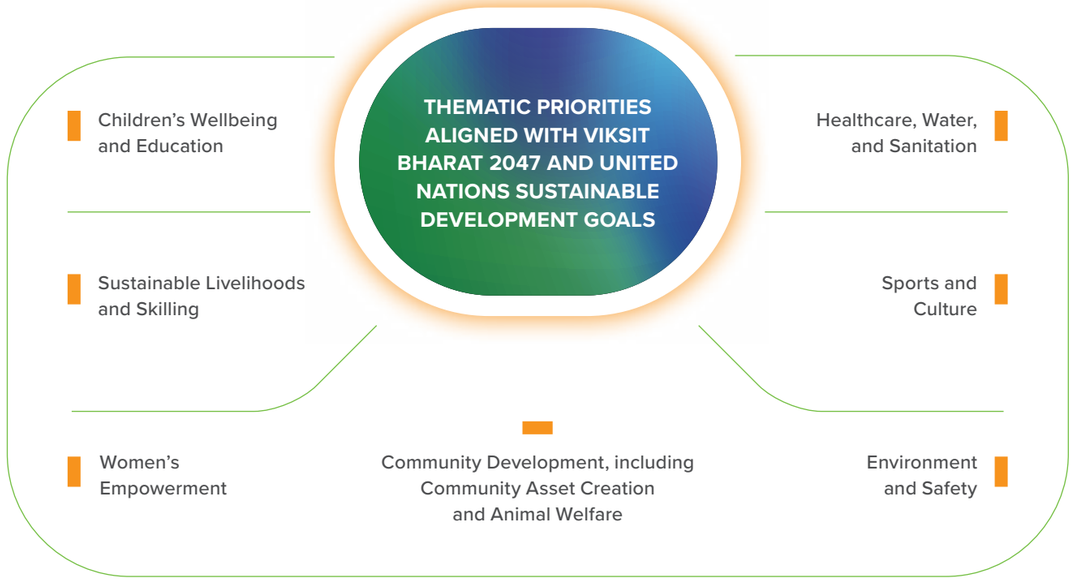
From a business strategy perspective, our CSR initiatives through community participation strengthen the Company's social licence to operate, enhance stakeholder trust, and support a resilient and sustainable operating ecosystem. By investing in social capital and community infrastructure, we contribute to building skilled, self-reliant communities that can thrive alongside the Company.

Aligned with National Development Priorities and the UN Sustainable Development Goals (SDGs)

Hindustan Zinc's CSR priorities are closely aligned with India's national development focus on Viksit Bharat 2047, reinforcing the Company's commitment to inclusive growth and sustainable value creation. By anchoring its interventions to nationally relevant priorities, Hindustan Zinc ensures that its CSR efforts contribute meaningfully to a broader socio-economic transformation while delivering measurable outcomes at the grassroots level.

Our focus areas support key national and state missions such as Swachh Bharat Abhiyan, Rising Rajasthan, Jal Jeevan Mission, National Education Policy, Skill India, National Rural Health Mission, and Digital India. Our programmes are designed to complement government efforts by strengthening last-mile delivery, deepening community engagement, and addressing local development gaps in and around the operational areas through our innovative and scalable development models.

Simultaneously, our CSR initiatives contribute to all UN SDGs, and are structured with clear linkages to SDG targets, enabling systematic tracking of social, environmental, and economic impact. Through this integrated approach, Hindustan Zinc ensures that its CSR strategy responds to local community needs and supports India's development journey and the global commitment to sustainable development.



CSR ACCOUNTABILITY ARCHITECTURE

The Company has established a robust CSR governance framework that ensures strategic alignment, effective oversight, and transparency in the execution of its social responsibility initiatives.

Board of Directors

Provides overall direction and accountability for the CSR agenda at an organisational level

CSR Committee

- Formulates and recommends CSR policy
- Approves annual CSR action plans and budgets
- Reviews priority focus areas in line with statutory requirements and community needs
- Monitors fund utilisation, and ensures compliance with applicable legal and regulatory provisions
- Reviews programme progress and impact periodically
- Provides regular updates to the Board to ensure timely evaluation, course correction, and continuous strengthening of CSR outcomes

Internal Management Committee (IMC)

- Comprises representatives from the senior management and provides operational oversight
- Meets in defined intervals to approve CSR projects, align key performance indicators and deliverables, and review budget utilisation
- Tracks implementation in real-time through a dedicated digital dashboard

Thematic Areas

SUSTAINABLE LIVELIHOOD GENERATION FOR FARMERS AND YOUTH

We strengthen the economic well-being of communities by enabling sustainable livelihood opportunities through improved farming practices, animal husbandry, promotion of micro-enterprises, and skill-based capacity building.

Samadhan

Focused on enhancing farm-based livelihoods through institution building, climate smart practices, integrated farming, and livestock development.

SAMADHAN AT A GLANCE IN FY2026

6 farmer producer companies (FPCs)
created with 9,523 farmer base, ₹ 0.85 crore cumulative share capital, and ₹ 9.81 crore of total turnover

30.38 million litres
of water saved through application of Fasal Amrit across **1,350 bighas**

₹ 42.20 crore
worth of milk produced, amounting to **10.55 million litres**

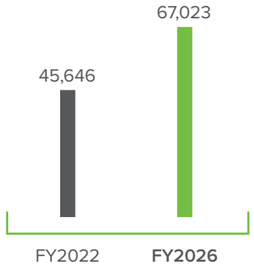
34,638
animals benefited through animal health camps

91%
success rate at breed improvement in cattle

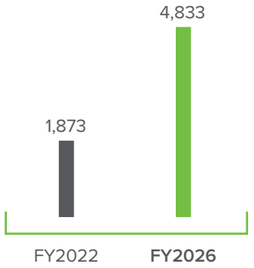
₹ 4 crore
converged through government schemes, benefiting **9,584 farmers**

Through regular farming interventions since FY2022, below is the impact generated:

Average Income Generated per farmer per year



Average Productivity in kg per bigha



33,716
Farmers benefited

₹ 5,500 acres
Agricultural land covered

518 MT
Of bio-fortified, zinc and iron-enriched wheat produced by 740 farmers, ensuring adoption of climate-resistant and nutrition-focused agriculture

Microenterprises

The microenterprises project focuses on strengthening sustainable, community-based enterprises by working closely with women-owned and women-led MSMEs, farmers, and dairy producers. The initiative supports participants across the value chain through capacity building, access to technical inputs, enterprise development, and market linkages.

A cattle feed microenterprise
to support livestock-based livelihoods

A biomass pellet unit
to covert the invasive weed, *Lantana camara,* into biomass pellets for green energy

Block printing and Tie & Dye units
launched under 'Upaya', a fabric brand under SUS

Four New Microenterprises Launched in FY2026

Sakhi Utpadan Samiti (SUS): A Women-Owned Microenterprise

Entered quick commerce through Blinkit
in Delhi NCR region, with Daichi products like ghee, pickle, and honey listed across 436 dark stores

Over ₹ 0.15 crore
of sales achieved at India International Trade Fair, Jaigarh Festival, Kala Ghoda Arts Festival, Spring Fest, and other national platforms

Shortlisted for WE-nurture 2.0 Sustainability Cohort
at Atal Incubation Centre, Goa Institute of Management

426 women
Engaged across production and business, recording earnings of ₹ 0.52 crore

51,200 kg
cattle feed sold from **newly launched** unit

₹ 11.34 crore
Revenue generated across 18 microenterprises and 5 farmer input shops

hearts with fingers
DAICHI THE BEST FROM RURAL INDIA
upaya

Scan this QR code to explore our products

Zinc Kaushal

Empowering rural youth with industry-relevant skill training and linking them to meaningful employment opportunities. Operating through six skilling centres across Rajasthan, the programme bridges the gap between skilling and sustainable livelihoods, contributing to the socio-economic development of communities around our operational areas.

ZINC KAUSHAL AT A GLANCE IN FY2026

2,600+ youth (51% females)
trained including 420 youth through convergence with NABARD, JK Cement, YES Foundation, and Bajaj Finserv

100% placement
for the special batch of deaf and mute trainees of hospitality trade at reputed hotels like Taj Fateh Prakash, Radisson Blu, etc.

16%
Increase in average salary

10,000+
Youth skilled across Rajasthan and Uttarakhand since inception

83% placements
Enabling sustainable livelihoods through industry-relevant training

Smart Policing
In collaboration with Udaipur Police Department for skilling of vulnerable youths

Thought Leadership: Rural Livelihoods Conclave 2026

Hindustan Zinc convened the inaugural Rural Livelihoods Conclave 2026 in Udaipur as a strategic platform to drive rural economic development. This high level, one-day working forum brought together eminent leaders from government, CSR, philanthropy, markets, and civil society to collectively deliberate on building resilient and inclusive livelihood systems.

The forum deliberated on how to build resilient, scalable systems that sustainably increase rural incomes, particularly for women and youth. It emphasised enterprise-driven livelihood models capable of delivering long-term impact at scale. It sought to explore on-ground drivers of income growth and diagnose systemic constraints across finance, skilling, market access, and institutional frameworks.

With rural livelihoods largely dependent on smallholder agriculture and informal enterprises, the conclave aimed to connect rural economies with urban markets, unlocking growth opportunities critical for adapting to rapid economic and social change.

Through this initiative, Hindustan Zinc reinforced its leadership in rural development and its commitment to strengthening rural income and enabling sustainable rural transformation.

WOMEN EMPOWERMENT

Our initiatives focus on enabling women to achieve financial inclusion and economic self reliance by expanding access to income opportunities, supporting entrepreneurship, and strengthening participation in local economic ecosystems.

Sakhi

Advancing women empowerment by enabling financial inclusion and economic independence through sustainable grassroots institutions, including federations, village organisations, and self-help groups (SHGs).

SAKHI AT A GLANCE IN FY2026

7 federations
are apex institutions for collective policy advocacy and financial innovation

₹ 4.21 crore
in annual savings generated through Sakhi micro investments

₹ 6.22 crore
credit disbursed to 1,400 members for Family Based Livelihood Plan generation, a 9.8% growth from last year

2,100+
SHGs active with 200+ Village Organisations

60+ Sakhi leaders
empowered through capacity-building interventions to enhance institutional sustainability and ownership at the community level

2,67,000
people reached through social advocacy by Uthori Jagriti Kalamanch, the theatre group under Sakhi

25,000+
Women empowered through self-help groups

₹ 6 crore
Mobilised through credit linkage to support 2,000 members

EDUCATION

Improving access to quality education and enhancing learning outcomes. By strengthening school infrastructure, enhancing teacher capacities, and promoting STEM (Science, Technology, Engineering, and Mathematics) learning, the focus is on enabling equitable educational opportunities and supporting holistic development of young aspirants for a brighter future.

Unchi Udaan

To nurture meritorious rural talent through quality education and mentorship, opening pathways to India's top engineering colleges.

UNCHI UDAAN AT A GLANCE IN FY2026

17
students qualified for JEE (Joint Entrance Examination) Advanced 2026, with top students scoring 99.23 percentile in JEE Mains

151
students from 6 batches secured admissions in reputed engineering colleges till date

16
students outperformed in various Olympiads with 12 Gold, 2 Silver, and 2 Bronze medals

44
Students placed in prestigious companies since inception with packages up to ₹ 21 lakh per annum

90%+
Scored by 16 students in 10th and 12th board examinations

Shiksha Sambal

Improving educational outcomes in rural and tribal government schools by providing targeted academic support in Science, Mathematics, and English, enabling students to access higher education and improved career opportunities.

SHIKSHA SAMBAL AT A GLANCE IN FY2026

76+
schools covered

4
state-of-the-art AI-enabled STEM labs set up in the government schools, equipped with AR/VR tools

5,700+
students in Grades IX-XII supported through Smart Digital Learning initiative in science, English, and mathematics, addressing teacher shortages in government schools

5,900+
students benefited through "Book for Friend" initiative, seeding reading culture

5,000
students attended 108 residential and non-residential camps organised during summer, Diwali, and winter breaks

13,000+ students
Benefited

100% pass rate
In board exams across 38 government schools

Other Education Projects

To support government school students and rural youth via mentorship and connecting with various education-related opportunities.

KEY HIGHLIGHTS IN FY2026

1,850+
students from surrounding communities across Hindustan Zinc's five schools received schooling

122
girl students received scholarship support for graduation and post-graduation courses

The Hind Zinc School
in Chittorgarh topped the district in 10th class board results

678
students received career counselling and coaching for competitive exams

154+
students across Hindustan Zinc's schools won Gold in Science Olympiad Foundation (SOF) International Olympiads

100%
Pass rate in the final year of the scholarship program

Success Stories

- Neha Meena from Zawar and Anchal Menariya from Chittorgarh got selected and placed as a junior accountant in the government department and shift in-charge at Runaya, respectively
- Sweety Gupta from Agucha got selected for the National Shooting Championship in New Delhi
- Himanshu and Sanjay, players at Zinc Football Academy, topped their class 12 board exams at DAV School, Zawar Mines

HEALTHCARE AND WATER

Despite ongoing development, access to essential healthcare services and safe drinking water remains a challenge for large sections of the population in our operational communities. We are striving to strengthen health infrastructure and expand water and sanitation facilities across our identified intervention areas.

Swasthya Sewa

Promoting holistic community health by advancing preventive and curative healthcare through mobile health vans, health infrastructure, and community sensitisation

SWASTHYA SEWA AT A GLANCE IN FY2026

Memorandum of Understanding (MoU)
signed with Rabindra Nath Tagore (RNT) Hospital and College at Udaipur to reimagine the hospital with a focus on medical tourism and affordable healthcare

Ultra-modern Cathlab
provided to Vedanta Heart Hospital at RNT Hospital and College at Udaipur, bringing in advanced cardiac healthcare to the region

5 mobile health vans (MHVs)
operating across 134 villages, provided regular health check-ups, medical consultations, and distributed essential medicines

Health Promoting Schools initiative
focused on medical screening and counselling, benefiting 2,000+ students across 48 schools

Nutrition awareness sessions
during Poshan Maah reached 29 villages, promoting maternal nutrition, anaemia prevention, and child health

72,628
People reached through 2,530 OPDs conducted through 5 MHVs

58%
Women beneficiaries in the targeted population

1.33 lakh
Community people benefited through 6 company run hospitals across locations

Drinking Water & Water Augmentation

Strengthening communities by improving access to safe drinking water and sanitation facilities.

WATER PROJECTS AT A GLANCE IN FY2026

11.13 million litres
of drinking water dispensed

58,000+
beneficiaries across 80+ villages through RO ATMs, with a revenue of ₹ 6.22 lakh recorded by the Gram Panchayats

14 pucca wells and 4 anicuts
constructed in Zawar & Dungarpur area, for water sustainability and quality

40,000+ people
Across 33 villages reached through tankers, supplying 3 lakh+ kilolitres of water

30% increase
In the water capacity of 65 wells through deepening, enabling 1 bigha additional irrigated area per farmer and improving their income

COMMUNITY ASSETS

Many villages in India continue to lack essential infrastructure for a dignified quality of life. In response, we partner with local institutions to develop and strengthen infrastructure in the rural communities surrounding our operations.

During FY2026, Hindustan Zinc implemented several community infrastructure development initiatives aimed at strengthening education infrastructure, enhancing rural and community assets, and upgrading renewable energy infrastructure. These efforts focused on improving quality of life, safety, and promoting sustainable development across rural communities.

COMMUNITY PROJECTS AT A GLANCE IN FY2026

Education Infrastructure Development

Strengthening 66 educational structures to improve school safety, hygiene, and infrastructure quality aimed at enhancing student well-being, attendance, and holistic development

6 model schools
developed to establish benchmarks in quality education infrastructure

47 schools transformed
with infrastructure activities like construction of classrooms, toilet blocks, assembly sheds, sports ground, and renovations

Rural & Community Infrastructure Development

4 model villages
developed, setting benchmarks for enhanced quality of life in rural areas

23.1 km of roads constructed across 25 villages
improving access to essential services and strengthening connectivity and mobility

14 community halls and 6 cremation sheds
developed, supporting social and cultural needs

3 drainage systems and 2 water tanks
constructed, enhancing hygiene and water availability

300+ animals to benefit from an animal shed and 5 drinking water troughs
strengthening animal welfare

Electrical & Renewable Energy Infrastructure Development

Enhanced public safety and village security through the promotion of clean, renewable energy solutions, reducing dependence on grid power and lowering the overall carbon footprint.

Commissioned two solar power stations across two villages
with a combined installed capacity of 15 KW, enabling reliable and sustainable power supply

Biomass Pelleting unit set up
to promote green energy

0.16 million people
Benefited across 50+ villages through comprehensive community infrastructure development initiatives

SPORTS AND CULTURE

The promotion and development of sports and culture is one of our core themes, reflecting our commitment to holistic community development. Through focused investments in grassroots sports, talent identification, training infrastructure, and cultural preservation, we aim to nurture individual potential, encourage discipline and teamwork, and foster community pride.

Zinc Football Academy

Zinc Football Academy (ZFA), established under Vedanta Zinc Football and Sports Foundation, is a state-of-the-art residential football academy in Rajasthan, dedicated to nurturing young talent, including both boys and girls. The Academy has produced many state and national football champions, strengthening Rajasthan's football ecosystem.

ZFA AT A GLANCE IN FY2026

ZFA Representation at Higher Levels

- Mohammed Kaif led India Under-16 to South Asian Football Federation (SAFF) U-17 title, SAFF treble, and Under-19 title
- Sonam Ghosh earns call-up for trials for India U17 National team
- ZFA U18 cadet Rajrup Sarkar represents India U17 in AFC U17 Asian Cup qualifiers; named Man of the Match against Iran, helping India beat Iran for the first time since 1951 across all age-groups
- U16 girl cadet Payal Yadav represented Rajasthan in National Football Championship in Narayanpur in 2025
- U16 girl cadet Pratigya represented Rajasthan in Junior National Football Championship in Anantapur in 2025

Senior success

- ZFA emerged as Champions of the Rajasthan League, securing qualification for the 2025-26 I-League 3
- This triumph marked ZFA's second Rajasthan League title, a testament to the Academy's sustained excellence and competitive consistency at the senior level

Youth excellence

- The U18 Boys team reached the final round of the AIFF U18 Elite League
- Striker Ashish Chettry emerged as the tournament's second-highest goal scorer, scoring 25 goals including 3 hat-tricks

Girls are Champions

- The ZFA Girls Programme enjoyed an exceptional season across multiple competitions, underlining the academy's growing strength in women's football
- U16 ZFA Girls Team emerged as Champions at the DAV All-India School Tournament with a series of commanding performances

Zinc Football Girls Academy

Hindustan Zinc launched the Zinc Football Girls Academy in Zawar, near Udaipur, under its social investment programmes. The Academy strengthens the grassroots ecosystem for women's football while enabling social mobility and community transformation.

The academy commenced with its first residential batch of 19 talented girls, including participants from across Rajasthan and the local tribal community of Zawar. Designed as a fully residential and technology-driven facility, the academy offers a comprehensive development ecosystem comprising structured football training, academic support, nutrition, healthcare, and a safe and enabling learning environment.

The initiative is strengthened through strategic and technical guidance from the All India Football Federation (AIFF), ensuring access to professional training frameworks and global best practices, while breaking gender barriers in sports.

Cluster Sports, Art and Culture

53,900+

People reached through various sports activities, largely driven by the Sansad Khel Mahotsav and district tournaments

c.0.8 million

Attendees across Pushkar Mela, Jaipur Literature Festival, Vedanta Udaipur World Music Festival, Smritiyaan, and Flower Show, fostering local traditions and cultural appreciation

ENVIRONMENT AND SAFETY

Ensuring a clean and safe environment for communities in the vicinity of our operations is integral to the achievement of our sustainable growth strategy. Accordingly, we implement a range of initiatives focused on environmental protection, resource conservation, and the promotion of healthy and resilient ecosystems across neighbouring villages.

Community Safety

980+ trainings organised

by master trainers and safety teams, covering 19,000+ beneficiaries

Community Awareness Sessions delivered

on home safety, road safety, farm safety, 5S practices, and CPR training, across all locations

Environment

12.97 million m^3 of wastewater treated

at the 60 MLD sewage treatment plant (STP) in Udaipur, implemented in collaboration with the Udaipur Municipal Corporation, significantly reducing dependence on freshwater resources

50,000+ saplings planted

for improving biodiversity and air quality

30 bighas land covered under cluster plantation

for pasture lands at Rajsamand and Zawar to create sustainable habitat for local wildlife and livestock

530+ solar-based street lights, high mast lights, and 1,340+ LED lights installed

in different communities around operational areas

0.61 million

Beneficiaries positively impacted through our environment and community safety initiatives

OUR CSR PARTNERS

VOLUNTEERING

At Hindustan Zinc, volunteering goes beyond participation, it reflects our collective commitment to creating meaningful and lasting community impact. This year, 654 volunteers contributed 1,370 person hours in 200+ volunteering activities.

SUSTAINABILITY & CSR INITIATIVES

STRATEGIC BACKGROUND

Hindustan Zinc's sustainability journey is anchored in its CSR vision of empowering communities through sustainable practice. A monthly cadence of reviews is followed, involving cross-functional departments to track progress against the Sustainability Goals 2030. In addition, Class A programs are tracked and monitored regularly, with several out-of-box sustainability aspects being piloted to accelerate impact.

Microenterprise Footprints

- Upaya Textile Brand → Organic cotton, handloom, natural dye
- Creative Home Accessories → Waste-to-product innovation using textile cut-outs
- Applique Work → Scrap-to-art transformation, maximising resource use
- FMCG Brand → Local sourcing from small farmers
- Traditional Cooking Techniques → Sun drying, heritage methods, small-batch production → reduced carbon footprint
- Eco-Friendly Packaging → Sustainable packaging materials

Pillars

- Women-led & women-owned enterprises
- Sustainable livelihoods through upskilling and market linkages

Agricultural Innovations

Fasal Amrit

- Organic super absorbent polymer (SAP) from fruit peel biowaste
- Saves c.14.77 bigha-inch water per bigha crop
- Reduces irrigation & fertiliser needs, and boosts yield
- 100% biodegradable in 6 months, chemical-free, pollution-free
- Adopted by 1,950 farmers and applicable to wheat

Bio-Fortified Wheat

- ₹ 7,000 average net profit per bigha
- 740 farmers cultivating across 370 acres

Livestock & Emission Reduction (CoE Interventions)

- Balanced Nutrition/Precision Feeding → Better feed conversion, lower CH_4 per litre milk
- Sex-Sorted Semen → Fewer unproductive males, improved emission-to-milk ratio
- Biogas Units → Captures CH_4, converts to cooking fuel; slurry replaces synthetic fertiliser (N_2O reduction)
- IRESA Solutions → Solar + biogas + fodder integration; eliminates diesel/LPG use
- Hydroponic Fodder → Improves digestibility, reduces methane, saves land & water

Community Impact Metrics

- Input Shops Contribution
  - 3,118 shareholders → ₹ 232.83 lakhs
  - Non-shareholders → ₹ 295.17 lakhs

CONSOLIDATED IMPACT STATEMENT

Hindustan Zinc's CSR and sustainability initiatives combine **women-led microenterprises, innovative agricultural practices, and livestock emission-reduction strategies** to deliver measurable outcomes:

- **Water savings** via Fasal Amrit
- **Higher farmer profits** through bio-fortified wheat
- **Reduced CH_4 & N_2O emissions** from livestock interventions
- **Community ownership & financial sustainability** via shareholder participation

These efforts are systematically reviewed each month, ensuring alignment with the **2030 sustainability roadmap** and reinforcing Hindustan Zinc's position as a leader in **responsible, impact-driven growth.**

SOCIAL – RESPONSIBLE SOURCING

At Hindustan Zinc, responsible sourcing is embedded at the core of our value creation approach and aligned with the International Council of Mining and Metals (ICMM) Mining Principles. Our supply chain strategy integrates ESG considerations across procurement decisions, ensuring that materials, services, and operations are sourced responsibly and support sustainable, efficient, and resilient production systems. We adopt a risk and opportunity-based approach across our supplier network to strengthen transparency, mitigate supply chain risks, and enhance long-term resilience.

BUILDING RISK-RESILIENT SUSTAINABLE SUPPLY CHAINS

SUPPLY CHAIN PERFORMANCE IN FY2026

624
Total commercial business partners (BPs) transacted

33%
Micro, small and medium enterprises (MSME) spend

128
Local commercial BPs

50
Women-owned businesses

100%
Sustainable sourcing (Basis commercial BP spend)

NIL
Revenue from products containing minerals sourced from conflict-affected and high-risk areas

₹ 15,278 CRORE
Spent on critical tier-1 BPs

KEY TAKEAWAY

- Supplier Code of Conduct drives ethical practices and responsible behaviour across supply chain
- Strong governance and oversight ensure accountability, compliance, and alignment with global standards
- Multi-tier supplier assessments and due diligence mitigate supply chain risks
- Capacity building, monitoring, and corrective actions drive continuous engagement
- Local vendor development programmes strengthen regional economies
- Sustainable initiatives enable low carbon and resilient supply chains

Material Topics

M1 M2 M4 M5 M8 M10 M11 M12 M19 M20

Strategies Linked

S3 S5

Capitals Impacted

Stakeholders Affected

UN SDGs

OUR APPROACH TOWARDS RESPONSIBLE SOURCING

Hindustan Zinc's Sustainable Sourcing Policy applies to all immediate business partners including service and supply partners. Our business partners are required to comply with the Suppliers Code of Conduct. A robust Suppliers Due Diligence Procedure ensures adherence to these standards, aligns our valued business partners with our sustainability goals, and promotes a culture of responsibility across the value chain.

Further, our responsible sourcing approach is guided by a structured Procurement Rulebook that standardises sourcing processes, approval mechanisms, and supplier evaluation criteria across business units. Our integrated Vendor Management System enables centralised supplier onboarding, risk profiling, compliance tracking, and periodic performance assessments to ensure consistent oversight. Guided by ISO 20400, we embed ESG parameters into supplier pre-qualification, due diligence, contractual obligations, and ongoing performance reviews. For further information, refer our microsite - Sustainability | Supply Chain Management.

At Hindustan Zinc, collaboration with business partners is central to advancing responsible production outcomes, enabling proactive risk management and driving continuous improvement across the value chain. This commitment is underpinned by a robust governance framework, comprising the Supplier Code of Conduct, Sustainable Sourcing Policy, Supplier Sustainability Management Policy, and Supply Chain Strategy. Together, these frameworks establish rigorous standards and set clear expectations for ethical business conduct and responsible sourcing, supporting a transparent, resilient, and future-ready supply chain aligned with ICMM principles.

SUSTAINABLE SOURCING POLICY

Our sustainable sourcing policy aligns our business partners with our sustainability priorities, fostering accountability and responsible conduct. It establishes clear environmental, social, and ethical standards for suppliers and contractors, while outlining our approach to identifying and mitigating health, safety, and environmental (HSE) risks within the supply chain. The policy also reinforces our zero-tolerance stance towards human rights violations and promotes responsible business practices among our partners. Access our Sustainable Sourcing Policy here.

Our Supplier ESG Expectations document further outlines the environmental, social, and governance principles that business partners are encouraged to adopt and integrate within their operations.

SUPPLIER CODE OF CONDUCT

Hindustan Zinc's Supplier Code of Conduct serves as the mandatory governing framework for all business partners, including material suppliers, contractors, and service providers. It establishes a firm baseline for ethical engagement, ensuring every partner mirrors our values, operational principles, and sustainability commitments.

By integrating fundamental conventions of the International Labour Organisation (ILO), the principles of the United Nations Universal Declaration of Human Rights, the International Council on Mining and Metals (ICMM) principles, and prevailing industry norms, we ensure our operations align with the global best practices.

Our Supplier Code of Conduct addresses critical areas such as labour and human rights, occupational health and safety, environmental stewardship, business integrity, and regulatory compliance. It reinforces a zero-tolerance approach towards corruption, bribery, fraud, and insider trading, while emphasising robust grievance redressal mechanisms, environmental responsibility, climate considerations, and adherence to all applicable laws and regulations. Adherence to the Code is mandatory for all suppliers and forms an integral part of our responsible sourcing approach.

Our governance extends beyond our direct vendor network; we encourage suppliers to cascade these standards throughout their own supplier networks. Developed through collaborative engagement with customers, suppliers, group companies, and external stakeholders, the Code ensures relevance and effectiveness.

This year, we strengthened our Supplier Code of Conduct to include psychological and psychosocial well-being, ethical compliance, community engagement, risk-based procurement practices, and quality assurance. These enhancements align our supply chain with the evolving sustainability priorities and stakeholder expectations, promoting a culture of accountability and continuous improvement.

GOVERNANCE AND OVERSIGHT

ACCOUNTABILITY AND OVERSIGHT

Our sustainable sourcing governance is structured across three tiers:

TIER 1

Board-level ESG & Sustainability Committee: Review and guide the responsible sourcing goal and its progress along with oversight of implementation of the supplier ESG programme

TIER 2

Executive-level Sustainability Committee chaired by CEO: Provides overall leadership and strategic direction for responsible sourcing initiatives

Supply Chain Community chaired by Chief Commercial Officer: Oversees the implementation of responsible sourcing strategies and policies.

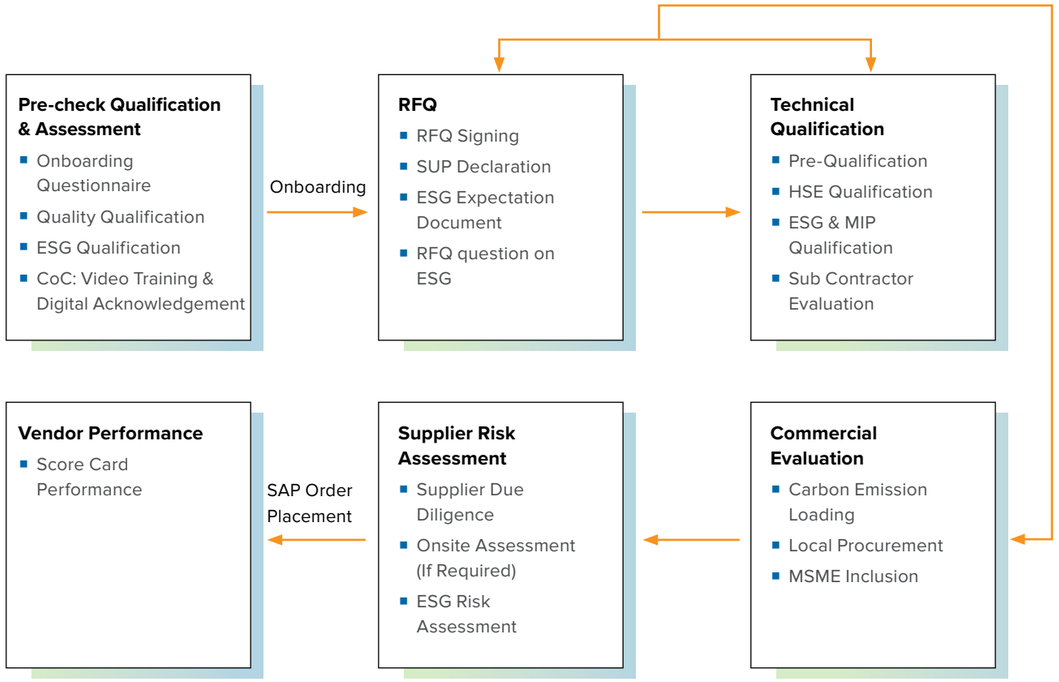
- Commercial heads manage supplier engagement and risk assessment
- Commercial executives handle daily sustainable sourcing activities, supplier evaluations, and compliance monitoring, supported by supplier ESG programme training

TIER 3

Business Unit (BU) ESG Committee: Ensures implementation of site-level sustainability and ESG practices, in alignment with the guidance provided by the tier 1 and tier 2 levels

SUPPLIER ONBOARDING AND MANAGEMENT

Hindustan Zinc has established a structured supplier management and onboarding framework to systematically identify, evaluate, and onboard the relevant partners.



Business Partner Identification, ESG Assessment & Screening

1. Identification of potential business partners (BPs) through market research, consultation, expression of interest (EOI), online searches, and direct outreach
2. BP screening based on the ESG, quality & business relevance
3. Considering country, sector, and commodity-specific risks during BP screening
4. BP registration questionnaire with commitment to ESG criteria, along with evaluation & approval by designated authorities
5. ARIBA supplier lifecycle and performance (SLP) module
6. Pre-qualification questionnaire for screening BPs for minimum compliance requirement

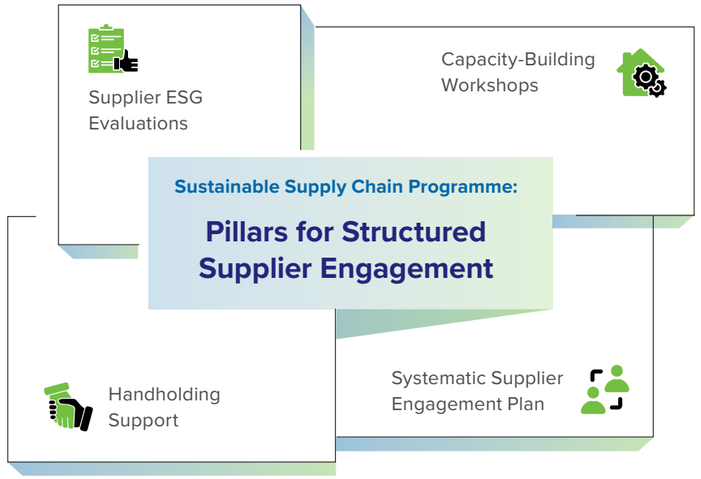
BP Monitoring

1. Performance is assessed against compliance and ESG criteria, linking BP payments to safety and statutory adherence. A penalty/incentive system further drives productivity and safety across all locations
2. Regular monitoring of data such as greenhouse gases (GHGs), climate & water risks, etc., for key contracts, covering safety, human rights, and environmental compliance
3. Regular contractor field safety audits (CFSAs) for on-site service contractors to promote health, safety, environment & social (HSES) governance practices
4. Integrated performance module in ARIBA to track BP performance on quality and delivery, facilitating corrective actions, when necessary

SUPPLIER ESG PROGRAMME

SUSTAINABLE SUPPLY CHAIN PROGRAMME

Hindustan Zinc has initiated a sustainable supply chain programme to foster a responsible and sustainable ecosystem across its supplier network.



KEY HIGHLIGHTS OF THE PROGRAMME IN FY2026

1 Supplier Evaluation

Drawing upon the Global Reporting Initiative (GRI), Business Responsibility and Sustainability Reporting (BRSR), International Council on Mining and Metals (ICMM), and other relevant national & international standards, the Company comprehensively assessed 50+ critical suppliers to assess their ESG practices and alignment with established standards. Based on the assessment results, suppliers are categorised into three ESG maturity levels - Foundational, Intermediate, and Leading.

Supplier at Leading and Intermediate Stages

Receive constructive feedback and recommendations to further strengthen their ESG practices and enhance alignment with the Company's sustainability expectations.

Suppliers at Foundational Stage

- Provided end-to-end support through targeted guidance, capacity building, and continuous engagement, to help them build the necessary ESG systems and processes.
- Subject to quarterly check-ins to monitor progress and provide necessary guidance.
- Onsite assessment conducted wherever required to review implementation, address identified gaps, and support continuous improvement.

Key Insights from the assessment include:

- 21 business partners have defined emission reduction targets
- 47 business partners have a POSH (Prevention of Sexual Harassment) policy in place
- 48 suppliers hold relevant ISO certifications

2 Business Partner Capacity Building Program

"Wednesday for Transition" Training Series

We conducted 12 training sessions under the *"Wednesday for Transition"* series, supporting business partners in strengthening their understanding and adoption of ESG best practices.

OHS Training

We provided targeted occupational health and safety (OHS) training to our contractual workforce. Through the mine vocational training centre (VTC) programme and specialised safety modules, contract workers were inducted, upskilled, and made aware of operational hazards, reinforcing adherence to the Company's safety standards and zero-harm culture.

Business Partner ESG Connects

Hindustan Zinc engaged with 16 critical business partners through business partner ESG connect sessions to strengthen alignment on sustainability priorities across the supply chain. These interactions enabled dialogue on ESG practices, communication of expectations, and encouraged partners to integrate responsible environmental, social, and governance principles into their operations.

SUPPLIERS RISK ASSESSMENT AND CORRECTIVE ACTIONS

Our supply chain strategy is anchored in ethical, responsible, and transparent business practices. Using a structured three-step risk assessment framework that aligns with our internal policies and international standards such as ILO, ISO 14001:2015, ISO 45001:2018, we proactively identify, evaluate, and mitigate potential threats, strengthening operational resilience and ensuring alignments with our sustainability commitments.

First-Party Risk Assessment

- During onboarding, all new business partners undergo rigorous ESG self-assessment covering greenhouse gas emissions, water management, human rights, ISO certifications, etc. Partners scoring below defined thresholds are excluded, ensuring engagement with only responsible, compliant, and sustainability-aligned vendors
- All business partners undergo internal desktop-based risk assessment, and vendors found non-compliant are promptly blocked to mitigate potential risks
- We maintain robust systems to manage mineral supply chain risks, including strict responsible sourcing protocols and guidelines for conflict-affected and high-risk areas (CAHRA). Identified red flags are escalated to senior management, triggering enhanced due diligence and careful remediation

Second-Party Assessments

- We conduct targeted on-site assessments of strategic and critical business partners to evaluate their operational practices, technical capabilities, and adherence to ESG and quality standards

Third-Party Due Diligence

- In FY2026, the third-party due diligence framework was strengthened by onboarding experts to conduct detailed assessments across critical dimensions such as governance, financial health, regulatory risk, sustainability performance, and reputational standing
- Conflict-affected and high-risk area (CAHRA) risk mapping has been integrated into our third-party due diligence. In FY2026, no revenue was generated from products containing minerals sourced from CAHRA
- These assessments benchmark suppliers against leading international standards, including the expectations of the London Metal Exchange (LME) Responsible Supply Chain Guidance, the Modern Slavery Act, Responsible Minerals Initiative, and other globally recognised frameworks

CORRECTIVE ACTION PLANS

Business partners identified as high risk are required to submit their Corrective and Preventive Action (CAPA) plans within a stipulated timeline of one year. Those failing to comply within this period are excluded from further business engagements. During FY2026, none of the suppliers were identified as high risk in ESG parameters.

Additionally, none of the Company's suppliers were identified as red flag under the OECD (Organisation for Economic Co-operation and Development) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (CAHRAs).

MODERNISING SUPPLY CHAIN THROUGH DIGITALISATION

1 SAHYOG: Vendor Grievance Portal

Hindustan Zinc has developed SAHYOG (Support and Help for Your Grievance), a centralised Vendor Grievance Redressal Portal to strengthen supply chain governance, transparency, efficiency, and accountability. The platform provides structured support for vendors to raise concerns and ensures timely resolution through a dedicated grievance committee with predefined escalation procedures. Automated notifications and status updates improve communication and tracking.

During the year, a total of 5 grievances were received through the portal, out of which 3 were closed and 2 are under progress.

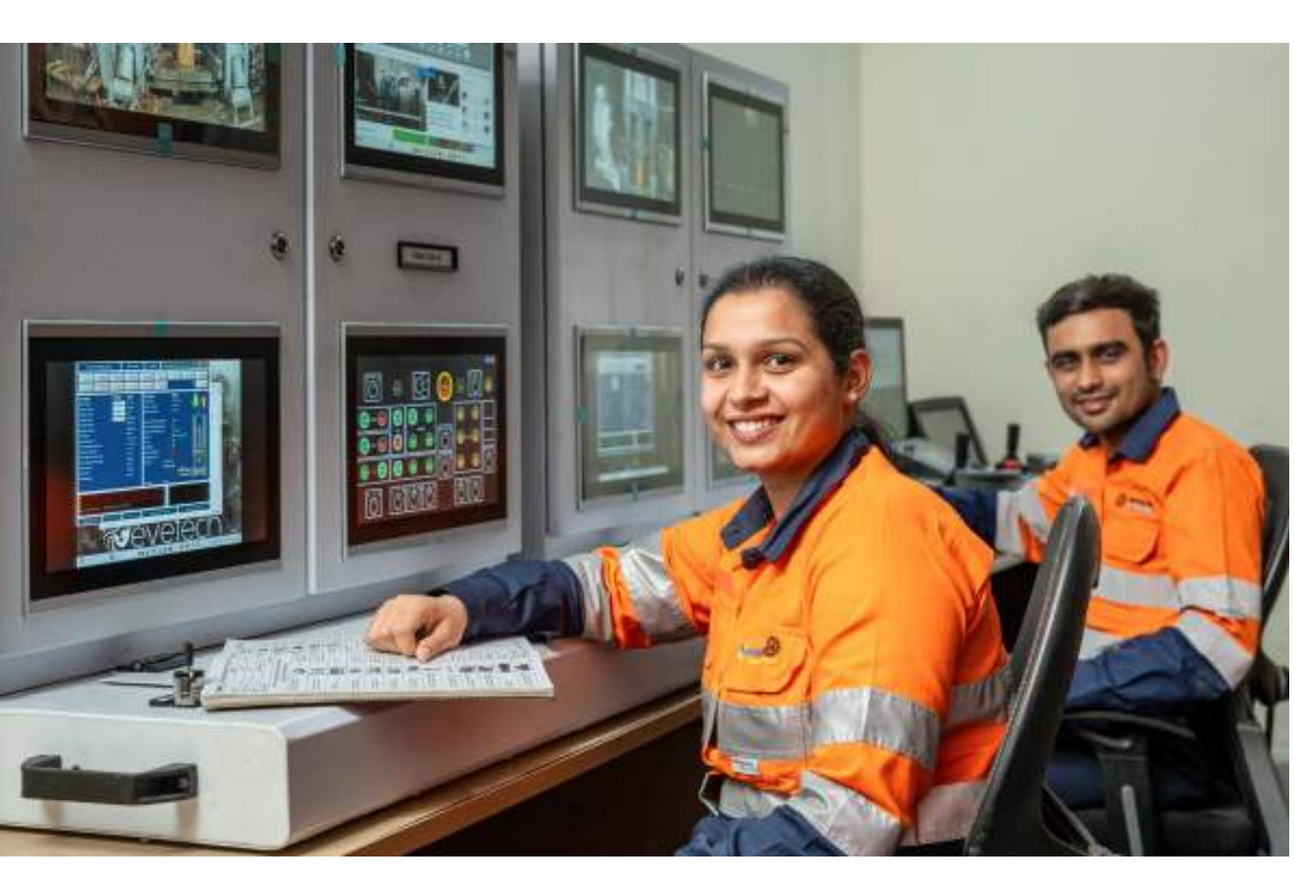
2 Supplier Code of Conduct Video Training Module

Hindustan Zinc introduced a **Supplier Code of Conduct video training module** followed by an assessment, mandating completion by all business partners to formally confirm their alignment. In FY2026, **380+ business partners** completed the training and digitally acknowledged adherence to the Supplier Code of Conduct.

3 Procurement Automation and Digitalisation

We have strengthened our procurement capabilities by upgrading our procurement platform to a cloud-based system, enabling improved scalability, user experience, and integration. SAP-enabled controls and workflow automation have enhanced governance, compliance, and process efficiency.

Our digital ecosystem now enables robust vendor due diligence with real-time risk visibility for informed decision-making. Enhanced supplier evaluation capabilities, including video-based assessments on the ARIBA network, have further streamlined supplier onboarding.



KEY MEASURES FOR SUPPLY CHAIN RESILIENCE

1 LOCAL VENDOR DEVELOPMENT

Hindustan Zinc continues to promote inclusive growth by strengthening local economies in the regions where it operates.

Local Vendor Development Programme in Rajasthan and Uttarakhand

The Company introduced a Local Procurement Policy during the year to deepen engagement with businesses headquartered in states where we operate, aligning our supply chain practices with the ICMM principles. The initiative drives regional economic inclusion and supply chain resilience, strengthening our responsible sourcing practices. In line with this policy, 22% of our total procurement during FY2026 was sourced locally from the regions where we operate, reinforcing our commitment to local economic development.

A dedicated Local Procurement Development Cell was established to identify and develop potential local suppliers. The Company:

- Conducted market research to map the local procurement landscape
- Engaged with industry bodies
- Initiated site-level assessments to evaluate supplier availability and capabilities
- Screened prospective vendors, supported through capacity-building and handholding to meet Hindustan Zinc's requirements
- Continuously monitored their performance to enable effective integration into our value chain

Impact of the Programme

In FY2026, we developed **5 Local commercial vendors** across key material categories reducing reliance on foreign suppliers, and supporting the **local economy**. This initiative promoted local enterprise, created employment opportunities, and strengthened supply chain resilience.

Illustration

A key example involved developing two local vendors for aluminium cathodes, previously sourced from foreign suppliers. The vendors were developed for end-to-end supply and fabrication, with an additional warranty. Site visits were conducted to assess production capability, quality, and compliance before onboarding, ensuring a reliable and efficient supply chain. By developing local vendors:

- Transportation distances were reduced, lowering fuel usage and carbon footprint
- Local businesses were supported and skills enhanced in the local regions of Rajasthan
- Supply chain risks were mitigated while promoting transparency, fair pricing, and healthy competition

2 TRANSITION TO LOW CARBON MOBILITY

Hindustan Zinc entered strategic transport contracts with a focused mandate to transition towards cleaner fuel alternatives and battery electric vehicles (BEVs), aligning cost efficiency with sustainability goals. During the year, 42 electric vehicles (EVs) were inducted to support inter-unit transportation (IUT) of calcine and concentrate. The concentrate IUT contract demonstrated strong commercial discipline, delivering c.11% savings over the last purchase price (LPP). Consequently, our total green fleet expanded to 232 vehicles (52 electric vehicles and 180 liquified natural gas (LNG) vehicles), including prior deployments.

Further, we have entered into a strategic agreement to achieve full fleet decarbonisation, targeting 100% transition to electric trucks and progressive replacement of all diesel-operated vehicles. This initiative underscores our focus on adopting environmentally responsible mobility solutions and contributing to a low-carbon future.

3 SUSTAINABLE ASSET REVITALISATION INITIATIVE

At Rampura Agucha Mine, we adopted circular economy approach by undertaking a strategic refurbishment of ageing filter press units. These units, operational for over two decades, had deteriorated over time, resulting in frequent breakdowns and reduced plant availability. A refurbishment-led approach was implemented, prioritising reuse and reconditioning of existing assemblies, along with selective replacement of critical components and upgrades to electrical and safety systems. This approach restored equipment performance while extending asset life significantly.

IMPACT

This intervention improved equipment availability from 68% to 85%, increased cake thickness from 30 mm to up to 50 mm, and enhanced throughput per cycle. Executed at approximately 42% of the cost of new equipment, it delivered a 136% return on investment and extended asset life by over 10 years. It also reduced material consumption, lowered carbon emissions, and minimised scrap generation, reinforcing sustainable and resource-efficient operations.

4 ALTERNATIVE PRODUCT DEVELOPMENT

This year, we initiated the development of alternate products to enhance equipment reliability, improve efficiency, and reduce total cost of ownership (TCO). At Rajpura Dariba Mine, we developed an improved mill chute liner with optimised design and material composition to extend service life and minimise downtime. Additionally, we have introduced an alternative actuated plug valve for the filter press to enhance durability and operational efficiency, contributing to overall cost savings.

5 ADVANCING SUSTAINABLE MINING WITH HYBRID LHD DEPLOYMENT

At Rajpura Dariba Mine, Hindustan Zinc commissioned India's first underground diesel-electric (hybrid) load-haul-dump truck (LHD), the Caterpillar R2900 XE (17T), marking a key milestone in sustainable mining. The initiative was executed through a procurement-led strategy with performance-linked commercial structures and strong supplier accountability, reinforcing innovation-led future-ready operations.

IMPACT

The equipment has delivered improved operational efficiency with 24% lower fuel consumption per hour and reduced emissions, heat load, and noise levels, improving underground safety. Its electric drive technology has also enhanced productivity through faster tramming and improved cycle times, while significantly improving operator comfort.

GOVERNANCE

FOSTERING TRUST THROUGH GOVERNANCE EXCELLENCE

Governance at Hindustan Zinc reflects our value system, shaped by our culture, policies, and relationships with the stakeholders. We are committed to sustainable development delivered with transparency, responsibility, and integrity. Our approach goes well beyond statutory obligations and is guided by clearly-defined policies, the Code of Conduct, charters and disclosure frameworks.

We uphold best-in-class governance standards across all levels of the organisation, ensuring integrity, transparency, and accountability in every process and function. Environmental, Social, and Governance (ESG) principles are deeply integrated into our strategic and operational frameworks, reinforcing our commitment to responsible and sustainable business practices.

Material Topics

M5 M11 M13 M15 M17 M18 M19

Strategies Linked

S5

Capitals Impacted

Stakeholders Affected

UN SDGs

CORPORATE GOVERNANCE FRAMEWORK

Governance Philosophy

Good governance practices are the established norm at Hindustan Zinc. The Company anchors its governance philosophy in integrity, accountability, and transparency, driven by responsible leadership and an ethical culture that begins with the Board and cascades across the organisation.

Putting Our Governance Philosophy into Practice

- Clear roles, well delineated responsibilities, and rigorous oversight across the Company
- Strong emphasis on the safety, wellbeing, and development of people, strengthening culture and capability for execution excellence and risk mitigation
- Integration of ESG considerations into strategic decision-making, strengthening the Board's oversight of ESG risks and opportunities
- Aligning disclosures and performance metrics with long-term ESG goals

HINDUSTAN ZINC'S CORPORATE GOVERNANCE MODEL

Provides trusteeship to protect and enhance long-term value for the Company and its shareholders

Provide specialised and focused oversight to specific business areas, supporting the Board in governance matters

Internal key management committee responsible for operational execution in line with the strategic direction set by the Board

GOVERNANCE PRIORITIES DURING THE YEAR

For FY2026, our corporate governance priorities focused on strengthening accountability, transparency, and sustainability:

- Strengthening Board and Committee effectiveness by refining evaluation processes, improving the quality and timeliness of information shared with Board members, and deepening oversight capabilities
- Strengthening ESG governance through enhanced oversight mechanisms, clear accountability structures, and improved monitoring of sustainability performance and disclosures
- Driving initiatives to reinforce ethical behaviour and integrity across all levels through continuous awareness, leadership communication, and training programmes
- Implementing proactive risk assessment frameworks and digital compliance monitoring tools to mitigate regulatory risks
- Enhancing transparency and communication with investors, employees, and communities to strengthen their trust and confidence in us
- Leveraging AI-enabled compliance solutions and strengthening cybersecurity measures to protect data integrity and improve operational resilience
- Establishing clear ethical guidelines and accountability measures to reinforce corporate integrity

THE BOARD

The Company values a diverse and well-balanced Board to drive long-term success. Our Directors bring a strategic mix of skills, expertise and experience in areas such as finance, leadership, technology, strategy, ESG, risk management, and cybersecurity, alongside diversity in gender, age and geographical background.

The profile of the Board members, encompassing details of nationality, age, date of appointment, (re)appointment, tenure on the Board, memberships in Indian companies, Committee details as per Regulation 26 of the Listing Regulations and the details of core expertise/competency of each Director is provided under Corporate Governance section of this Integrated Annual Report

Read more on page 335

Role of the Board of Directors

As a trustee, the Board's primary fiduciary responsibility is to ensure that the Company's strategic goals are aligned with its long-term growth and shareholder value. With three Independent Directors and three government Nominee Directors on the Board, the Company ensures impartial oversight, strict accountability, and high integrity in decision-making.

The Board's responsibilities also include:

- Safeguarding the interests of shareholders and other stakeholders while promoting sustainable and responsible business practices
- Monitoring the effectiveness of the Company's governance practices and making changes as necessary
- Providing strategic guidance to the Company and ensuring effective monitoring of the management
- Reviewing and guiding corporate strategy, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance
- Ensuring the integrity of financial reporting, adequacy of internal control systems and effectiveness of the risk management framework
- Fostering a culture of ethical conduct, transparency and accountability across the organisation

BOARD COMMITTEES

In order to ensure focused oversight and effective governance, the Board has constituted various Committees to address specific areas that require detailed review and specialised attention. These Committees support the Board in the efficient discharge of its responsibilities. The details of the Committees are set out below:

Committee contribution to stakeholder interests and value creation

Statutory Committees		
Audit & Risk Management Committee	**Stakeholders impacted:** **Capitals impacted:**	Oversees financial integrity, regulatory compliance, internal controls, and enterprise-wide risk management
Stakeholders Relationship Committee	**Stakeholders impacted:** **Capitals impacted:**	Enhances transparency and trust by ensuring timely redressal of stakeholder concerns, strengthening shareholder communication, and promoting responsible and proactive engagement with all stakeholders

Statutory Committees

Corporate Social Responsibility Committee	**Stakeholders impacted:** **Capitals impacted:**	Oversees and reviews the Company's corporate social responsibility activities
Nomination and Remuneration Committee	**Stakeholders impacted:** **Capitals impacted:**	Strengthens governance through leadership oversight, succession planning, and remuneration practices aligned with long-term value creation

Other Committees

Sustainability and ESG Committee	**Stakeholders impacted:** **Capitals impacted:**	Steers the Company's sustainability agenda by overseeing ESG risks and opportunities, monitoring performance against defined targets, and guiding alignment with global best practices and evolving regulatory expectations
Committee of Directors	**Stakeholders impacted:** **Capitals impacted:**	Responsible for reviewing and approving proposals relating to financial matters, including investments, treasury operations, borrowing, and related authorisations, within the limits approved by the Board. The Committee provides oversight to ensure prudent financial management and efficient capital utilisation.
Project Committee	**Stakeholders impacted:**	Reviews and monitors key projects to ensure effective governance, cost and schedule control, and adherence to approved objectives and controls

Delegation of Responsibilities

The Board utilises a structured delegation framework to maintain focused and effective oversight of Corporate Governance and ESG matters. Supported by specialised Board Committees with clearly defined roles and responsibilities, this structure ensures:

Deeper Scrutiny and Independent Judgement:
Rigorous evaluation and monitoring across risk, ethics, sustainability, and stakeholder interests.

Informed Decision-Making
Objective reviews that empower the Board to act with precision.

Embedded Priorities
Ensuring core governance and ESG priorities are actively integrated across the organisation.

For more details on the Board Committees, their composition, terms and reference, please refer to the Corporate Governance Report on page 328

EXECUTIVE COMMITTEE

The Executive Committee (EXCO) comprises the Company's senior leadership team, including functional heads and Heads of Business Units, enabling integrated decision-making across corporate functions and operations. Through regular deliberations, EXCO reviews business performance, drives operational excellence, and ensures effective implementation of strategic priorities.

EXCO's Composition

- Chief Executive Officer (CEO)
- Chief Operational Officer (COO)
- Chief Financial Officer (CFO)
- Company Secretary & Compliance Officer (CS)
- Chief Human Resources Officer (CHRO)
- Independent Business Unit (IBU) CEOs

EXCO's Role and Responsibilities

- Overseeing key management and control functions to ensure effective execution of the Company's strategic priorities and operational plans
- Facilitating coordination across functions and operations to enable timely and efficient execution of key business decisions and transactions
- Driving continuous improvements in mining and smelting processes to enhance operational efficiency, productivity, and sustainability performance
- Overseeing the implementation of key organisational policies and procedures, including the Code of Conduct, to strengthen ethical practices and governance standards
- The IBU CEOs support the effective execution of the Company's business strategies, plans, and programmes, driving Hindustan Zinc towards its business objectives and sustainability commitments

POLICIES AND FRAMEWORK DRIVING GOVERNANCE EXCELLENCE

At Hindustan Zinc, good governance practices are built on the foundation of policies that weave responsible business conduct and legal compliance across the organisation. These policies apply to employees, contractors, and external partners, reinforcing our values at every level of operation.

Code of Conduct

The Code of Conduct sets a uniform standard of ethics and integrity that extends beyond legal and regulatory compliance. It applies to all functions, business units, subsidiaries, and external partnerships, including business partners, contractors, and other associated entities. The Code is actively reinforced through:

- Regular training and sensitisation programmes across all levels of the organisation
- Mandatory training for new employees and periodic refreshers for existing staff
- Annual reaffirmation of the Code by the Board members, executive management and employees

For FY2026, all Board members and executive management team have affirmed compliance with the code. A declaration to this effect, signed by the CEO & Whole-time Director, forms part of the report.

Ethics Committee

An Ethics Committee has been established at Hindustan Zinc, comprising key stakeholders and the Management Assurance Head (MAS Head), to oversee the implementation of and adherence to the Code. A separate Ethics Committee operates at the Group level to uphold similar standards.

Key Responsibilities

- Foster a culture of ethics, transparency and accountability throughout the organisation
- Address enquiries and handle complaints received directly or through the whistle blower mechanism
- Conduct a thorough, independent investigation of the complaints related to the violations of the Code

Prevention of Sexual Harassment at the Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace. The policy is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company provides a safe and conducive work environment to all its employees and associates. We have implemented comprehensive measures, including awareness sessions tailored for various cohorts such as entry-level employees, managers, leadership, business partners, women professionals, and Internal Committee members.

The PRISM Initiative

In FY2026, the Company launched the PRISM (Prevention, Response, Inclusion, Safety & Mindset) initiative to strengthen awareness on POSH (Prevention of Sexual Harassment at the Workplace) for employees, business partners, and beyond:

- 24 internal trainers were developed via one-day Train the Trainer workshop for POSH
- A one-day refresher training course for the Internal Committee, quiz competitions, case studies, etc.
- A one-day POSH awareness workshop for the key leadership team
- POSH awareness drive covering 380 unique managers in six batches, educating them about their roles and responsibilities in creating a safe and respectful workplace
- Two workshops on ‘Business Etiquettes and Conduct’ for 100+ managers to promote appropriate behaviour in handling diverse teams

Over 1,500 Employees participated in POSH-related training across our locations in FY2026

Governance and Oversight for POSH

Board-Level Oversight

POSH matters are periodically reviewed during Board meetings, with updates on the number of cases reported during the period, reporting and closure timelines, closure status to ensure transparency, timeliness, and accountability.

Management-Level Oversight

The day-to-day implementation of POSH policies is overseen through the Internal Committee and supporting functions, ensuring that all employees undergo mandatory POSH training and sensitisation, and that all enquiries are conducted in full compliance with statutory timelines and procedural requirements.

Compliance and Reporting

We have registered on the SHe-Box portal (Online Complaint Management System) under the Ministry of Women & Child Development, Government of India.

During the year, six POSH-related cases were received, which were promptly investigated and resolved with appropriate disciplinary actions taken against the perpetrators, in accordance with the Prevention of Sexual Harassment (POSH) policy

POSH Policy

Vigil Mechanism and Whistle-Blower Policy

Committed to the highest standards of ethical, moral, and legal business conduct, the Company has established a robust vigil mechanism under its Whistle-Blower Policy. The policy encourages and empowers employees and all stakeholders to report any instances of unethical behaviour and unfair business practices.

KEY FEATURES OF OUR WHISTLEBLOWER MECHANISM

Multiple Whistleblowing Channels

A dedicated e-mail: vedanta.whistleblower@vedanta.co.in

Hotline number: 1800 1030 269 (India) / +91 124 4900 485

Online 'Whistle-Blower Portal': www.vedanta.ethicshelpline.in

Confidentiality

All complaints reported under the Whistleblower Policy are handled with strict confidentiality. All efforts are made to protect the whistleblower's identity throughout the investigation, with personal details disclosed on a need-to-know basis to those directly involved in the process, only when necessary.

Investigation and Oversight

The Group Head of Management Assurance conducts fair and transparent investigations into all reported concerns, with the findings submitted to the Audit & Risk Management Committee for further review and action.

Protection Against Retaliation

The policy explicitly prohibits any form of retaliation or discrimination against individuals reporting concerns in good faith, such as termination, demotion, harassment, or any other retaliatory measure

Whistle-Blower Policy

ANTI-BRIBERY AND ANTI-CORRUPTION

Hindustan Zinc's Anti-Bribery and Anti-Corruption (ABAC) Policy is an integral component of the Company's Business Ethics framework and Code of Conduct. It is aligned with leading global legislations, including the UK Bribery Act and the U.S. Foreign Corrupt Practices Act and clearly articulates the Company's zero tolerance stance towards bribery, corruption, facilitation payments, and any unethical conduct. The policy strictly prohibits employees and business partners from offering, soliciting, or accepting bribes, improper payments, or facilitating payments from any public official or customer. The policy also places clear restrictions on gifts, hospitality, and entertainment that could potentially influence or appear to influence business decisions.

STRENGTHENING COMPLIANCE WITH THE ABAC POLICY

Mandatory annual training and awareness programmes across all levels reinforce integrity, transparency, and zero tolerance for corruption

Potential or identified ABAC incidents are impartially evaluated, investigated, and escalated to senior management or relevant Board committees based on severity, ensuring timely corrective and disciplinary actions

Structured programmes and digital learning modules train Directors, employees, and business partners

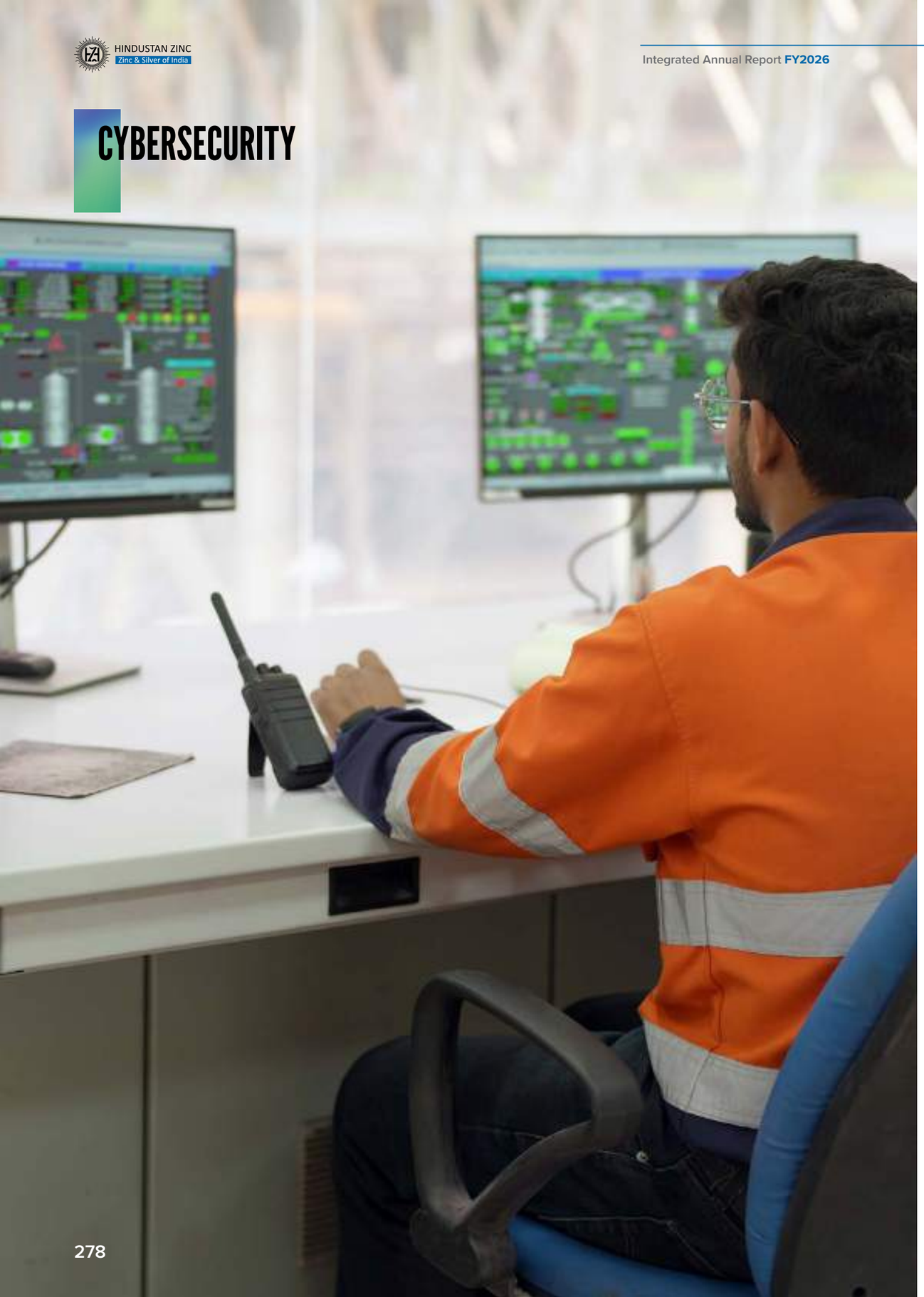
Third-party due diligence and strong compliance controls ensure adherence across operations and business relationships

ABAC Policy

Number of incidents reported under the Code of Conduct and Business Ethics are as follows:

Categories	Occurrences	% Split
Employee Misconduct	03	27
Corruption & Bribery	01	09
Business Integrity Breach	00	00
Conflicts of Interest	01	09
Workplace Harassment and Discrimination	06	55
Money Laundering or Insider Trading	00	00
HSE Breach	00	00
Data and Privacy Breach	00	00
Customer Privacy Breach	00	00
Others	00	00

CYBERSECURITY



CYBERSECURITY GOVERNANCE

At Hindustan Zinc, we are investing significantly in strengthening our cyber resilience across our operations to maintain data integrity, confidentiality, and business continuity against cyberattacks and evolving threats. Strong governance and enterprise risk management framework with improved technology and control systems are consistently improving our cybersecurity posture.

GOVERNANCE COMMITTEE

Board's Audit and Risk Management Committee	IT and Cyber Security Steering Committee	Chief Information Security Officer (CISO)

COMPOSITION

Chaired by Independent Director, Ms. Pallavi Joshi Bakhru, who provides strong leadership and governance oversight of enterprise cyber and technology risk management.

She strengthens the Committee's effectiveness by:

- Providing strategic direction and oversight to ensure cybersecurity and digital risks are appropriately embedded into enterprise risk management and key business decisions
- Overseeing the governance and effectiveness of enterprise cyber resilience programme, including incident preparedness, business continuity, and recovery mechanisms

- Chaired by the Chief Executive Officer (CEO)
- Comprises leaders from all the business functions, including IBU Heads, Chief Financial Officer (CFO), Chief Human Resource Officer (CHRO), Chief Information Officer (CIO), and Chief Commercial Officer (CCO)

RESPONSIBILITIES AND ACCOUNTABILITY

- Reports to the Board and oversees cybersecurity governance
- Responsible for all business risks, including cyber risks

- Sets up expectations, provides direction and support for the cybersecurity measures
- Reviews and monitors the progress and maturity of the organisation's cybersecurity posture

- Sets up the cybersecurity vision and strategy
- Defines cybersecurity governance framework
- Ensures effective execution of the programmes to safeguard confidentiality, integrity and availability of all information assets
- Holds accountability to the IT and Cyber Security Steering Committee as well as the Audit and Risk Management Committee of the Board on all cybersecurity matters

OUR LEADERSHIP AND GOVERNANCE STRUCTURE FOR CYBERSECURITY STRATEGY, EXECUTION AND MONITORING

Audit and Risk Committee of the Board
(Chaired by Independent Director, Ms. Pallavi Joshi Bakhru)

IT & Cyber Security Steering Committee
(Chaired by CEO)

- **Chief Security Officer** (Physical Security)
- **Chief Information Security Officer** (Reports to CFO)
- **Digital Head**

Approach to Manage Cybersecurity Risks

We recognise the need for a strong and agile risk management framework to protect the confidentiality, integrity and availability of our technology and data assets. Our cybersecurity risk management framework features the following elements:

Risk-focused Cybersecurity Framework
Built on clearly-defined principles/standards and an objective-based approach, the framework prioritises risk mitigation and deployment of critical controls across all our assets.

Cybersecurity Standards
The framework is supported by information security management and personal data privacy standards, disaster recovery and business continuity management, and risk management, ensuring strong governance.

Integrated ISO Certification
ISO 27001 (Information Security), ISO 22301 (Disaster Recovery & Business Continuity Plan), ISO 31000 (Risk Management), and ISO 27701 (Privacy Management) cover 100% of our assets in India.

Alignment with COBIT Framework
Our risk register and risk control matrix are mapped with the control objectives of the information and related technology (COBIT) framework.

INFORMATION SECURITY FRAMEWORK

The Company manages information security through a well-structured Information Security Management Framework, integrated with our Enterprise Risk Management (ERM) framework. The framework brings together key policies, standard operating procedures (SOPs), technology standards, and rigorous security assessment and audit to mitigate cyber risks. This is further reinforced by implementing security-by-design in our business and technology landscape.

CORE DEFENSIVE PILLARS

1

Cyber Resilience

Our Cyber Crisis Management Plan (CCMP) ensures round-the-clock readiness through:

- 24X7 security incident detection and monitoring plan, and response and recovery playbooks
- Alignment with the organisation's crisis management plan, and associated decision/communication matrix for cross-functional stakeholders
- Cyber insurance and incident response retainer services to provide protection from low-probability, high-impact cyberattacks
- Annual executive cyber drills and purple teaming for continuously enhance our cyber resilience

2

Social Engineering and Awareness

Recognising the importance of an informed workforce in mitigating cyber threats, we deliver multi-layered awareness initiatives to strengthen team capabilities in identifying and reporting breaches, which include:

- Mandatory cybersecurity training embedded in new joiners' onboarding process
- A self-service online awareness training capsule made available to all users
- Annual extensive security awareness covers all employees and business partners with access to our systems or premises
- Awareness disseminated through posters, gamified videos, quizzes, end-to-end social engineering simulations, covering scenarios such as phishing, vishing, smishing, deep-fake, and digital arrest scenarios, etc.
- Cyber Security Awareness Month (CSAM) observed through engaging initiatives, including external expert-led live demonstrations of prevalent digital frauds
- Training of employees on the ethical use and/or security of AI

3

Data Privacy Readiness

- Privacy information management system (PIMS) in place, supported by privacy policies, procedures, consent management, and data subject rights management
- Organisation-wide privacy awareness for employees
- Privacy impact assessments for business processes involving large-scale personal information
- Data discovery to identify personally identifiable information (PII) collection, storage, processing, transfer, etc.

4

Operational Technology Security

- Phased upgradation of our legacy operational technology (OT) systems/plant technical systems to the latest versions
- Vulnerability scanning of OT systems to identify and remediate known vulnerabilities declared by original equipment manufacturers (OEMs)
- Intended implementation of dedicated Security Operations Centre (SOC) to enhance OT environment, ensuring long-term resilience of plant technical systems

5

Cloud Security

- Risk-based remediation of security issues across our assets, such as virtual machines, applications, services hosted on corporate IaaS (Infrastructure as a Service) cloud or SaaS (Software as a Service) applications
- All assets integrated with the Security Operations Centre (SOC) for 24X7 security monitoring
- Deployed Web application firewall and privileged access management to protect our crown jewel applications and privileged users against cyberattacks

6

Data Leakage Prevention

- Thorough data flow analysis (DFA) conducted with our business/functional teams to identify critical data and crown jewels
- Implemented DFA-informed comprehensive data leakage prevention (DLP) capability, covering various communication channels such as web, email, mobile devices, etc.
- Regular DLP rule-based review and fine-tuning maintain continuous alignment with DFA
- Dedicated 24X7 DLP monitoring desk monitors and manages all data leakage incidents

7

Third-Party Risk Management

- Systematic identification of third parties posing cybersecurity risks, with a defined governance structure for its mitigation
- Annual risk assessments for high-risk third parties (including new third-party vendors), ensuring risk measurement and mitigation
- Robust security clauses incorporated into third-party contracts

8

Governance, Risk and Compliance

- A strong risk management framework is in place to identify, assess and address a wide range of organisational risks
- Detailed risk assessments guide our information security strategy, shaping both long-term and short-term roadmaps
- Targeted cybersecurity initiatives are implemented to address identified risks, bolstering capabilities across businesses
- Regular review of cybersecurity policies and procedures ensures their relevance and effectiveness in an evolving threat landscape

REVIEW OF POLICIES, PROCEDURES AND RISK FRAMEWORK

IT and Cyber Security Steering Committee

Conducts an annual review of the risk framework, in consultation with external experts, to incorporate applicable regulatory requirements, industry best practices, and emerging threats

CIO, CISO and Information Security Function

Review the Information Security and Data Governance policies and procedures every year to ensure alignment with the evolving security landscape

THE APPROVED AND ENFORCED POLICIES ARE EFFECTIVELY COMMUNICATED AND MADE ACCESSIBLE TO ALL EMPLOYEES AND BUSINESS PARTNERS (BPs) THROUGH HIGH-IMPACT, MULTI-CHANNEL COMMUNICATION.

9

Zero Trust Security Architecture

- Modernised network access and cloud-security controls by implementing Network Access Control (NAC) and Security Service Edge (SSE) to reduce implicit trust, minimise attack surface, and strengthen continuous security validation
- NAC verifies every user and device attempting to connect to our corporate resources, ensuring only authenticated, compliant, and trusted endpoints are granted access
- SSE enables secure, identity-based access to applications and data from any location, integrating capabilities such as secure web gateway, cloud access security broker, and zero-trust network access

10

AI Governance Programme

Our organisation has implemented a balanced and secure artificial intelligence (AI) governance framework that enables responsible adoption of artificial intelligence across business processes while maintaining strong data protection standards, user awareness and compliance requirements.

- Authorised AI tools are deployed and employees are encouraged to use them for enhancing productivity, automation and operational efficiency
- Robust data loss prevention (DLP) controls and cloud proxy monitoring detect and block unauthorised uploads of confidential or regulated data on AI platforms
- AI governance model emphasises responsible use, ethical practices and compliance, ensuring innovation is advanced while protecting organisational, customer and partner information

NAVIGATING THE REGULATORY LANDSCAPE

COMPLIANCE WITH THE INFORMATION TECHNOLOGY ACT

Hindustan Zinc is fully compliant with the requirements of the Information Technology Act, 2000, and the associated Sensitive Personal Data or Information (SPDI) Rules, 2011. The Company has implemented robust mechanisms to ensure strong governance, data protection, and adherence to statutory obligations across all digital operations of the organisation.

- Sensitive personal data is collected only with explicit written consent
- Disclosure of such data is undertaken with prior authorisation
- External transfer of such data is permitted only to entities maintaining equivalent standards of data protection
- A comprehensive privacy policy governs data handling practices across the organisation

Hindustan Zinc has established and published a comprehensive privacy policy which enforces reasonable security practices across its systems, prevents the publication or transmission of prohibited electronic content, and maintains electronic records in a secure, accessible, and legally compliant manner.

COMPLIANCE WITH THE DIGITAL PERSONAL DATA PROTECTION ACT

Hindustan Zinc has launched a comprehensive privacy compliance programme to align with the Digital Personal Data Protection Act, 2023 (DPDPA). As part of this programme:

- We have mapped personal-data processing across applications and business processes through detailed ROPA (Record of Processing Activities) and DFD (Data Flow Diagrams) exercises
- A structured gap assessment against DPDPA obligations and global privacy standards has also been conducted
- Privacy policies, procedures and templates have been updated accordingly to reflect regulatory requirements
- Implementation is underway for key technical controls such as privacy notices, cookie banners, data masking, encryption and consent management
- A network of trained privacy champions and business heads has been formalised to build accountability and steward responsible personal-data processing within their respective functions

The privacy compliance programme reinforces our commitment to strong data-protection practices and builds greater trust among employees, partners and stakeholders.

COMPLIANCE WITH THE INDIAN COMPUTER EMERGENCY RESPONSE TEAM (CERT-IN)

Hindustan Zinc adheres to the cybersecurity requirements mandated by CERT-In, India's national incident-response authority, which oversees guidelines and expectations for cybersecurity-readiness and reporting. To ensure a secure and resilient IT environment across operations, the Company:

- Ensures timely reporting of notifiable cyber incidents
- Maintains required log-retention and monitoring controls as prescribed under CERT-In Directions
- Aligns security practices and procedures with CERT-In-driven standards and regulatory expectations

Hindustan Zinc is certified under the ISO 27001:2022 ISMS framework, ISO 27701:2019 PIMS framework, ISO 22301:2019 BCMS framework, and ISO 31000:2018 risk management framework.

INCIDENT MANAGEMENT AND RESPONSE

Microsoft Sentinel	Incident Response Through Security Operations Centre

Hindustan Zinc has significantly strengthened its cybersecurity posture by implementing Microsoft Sentinel as its central platform for security incident management and response platform.

How Security Operations Centre Enhances Our Cybersecurity Posture

Real-Time Monitoring and Response

Provides Cloud-native Security Information and Event Management (SIEM) and Security Orchestration, Automation, and Response (SOAR) capabilities, enabling real-time monitoring, advanced threat detection and automated incident response across our digital ecosystem

AI-Drive Response Efficiency

Integrated analytics, AI-driven correlation and automated playbooks offer enhanced visibility into security events, faster triage and improved response efficiency

Comprehensive Threat Coverage

Allows seamless integration with Microsoft 365, Azure, GCP, WAF and other security solutions, ensuring comprehensive coverage and rapid mitigation of potential threats

OUTCOMES

Improved ability to proactively identify risks

Lesser security incidents

Resilient operational environment

END-TO-END INCIDENT MANAGEMENT APPROACH AT HINDUSTAN ZINC

All information security and data incidents are detected through our Security Operations Centre (SOC), data loss prevention (DLP) desk operations and reports from both the information security function and end users

A well-established system tracks and monitors all security incidents to logical closure

Root cause analysis and mitigation plans developed in line with our incident management and data breach policy, prevent future recurrences

A well-defined and comprehensive escalation process is also in place

Disaster recovery drills (DR drills), conducted twice a year as part of our business continuity plan (BCP), enhance preparedness

Hindustan Zinc has invested in a comprehensive Purple Teaming exercise to strengthen its Security Operations Centre (SOC). This initiative ensures that our incident detection and response capabilities remain top-tier and aligned with global best practices, reassuring our stakeholders.

VULNERABILITY MANAGEMENT

To protect our information technology (IT), operational technology (OT) and digital environment, we maintain a robust vulnerability management policy designed to effectively identify and mitigate risks and vulnerabilities. The in-depth structure of the Company's vulnerability management programme extends across all tiers of defence, ensuring adequate coverage to policy & framework, physical perimeter, network, application, cloud environment, and data security.

Vulnerability Assessment and Analysis

During the year, we conducted multiple assessments to identify vulnerabilities, monitor threats & shortcomings, analyse associated risks/impacts, track mitigation actions, and maintain compliance. These assessments included review of governance & frameworks , red teaming exercise for physical security assessment, data governance and compliance assessment. We partner with globally recognised third-party agencies for internal and external vulnerability assessment and penetration testing (VAPT) programme and ISO surveillance audits. The assessment of IT general controls (ITGC) is conducted by a statutory auditor under applicable financial compliance frameworks.

Hindustan Zinc's information security function and the Group's management assurance services (MAS) function jointly conduct VAPT, including simulated hacker attacks, at least twice a year. It enables us to define, identify, classify, and prioritise vulnerabilities in computer systems, applications and network infrastructures. Our consistent track record places us as one of the highest rated entities in the MAS audit group.

Recognising the critical importance of proactively identifying system vulnerabilities, Hindustan Zinc has introduced a Bug Bounty Programme. This initiative helps us uncover and address potential security gaps across our digital ecosystem, reinforcing our commitment to maintaining a strong cybersecurity posture and safeguarding stakeholder interests.

INCIDENT REPORTING AND ESCALATION

We empower our employees to report suspicious activities or threats against the organisational assets, intellectual property, other business documentation, our personnel, or finances, to Myitsupport@vedanta.co.in and hzl.isms@vedanta.co.in. Phishing emails are reported via the "Report Phishing" option provided in the mail menu. Following initial triage and analysis, verified threats are formally escalated for resolution.

CYBERSECURITY-LINKED PERFORMANCE EVALUATION

At Hindustan Zinc, our performance evaluation framework aligns the performance of IT/OT personnel with the Company's information security goals. The internal and external vulnerability assessments, management reviews and reported incidents help evaluate the efficacy of processes and technologies. Offenders under the social engineering simulation exercises are issued advisory letters from the CHRO's office, cautioning them about the risks and potential punitive actions that any repeated instance of offence may incur.

Our Report Card

Particulars	FY2026	FY2025
Total number of information security breaches	0	0
Total number of clients, customers and employees affected by the breaches	0	0

BOARD OF DIRECTORS
AS ON MARCH 31, 2026

MR. NAVIN AGARWAL
(DIN: 00006303)
Non-Executive Director

N
CD

Directorship
w.e.f. April 11, 2002

Qualification
Graduated in Commerce from Sydenham College, Mumbai, and has completed the President Management Program from Harvard University

MS. PRIYA AGARWAL HEBBAR
(DIN: 05162177)
Chairperson
Non-Executive Director

C
S

Directorship
w.e.f. January 19, 2023

Qualification
Bachelor's in Psychology and Business Management from the University of Warwick, UK

MR. ARUN MISRA
(DIN: 01835605)
Chief Executive Officer &
Whole-time Director

SR
S
CD
P

Directorship
Appointed as Deputy CEO on November 20, 2019, and elevated to CEO & WTD w.e.f. August 1, 2020

Qualification
Bachelor's in Electrical Engineering from IIT Kharagpur, Diploma in Mining and Beneficiation from the University of New South Wales, Sydney, and Diploma in General Management from CEDEP, France

CHARTING THE COURSE FOR STRATEGIC LEADERSHIP

MR. VIVEK KUMAR BAJPAI
(DIN: 10717439)
Non-Executive
Nominee Director

SR
C
P

Directorship
w.e.f. July 24, 2024

Qualification
Bachelor of Technology in Mechanical Engineering from Gorakhpur University

MS. PALLAVI JOSHI BAKHRU*
(DIN: 01526618)
Non-Executive Independent Director

A
N
C
CD

Directorship
w.e.f. August 10, 2023

Qualification
Fellow Member of the Institute of Chartered Accountants of India and the Indian Institute of Corporate Affairs

*Ms. Pallavi Joshi Bakhru has resigned from the position of Non-Executive Independent Director of the Company with effect from close of business hours on April 30, 2026.

MR. ANOOP KUMAR MITTAL
(DIN: 05177010)
Non-Executive
Independent Director

A
SR
S
P

Directorship
w.e.f. August 01, 2025

Qualification
Bachelor's in Civil Engineering from Thapar Institute of Engineering & Technology, Punjab University

MR. THOMAS MATHEW T

(DIN: 00130282)
Non-Executive Independent Director

Directorship
w.e.f. October 01, 2025

Qualification
Post-Graduate Diploma in Management, Post-Graduate in Economics, Law Graduate, and Associate of the Insurance Institute of India

N

MR. SANDEEP VASANT KADAM

(DIN: 08414389)
Non-Executive Nominee Director

Directorship
w.e.f. January 19, 2026

Qualification
Bachelor's in Mechanical Engineering and a Post-Graduate degree in Design of Mechanical Equipment from the Indian Institute of Technology (IIT), Delhi

MR. ASHIM KUMAR MODI

(DIN: 11342680)
Non-Executive Nominee Director

Directorship
w.e.f. October 17, 2025

Qualification
Bachelor of Technology in Civil Engineering from the Indian Institute of Technology (IIT), Delhi

A

COMMITTEE DETAILS

Audit and Risk Management Committee	A	Sustainability and ESG Committee	S
Stakeholder Relationship Committee	SR	Committee of Directors	CD
Corporate Social Responsibility Committee	C	Project Committee	P
Nomination and Remuneration Committee	N	Chairperson	

BOARD DIVERSITY

Board Composition

1 Chairperson Non-Executive Director

1 Executive and Whole-time Director

4 Non-Executive & Non-Independent Directors

3 Independent Directors

Gender

7 Male

2 Female

Age

1 Up to 45 years

3 46 to 55 years

5 Over 55 years

Tenure

5 Up to 2 years

2 Between 2 and 4 years

2 Over 4 years

4.33 years
Average tenure of Board of Directors

Senior Management Team

ARUN MISRA

Chief Executive Officer & Whole-time Director

Arun has 38 years of experience in the metal and mining industry and in the strategic areas of quality management and breakthrough leadership. Previously, serving as the Chairman of International Zinc Association (IZA) and Chairman of Confederation of Indian industry, Rajasthan, he has also been recognised as one of the best CEOs in India by Fortune India group.

ANKUR MAROO

Interim Chief Marketing Officer

Ankur has 16 years of experience in the metals and mining industry. He has led sales and marketing for zinc, lead, aluminium, and allied products, driving revenue growth, market share expansion, and sustainable value creation through improved customer engagement and governance.

KISHORE S

Chief Operating Officer

With over 28 years of extensive experience in the metals & mining industry, Kishore has played a pivotal role in transition of Hindustan Zinc's mines into world-class underground operations through technology innovation and digitalisation, also fuelling the growth journey and green transformation journey of Hindustan Zinc. He holds a Bachelor of Engineering degree in mining from Bangalore University.

MUBARIK KHAN

Chief Commercial Officer

Mubarik brings over 28 years of experience across commercial strategy, procurement, logistics, and commodity management, with exposure spanning multiple countries in the global metals and mining industry. As a technical expert turned strategic leader, he has transformed Hindustan Zinc's procurement into a value-generating function through vendor consolidation, digital sourcing, and category-led contracting. He has been recognised through multiple industry awards, with his most recent honour in Green Logistics for pioneering the Company's drive to transition to green logistics through deployment of LNG and EV vehicles.

SANDEEP MODI

Chief Financial Officer

Sandeep has over two decades of work experience in metals & mining and power industry in areas of core finance including financial strategy & planning, cost control, treasury, investor relations, value creation, M&A, taxation, risk management, finance transformation, and internal controls among others. He also anchors commercial, marketing, legal and IT functions at Hindustan Zinc. He has been recognised among top CXOs in India at various platforms.

PRADEEP SINGH

Chief HSE & Sustainability Officer

Pradeep has over 25 years of experience in occupational health & safety, environment and sustainability management across non-ferrous metals, cement, and consultancy sectors.

MUNISH VASUDEVA

Chief Human Resources Officer

Munish has over 32 years of experience in human resources across various verticals of talent acquisition, business partnering, rewards & remuneration, organisational design, leadership development, succession planning and mergers & acquisitions. He has been in leadership roles in a large multinational for over two decades.

ANUPAM NIDHI

Head CSR

Anupam brings over 25 years of leadership in social impact and sustainability across major Indian conglomerates and multinational corporations. She currently drives our CSR 2.0 strategy, evolving traditional philanthropy into a high-impact, integrated ecosystem that creates measurable, long-term value for all stakeholders.

LEELADHAR PATIDAR

CEO Smelters

Leeladhar brings over 22 years of leadership experience in non-ferrous smelting operations with a proven track record in operational excellence, ESG stewardship, and large-scale project execution. This extensive experience played a pivotal role in the successful turnaround of Debari and Dariba smelters at Hindustan Zinc and in driving operational excellence across lead, zinc and copper operations, with a strong focus on ESG, digitalisation, and technological innovation. He holds a B. Tech in Chemical Engineering from IT GGU, Bilaspur.

KAVITA BHARDWAJ

Head Exploration - Hindustan Zinc

Deputy CEO - Hindmetal Exploration Services Pvt Ltd

Dr. Kavita brings nearly two decades of experience in leading multi-commodity exploration across India, specialising in base metals and critical minerals. She has proven record of brownfield & greenfield mineral discoveries, JORC compliant reserve & resource growth, critical mineral asset acquisition & execution, and strategic exploration planning. Her expertise includes JORC-compliant resource estimation, managing large-scale drilling programs, integration in advanced exploration technologies, and navigating government auction processes.

RAM MURARI

CEO Agucha

Ram Murari brings over 28 years of rich experience in the mining industry, with expertise across operations, mine planning, technical services, quality control, and growth projects. He has led key capacity expansions, introduced advanced mining technologies, and driven process improvements to enhance productivity and efficiency. Known for his strong technical acumen and strategic planning capabilities, he has played a significant role in integrating modern and digital mining practices. He continues to play a pivotal role in enhancing productivity while ensuring safety and sustainability within the practices.

ANSHUL KHANDELWAL

CEO Zawar

A seasoned mining professional with nearly two decades of experience spanning operations, technology, digital transformation, process optimisation and execution-driven leadership. At Zawar, he has played a key role in driving smart mining initiatives, operational excellence, productivity enhancement, cost optimisation and safety-focused transformation, contributing to the Company's broader Growth 2.0 vision.

MANAS TYAGI

CEO Dariba

Manas brings over two decades of diverse experience across power, smelting, and integrated mining operations. He has held key leadership roles, and consistently delivered value through production growth, improved asset reliability, cost optimisation, and digitalisation initiatives. Known for his execution-focused leadership, he is driving Dariba's growth journey in line with HZL 2.0 vision with his strong operational acumen and value-driven approach.

AASHHIMA V KHANNA

Company Secretary & Compliance Officer

Aashhima is a qualified Company Secretary with over 13 years of extensive experience in corporate governance and secretarial function, having worked across diverse sectors including manufacturing and FMCG industries.

MAITREYEE SANKHLA

Head Corporate Communications

Maitreyee Sankhla heads Corporate Communications at Hindustan Zinc with 15 years of rich experience across brand strategy, media relations, digital communication, driving high-impact campaigns, strengthening brand reputation & crisis management. She has played a pivotal role in shaping integrated communication narratives, managing brand perception, and leading strategic engagement across stakeholders, with her expertise continuing to elevate Hindustan Zinc's positioning as a global leader in metals and mining.

WHERE CURIOSITY MEETS CAPABILITY

She Knows the Ground She Stands On | Women's Day 2026

A firsthand journey into modern mining where young women from STEM backgrounds explored technology, leadership, and the future of the industry.

HERE'S THE SCOOP

Under the surface lies a story of ambition, innovation, and impact. 'Here's the Scoop' brings together the moments that defined Hindustan Zinc's journey — from bold milestones and breakthrough ideas to the people and purpose powering progress every day.

RUNNING TOWARDS A STRONGER COMMUNITY

2nd Edition of The Vedanta Zinc City Half Marathon

An energetic celebration of fitness, community spirit, and collective momentum as thousands came together to run with purpose.

INNOVATION TOOK CENTRE STAGE

Hindustan Zinc at IITF 2025

From immersive experiences to inspiring stories, the pavilion showcased innovation, inclusivity, and India's critical mineral future.

BREAKING BARRIERS. BUILDING FUTURES.

Hindustan Zinc X Women in Mining

Celebrating the women redefining mining through leadership, opportunity, and a culture built on equity and growth.

A YEAR DRIVEN BY PURPOSE

A Look Back at FY2026

A powerful recap of milestones, innovation, sustainability, and impact that shaped an exceptional year for Hindustan Zinc.

POWERED BY THE SPIRIT OF RAJASTHAN

How Rajasthan Powers Hindustan Zinc's Journey to Global Leadership

A tribute to the land that fuels Hindustan Zinc's legacy of scale, resilience, and global leadership.

A SHAPING TOMORROW RESPONSIBLY

Hindustan Zinc's Sustainability Goals 2030

A bold roadmap outlining Hindustan Zinc's commitment to climate action, inclusivity, safety, and sustainable growth.

DIRECTORS' REPORT

Dear Stakeholders,

We share with you our 60th Integrated Annual Report, together with the audited financial statements for the year ended March 31, 2026.

Your Directors are pleased to report that Hindustan Zinc delivered a strong performance in FY2026, with robust operational metrics and continued progress on ESG priorities. We strengthened our safety-first culture and advanced responsible business practices through regular stakeholder engagement. These efforts helped the Company demonstrate resilience amid challenging market conditions.

FY2026 at a glance

Highest-ever revenue of ₹ 40,844 crore; best-ever EBITDA of ₹ 22,162 crore; record profit after tax of ₹ 13,832 crore; historic high mined metal production of 1,114 kt; refined metal production of 1,048 kt; and continued recognition in global ESG benchmarks.

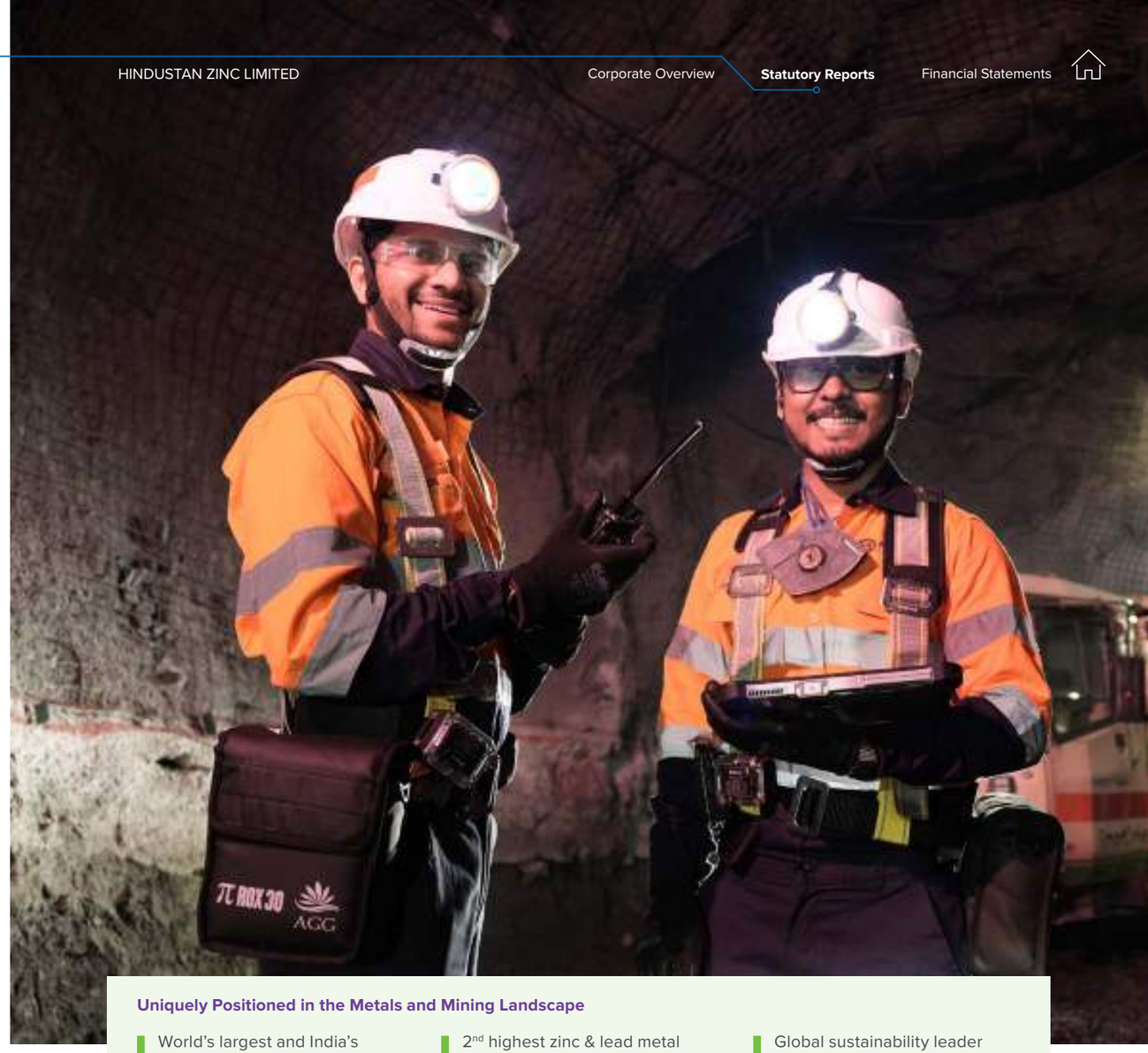
I. KEY BUSINESS, OPERATIONS AND FINANCIAL PERFORMANCE

Company Overview

Hindustan Zinc Limited ("Hindustan Zinc" or "Company"), a subsidiary of Vedanta Limited, is the world's largest and India's only integrated zinc producer and is amongst the top 10 silver producers globally. With operational facilities located in the states of Rajasthan and Uttarakhand, the Company is headquartered in Udaipur, Rajasthan, India.

Hindustan Zinc has a robust portfolio of products including zinc, lead and silver and value-added products including continuous galvanising grade (CGG), special high grade (SHG) jumbos, and other die-cast alloys. With more than 60 years of operational experience, the Company's steadfast focus remains on delivery and enhancing stakeholder value through exploration, responsible mining, and operational excellence while prioritising the safety of our people and conservation of scarce natural resources through technology and innovation.

With a total R&R base of 468.6 million tonnes and an average zinc-lead grade of 6.2%, the Company's mine life is over 25 years, and our fully integrated zinc operations currently hold c.74% of expected market share in India's primary zinc industry.



Uniquely Positioned in the Metals and Mining Landscape

- World's largest and India's only integrated zinc producer and amongst the top 10 silver producers globally
- Among world's lowest cost producers with a consistent cost optimisation of 9% during the year
- India's only integrated and listed silver producer with over 20x silver production growth over two decades
- India's only primary zinc alloy producer with a value-added products share of c.22%
- 2nd highest zinc & lead metal reserves and resources base globally with an average grade of 6.2%
- Robust EBITDA margin of c.54% backed by operational excellence, technological advancements, cost optimisation, and better by-product realisation
- Consistently AAA credit rating by CRISIL
- First Indian company to join the prestigious International Council of Mining & Metals (ICMM)
- Global sustainability leader with first rank in S&P corporate sustainability assessment (CSA) 2025 in Metals & Mining sector for 3rd consecutive year
- Irreplaceable resource and asset base with technologies providing flexibility of running operations based on the market landscape
- Invested in the metals of future, essential for the global energy transition needs

Please refer to the Corporate Snapshot section of this Integrated Annual Report for further information.

Business Highlights

Your Company maintained exceptional performance throughout the year, achieving significant operational milestones. Ore production for the full year was 16.61 million tonnes, and mined metal production recorded its historic high of 1,114 kt, up 2% YoY, driven by improved mined metal grades and ore production. Mine development, as required for catering to the production requirements and securing future resource base, stood at over 100 km for the year.

The Company has achieved its second-best refined metal production of 1,048 kt, supported by strong mined metal production, commissioning of debottlenecking projects & 160 ktpa roaster along with pyro operations on zinc-lead mode for full year, and other operational parameters. The silver production stood at 627 tonnes during the year.

Key Operational Highlights

- Historic high annual mined metal production of 1,114 kt, up 2% YoY
- Second-best annual refined metal production of 1,048 kt, marginally down YoY
- Silver production of 627 tonnes, down 9% YoY
- 5-year lowest zinc cost of production (COP) of US$ 959 per tonne, better 9% YoY

Key Financial Highlights

- Highest-ever revenue of ₹ 40,844 crore, up 20% YoY
- Best-ever EBITDA of ₹ 22,162 crore, up 27% YoY
- Record net profit of ₹ 13,832 crore, up 34% YoY
- Precious metal contribution of c.45% towards the overall profitability

Operational Performance:

Production (kt)	FY2026	FY2025	% change
Mined metal production	1,114	1,095	2%
Refined metal production	1,048	1,052	(0.4%)
Refined zinc[1]	851	827	3%
Refined lead	197	225	(13%)
Silver production (in tonnes)	627	687	(9%)

[1] Includes 13.7 kt and 10.1 kt from Hindustan Zinc Alloys (100% subsidiary of Hindustan Zinc) in FY2026 and FY2025, respectively.

Production

For the full-year, ore production was at 16.61 million tonnes, up 2% YoY, driven by higher production at Rampura Agucha, Zawar and Kayad mines, partly offset by lower production at Rajpura Dariba and Sindesar Khurd mines. FY2026 saw the best-ever mined metal production of 1,114 kt compared to 1,095 kt in the previous year, in line with higher ore production and improved mined metal grades.

For the full year, we saw our second-best metal production at 1,048 kt in line with the best-ever refined zinc production at 851 kt, up 3% YoY driven by commissioning of debottlenecking projects & 160 ktpa roaster along with pyro operations on zinc-lead mode for full year, partly offset by lower refined lead production at 197 kt, down 13% YoY primarily on account of pyro operations ran partially on lead mode in the previous period & lower plant availability. The silver production was down 9% at 627 tonnes, in line with lead production and lower silver input from mines in accordance with the mining sequence.

The Company generated 4,114 million units of thermal based power in FY2026. Total green power generation was 892 million units as compared to 632 million units in FY2025. The Company has also sourced 519 million units of renewable energy from Serentica Renewables India Pvt. Ltd., taking the overall renewable energy power share to c.18% of the total power requirement during the year.

Sales

During the year, the Company's domestic refined zinc metal sales of 600 kt were down marginally as against 603 kt last year, while export sales for the year stood at 251 kt as compared to 225 kt a year ago. The aggregate sales increased by 3% as compared to the previous year, in line with the production. Lead metal sales in the domestic market were 151 kt, while export sales were 46 kt leading to a decrease in aggregate sales by 13% from a year ago, in line with decrease in the refined lead production. Silver sales were 627 tonnes in FY2026, almost all in the domestic market.

Consolidated Financial Performance

(₹ in crore)

Particulars	FY2026	FY2025
Revenue from operations (Incl. other operating income)	40,844	34,083
Other Income	1,090	983
Profit before depreciation, interest, tax, and exceptional item	23,154	18,371
Less: Interest	881	1,095
Less: Depreciation and amortisation expense	3,790	3,640
Add: Exceptional gain/(loss)	25	(83)
Profit before tax	18,508	13,553
Less: Net tax expense	4,676	3,200
Net profit	13,832	10,353
Earnings per share (₹/share)	32.74	24.50

The Company generated 4,114 million units of thermal-based power in FY2026. Total green power generation was 892 million units as compared to 632 million units in FY2025.

Details of the Company's annual financial performance as presented during the Analyst Meet (post declaration of annual results) are available on the Company's website at https://www.hzlindia.com/investors/results-and-reports.

Revenue

The Company reported 'revenue from operations' including other operating income of ₹ 40,844 crore on a consolidated basis, an increase of 20% YoY primarily on account of increased zinc and silver prices, lead concentrate sale, higher by-product realisations, and a favourable exchange rate, partly offset by lower metal volume, losses from strategic hedging initiative, lower lead prices, and lower silver volume.

The 'other income' was ₹ 1,090 crore during the year compared to ₹ 983 crore in the previous year.

Production Cost

Zinc's cost of production (COP) excluding royalty for FY2026 was ₹ 84,768 (US$ 959) per tonne, lower by 5% YoY (lower by 9% in US$ terms). The full-year COP showed significant improvement, primarily driven by lower power cost on account of higher domestic coal usage, softened imported coal prices, and higher renewable energy power usage, and better mined metal grades, and higher by-product realisation, partly offset by higher mine development.

Operating margin

The above revenue and production cost resulted in profit before depreciation, interest and tax (PBDIT) of ₹ 23,154 crore in FY2026, up by 26% YoY on account of better zinc and silver prices, favourable exchange rate and lower cost of production, partly offset by losses from strategic hedging initiative, lower lead prices and lower silver volume.

Net profit

Net profit was ₹ 13,832 crore, up 34% YoY mainly on account of higher PBDIT and a lower interest expense, offset by higher depreciation & amortisation and a lower effective tax rate in the base period (due to one-time reversal of tax provisions).

Earnings Per Share (EPS)

The EPS for the year was ₹ 32.74 per share as compared to ₹ 24.50 per share in FY2025.

Cash Flows

(₹ in crore)

Particulars	FY2026	FY2025
Opening Cash*	9,482	10,187
Add: EBITDA**	22,162	17,465
Add: Net Interest Income/(Expense)	(305)	(574)
Less: Income Tax	4,552	3,385
Less: Dividend	4,225	12,253
Less: Capital Account Payments	5,436	4,112
Add: Borrowings	(2,393)	2,185
Add: (Increase)/Decrease in Working Capital & Others	(887)	31
Closing Cash*	13,846	9,482

* Includes Cash & Equivalents (refer Note 11 of the Audited Financial Statements), other bank balances excluding earmarked unpaid dividend accounts balance (refer Note 12 of the Audited Financial Statements) and Current & Non-Current Treasury Investments (refer Note 9 of the Audited Financial Statements)

** Earnings before Interest, Tax, Depreciation and Amortisation expenses and Income on investments

Gross Working Capital

Gross working capital represented by inventory, trade receivables, and other current assets increased from ₹ 2,257 crore to ₹ 2,862 crore as of March 31, 2026, primarily due to increase in trade receivables and inventory. The working capital cycle was 26 days in FY2026 as compared to 24 days in FY2025.

Gross Block

The gross block during the year increased from ₹ 48,425 crore to ₹ 53,910 crore. This was largely due to the ongoing mining projects and other sustaining capex.

Capital Employed

The total capital employed as of March 31, 2026, was ₹ 17,035 crore, as compared to ₹ 14,495 crore at the end of previous fiscal year.

Refer page 123 for description

Projects and Expansion Plan

As Hindustan Zinc advances in the journey towards 2 Mtpa integrated metal expansion, several projects have been undertaken throughout the year:

- 160 ktpa roaster project at Debari commissioned
- Cellhouse debottlenecking completed at Dariba Smelting Complex and Chanderiya Lead-Zinc Smelter, enhancing the metal capacity by 21 ktpa
- A lead-silver recovery plant based on hot acid leaching technology is under progress in Dariba and is expected to be completed by Q2 FY2027, which enables a recovery of 27 TPA additional silver and 6 ktpa additional lead
- Bamnia Kalan Mine project is under progress with ongoing excavation work for box-cut of portal
- The 510 ktpa fertiliser plant is under progress and is expected to be completed by Q2 FY2027
- In June 2025, the Board has approved plans for expanding the integrated refined zinc capacity by 250 ktpa along with associated mining & milling capacity with an investment of c.₹ 12,000 crore. Key EPC partners were locked in and detailed engineering and site mobilisation is in progress, with expected completion by 2Q FY2029
- In August 2025, the Board has approved India's first zinc tailings reprocessing plant at Rampura Agucha with a feed capacity of 10 Mtpa and an investment of ₹ 3,823 crore. Key EPC partners have been locked in and detailed engineering was completed with expected completion by 4Q FY2028
- In January 2026, the Board approved a capex of ₹ 1,100 crore for exploration activities related to the 2x growth plan, with a target to increase the metal reserves from current 13 Mnt to 50 Mnt, primarily through Zawar and Rajpura Dariba clusters, thereby maintaining a strong reserves and resource base with a mine life of over 25 years. Technical and drilling partners were locked in for Rajpura Dariba and Zawar

While the 250 ktpa integrated refined zinc capacity expansion and the tailings reprocessing plant fall under Phase 1 of the overall plan towards doubling the capacity, further projects forming the Phase 2 will be announced, as and when they are approved by the Board.

Dividend Distribution Policy and Dividend

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the"Listing Regulations" or "SEBI (LODR)"), the Company has adopted a Dividend Distribution Policy to determine the distribution of dividends in accordance with the applicable provisions. The policy can be accessed on the website of the Company at Dividend Policy.pdf

During FY2026, the Company has declared the following dividend in compliance with the Dividend Distribution Policy:

Particulars	1st Interim Dividend FY2026
Date of declaration	June 11, 2025
Record date	June 17, 2025
Date of Payment	Within 30 days from the date of declaration
Rate of dividend per share (₹) (Face Value of ₹ 2 per share)	10.00
%	500
Total Dividend (in ₹ crore)	4,225.3

Pursuant to the Finance Act, 2020, dividends are taxable in the hands of the shareholders with effect from April 01, 2020, and accordingly, the Company makes the payment of the dividend after deduction of tax at source ("TDS") at prescribed rates as per the Income Tax Act, 1961.

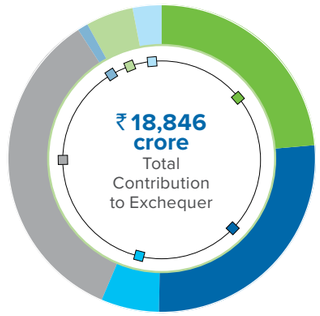
Credit Rating and Liquidity

CRISIL has reaffirmed the Company's long-term rating of AAA/Stable and short-term rating of A1+. The ratings continue to reflect the Company's low-cost operations, strong market position, efficient and integrated operations, high reserve & resource, and a strong balance sheet.

The Company follows a conservative investment policy and invests in high quality debt instruments. As on March 31, 2026, the Company's gross investments and cash & cash equivalents were ₹ 13,846 crore.

Contribution to the Government Treasury

The Company has contributed ₹ 18,846 crore during FY2026, in terms of royalties, dividend, and taxes to the Government treasury.



Taxes on Income	₹ 4,552 crore	24.2%
Government Royalties	₹ 5,073 crore	26.9%
Corporate Dividend to Govt. of India	₹ 1,180 crore	6.3%
Indirect Taxes	₹ 6,637 crore	35.2%
Other Indirect Contributions	₹ 56 crore	0.3%
Withholding Taxes	₹ 755 crore	4.0%
Other Taxes Borne	₹ 594 crore	3.1%

II. SUSTAINABILITY GOALS AND HIGHLIGHTS

ESG Highlights

Climate Change

Energy Transition

- Sourcing c.18% renewable energy, including from 530 MW round-the-clock (RE-RTC) power delivery agreement
- 3 battery electric vehicles running in underground operations at Sindesar Khurd Mine (SKM)
- Deepened partnerships with select customers through adoption of EcoZen, Asia's first low-carbon zinc made with 100% renewable electricity
- Deployed 180 liquified natural gas (LNG) vehicles and 52 electric vehicles (EVs)

GHG Intensity

- 4.79 tCO_2 per tonne of metal

Water Stewardship

- Achieved 3.32 times water positivity, independently verified by a third party
- 13% reduction in freshwater consumption from baseline FY2020
- Filtered tailings and paste fill plants at Rajpura Dariba Complex (RDC) enable average recycled water usage of 8,100 KLD

Circular Economy

- Jarosite reduction of 101 kt through fumer operation
- 100% fly ash usage
- 8.63 lakhs MT of gainful utilisation of smelting process waste like Jarosite and Jarofix
- Setting up an innovative hot acid leaching plant at the Dariba Smelter Complex by Q2 FY2027, enabling reduction in Jarosite generation
- Filed two intellectual properties (IPs) concentrating in the fields of sustainable metal valorisation from smelting waste and mineral processing, and generation of pyrite concentrate from tailings
- Recycled input material in alliance with Runaya Green Tech Private Limited, with waste recovery of 43,448 MT
- Setting up India's first zinc tailings reprocessing plant at RAM, supporting responsible mining and resilient mineral supply chains

Social Impact

- Impacted around 2.6 million lives across 4,000+ villages with sustained CSR interventions
- Total CSR spend of ₹ 278.15 crore

Responsible Sourcing

- 100% active suppliers assessed for sustainability criteria
- Introduced Sustainable Supply Chain Program

Ensuring Zero Harm

- Unfortunately, 2 fatalities during the year (business partner workforce).
- 42% reduction in TRIFR from baseline FY2020

Diversity in Workforce

- 26.4% diversity (versus 14.4% in FY2020)
- 23 people from LGBTQIA+ community are now members of the family

Biodiversity Conservation

- Expanded green cover through 1,13,500 additional plantations in FY2026
- Engaged with International Union for Conservation of Nature (IUCN) for 3 years and developed biodiversity management plan (BMP) for all sites to support achievement of no net loss of biodiversity
- Implementation of wildlife conservation plan in progress at Chanderiya Lead-Zinc Smelter (CLZS), Rajpura Dariba Mine (RDM), SKM & Zawar Mine (ZM)

In August 2025, Hindustan Zinc achieved a historic milestone by becoming the 25th member of the International Council on Mining & Metals (ICMM), and notably, the first new entrant since 2021. With this achievement, the Company also became the first Indian company to join ICMM, a moment of great significance for both the organisation and the Indian mining industry. As ICMM represents the global benchmark for responsible mining, encompassing leadership in social performance, environmental stewardship, safety, and ethical practices, Hindustan Zinc's membership marks a transformative step that positions India prominently on the global stage of sustainable and responsible mining.

Furthermore, for the third consecutive year, Hindustan Zinc has been recognised as the global ESG leader in S&P Global Corporate Sustainability Assessment 2025, being ranked 1st globally in metals and mining sector. With an improvement in overall score to 90, Hindustan Zinc also got featured in Sustainability Yearbook 2026 amongst the top 1% most sustainable organisations globally for the ninth consecutive year. Further, in April 2026, the Company became the first Indian company to be included in the Dow Jones Best in Class (DJBIC) Index (Emerging Markets), globally benchmarked index for corporate sustainability performance.

Hindustan Zinc's Rampura Agucha Mine and Chanderiya Lead Zinc Smelter have successfully achieved Zinc Mark certification, becoming the first mine and smelter in India, respectively, to receive this prestigious recognition.

Occupational Health & Safety

At Hindustan Zinc, ensuring the safety, health, and well-being of our employees and business partners remains a core organisational priority. Guided by our 'Zero Harm' philosophy, we continue to strengthen systems, leadership accountability, and risk management practices to create a workplace where every individual return home safely. During the year, the Company reinforced its safety governance framework through enhanced critical risk management systems, leadership capability building, and structured engagement with employees and business partners.

It is with deep regret that we acknowledge the loss of two colleagues from our business partners' workforce in work-related incidents during the year. We extend our sincere condolences to their families and loved ones. Such incidents are unacceptable, and each loss reinforces the fundamental duty we hold to prevent harm. In line with our commitment to the 'Zero Harm' ambition and internationally recognised standards, investigations were conducted using incident cause analysis method (ICAM) methodology for identification of PEEPO (people, environment, equipment, procedure, organisation) factors and we are resolute in implementing all learnings across our operations. Strengthening our safety culture remains a core leadership responsibility, with a continued focus on risk elimination, operational discipline, and shared accountability.

A significant milestone during the year was the rollout of a **critical risk management (CRM) centric safety management system** across operations. The CRM framework focuses on identifying high-consequence risks and ensuring the implementation of effective critical controls to prevent fatalities and serious incidents. As part of this program, **five additional critical risks were launched** during FY2026, including risks related to HEMM fire, ventilation failure, corrosive substances and acids, excavation hazards, and exposure to hazardous gases, strengthening the organisation's ability to proactively manage high-risk operational scenarios. Hazard and operability (HAZOP) studies were conducted across all units to identify emerging process safety risks and strengthen preventive measures.

To further strengthen leadership capability in safety, we conducted **S.A.F.E. (Safety Awareness For Excellence) Leadership Workshops** for 42 leaders, including 33 Hindustan Zinc employees and 9 business partners. These workshops were designed to enhance frontline leadership capability, strengthen risk ownership, and reinforce behavioural safety practices across operations. 6 one-to-one coaching sessions have been completed for 10 identified leaders for strengthening leadership accountability and enhancing safety culture to drive behavioural change.

Business partner engagement remained a key focus area during the year. We conducted **Business Partner CEO Connect** sessions, creating a platform to reinforce safety accountability, strengthen partnerships, and align business partners with Hindustan Zinc's safety standards and expectations.

Hindustan Zinc also launched the **Mine Safety Assurance Program**, aimed at strengthening safety governance in mining operations through structured assurance mechanisms, periodic reviews, and enhanced oversight of risk controls. The Company continues to invest in strengthening infrastructure safety through the **Infrastructure Inframatrix** framework, addressing critical infrastructure risks and enhancing operational reliability.

Occupational health management remains a key pillar of the Company's safety strategy. During the year, **Quantitative Exposure Assessment (QNEA), personal protective equipment (PPE) fit assessments, and ergonomic studies** were conducted across operations to mitigate workplace health risks. As a result of targeted interventions, **43 high-exposure zones were successfully converted into green zones,** improving workplace conditions and reducing employee exposure to occupational hazards.

In August 2025, Hindustan Zinc achieved a historic milestone by becoming the first Indian company and the 25th member of the International Council on Mining & Metals (ICMM), and notably, the first new entrant since 2021.

In line with our commitment to capacity building, the Company launched the **SAKSHAM UTKARSH** campaign in partnership with Nettur Technical Training Foundation (NTTF), aimed at strengthening technical competencies of operators and shopfloor employees through trade-based skill development. In FY2026, 117 training batches covering 51 technical topics were successfully completed, enhancing workforce capability and operational safety.

These initiatives reflect Hindustan Zinc's continued commitment to strengthening safety culture, enhancing leadership accountability, and adopting proactive risk management practices across operations.

During the year, we have been awarded with below awards

Multiple accolades at British Safety Council International Safety Awards 2026 with 'Distinction' for Zawar captive power plant, followed by 'Merit' for Dariba Smelting Complex, Rampura Agucha Mine, Zinc Smelter Debari, Kayad Mine, Chanderiya Lead Zinc Smelter, fertiliser project, and Pantnagar Metal Plant

Hindustan Zinc's rescue team won British Safety Council "Team of the Year Award" 2025

Zawar Captive Power Plant (CPP) secured a 5-Star rating in the British Safety Council Five Star Audit

Rampura Agucha, Kayad, and Sindesar Khurd Mines received the prestigious 5-star rating from Indian Bureau of Mines (IBM)

Environment

As part of Hindustan Zinc's Sustainability 2.0 movement, ambitious, globally benchmarked sustainability goals were set for FY2030, which were built onto the baseline of FY2020.

The Company's Science Based Targets include a commitment to 50% reduction of absolute Scope 1 and 2 GHG emissions and further reduction of 25% absolute Scope 3 GHG emissions by FY2030 from the base year FY2020 and further achieving net-zero emissions across the value chain by FY2050.

As part of our ongoing 530 MW round-the-clock renewable energy (RE-RTC) power delivery agreement in addition to captive solar and waste heat recovery boilers (WHRB), we sourced c.18% of the renewable energy power in FY2026 against the overall power requirement across the plants. The 530 MW RE-RTC will help in reducing our GHG emissions significantly by 3.5 $MtCO_2e$ per annum by 2028. The usage of renewable energy has also enabled Hindustan Zinc to launch Asia's first low carbon zinc, EcoZen, which boasts a carbon footprint of less than 1 tCO_2e per tonne of zinc produced, about 75% lower than the global average. In FY2026, we have strengthened our long-standing partnership with several customers through adoption of EcoZen across their manufacturing operations.

In FY2026, as part of our commitment to green logistics, we signed two MoUs with Greenline Mobility Solutions Ltd to accelerate decarbonisation of supply chains. The first marks India's first such commercial-scale initiative of deploying 100 electric vehicle (EV) trucks with battery swapping for concentrate movement between mines and smelters. The second adds liquified natural gas (LNG) trucks to our finished goods logistics fleet, doubling our LNG vehicle capacity, advancing cleaner, more sustainable logistics. Hindustan Zinc, in collaboration with Enviiro Wheels Mobility Pvt Ltd., has flagged off first 10 EV bulker trucks at Zinc Smelter Debari, resulting in total 52 EV trucks for interunit transport of goods.

Our other initiatives in reducing our Scope 3 emissions include deployment of 180 LNG-powered trucks in partnership with Greenline, for upstream & downstream transportation.

We have effluent treatment plants (ETPs) and water treatment plants (WTPs) at all our operations which recycle processed water, which is then reused in operations making the Company zero liquid discharge (ZLD). The most recent addition is a water treatment plant at Rampura Agucha Mine. Hindustan Zinc has two operational filtered tailing plants, one at Zawar Mines and one at Rajpura Dariba Mine, each of which recirculates more than 80% of the process water present in tailings.

Ensuring effective waste management at Chanderiya, our one-of-its-kind fumer technology is ramping up well to effectively recover lead and silver cake from Jarosite. This year, we advanced in gainful waste utilisation by reducing Jarosite by 101 kt through the fumer plant and utilising 654 kt of Jarosite and Jarofix in the cement industry, road construction, and railway infrastructure.

We have engaged with International Union for Conservation of Nature (IUCN) to prepare biodiversity management plans (BMPs) for all our Rajasthan-based locations, supporting Hindustan Zinc to achieve its target of no net loss of biodiversity against an FY2020 baseline. The implementation plans are in place and implementation is under progress at all sites.

In FY2026, Hindustan Zinc has filed two Indian patents concentrating in the fields of sustainable metal valorisation from smelter waste, automation of product quality check while running electrowinning process and mineral processing – generation of pyrite concentrate from tailings. Furthermore, Hindustan Zinc has signed two MoUs with Council of Scientific & Industrial Research (CSIR)-National Metallurgical Laboratory (India) and Virginia Tech University (US), focusing on strengthening processes related to metal grade improvements in mineral processing coupled with innovative techniques for strategic metal extraction across the Company.

As part of our continued collaboration with Indian Institute of Technology (IIT) Madras and Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), we are working on advancing the development of next-generation battery storage solutions. JNCASR has developed and demonstrated a zinc-ion pouch cell prototype. In parallel, IIT Madras is working on developing a zinc-air battery prototype and has successfully demonstrated it at a lab scale, with ongoing work focused on vehicle-level demonstration as a range extender. These collaborations aim to enhance the viability of zinc-based batteries for a sustainable energy future.

We organised a series of training sessions called **"Wednesday for Transition"**, which were designed to provide suppliers with essential knowledge on ESG (Environmental, Social, and Governance) topics like psychological health & safety, human rights, etc.

Our sustainability-related activities received several endorsements during the year:

- Our Business Responsibility and Sustainability Report (BRSR) has been selected as best BRSR report under Manufacturing Large-Cap at the 4th ICAI Sustainability Reporting Awards
- Our Sustainability Report FY2025 has won a Platinum in Materials category at the LACP Vision Awards 2024-25, including a Special Achievement Award of the Most Creative Report Worldwide, Technical Achievement Award, and Global Top 100 Recognition
- Chanderiya Lead Zinc Smelter and Rampura Agucha Mine have become India's first sites to receive the Zinc Mark and Copper Mark certification
- Included in the Dow Jones Best-in-Class (DJBIC) Index (Emerging Markets) for the first time, a globally respected benchmark for corporate sustainability performance (formerly known as the Dow Jones Sustainability Index)
- Hindustan Zinc ranked 1st in metals & mining sector and 7th among India's 60 Most Sustainable Companies across all sectors at the BW Businessworld India's Most Sustainable Companies (IMSC)
- Hindustan Zinc was awarded 'Outstanding Accomplishment in Corporate Excellence' at CII-ITC Sustainability Awards. Further, Zawar Mines was presented the 'Environment Excellence Award'
- HZL's Greener steps towards Sustainable operations has been honoured as an Excellent Environment Project at the CII National Award for Environmental Best Practices 2025
- The Company was awarded 'Excellence in Waste Management' - Sustainable Operational Award at the CEE Waste Management Summit & Awards 2025
- The Company has been awarded at the ICC 16th India Corporate Governance and Sustainability Vision Awards 2026 in the category of "Water Stewardship as Runners Up"
- Recognised for remarkable contribution in sustainability at SAIL Value Chain Partner's Meet 2025-26
- Sindesar Khurd and Kayad Mines have been awarded the prestigious GreenCo Silver rating
- Hindustan Zinc shone at 12th CII Supply Chain & Logistics Excellence Award (SCALE) under 'Green Logistics' category

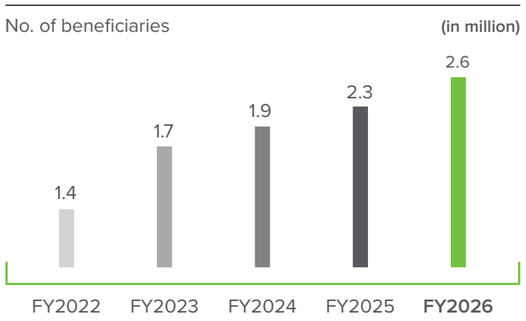
External Assessment

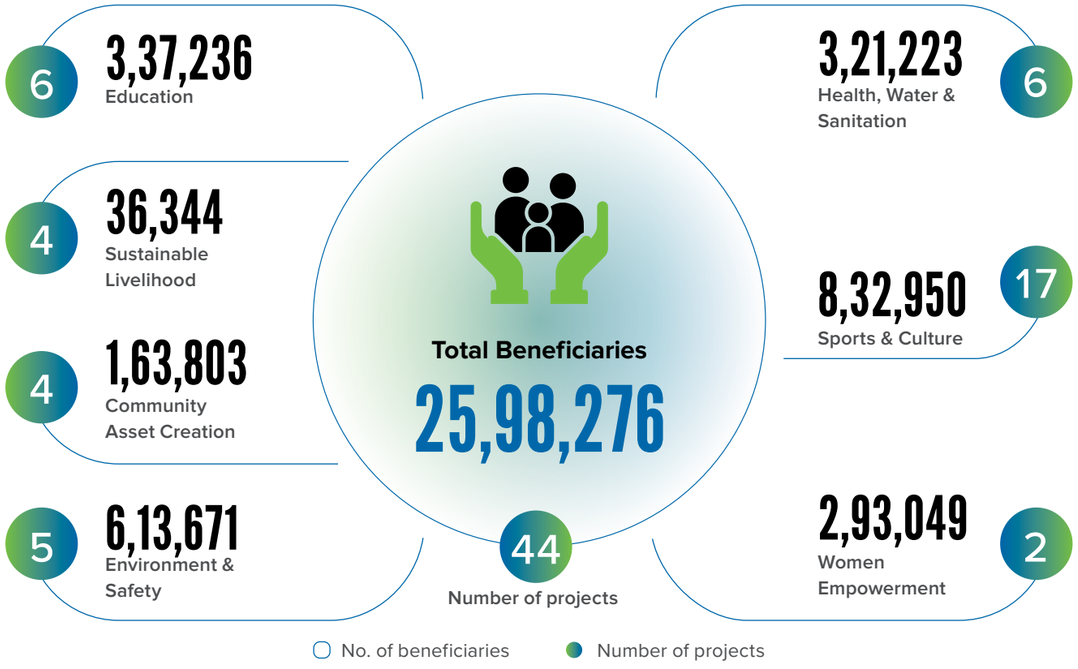
Indices and Ratings	Best Possible Rating/Score	2025	2024	2023	2022	2021
DJSI	100	90	86	85	80	77
FTSE4 Good	5	4.0	4.0	4.2	4.2	4.0
– Environmental		3.9	4.2	4.2	4.2	3.6
– Social		4.0	4.3	4.0	4.0	4.0
– Governance		4.1	4.6	4.6	4.6	4.3

Corporate Social Responsibility (CSR)

At Hindustan Zinc, our CSR vision is anchored in advancing inclusive and sustainable development for all our stakeholders. Guided by a strategic focus on health, education, livelihoods, water security, and the environment, we design scalable, high impact programmes that deliver lasting social value by working in the areas of education, sustainable livelihoods, women empowerment, health, water & sanitation, sports & culture, environment & safety, and community assets creation. Please refer to the community development chapter in the Integrated Annual Report, located on page 236, for further information.

CSR Outreach





During the year, the Company spent ₹ 278.15 crore on CSR programmes, more than the 2% of CSR mandate which was ₹ 260.58 crore. For further details, refer Annexure III and 'Business Review' section of this Integrated Annual Report.

III. RESERVE AND RESOURCE (R&R)

With a strong focus on resource-to-reserve conservation during the year, we have crossed the milestone of 13.9 million tonnes of metal reserves and 10,900 tonnes of silver reserves for the first time since underground transition, more than doubling the total metal reserves as compared to FY2020 on a net of production basis. We also achieved record ore R&R of 468.6 million tonnes as on March 31, 2026.

On an exclusive basis, total Ore Reserves at the end of FY2026 stood at 219.1 million tonnes (net of depletion of 16.6 million tonnes during FY2026) and exclusive Mineral Resources totalled 249.5 million tonnes. Total contained metal in Ore Reserves is estimated at 10.7 million tonnes of zinc, 3.3 million tonnes of lead, and 350.8 million ounces of silver. The Mineral Resource contains approximately 10.8 million tonnes of zinc, 4.4 million tonnes of lead, and 426.0 million ounces of silver. At current mining rates, the R&R underpins metal production for more than 25 years.

IV. HUMAN RESOURCE MANAGEMENT

Our workforce is the key driver to unlocking growth and success. We create a dynamic, performance-driven environment that nurtures talent, ensures well-being, and offers enriching, purposeful work. Combining the strength of a global leader with the agility of a start-up, we empower careers, foster innovation, and contribute to nation-building through sustainable growth and exceptional talent development. Embracing diverse perspectives and experiences, we foster inclusiveness, driving creativity and excellence. Our commitment to diversity attracts and retains top global talent. Our comprehensive onboarding process seamlessly integrates new team members, leveraging their strengths to achieve exceptional results and sustainable growth. Please refer to the human resource chapter in the Integrated Annual Report, located on page 208, for further information.

HR initiatives

1 Diversity, Equity & Inclusion

1. Third year of Zinclusion – Embracing Differences, celebrating diversity and fostering belongingness through 100% employee coverage under mandatory e-learning module on the newly introduced Inclusive Language Guide, embedding respectful and inclusive communication across the organisation.
2. Integrated 23 individuals from LGBTQIA+ community into core, mainstream roles across the organisation, reflecting our commitment to meaningful, opportunity-led inclusion and long-term career growth.
3. Increased gender diversity in executives from 12% in FY2019 to 26.4% in FY2026.
4. Launch of PRISM (Prevention, Response, Inclusion, Safety & Mindset) campaign covering 700+ employees across locations, strengthening POSH awareness, Internal Committee readiness, and leadership accountability for dignity and safety at work.
5. Co-partnered with Russell Reynolds Associates to launch IGNITE (Inclusive Growth for Nurturing & Inspiring Talent to Excellence), a pioneering initiative to foster inclusive growth for 16 women leaders.
6. Established industry-first all-women operational team 'Tejaswini' at Chanderiya, setting a new benchmark for gender integration in core operations.

2 Talent Management:

1. Talent Review Councils for 234 executives across mines (142 talents) and smelters (92 talents), creating 190 talent profiles and career paths with development aspects.
2. 13 mid-senior leaders completed executive coaching with Dale Carnegie, comprising psychometrics, 360° feedback, and 312 hours of tailored coaching.
3. ACT-UP, in partnership with Korn Ferry, assessed 290+ employees through data-driven evaluations with 54 ACT-UP stars being fast-tracked into larger roles with personalised mentorship.
4. SHIKHAR NextGen accelerated early-career for 25 talents through mentoring, cross-functional exposure, and career visibility to improve retention and readiness.
5. 'Ambavgarh Dialogue – Engagement with a Purpose' enabled leadership & talent interactions, resulting in high impact idea generation among 85 leaders.
6. V Aspire, a flagship program by Vedanta group, engaged 159 high-potential talents, strengthening visibility, readiness, and pathways to enterprise leadership roles.

3 Capability Building:

1. Delivered 2.41 lakh+ learning person-hours across employees and 2.3 lakh+ learning person-hours across business partners.
2. SAKSHAM ViSTA achieved 100% coverage for graduate engineering trainees (GETs) and post graduate engineering trainees (PGETs), accelerating early-career technical readiness.
3. 580+ internal subject matter experts identified, along with 154 DRONA and 66 Emerging DRONA recognitions.
4. 40 executives graduated from IIM Udaipur and BITS Pilani, with 30 executives currently pursuing masters under work integrated learning program (WILP) and allied initiatives.
5. Scaled technology-enabled learning with LinkedIn Learning and Disprz, enabling anytime, curated capability building.
6. Launched SAKSHAM UDBHAV, a curated e-learning program supporting retiring employees in financial planning, health, emotional wellbeing, and life transition readiness with 100% coverage across zones.
7. Launched SAKSHAM UTKARSH, in partnership with Nettur Technical Training Foundation (NTTF), to technically upskill the extended business partner ecosystem, covering 3,245 learners in Phase 1.

Engagement & Quality of Life:

1. A.U.R.A, our flagship wellbeing initiative anchored in building a resilient and balanced workforce, supported employees in rejuvenating and evolving through curated wellbeing interventions, creating safe spaces for emotional expression and mental balance. The annual observance of Mental Health Month further reinforces psychological safety, resilience, and self-care across the organisation.
2. Communication channels like Sampark, IBU Sync, etc., fostered transparency, strategic alignment, and a shared understanding of business priorities and future direction with all employees & business partner workforce.
3. Vartalaap, a structured dialogue platform for our extended business partner workforce, strengthened partnerships and operational alignment.
4. Organised Aagman sessions, interactive onboarding engagements for freshers and transfer joiners, helping them connect with the organisation's culture, values, and people, enabling smoother transitions and early engagement.

PARTICULARS OF EMPLOYEES

The remuneration paid to Directors, Key Managerial Personnel, and the executive management team during FY2026 was in accordance with the Nomination and Remuneration Policy of the Company. The details as required under section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure 4.

In terms of the provision of Section 136 of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Report and the Financial Statements are being sent to the members of the Company excluding the statement of particulars of employees. The said information is available for inspection through electronic mode. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished upon such request.

In line with the internal guidelines of the Company, no payment is made towards commission to the Executive Director of the Company, who is in full-time employment with the Company.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Board strongly believes in providing a safe and harassment-free workplace for every individual working for the Company through various interventions and practices. It is the continuous endeavour of the management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment, including sexual harassment.

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace and has an Internal Complaints Committee **("ICC")** in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Members of the Corporation's ICC are responsible for conducting enquiries pertaining to such complaints. Such policy broadly covers the viewpoints below:

- Promote a workplace based on equality & respect
- Provide a safe and congenial work environment
- Awareness, sensitisation, and training programmes to educate employees on the prevention, identification, and reporting of sexual harassment at the workplace
- Provide formal and informal mechanism for redressal in case of complaint of sexual harassment at the workplace
- Define the implications and outcome of sexual harassment
- Ensure protection against retaliation to complainants, witnesses, Committee members, and other employees involved in prevention and complaint resolution

There were six complaints received during the year, all of which were disposed off and none of the complaints were pending for more than 90 days.

Compliance with the provisions of the Maternity Benefit Act, 1961

In accordance with the Companies (Accounts) Second Amendment Rules, 2025, notified by Ministry of Corporate Affairs (MCA) on May 30, 2025, the Board affirms that the Company remains fully committed to upholding its Maternity Policy in strict compliance with applicable laws, including the Maternity Benefit Act, 1961, and in alignment with internal human resource protocols.

The policy is designed to support the health, well-being, and work-life balance of women employees during and after pregnancy.

V. RISK MANAGEMENT

Our business is exposed to a variety of risks, which are inherent to a global natural resources organisation, and we understand that it is imperative for our organisation to manage its risk for achieving strategic goals. As part of our governance philosophy, the Board has an Audit & Risk Management Committee to ensure a robust risk management system. The details of the Committee and its terms of reference are set out in the Corporate Governance Report, which forms part of this Integrated Annual Report.

At Hindustan Zinc, we are determined to ensure that our system is robust and proactive to successfully apprehend risks and mitigate them before they play out. We, therefore, have a strong sustainable risk management framework, supported by SAP-based tools to allow transparent risk reporting and escalations. Risk prioritisation criteria are clearly defined and mapped across different functions, categories, and activities along with the likelihood of potential impact. Risks are continually evaluated for timely implementation of mitigation measures.

Risk Management Framework

The risk management framework provides a rationalised approach to identify, discuss, measure, and manage vital opportunities and risks that the enterprise faces. It details the guidelines to enable business units and corporate functions across the Company to manage risks, while pursuing the Company's strategy. Please refer to the risk management chapter in the Integrated Annual Report, located on page 86, for further information.

Internal Financial Control Systems and their adequacy

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors and external consultants, including the audit of internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the management and the relevant Board Committees, including the Audit & Risk Management Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2026.

Vigil Mechanism and Whistle Blower Policy

Your Company has established a robust Vigil Mechanism, which is implemented through its Whistle Blower Policy, to enable Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud, financial irregularities, illegal or unethical practices, or violations of the Company's Code of Conduct in confirmation with section 177(9) of the Act and Regulation 22 of Listing Regulations.

Your Company is committed towards retaining the highest standards and ethical code of conduct. This policy is available on the Company's website on HZL_whistle_blower_and_vigil_mechanism_policy_6b73d120f9.pdf. All the 'Complaints' under this policy should be reported to the Group Head - Management Assurance, who is independent of operating management and businesses. The Company has a dedicated email ID - hzl.whistleblower@vedanta.co.in, and a hotline number (18-001-030-269) as well as web-based reporting platform www.vedanta.ethicshelpline.in.

All incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is made against any person. The action taken and status reports of the same are reported to the Audit & Risk Management Committee on a quarterly basis.

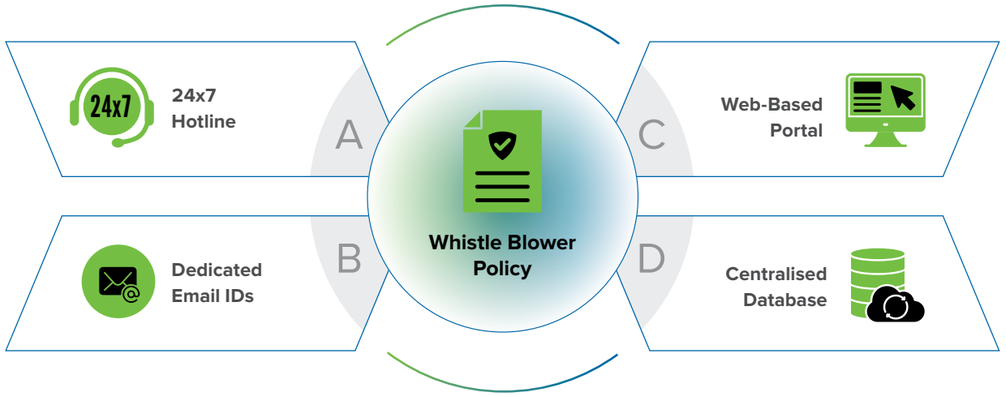
VI. INVESTOR RELATIONS

Hindustan Zinc's investor relations practices are founded on the principles of transparency, timely disclosure, and equitable access to information. The Company follows a robust disclosure framework in line with applicable regulatory requirements, ensuring prompt communication of financial results, material developments, and strategic priorities to the investor community. Regular earnings calls, detailed investor presentations, and a globally recognised comprehensive integrated annual reporting, widely regarded as a benchmark within the industry, enable stakeholders to gain clear insights into the Company's operational performance, financial position, capital allocation approach, and long-term growth strategy.

Strong disclosure standards and consistent engagement with the capital markets have translated into tangible value creation for shareholders. During the year, Hindustan Zinc's growing market relevance and liquidity were reflected in its inclusion in the Futures & Options (F&O) segment and key benchmark indices, including the Nifty Next 50, Nifty 100, Nifty 100 ESG, Nifty 100 Enhanced ESG, and Nifty 100 ESG Sector Leaders. These inclusions broadened the Company's investor base, enhanced trading liquidity and strengthened its visibility among global and ESG-focused investors.

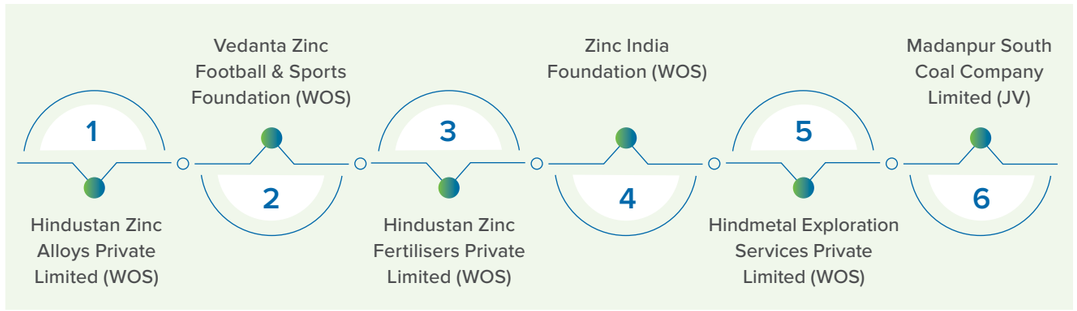
As at the end of March 2026, Hindustan Zinc ranked among the top 40 companies within the Nifty 100 universe and among the top five companies in the Nifty Metal index, with a market capitalisation of approximately ₹ 212k crore, which also peaked during the year at around ₹ 310k crore, reflecting strong investor confidence in its operational performance, capital discipline, and long-term value proposition.

The Company actively engages with institutional and retail investors through structured interactions, including one-on-one meetings, investor conferences, and non-deal road shows, while maintaining strict adherence to fair disclosure norms. Feedback from these engagements is shared with the senior management to strengthen communication effectiveness and align investor expectations with the Company's long-term value creation agenda. By integrating financial, operational and sustainability narratives, Hindustan Zinc endeavours to foster informed investor confidence and reinforce its commitment to strong governance and responsible capital stewardship.



VII. SUBSIDIARIES/JOINT VENTURES

As on March 31, 2026, your Company had 5 wholly-owned subsidiaries ("WOS") and 1 joint venture ("JV") as per the Companies Act, 2013 **("the Act")** which have been classified as subsidiaries / JVs under Indian Accounting Standards (Ind AS). Same are as follows:



During the year under review, Vedanta Limited, the holding company had reduced its shareholding from 63.42% to 60.71%.

The Company has no material subsidiaries during the year under review. In terms of the Listing Regulations, as amended from time to time, the Company's policy for determining material subsidiary may be accessed at HZL-Policy-for-Determing-Material-Subsidiaries.pdf.

Further, the statement on the performance and financial position of each subsidiary and joint venture and salient features of their financial statements in the prescribed Form AOC-1 is annexed to this Integrated Annual Report.

VIII. CORPORATE GOVERNANCE

Conducting our business with integrity and highest level of governance has been core to our corporate behaviour. For us, corporate governance goes beyond regulatory compliance, it reflects our commitment to achieving strategic objectives responsibly, transparently, and with unwavering accountability to all stakeholders.

Your Company remains steadfast in its commitment to upholding the highest standards of corporate governance at all times. Guided by our core values of transparency and accountability, we strive to embed these principles across all our engagements.

We believe it is our inherent responsibility to safeguard the interests of all our stakeholders by ensuring timely, adequate, and accurate disclosure of information relating to the Company's financial performance, leadership and governance practices of the Company.

Your Company is dedicated to enhancing long-term value for all stakeholders while upholding integrity, fulfilling societal obligations, protecting the environment, and adhering to regulatory requirements. Our actions are guided by our core values and principles, which are consistently reinforced throughout the organisation. These principles have always been and will continue to be our guiding force in the future. As a Company deeply rooted in values and commitment, we believe that profitability should be aligned with our responsibility towards all stakeholders.

Corporate Governance Report

Pursuant to the Listing Regulations, the Corporate Governance Report along with the Certificate from a Practicing Company Secretary, certifying compliance with conditions of Corporate Governance, forms part of this Report.

Business Responsibility & Sustainability Report

The Business Responsibility and Sustainability Report, describing the initiatives taken by the Company from an environmental, social and governance perspective, also forms a part of this report.

DIRECTORS

Appointments

The appointment of all members of the Board of Directors is made by the shareholders, either at the Annual General Meeting (AGM), or through a Postal Ballot, in accordance with the applicable governance procedures.

During FY2026, the following appointments were made to the Board of Directors:

Mr. Sandeep Vasant Kadam (DIN: 08414389), as Government Nominee Director (Non-Executive)

Pursuant to the order received from the Ministry of Mines, Government of India, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board through a circular resolution passed on January 22, 2026, Mr. Sandeep Vasant Kadam (DIN: 08414389) was appointed as the Government Nominee Director (Non-Executive) of the Company with effect from January 19, 2026. The same was approved by the shareholders of the Company through postal ballot resolution on April 10, 2026.

Mr. Ashim Kumar Modi (DIN: 11342680), as Government Nominee Director (Non-Executive)

Pursuant to the order received from the Ministry of Mines, Government of India, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board at its meeting held on October 17, 2025, Mr. Ashim Kumar Modi (DIN: 11342680) was appointed as the Government Nominee Director (Non-Executive) of the Company with effect from October 17, 2025. The same was approved by the shareholders of the Company through postal ballot resolution on December 20, 2025.

Mr. Thomas Mathew T (DIN: 00130282), as an Independent Director (Non-Executive)

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board through a circular resolution passed on September 29, 2025, Mr. Thomas Mathew T (DIN: 00130282) was appointed as an Independent Director (Non-Executive) of the Company with effect from October 01, 2025. The same was approved by the shareholders of the Company through postal ballot resolution on December 20, 2025.

Mr. Anoop Kumar Mittal (DIN: 05177010), as an Independent Director (Non-Executive)

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board through a circular resolution passed on July 25, 2025, Mr. Anoop Kumar Mittal (DIN: 05177010) was appointed as an Independent Director (Non-Executive) of the Company with effect from August 01, 2025. The same was approved by the shareholders of the Company at its Annual General Meeting held on August 25, 2025.

Mr. Ashish Chatterjee (DIN: 07688473), as Government Nominee Director (Non-Executive)

Pursuant to the order received from the Ministry of Mines, Government of India, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board through a circular resolution passed on July 30, 2025, Mr. Ashish Chatterjee (DIN: 07688473) was appointed as the Government Nominee Director (Non-Executive) of the Company with effect from July 25, 2025. The same was approved by the shareholders of the Company at its Annual General Meeting held on August 25, 2025.

Re-appointments

Mr. Arun Misra (DIN: 01835605), as CEO & Whole-time Director (Executive)

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board at its meeting held on April 25, 2025, Mr. Arun Misra (DIN: 01835605) was re-appointed as CEO & Whole-time Director of the Company for a period of one year with effect from June 01, 2025. The same was approved by the shareholders of the Company at its Annual General Meeting held on August 25, 2025.

Ms. Pallavi Joshi Bakhru (DIN: 01526618), as an Independent Director (Non-Executive)

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board through a circular resolution passed on July 25, 2025, Ms. Pallavi Joshi Bakhru (DIN: 01526618) was re-appointed as an Independent Director (Non-Executive)

For us, corporate governance goes beyond regulatory compliance, it reflects our commitment to achieving strategic objectives responsibly, transparently, and with unwavering accountability to all stakeholders.

of the Company for a second term of two consecutive years with effect from August 10, 2025. The same was approved by the shareholders of the Company at its Annual General Meeting held on August 25, 2025.

Cessations

Mr. Dinesh Mahur (DIN: 10862645) as Government Nominee Director

Mr. Dinesh Mahur ceased to be Government Nominee Director with effect from January 19, 2026, pursuant to the order received from the Ministry of Mines, Government of India.

Mr. Ashish Chatterjee (DIN: 07688473) as Government Nominee Director

Mr. Ashish Chatterjee ceased to be Government Nominee Director with effect from October 10, 2025, pursuant to the order received from the Ministry of Mines, Government of India.

Mr. Kannan Ramamirtham (DIN: 00227980) as an Independent Director

Mr. Kannan Ramamirtham ceased to be a Non-Executive Independent Director of the Company upon completion of his second and final term on August 31, 2025.

Mr. Akhilesh Joshi (DIN: 01920024) as an Independent Director

Mr. Akhilesh Joshi ceased to be a Non-Executive Independent Director of the Company upon completion of his second and final term on July 31, 2025.

Director Retiring by Rotation

Pursuant to the provisions of section 152 of the Act, Mr. Navin Agarwal (DIN:00006303), Non-Executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, seeks re-appointment. The necessary resolution for re-appointment of Mr. Navin Agarwal forms part of the Notice convening the ensuing AGM.

KEY MANAGERIAL PERSONNEL

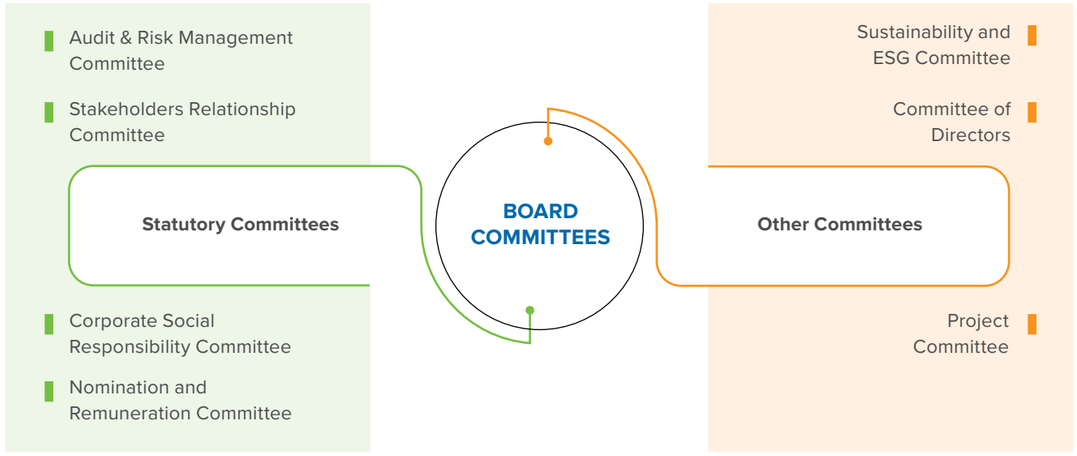
During the year under review, Mr. Arun Misra, CEO & Whole-time Director, Mr. Sandeep Modi, Chief Financial Officer, and Ms. Aashhima V Khanna, Company Secretary & Compliance Officer, are the Key Managerial Personnel ("KMP") of the Company in accordance with the provision of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Board and Committees

The Board met seven times during the year under review. The Board meetings are conducted in due compliance with and following the procedures prescribed in the Act and the rules framed thereunder including secretarial standards and the Listing Regulations. Detailed information of the meetings of the Board is included in the Corporate Governance Report, which forms part of the Integrated Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

The Board Committees play a vital role in ensuring sound Corporate Governance practices.

As of March 31, 2026, the Company has the following Board Committees ("Committees") :



During the year, all recommendations of the Committees were approved by the Board.

A detailed update on the Board, its committees, their composition, terms and reference, meetings held during FY2026, and the attendance of each Director is detailed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

BOARD EFFECTIVENESS

Familiarisation Programme for Directors

The Board members are provided with necessary documents, reports, and internal policies to enable them to familiarise themselves with the Company's operations, its procedures and practices. Periodic presentations are made at the Board and Committee meetings, on business and performance of the Company, global business environment, business strategy, risks, safety, health and environment, and ESG & sustainability, etc.

The details of the familiarisation program are provided in the Corporate Governance Report forming part of this Integrated Annual Report and can also be accessed on the website of the Company at https://www.hzlindia.com/uploads/HZL-Familiarization-Program.pdf.

Annual Board Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out annual evaluation of (i) its own performance; (ii) individual Directors' performance; (iii) performance of the Chairman of the Board; and (iv) Performance of all Committees of Board for FY2026.

The evaluation was carried out with the help of an external agency. The Company had engaged a leading consulting firm, for carrying out the performance evaluation by way of an online structured questionnaire. Detailed evaluation parameters and the process have been explained in the Corporate Governance Report.

The Board's functioning was evaluated on various aspects, including inter-alia the structure of the Board, meetings of the Board, functions of the Board, effectiveness of the Board processes, information and functioning. The Committees of the Board were assessed on inter-alia the degree of fulfilment of key responsibilities, adequacy of Committee composition, and effectiveness of meetings.

The Directors were evaluated on various aspects such as attendance and contribution at Board/Committee meetings and guidance/support to the management outside Board/Committee meetings. The performance of Non-Independent Directors, the Board as a whole, and the Chairman was evaluated in a separate meeting of Independent Directors. Similar evaluation was also carried out by the Nomination and Remuneration Committee and the Board.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. Based on the feedback of the Directors and after due deliberations and taking into account the views and counter views, the evaluation was carried out in terms of the Nomination and Remuneration Policy. The Directors expressed their satisfaction with the evaluation process.

The results of evaluation showed high level of commitment and engagement of the Board and its various Committees. The Board was satisfied with overall performance and effectiveness of the Board, Committees, and individual Directors, and appreciated the Company's ethical standards, transparency, and progress on sustainability and ESG during the year.

The Board members also provided their inputs for further enhancing the overall effectiveness of the Board and the Committees. It was noted that the Board, as a whole, is functioning in an effective and cohesive manner.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Based on the recommendation of Nomination and Remuneration Committee, the Board has approved the Nomination and Remuneration Policy which enumerates the criteria for assessment and appointment/re-appointment of Directors and KMP's on the basis of their qualifications, knowledge, skills, industrial orientation, independence, professional and functional expertise among other parameters with no bias on the grounds of ethnicity, nationality, gender or race or any other such discriminatory factor.

The policy sets out the guiding principles for the compensation to be paid to the Directors, KMP's, and the executive management team, and it also provides for implementation of Board familiarisation, diversity, performance evaluation, and succession planning for cohesive leadership management.

Detailed Company's policy on appointment of Directors and their remuneration is available on the Company's website at https://www.hzlindia.com/uploads/HZL_Nomination_Remuneration_Policy_final_19_04_2024_f155d5c744.pdf.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

a. they continue to meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules issued thereunder and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

b. they have complied with the Code for Independent Directors prescribed under Schedule IV of the Act.

c. they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs and have qualified the online proficiency self-assessment test or are exempted from passing the test as required in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

The Independent Directors have also confirmed that to the best of their knowledge, there exists no circumstance or situation that may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors of the Company have taken on record the declaration and confirmation submitted by the Independent Directors after due assessment of the credibility of the same.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 or are debarred or disqualified by the Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other such statutory authority.

All members of the Board have affirmed compliance with the Code of Conduct for Board and Senior Management Personnel for FY2026.

List of key skills, expertise, and core competencies of the Board, including the Independent Directors, forms a part of the Corporate Governance Report of this Integrated Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by the Institute of the Company Secretaries of India and such systems are adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The information required under point b of Schedule V of Listing Regulations forms part of this report. 'Strategy and Performance Overview' section of this Integrated Annual Report gives a detailed information on the Company's strategy, operations, and the market in which it operates including industry-wide developments, product-wise performance and outlook. It also discusses the key performance indicators, ratio analysis, and financial performance with respect to operational performance.

The 'Operating Context and Value Creation' section of this Integrated Annual Report discusses the operating context, risks and concerns, and risk management strategy of the Company. The initiatives and material development in the areas of human resources/industry relations and sustainability are covered in the 'Environmental, Social and Governance' chapter of this Integrated Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Act, (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Board of Directors, to the best of their knowledge and ability confirm that:

i. In the preparation of the annual accounts for the year ended March 31, 2026, the applicable accounting standards have been followed and there is no material departure;

ii. they have selected such accounting policies and applied them consistently and made judgements & 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. they have taken proper and sufficient care for the 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 fraud and other irregularities;

iv. the annual accounts have been prepared on a 'Going Concern' basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

The aforesaid statement has also been reviewed and confirmed by the Audit & Risk Management Committee of the Board of Directors of the Company.

IX. AUDIT REPORTS AND AUDITORS

Statutory Auditors

The Members of the Company at the 55th Annual General Meeting (AGM) had re-appointed M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) as the Statutory Auditors of the Company for a second term of five (5) consecutive years, to hold office till the conclusion of the 60th AGM to be held in 2026.

Accordingly, the term of office of M/s S.R. Batliboi & Co. LLP has expired at the conclusion of the 60th AGM.

The Statutory Auditors' Report for the financial year ended March 31, 2026, does not contain any qualification, reservation, adverse remark or disclaimer, which calls for any explanation from the Board of Directors. The Statutory Auditors' Report, along with the Notes to the Financial Statements, forms part of this Integrated Annual Report. The Notes on Financial Statements referred to in the Auditors' Report are self explanatory and do not call for any further comments.

M/s S.R. Batliboi & Co. LLP have also confirmed that they were not disqualified from acting as Statutory Auditors of the Company during their tenure, in terms of Section 141 of the Act.

On the recommendation of the Audit & Risk Management Committee, the Board of Directors, subject to the approval of the Members at the 60th AGM, has approved the appointment of M/s MSKA & Associates LLP, Chartered Accountants (Firm Registration No. 105047W/W101187) as the Statutory Auditors of the Company for a term of five (5) consecutive years, i.e., from the conclusion of the 60th AGM till the conclusion of the 65th AGM to be held in 2031.

The Company has received the consent and eligibility certificate from M/s MSKA & Associates LLP, confirming that they are not disqualified from being appointed as Statutory Auditors in terms of the provisions of Section 141 of the Act and the rules made thereunder.

Secretarial Auditors

M/s Sanjay Grover & Associates, Practicing Company Secretaries, New Delhi (Firm Registration No. P2001DE052900), were appointed as the Secretarial Auditors of the Company by the Board of Directors on April 19, 2024. Their appointment was subsequently approved by the shareholders at the 59th Annual General Meeting held on August 25, 2025.

The Company had received a certificate confirming their eligibility and consent to act as the Secretarial Auditors.

The Secretarial Audit Report for FY2026 forms part of this Report and confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances except pertaining to shortage of Independent Directors on the Board.

Pursuant to SEBI circular no. CIR/CFD/CMO1/27/2019 dated February 08, 2019, the Company has also undertaken an audit for all applicable compliances as per the Listing Regulations, circulars and guidelines issued thereunder. The Annual Secretarial Compliance Report for FY2026 will also be submitted to the Stock Exchanges within the stipulated timeline.

Internal Auditors

M/s KPMG, (LLPIN: AAT-0367) had been appointed as Internal Auditors to carry out the internal audit of the Company for FY2026. The Company also has an independent in-house management assurance system (MAS) team to manage the group's internal audit activity that functionally reports to the Audit & Risk Management Committee.

Cost Auditors

M/s K.G. Goyal & Co., Cost Accountants (Firm's Registration No. 000017), had been appointed as the Cost Auditor of the Company for FY2026 to carry out the audit of the cost records of the Company. The Company had received a certificate confirming their eligibility and consent to act as the Auditors. The cost accounts and records of the Company are duly prepared and maintained by the Company as required under Section 148(1) of the Act pertaining to the cost audit.

Auditors Certificate

M/s. Sanjay Grover & Associates, practicing Company Secretaries and Secretarial Auditors of the Company issued the following certificates:

- Certificate on the compliances with the conditions of Corporate Governance (CG) as per provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The only adverse remark in CG certificate is for not fulfilling the criteria of adequate number of Independent Directors, for which the Company has provided the adequate explanation.
- A certificate certifying that none of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) or are debarred or disqualified by SEBI, Ministry of Corporate Affairs ("MCA") or any other such statutory authority, forms part of the Corporate Governance Report forming part of this Integrated Annual Report.

Reporting of Frauds by Auditors

During the year under review and pursuant to Section 143(12) of the Act, none of the auditors of the Company have reported to the Audit & Risk Management Committee of the Board any instances of fraud by the Company or material fraud on the Company by its officers or employees.

X. OTHER DISCLOSURES

Related Party Transactions

The Company has a robust process for approval of related party transactions (RPTs) and dealing with the related parties. In line with the requirements of the Act and the Listing Regulations, your Company has formulated a policy on RPTs and the same can be accessed using the following link: https://www.hzlindia.com/uploads/RPT_Policy19_01_2026_86ae9dfb76.pdf. During the year, the Board-approved amendment to the RPT Policy at its meeting held on January 19, 2026, based on the Audit & Risk Management Committee's recommendation. These changes were made to incorporate the amendments to the Listing Regulations. During the year under review, all contracts/arrangements/transactions entered with related parties were approved by the Audit & Risk Management Committee of the Company and were at arm's-length and in the ordinary course of business. Certain transactions, which were repetitive in nature, were approved through omnibus route. However, there were no material transactions of the Company with any of its related parties as per the Act and Listing Regulations which required shareholders' approval. All RPTs are subjected to independent review by a reputed accounting firm to

establish compliance with the requirements of RPTs under the Act and Listing Regulations.

The disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is annexed as **Annexure-2**.

Regulatory and Governance Matters

As referred to in the Emphasis of Matter (EOM) paragraph in the Independent Auditors' Report and Note 43 to the financial statements, certain reports published by short seller contained allegations in relation to Vedanta Resources Limited (VRL) and its subsidiaries. Based on the assessment and legal evaluation, the management believes that the allegations are without merit and that the transactions referred to therein were undertaken with appropriate commercial rationale, duly approved in accordance with applicable governance processes, and are in compliance with contractual obligations and applicable laws and regulations. Accordingly, the management is of the view that no adjustments are required to the standalone or consolidated financial statements of the Company.

During the year, the Securities and Exchange Board of India (SEBI) sought certain information and clarifications primarily relating to related party transactions, dividend declarations, and governance and approval processes. The Company furnished the requisite information and supporting documentation within the prescribed timelines. Subsequently, SEBI issued an administrative warning dated April 30, 2026, in relation to certain procedural aspects pertaining to Audit & Risk Management Committee approvals and related party disclosures. The communication does not involve any monetary penalty or enforcement action. The matter has been appraised to the Board of Directors and will be placed before the Audit & Risk Management Committee and the Board, as advised, and there is no impact on the financial position, operations, or going concern status of the Company. The Company remains committed to maintaining and further strengthening its governance, compliance, and disclosure framework.

The Board continues to monitor the matter closely and believes that the Company maintains robust internal controls, governance standards, and compliance mechanisms consistent with applicable regulatory requirements and industry practices.

Deposits

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

Changes in Capital Structure

During the year under review, there were no changes to the Company's share capital. The paid-up equity share capital of the Company is ₹ 8,45,06,38,000.

Transfer to Reserves

The Company has NIL transfer to General Reserves out of the profits during the period of reporting.

Debentures

During FY2026, your Company raised ₹ 1,400 crore through issuance of Non-Convertible Debentures ("NCDs") in two separate transferable and redeemable principal parts of face value of ₹ 1,00,000 each on private placement basis as per the following details:

Security Description	ISIN	Date of Allotment	No. of NCDs	Total amount (in ₹ crore)	Tenor	Maturity Date
Unsecured, Redeemable, Rated, Listed NCDs	INE267A08061	February 02, 2026	42,000	420	2 years	February 02, 2028
	INE267A08053	February 02, 2026	98,000	980	3 years	February 02, 2029

Commercial Papers

The Commercial Papers ("CPs") issued by the Company have been listed on the National Stock Exchange (NSE) and have been duly redeemed on timely basis. As on March 31, 2026, the Company has NIL outstanding CPs.

Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

Pursuant to the SEBI Circular and Regulation 39 of Listing Regulations regarding the procedure to be adopted for unclaimed shares issued in physical form in public issue or otherwise, the Company has a separate demat account in the title of 'Hindustan Zinc Limited – Unclaimed Shares' with HDFC Bank Limited.

The details regarding disclosures with respect to demat suspense account/unclaimed suspense account are provided under Corporate Governance Report.

Transfer of Unpaid and Unclaimed Amounts to IEPF

In accordance with the provisions of the Act and the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time to time, the Company is required to transfer the following to IEPF:

- Dividend amount that remains unpaid/unclaimed for a period of seven (7) years; and
- Shares on which the dividend has not been paid/claimed for seven (7) consecutive years or more.

Your Company, in its various communications to the shareholders from time to time, requests them to claim the unpaid/unclaimed amount of dividend and shares due for transfer to IEPF established by the Central Government. Further, in compliance with IEPF Rules including statutory modification(s) thereof, the Company publishes notices in newspapers and sends specific letters to all shareholders whose shares are due to be transferred to IEPF, to enable them to claim their rightful dues.

The details of unclaimed/unpaid dividends transferred/credited to IEPF during FY2026 are as follows:

Financial Year	Type of Dividend	Date of declaration	Amount transferred to IEPF (₹)	Date of transfer to IEPF
2017-2018	Interim Dividend	March 16, 2018	1,08,68,172	May 16, 2025
2018-2019	Special Interim Dividend	October 22, 2018	4,33,08,580	December 23, 2025

Details of shares transferred to IEPF Authority during FY2026 are also available on our website at https://www.hzlindia.com/investors/shareholder-information/share-transfers-to-iepf

Dividend declared during FY2026 on shares already transferred to IEPF are provided below:

Financial Year	Type of Dividend	Date of declaration	Amount transferred to IEPF (₹)	Date of transfer to IEPF
2025-26	1st Interim Dividend	June 11, 2025	45,24,219	July 05, 2025

Annual Return

Pursuant to section 92(3) read with section 134(3)(a) of the Act, the annual return as on March 31, 2026, is available on the Company's website at https://www.hzlindia.com/investors/results-and-reports

Particulars of Loans, Guarantees or Investments

Your Company has given loans and guarantees, provided security, and made investments within the limits with the necessary approvals and in terms and accordance with the provisions of Section 186 of the Act. The particulars of such loans and guarantees given, securities provided, and investments made are provided in the notes to the Financial Statements.

Details of Applications made or any Proceedings pending under the Insolvency And Bankruptcy Code, 2016 during the year along with their status as at the end of the Financial Year

There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the period under review.

Material Changes affecting the Financial Position of the Company

No material changes and commitments have occurred subsequent to the close of the Financial Year till the date of this Report which may affect the financial position of the Company.

Significant or Material Orders passed by the Regulators or Courts or Tribunals

There are no significant material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future during the period under review.

Change in nature or business of the Company

There is no change in the nature of business of your Company during the year under review.

No Difference in Valuation

The requirement to disclose the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

Energy Conservation, Technology Absorption, and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure I** to this report.

Other Disclosures:

In terms of the applicable provisions of the Act and the Listing Regulations, your Company additionally discloses that, during the year under review:

a) It has not issued any shares with differential voting rights or any other convertible securities

b) It has not issued any shares or other convertible securities

c) There is no plan to revise the financial statements or the Report in respect of any previous financial year

d) None of the securities of the Company were suspended from trading

XI. INTEGRATED ANNUAL REPORT

The Company has voluntarily provided the Integrated Annual Report, which encompasses both financial and non-financial information to enable the members to take well informed decisions and have a better understanding of the Company's long-term perspective. The report also touches upon aspects such as organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital, and natural capital.

The key initiatives taken by the Company with respect to stakeholder engagement, ESG, health and safety of the employees have been provided separately under various sections of this Integrated Annual Report.

XII. AWARDS AND ACCOLADES

Your Company continued its quest for excellence in its chosen area of business to emerge as a true global brand. Several awards and rankings continue to endorse as a thought leader in the industry. Your Company has received numerous prestigious awards for its outstanding innovative work, drawing attention with its impressive achievements. Its unwavering commitment to excellence has led to recognition across various platforms, serving as a testament to its ethical practices, sustainable approach, and a well-established, professional work environment.

The details of the awards and recognitions secured by the Company have been highlighted in a separate section in the Integrated Annual Report.

XIII. APPRECIATIONS AND ACKNOWLEDGEMENTS

Your Company's business is deftly managed by an adroit set of leaders with global and diverse experience in the sector in order to accomplish the mission of carving our niche as the leading global natural resource company. The professionally equipped and technically sound management has set progressive policies and objectives, follows best global practices, all with a plausible vision to take the Company ahead to the next level.

The Board express their deep appreciation to all employees for their hard work, dedication, and commitment. The enthusiasm and unwavering efforts of the employees have enabled the Company to maintain its position as an industry leader.

The Board appreciates the support and cooperation the Company has received from its customers, vendors, investors, worker unions, auditors, and bankers. The Company's resilience to meet challenges was made possible by their hard work, solidarity, commitment, and support.

The Board also takes this opportunity to thank all shareholders, business partners, the Government of India, the State Government(s) where the Company has its operations, other regulatory authorities, and stock exchanges for their support, and looks forward to their continued support in the future.

For and on behalf of the Board of Directors

Arun Misra
CEO & Whole-time Director
DIN : 01835605
Udaipur

Pallavi Joshi Bakhru
Director
DIN : 01526618
Delhi

Date: April 24, 2026

Notes:

1. Dr. Aruna Sharma (DIN:06515361) has been appointed as the Additional Director of the Company w.e.f. May 1, 2026.
2. Ms. Pallavi Joshi Bakhru (DIN:01526618) resigned from her position w.e.f. April 30, 2026.
3. Mr. Sandeep Modi ceased to be CFO w.e.f. the close of business hours on May 30, 2026.

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 Board's Report for the year ended March 31, 2026.

A) CONSERVATION OF ENERGY

Conservation of natural resources continues to be the key focus area of your Company. Some of the important steps taken or impact on conservation of energy and for utilising alternate sources of energy are as follows:

Zawar Captive Power Plant

- Forced Draft fan running hours optimisation on low load conditions to achieve savings up to 1,000 units/day integrated with part load operation
- Stoppage of 2 CT fans (Cooling tower) during low load to achieve savings of 500 units/day
- AHP compressor consumption optimisation by 200 units/day
- Optimisation of CHP running hours to achieved savings of 100 units/day
- Overhauling of below-mentioned equipment:
  - Mill B
  - AHP 1 Compressor

Dariba Captive Power Plant

- STG of Roaster 5 WHRB revamped from 9.9 MW to 11.6 MW increasing the power output with the same steam flow
- STG of Roaster 4 WHRB revamped from 4.3 MW to 5 MW increasing the power output with the same steam flow
- Forced Draft fan running hours optimisation on low load conditions to achieve savings up to 1,200 units/day integrated with part load in both units
- Induced Draft fan VFD availability to achieve savings up to 1,500 units/day integrated with part load in both units
- Flexible Operation of both CPPs with grid to maximise RE power import

Chanderiya Captive Power Plant

- STG of Roaster 2 WHRB revamped from 4.3 MW to 5.4 MW increasing the power output with the same steam flow
- Fill pack replacement done in 25% of the cooling tower cells as per analysis of Efficiency of each cells which has yielded a savings of 1 gm/kWh in specific coal consumption
- Reduction in VAM chiller power consumption by 60 kW
- Reduction in Instrument Air compressor power consumption by 166 kW

Capital investment on energy conservation equipment:

S. No.	Particulars	₹ in lakhs
1	DSC Captive Power Plant	1,370
2	CSC Captive Power Plant	790

B) TECHNOLOGY ABSORPTION

a) Specific areas in which R&D has been carried out by the company in FY2026

- Grade & recovery improvement of Zn, Pb and Ag and control impurities using selective collector/promoter in mills
- Technical support to mills (circuit surveys) for operational issues like increased misplacements, fluctuation in concentrate grade/recovery and operational assessment
- Real-time process monitoring & control technologies (PSD, BSD & Gas hold up) for Mill optimisation
- Lab evaluation of fine grinding and fines flotation for improving overall metal recovery from mills
- Lab evaluation of generating pyrite concentrate from HZL tailing
- Metal realisation and effective utilisation from Zn/Pb secondaries while treating in ancillary
- Process and quality improvement in Zn alloys
- Technical support towards SHG quality, high temperature process predictions
- Enhance silver recovery in the Zn fumer plant through feed optimisation
- Recover metals from HGP filtrate generated in the pyro smelter
- Enrich Pb/Ag grade in LGLC produced at the DSC Zn plant
- Recover pure $MnSO_4$ crystals from manganese residues
- Pure sodium salt conversion from ZLD salts

Benefits derived as result of above R&D

- Improve silver grade in Pb conc at SKM by utilising cost-effective silver promoter
- Technical support to SK & RD mill operations by providing technical insights through circuit surveys and flotation tests
- Theoretical grade-recovery curves for RAM & SKM to establish recovery improvement opportunity on MOG reduction
- Pyrite conc. from HZL tailing for in-house use in Cu slagging of Pb bullion
- Validation of low-capex process for metal recovery/realisation from jarosite
- Customer engagement owing to alloy quality improvement
- Additional Ag metal realisation from treatment of industrial wastes
- Waste reduction in Zn fumer Hydro Plant
- Alternative Fe removal process to reduce the metal loss in Zn fumer Plant
- ZnSO4 solution quality improvement for higher C.E

b) Future projects for R&D in FY2027

- Plant trails and implementation of new reagents for Pb and Ag recovery at HZL Mills
- Plant trails and implementation of new depressants and frothers for improving quality and recovery, respectively
- Pilot trial of conceptual flowsheet of generating pyrite concentrate from Pb-Zn tailing for utilisation in Pb ER
- Explore advanced technologies e.g., dense media separation, fines flotation, and aeration for improving throughput, recovery, and quality respectively
- Identify and evaluate non-toxic alternative for NaCN in mills
- Process optimisation via modelling and simulation
- Explore utilisation from industrial residues [Jarofix, Ca-residues, Zn purification residue]
- Process optimisation and recovery improvement in Pb smelting, sintering & fumer plant
- Metal recovery & Hematite production from Jarosite
- C.E improvement by real-time monitoring tools
- Battery grade CoSO4 production from Zn secondaries
- Metal recovery and industry gypsum production from ETP cake

c) Information regarding imported technology (last three years):

The details of technology imported;	Advanced Process Control from Mintek South Africa for Zawar Mill 1	Waltz Loadscan for LPDT Volume Scan	Blue Cube, Analyser
The year of import;	FY2025	FY2024	FY2025
Whether the technology been fully absorbed;	Fully absorbed	Fully absorbed	No
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA	NA	Trial was for CSC Hydro-1 only. Analyser couldn't be operationalised due to solution instability & high maintenance.

d) Expenditure on Research & Development (R&D)

(₹ crore)

Particulars	Amount
Capital	0
Recurring	21.24
Total	21.24
Total R&D expenditure as a % of Total Turnover	0.052%

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange outgo was ₹ 2,865 crore (which includes import of capital goods, stores & spares, coal, consumables, consultancy, travelling etc.), while foreign exchange earned was ₹ 8,590 crore.

Annexure-2

Particulars of contract or arrangements with related parties

FORM NO. AOC-2

Form for disclosure 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 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

Arun Misra
CEO & Whole-time Director
Place: Udaipur
DIN: 01835605

Pallavi Joshi Bakhru
Director
Place: Delhi
DIN: 01526618

Date: April 24, 2026

Annexure-3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. Brief outline on CSR Policy of the Company

Hindustan Zinc is committed to the principles of harmonious and sustainable development, protecting human life, health and environment, ensuring social well-being and adding value to the communities. CSR policy is in line with organisation's philosophy & governance protocols wherein various aspects of geographical reach, thematic areas, execution & monitoring of programmes are well defined.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013 and amendments thereto from time to time. Details of the company website of the CSR policy and projects or programmes undertaken by the Company is available on the link given below:

https://www.hzlindia.com/csr/overview/

2. Composition of Corporate Social Responsibility Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Priya Agarwal Hebbar	Chairperson	2 (Entitled to attend: 2)	2
2	Ms. Pallavi Joshi Bakhru[1]	Member	2 (Entitled to attend: 1)	1
3	Mr. Vivek Kumar Bajpai[2]	Member	2 (Entitled to attend: 1)	0
4	Mr. Akhilesh Joshi[3]	Member	2 (Entitled to attend: 1)	1
5	Ms. Nirupama Kotru[4]	Member	2 (Entitled to attend: 1)	0

Notes:

1. Ms. Pallavi J. Bakhru, Independent Director of the Company had been inducted as the Member of CSR Committee w.e.f. August 01, 2025.
2. Mr. Vivek Bajpai, Nominee Director of the Company had been inducted as the Member of CSR Committee w.e.f. July 25, 2025.
3. Mr. Akhilesh Joshi ceased to be the member of CSR Committee w.e.f. July 31, 2025 upon completion of his second and final term.
4. Ms. Nirupama Kotru ceased to be the member of CSR Committee w.e.f. July 25, 2025.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company

https://www.hzlindia.com/uploads/CSR_Policy_FY_26_ff3e8fbafb.pdf

https://www.hzlindia.com/investors/corporate-governance/board-committees

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

An Executive Summary of Impact Assessment Report of the applicable projects, is annexed as 'Annexure 3-1' and the complete Impact Assessment Report of the applicable projects can be accessed at www.hzlindia.com

5.

(a) Average net profit of the Company as per Section 135(5)	₹ 13,029.14 crore
(b) Two percent of average net profit of the Company as per Section 135(5)	₹ 260.58 crore
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
(d) Amount required to be set off for the financial year, if any	₹ 8.62 crore
(e) Total CSR obligation for the financial year (5b+5c-5d)	₹ 251.96 crore

6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹ 259.50 crore
(b) Amount spent in Administrative Overheads	₹ 9.75 crore
(c) Amount spent on Impact Assessment, if applicable	₹ 0.27 crore
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 269.53 crore

(e) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (₹ Crore)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
269.53			NA		

(f) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Amount of excess contribution being carried forward from previous years	8.62 crore
(ii)	Two percent of average net profit of the company as per Section 135(5)	260.58 crore
(iii)	Total amount spent for the Financial Year	269.53 crore
(iv)	Excess amount spent for the financial year [(i) - (ii)+(iii)]	17.57 crore
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(vi)	Amount available for set off in succeeding financial years [(iv)-(v)]	17.57 crore

7. Details of Unspent CSR amount for the preceding three financial years: Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). : NA

For and on behalf of Board of Directors

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Priya Agarwal
Chairperson, CSR Committee
DIN: 05162177

Annexure – 3-1

OVERALL CSR IMPACT & PERCEPTION BY THIRD PARTY

Villages & Programmes: Coverage 116 villages, 15 eligible programmes assessed.

Community Perception: 96% aware of CSR initiatives, 97% say CSR builds trust, 100% support future projects, 90% confirm local economic contribution.

Cluster Insights: 99–100% trust improvement in most clusters; economic & environmental credibility consistently above 90%.

PROGRAMME HIGHLIGHTS

- **Samadhan Livelihoods**: 1.35 lakh+ beneficiaries, ₹192 crore+ diversified farm income, ₹88 crore+ milk value.
  - 96% improved crop productivity, 74% reduced migration, 72.9% debt reduction
- **Healthcare:** 100% trust in doctors, 94.4% improved quality of life.
  - Cath Lab removes barriers; Mobile Health Van builds preventive care culture
- **Education:** 5/5 safety rating, 4.9/5 scholarship satisfaction, 86.3% Child Care Program wellbeing impact.
  - Parents of students 100% satisfied; scholarships seen as “stepping stone to success”

INFRASTRUCTURE, WATER & ENVIRONMENT

Water Projects: 100% improved water availability, 72% irrigation reliability.

- Reduced irrigation costs, multiple cropping cycles, women freed from long-distance water collection

Infrastructure: Roads cut travel time by 50%, transport costs down ~60%.

- Community halls now focal points for village life, 4.7/5 satisfaction

SATISFACTION BENCHMARKS

Top Scores: Sports Ground, Music Festival, Girls Scholarship (Parents) — perfect 5.0.

Strong Performers: Ponds development, Samadhan, Cement Concrete Roads — 4.7 each.

Improvement Areas: Mobile Health Van at 4.5 — scope to expand diagnostics & frequency.

SOCIAL RETURN ON INVESTMENT (SROI)

Efficiency Leaders: Samadhan (54.43), Cath Lab, Scholarship — highest social value per rupee.

Moderate Impact: Construction of Roads, Ponds, School Furniture — balanced cost vs. impact.

Lower SROI: UWMF (1.42) despite strong cultural outcomes.

Hindustan Zinc’s CSR footprint shows **credible impact, high trust, and strong efficiency** – with standout successes in livelihoods, education, and cultural initiatives, while healthcare and infrastructure continue to deepen community value.

Annexure 4

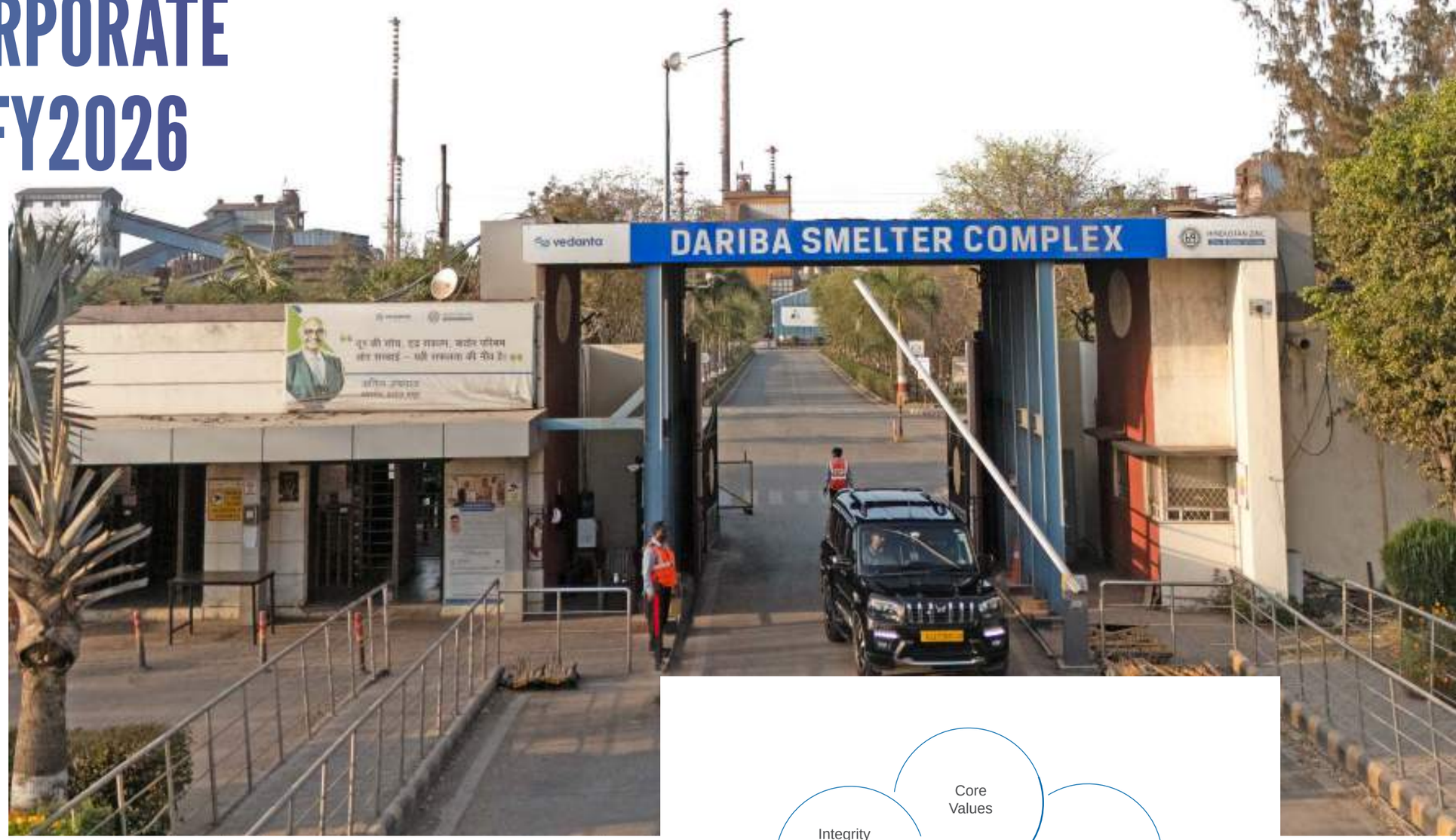
Disclosure in Board’s Report as per provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Disclosure		
		Name of the Director	Category	Ratio to Median Remuneration of Employees
1	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year Ratio of the Fee for attending Board/ Committee Meetings and Commission of each Director to the median remuneration of the employees of the Company for the financial year	Arun Misra	Chief Executive Officer & Whole-time Director	88
		Priya Agarwal	Chairperson, Non-Executive Director	2
		Navin Agarwal	Non-Executive Director	2
		Pallavi Joshi Bakhru	Independent Director	2
		Akhilesh Joshi	Independent Director	1
		Thomas Mathew	Independent Director	1
		Anoop Mittal	Independent Director	2
		Kannan Ramamirtham	Independent Director	1
2	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name	Category	Increment Percentage
		Arun Misra	Chief Executive Officer & Whole-time Director	-8%
		Navin Agarwal	Non-Executive Director	1%
		Pallavi Joshi Bakhru	Independent Director	8%
		Sandeep Modi	Chief Financial Officer & KMP	18%
		Aashhima V Khanna#	Company Secretary & KMP	-
3	Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by (-2%)		
4	Number of permanent employees on the rolls of Company	3,314 (including 6 Expats & 499 Non-Executives)		
5	Average percentiles 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: (-3%) Average increase in the remuneration of KMPs: (-1%) Justification: Remuneration is determined based on the current year’s performance, prevailing market conditions, and external benchmarking.		
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes		

Notes:

1 The aforesaid details are calculated on the basis of remuneration for FY2026 and include sitting fees paid to Directors during the financial year.
2 CEO’s compensation also considers financial returns (return on assets, equity, invested capital), total shareholder returns and volume growth of integrated metal.
3 The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
4 Percentage increase/decrease in remuneration is not reported as they were holding Directorship / KMP position for part of either FY2025 or FY2026.
5 This analysis is for Executives only who were on rolls of the Company throughout FY2025 & FY2026.
6 Government Nominee Directors in the employment of the Government are not paid any remuneration.
7 # Aashhima V Khanna, Company Secretary, joined the Company on January 14, 2025; accordingly, the percentage increase in remuneration for the financial year is not comparable.
8 Mr. Akhilesh Joshi and Mr. Kannan Ramamirtham ceased to be independent directors w.e.f. July 31, 2025, and August 31, 2025.

REPORT ON CORPORATE GOVERNANCE FY2026



COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Hindustan Zinc Limited's corporate governance philosophy is founded on integrity, transparency, accountability and ethical business conduct. We believe that strong governance goes beyond regulatory compliance and is fundamental to building trust, strengthening resilience, managing risks effectively and delivering sustainable value for all stakeholders.

Our governance framework clearly defines roles and responsibilities across the Board of Directors, its Committees and the management team. The Board provides strategic direction and oversight, while management drives execution in line with the Company's values, policies and applicable laws. Our Code of Conduct and Business Ethics sets out the standards expected of Directors and employees and reinforces fairness, honesty, respect and transparency in all interactions.

The framework is supported by strong internal controls, well-defined policies and an effective assurance mechanism, including internal and external audits. These systems are periodically reviewed to strengthen compliance and risk management across the organisation. We believe that strong governance is central to maintaining investor confidence and enabling long-term value creation.

Hindustan Zinc recognises the importance of sustainable and responsible growth. Environmental stewardship, community engagement and responsible resource management are integral to our strategy, and our governance framework enables robust oversight of these priorities.

The Company remains committed to maintaining high standards of corporate governance and to continuously strengthening its practices in line with evolving regulations and global best practices.

We believe that strong governance goes beyond regulatory compliance and is fundamental to building trust, strengthening resilience, managing risks effectively and delivering sustainable value for all stakeholders.

The Company has complied with the requirements prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (the **"Listing Regulations"** or **"SEBI (LODR)"**, as applicable, except as stated in the Secretarial Audit Report.

Some of the Corporate Governance initiatives undertaken by the Company are elucidated below:

- Separate roles of Chairperson & Chief Executive Officer ("CEO") and held by different individuals
- Secured online platform for circulation of documents to Directors
- Third-party digital platform for performance evaluation of Directors, Board and its Committees
- Robust whistle blower mechanism
- Web-based portal has been implemented to manage all compliances related to the Code of Conduct for Prevention of Insider Trading.
- Additional disclosure of Tax Transparency Report ("TTR") as per Indian Accounting Standards
- Board diversity in place as a subset of Nomination & Remuneration Policy
- Equal treatment of all the shareholders within the framework of Articles of Association and protection of rights of minority shareholders through strong governance processes
- Proactive and substantial initiatives to enhance shareholder engagement, reduce the number of physical shareholdings and unclaimed dividends, and improve overall shareholder satisfaction. A structured feedback survey is conducted to assess the quality of services provided by the Company, and the Registrar and Transfer Agent
- Regular training and awareness programmes for Directors and employees on compliance, risk, ethics, anti-fraud measures, and ESG-related practices

GOVERNANCE STRUCTURE

Hindustan Zinc follows a one-tier governance structure comprising the Board of Directors (including Executive and Non-Executive Directors), Board Committees and Management Committees. Corporate governance at Hindustan Zinc is driven by robust Board processes, well-established internal control systems and strong assurance mechanisms. These are underpinned by the Company's governance policies, Code of Conduct, Committee charters, transparent disclosure, and reporting practices.

BOARD OF DIRECTORS

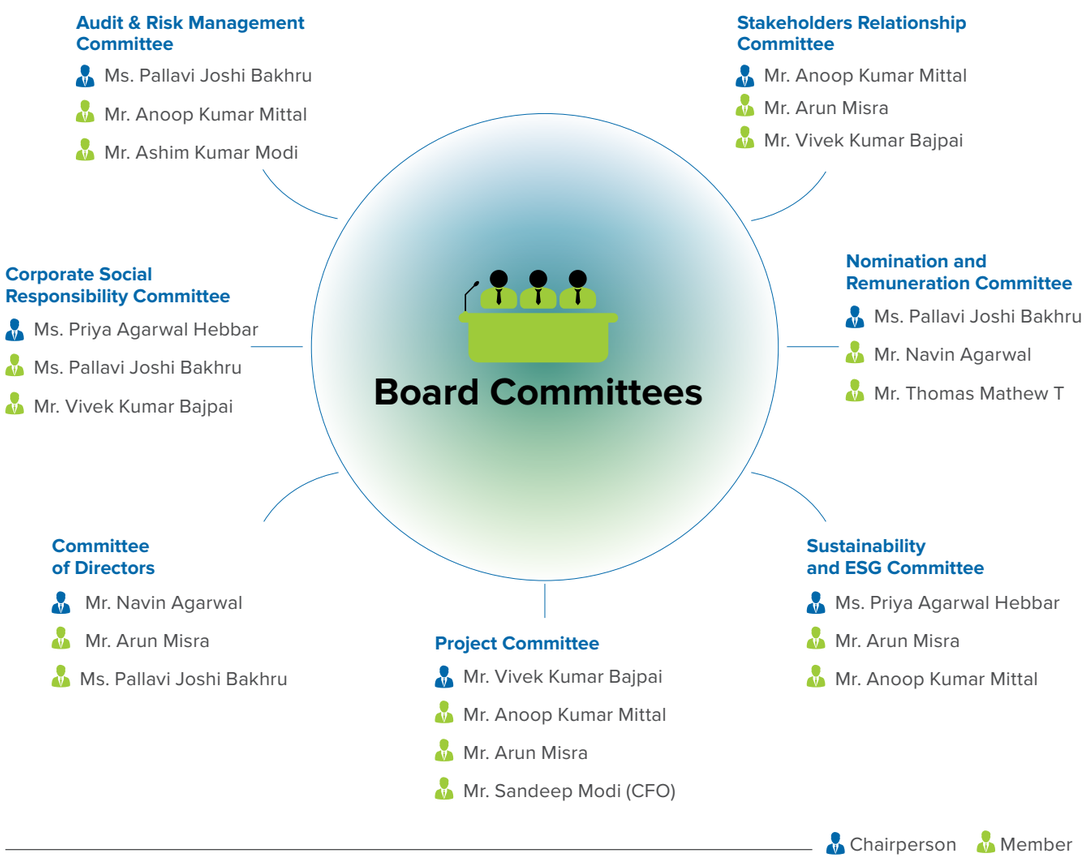
Hindustan Zinc Limited is guided by a strong governance framework that emphasises transparency, accountability, and ethical leadership. The Board of Directors provides strategic oversight, approves business plans, monitors performance, and ensures effective risk management. Comprising experienced professionals with diverse expertise in finance, mining, strategy, sustainability, and compliance, the Board fosters informed decision-making and drives long-term value creation for all stakeholders.

The Company follows well-defined policies and Board/Committee charters that ensure structured deliberations and accountability. Committees support the Board in overseeing operations, internal controls, and regulatory compliance. By maintaining independence, diversity, and rigorous governance practices, the Board ensures Hindustan Zinc continues to meet stakeholder expectations while promoting sustainable growth and societal value.

The profile of the Board of Directors is available at https://www.hzlindia.com/investors/corporate-governance

BOARD COMMITTEES

As on March 31, 2026, the Company has constituted Seven Board-level Committees to enhance governance focus and oversight in key areas, namely, Audit & Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee, Committee of Directors, Sustainability and ESG Committee and Project Committee.



CHANGES IN THE DIRECTORS/KEY MANAGERIAL PERSONNEL ("KMP") OF THE COMPANY DURING FY2026:

Director/KMP	Designation	Nature of Change (Appointment/ Reappointment/Cessation/Term completion)	Effective Date of Change
Mr. Arun Misra	CEO & Whole-time Director	Re-appointment	June 01, 2025
Mr. Akhilesh Joshi	Non-Executive Independent Director	Completion of second and final term	July 31, 2025
Ms. Nirupama Kotru	Non-Executive Nominee Director	Cessation	July 25, 2025
Mr. Ashish Chatterjee	Non-Executive Nominee Director	Appointment	July 25, 2025
Mr. Anoop Kumar Mittal	Non-Executive Independent Director	Appointment	August 01, 2025
Ms. Pallavi Joshi Bakhru*	Non-Executive Independent Director	Re-appointment	August 10, 2025
Mr. Kannan Ramamirtham	Non-Executive Independent Director	Completion of second and final term	August 31, 2025
Mr. Thomas Mathew T	Non-Executive Independent Director	Appointment	October 01, 2025
Mr. Ashish Chatterjee	Non-Executive Nominee Director	Cessation	October 10, 2025
Mr. Ashim Kumar Modi	Non-Executive Nominee Director	Appointment	October 17, 2025
Mr. Dinesh Mahur	Non-Executive Nominee Director	Cessation	January 19, 2026
Mr. Sandeep Vasant Kadam	Non-Executive Nominee Director	Appointment	January 19, 2026

* Ms. Pallavi Joshi Bakhru has resigned from the position of Non-Executive Independent Director of the Company with effect from close of business hours on April 30, 2026

Dr. Aruna Sharma has been appointed as an Additional Non-Executive Independent Director of the Company with effect from May 01, 2026

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF THE COMPANY AS ON MARCH 31, 2026

Name	Designation
Mr. Arun Misra	CEO & Whole-time Director
Mr. Sandeep Modi*	Chief Financial Officer
Ms. Aashhima V Khanna	Company Secretary & Compliance Officer

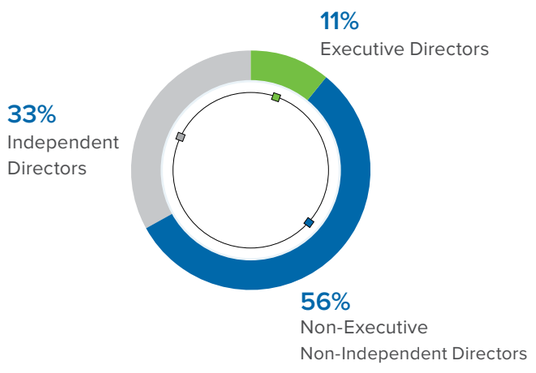
* Mr. Sandeep Modi resigned from the position of Chief Financial Officer of the Company with effect from close of business hours on May 30, 2026

BOARD COMPOSITION AND SIZE

The Board is constituted with an appropriate blend of experience, expertise and diversity, enabling it to provide effective strategic direction and oversight to the Company. The Board comprised a one-tier structure with an optimum mix of Executive, Non-Executive, Independent and Women Directors.

As on March 31, 2026, the Board consists of nine Directors, including one Executive Director and eight Non-Executive Directors, of which two are Women Directors. The Board currently includes three Independent Directors.

Board Composition as on March 31, 2026



The Chairperson of the Board is a Non-Executive Director and is related to the promoter. As per Regulation 17(1)(b) of SEBI (LODR), a minimum of fifty percent of the Board of Directors must be composed of Independent Directors. However, at the end of the financial year, the Company is short of Independent Directors. The matter is pending with the Ministry of Mines, Government of India, for appointment of more Independent Directors pursuant to the requirement of the Shareholder's Agreement.

DIVERSITY AND INCLUSION ("D&I")

The Company remains committed to fostering diversity at the Board level, recognising that varied perspectives strengthen governance and long-term sustainability. The Board Diversity Policy emphasises gender, race or ethnicity, nationality, country of origin, and cultural background, alongside professional skills and experience, to ensure balanced representation. Each director contributes unique competencies that enhance decision-making and oversight.

The Board Diversity Policy is available on the Company's website at https://www.hzlindia.com/uploads/HZL_Board_Diversity_Policy_final_19_04_2024_0088a8532c.pdf

KEY BOARD QUALIFICATIONS, EXPERIENCE, SKILLS AND ATTRIBUTES

The Board comprises highly qualified and experienced members who possess required qualifications, skills and attributes that is required by the Company. The core qualification, skills and attributes identified by the Board of Directors in the context of the Company's businesses which are required for effective functioning and are available with the Board are given below:

Executive & Business Leadership
Sustainable success in business at a senior executive level

Financial Expertise & Risk Management
Proficiency in financial accounting and reporting, corporate finance and internal controls, corporate funding, and associated risks management

Natural Resources
Senior executive experience in large domestic/global mining organisations involved in the discovery, acquisition, development and marketing of natural resources

Capital Projects
Experience working in an industry with projects involving large-scale long-cycle capital outlays

Global Experience
Experience of working/handling multiple Indian/global locations, exposed to a range of political, cultural, regulatory and business environments

Sustainability & ESG
Familiarity with issues associated with workplace health and safety, asset integrity, sustainability, environment & social responsibility and communities

Corporate Governance
Experience with a major organisation that demonstrates rigorous governance standards

Government & Industry Associations/Chambers
Interaction with government and regulators and involvement in public policy advocacy

Technology/Digital/ Cyber Security
A strong understanding of technology and innovation, and the development and implementation of initiatives to enhance production

Mergers & Acquisition
Experience in corporate transactions, actions and joint ventures

Industry experience - Metals & Mining
Knowledge and experience in the metals and mining sector as defined under the Global Industry Classification Standard

Board members representation

Criteria	Specification	Number
By age group	Up to 45 years	1
	Between 46 and 55 years	3
	Over 55 years	5
By gender	Men	7
	Women	2
By tenure	Up to 2 years	5
	Between 2 and 4 years	2
	Over 4 years	2
Average tenure of Board members	4.33 years	

BOARD OF DIRECTORS

Ms. Priya Agarwal Hebbar

Chairperson Non-Executive Director

DIN: 05162177

Age:	**36 years**
Nationality	United States of America
Initial Date of Appointment	January 19, 2023
Date of Re-appointment (by rotation)	August 25, 2025
Tenure Till	NA
Tenure as on March 31, 2026	3.2 years
Relationship with other Directors	Relative of Mr. Navin Agarwal
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited	Non-Executive Director
No. of Directorships in Public Limited Companies	Listed - 2 & Unlisted - 1
Member/Chairperson in Committee(s)	
Member:	Nil
Chairperson:	Nil

Areas of Expertise:

Mr. Navin Agarwal

Non-Executive Director

DIN: 00006303

Age:	**65 years**
Nationality	Indian
Initial Date of Appointment	April 11, 2002
Date of Re-appointment (by rotation)	August 09, 2021 and July 29, 2024
Tenure Till	NA
Tenure as on March 31, 2026	24 years
Relationship with other Directors	Relative of Ms. Priya Agarwal
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited	Executive Director
No. of Directorships in Public Limited Companies	Listed - 2
Member/Chairperson in Committee(s)	
Member:	Nil
Chairperson:	Nil

Areas of Expertise:

Mr. Vivek Kumar Bajpai

Non-Executive Nominee Director

DIN: 10717439

Age:	**50 years**
Nationality	Indian
Initial Date of Appointment	July 24, 2024
Date of Re-appointment (by rotation)	-
Tenure Till	NA
Tenure as on March 31, 2026	1.7 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
National Aluminium Company Limited	
No. of Directorships in Public Limited Companies	Listed - 2
Member/Chairperson in Committee(s)	
Member:	1
Chairperson:	Nil

Areas of Expertise:

Mr. Arun Misra

Executive Director (Chief Executive Officer and Whole-time Director)

DIN: 01835605

Age:	**60 years**
Nationality	Indian
Initial Date of Appointment	August 01, 2020
Date of Re-appointment	June 01, 2025
Tenure Till	May 31, 2026
Tenure as on March 31, 2026	5.7 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited	Executive Director
No. of Directorships in Public Limited Companies	Listed - 2 & Unlisted - 3
Member/Chairperson in Committee(s)	
Member:	3
Chairperson:	Nil

Areas of Expertise:

Mr. Anoop Kumar Mittal

Non-Executive Director Independent Director

DIN: 05177010

Age:	**66 years**
Nationality	Indian
Initial Date of Appointment	August 01, 2025
Date of Re-appointment	-
Tenure Till	July 31, 2027
Tenure as on March 31, 2026	0.7 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
JSW Infrastructure Limited, Welspun Enterprises Limited, Berger Paints India Limited and Interarch Building Solutions Limited	
No. of Directorships in Public Limited Companies	Listed - 5 & Unlisted - 3
Member/Chairperson in Committee(s)	
Member:	8
Chairperson:	2

Areas of Expertise:

Ms. Pallavi Joshi Bakhru*

Non-Executive Independent Director

DIN: 01526618

*Resigned with effect from April 30, 2026

Age:	**58 years**
Nationality	Indian
Initial Date of Appointment	August 10, 2023
Date of Re-appointment	August 10, 2025
Tenure Till	August 09, 2027
Tenure as on March 31, 2026	2.6 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited, Neuland Laboratories Limited, and Gabriel India Limited	
No. of Directorships in Public Limited Companies	Listed - 4 & Unlisted - 1
Member/Chairperson in Committee(s)	
Member:	7
Chairperson:	4

Areas of Expertise:

Mr. Thomas Mathew T

Non-Executive Independent Director

DIN: 00130282

Age:	**73 years**
Nationality	Indian
Initial Date of Appointment	October 01, 2025
Date of Re-appointment	-
Tenure Till	September 30, 2027
Tenure as on March 31, 2026	0.5 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
	Nil
No. of Directorships in	
Public Limited Companies	Listed - 1 & Unlisted - 2
Member/Chairperson in Committee(s)	
Member:	2
Chairperson:	2

Areas of Expertise:

Mr. Ashim Kumar Modi

Non-Executive Nominee Director

DIN: 11342680

Age:	**50 years**
Nationality	Indian
Initial Date of Appointment	October 17, 2025
Date of Re-appointment (by rotation)	-
Tenure Till	NA
Tenure as on March 31, 2026	0.45 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Coal India Limited	
No. of Directorships in Public Limited Companies	Listed - 2 & Unlisted - 2
Member/Chairperson in Committee(s)	
Member:	Nil
Chairperson:	4

Areas of Expertise:

Mr. Sandeep Vasant Kadam

Non-Executive Nominee Director

DIN: 08414389

Age:	**47 years**
Nationality	Indian
Initial Date of Appointment	January 19, 2026
Date of Re-appointment (by rotation)	-
Tenure Till	NA
Tenure as on March 31, 2026	0.2 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
	Nil
No. of Directorships in Public Limited Companies	Listed - 1 & Unlisted - 1
Member/Chairperson in Committee(s)	
Member:	Nil
Chairperson:	Nil

Areas of Expertise:

Notes:

- The details provided above are as on March 31, 2026
- The number of Directorships in public limited (listed & unlisted) companies includes Hindustan Zinc Limited
- The number of Directorships excludes private companies, foreign companies, and companies under Section 8 of the Companies Act, 2013 ("the Act")
- For membership and chairpersonship in Committees, only Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of the Listing Regulations. Also, all public limited companies, whether listed or not, have been included and all other companies including private companies, foreign companies and companies under Section 8 of the Act, have been excluded
- In the Committee details provided, every chairpersonship is also considered as membership
- The Company has not issued any convertible instruments. Hence, none of the Directors hold any such instruments
- All the appointments of Executive and Non-Executive Directors have been approved by the shareholders of the Company

DECLARATION AND CONFIRMATIONS

With respect to directorship and membership of the Directors, it is hereby confirmed that:

1. None of the Directors:

- serves as a Director, including alternative Directorship in more than 20 (twenty) companies or is a Director in more than 10 (ten) public limited companies in terms of Section 165 of the Companies Act, 2013 ("the Act");
- holds Directorship in more than 7 (seven) listed entities pursuant to Regulation 17A (1) of Listing Regulations;
- Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act;
- acts as an Independent Director in more than 7 (seven) listed entities pursuant to Regulation 17A (1) of Listing Regulations;
- who serves as a Whole-time Director of the Company, is serving as an Independent Director in more than 3 (three) listed entities pursuant to Regulation 17A (2) of Listing Regulations;
- is a member of more than 10 (ten) Board-level Committees of Indian public limited companies;
- is a Chairperson of more than 5 (five) committees across all companies in which he/she is a Director.

2. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and Listing Regulations.

PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS

The Company considers Board evaluation as an essential mechanism to strengthen governance practices and drive continuous improvement in Board effectiveness. The evaluation process covers a holistic assessment of the Board and its Committees, including composition, functioning, engagement, decision-making effectiveness and alignment with strategic priorities. It also reviews individual Directors' contributions, with a view to identifying strengths and developmental areas to further enhance overall performance and governance standards.

Nomination and Remuneration Committee (NRC) has formulated a comprehensive Policy on Board, Committee and Director evaluation, duly approved by the Board. The evaluation framework is aligned with applicable regulatory provisions and is disclosed in the Board's Report.

During the year, the evaluation was conducted through an independent third-party assessment using a structured digital questionnaire-based process. The exercise covered the Board as a whole, its Committees and individual Directors. The Company engaged Deloitte Haskins & Sells LLP (DHS), to facilitate the evaluation process in an objective and structured manner.

The consolidated feedback and key observations arising from the evaluation were reviewed by the Chairperson of the NRC and subsequently placed before the Board. The outcomes indicated a strong level of effectiveness across the Board and its Committees, with active participation and constructive contribution from all Directors. The evaluation reaffirmed the collective strength of the Board in terms of experience, diversity and governance orientation, while also identifying areas for continued enhancement.

NO PERMANENT BOARD SEAT

In accordance with Regulation 17(1D) of the Listing Regulations, the Company ensures that no Executive, Non-Executive or Independent Director holds a permanent position on the Board. Independent Directors may be appointed for up to two terms of five years each, in line with applicable law. Non-Executive Directors are liable to retire by rotation at the Annual General Meeting and their tenure since last re-appointment has not exceeded five years. Similarly, the tenure of Executive Directors has not exceeded five years since their last re-appointment.

INFORMATION SUPPLIED TO THE BOARD

The Board is provided with timely, well-structured, and comprehensive information to support informed decision-making and effective oversight. Detailed agenda notes, along with relevant supporting documents, are shared in advance and made available on a secure digital platform, enabling Directors to easily review materials and share their inputs.

At each quarterly Board meeting, the CEO and CFO present a detailed review of operational, financial, and non-financial performance, covering key business developments, strategic priorities, and future outlook. The updates also include progress on major projects, capital allocation, sustainability initiatives such as environment, health and safety, corporate social responsibility, as well as regulatory, advocacy, and litigation matters. In addition, detailed information on investments, borrowings, risk management and compliance is shared as part of the agenda documents, ensuring a complete view of the Company's performance and governance practices. The Board is also provided with the following detailed information as part of the agenda documents:

- Annual and quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of all the Board Committees and subsidiaries
- Near term outlook of the operations along with annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and their status monitoring
- Materially important notices of show cause, demand, prosecution and penalty, if any
- Fatal accidents or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods purchased by the Company, if any
- Any issue involving possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Details of any joint venture or significant collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property, if any
- Significant labour issues and their proposed solutions, whenever necessary
- Any significant development in human resources or industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Sale and purchase of material equity investments and fixed assets, which is not in the normal course of business, if any
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividends, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Corporate Social Responsibility activities
- Substantial non-receipt of payments for goods sold by Company
- Related Party Transactions, if they are not at arm's-length or not in the ordinary course of business along with the minimum information as required under the Listing Regulations
- Operation/performance updates of subsidiary companies
- ESG and sustainability performance review against 2030 goals and materiality assessment
- All the information required to be placed before the Board under Part A of Schedule II of the Listing Regulations
- All other matters required to be placed before the Board for its review or information or approval under the statutes.

BOARD AND EXECUTIVE LEADERSHIP REMUNERATION POLICY

The Company's Remuneration Policy is designed to ensure a fair, transparent, and performance-linked compensation framework aligned with long-term business objectives and shareholder interests. It reflects a balancing fixed pay with performance-based incentives to drive accountability and results. The policy supports the motivation, and retention of high-calibre talent across the Board and senior leadership. Remuneration structures are aligned with individual performance, Company performance, and sustainable value

creation. It also upholds principles of governance, equity, and pay-for-performance, while remaining consistent with regulatory requirements. Overall, the policy reinforces a strong linkage between rewards, responsibilities, and the Company's long-term growth strategy.

Remuneration to Non-Executive Directors

The members at the Annual General Meeting held on August 08, 2022 approved the payment of remuneration by way of commission to the Non-Executive Directors of the Company, except Government Nominee Directors in the employment of the Government, of a sum not exceeding 1% per annum of the net profits of the Company, computed in the manner referred to in Section 198 of the Companies Act 2013, for a period of five financial years commencing from April 01, 2022, to be distributed in such manner and proportion as may be decided and approved by the Board from time to time. The remuneration paid to the Non-Executive Directors during FY2026 is within the limits approved by the shareholders at the said meeting. In addition to the commission, the Non-Executive Directors, except Government Nominee Directors in the employment of the Government, are paid sitting fees for attending Board meetings and Committees meeting of the Board.

Remuneration to Chief Executive Officer & Whole-time Director

The remuneration paid to Mr. Arun Misra, CEO & Whole-time Director is as per the approval granted by the Board and the shareholders.

Approach towards Remuneration of Mr. Arun Misra, CEO & Whole-time Director is detailed below:

The remuneration structure is in line with the relevant industry peers, and it is benchmarked periodically to ensure it provides enough excitement and motivation to the individuals to stretch and aim to deliver beyond the set KPIs and business plan targets.

The CEO's performance-based compensation is determined through a combination of the Company's financial returns (return on assets, equity, invested capital), total shareholder return, volume growth of integrated metal, non-financial indicators such as leadership, progress on strategic goals, and contribution to sustainability performance.

- **Fixed Pay:** This is a fixed component of compensation including the basic salary, house rent allowance, personal allowance, statutory benefits such as provident fund, leave travel allowance, etc. as per employment contract and aims to ensure to remunerate the individual for their KPIs which are inclusive of operational, financial, people, carbon footprint, water footprint and other ESG parameters
- **Grade Linked Benefits:** Grade-wise benefits given to employees include vehicle maintenance allowance, furniture allowance and car benefit, cell phone and sim card benefits reimbursable to employees in accordance with the Group Policy.
- **Annual Bonus:** The bonus scheme as part of the total rewards philosophy is a testament to the high performance and results-driven culture and is linked to Company/business and individual performance for the financial year in accordance with the business plan targets approved by the Board. CEO's annual bonus has a weightage of 60% (Hindustan Zinc scorecard) and 40% (Group scorecard).

#	Bucket	Performance Parameters	Weightage FY2026	Multiplier	
				APA Rating	Fatality
1	Organisational Parameters	Volume, COP & Reserves Creation	60%	A - 125% B - 100% C - 50% D - 0%	Nil - 100% 1 - 90% 2 - 80% >2 - 75%
2		EBITDA, FCF			
3		Strategic / Regulatory Objectives			
4	HSE Parameters	Safety (5%)	15%		
5		Sustainability / (VSAP) (10%)			
6	People Metrics	1) Management in Place	5%		
		2) Talent Retention/Development			
		3) Employee Engagement			
7	Individual Performance	Annual Performance Appraisal (APA) Rating	20%		
Total			**100%**		

Strategic Objectives: 1/3rd of the organisational performance-metric weightage shall be attributed to strategic objectives as indicated below for FY2026:

1. Timely commissioning and ramp-up of Roaster 6 and production of additional 47 kt metal in FY2026
2. Complete Milestones of Fertiliser project in FY2026 as per Business Plan
3. Commissioning and ramp-up of debottle-necking project and delivery of 12 kt volume in FY2026
4. Achieve silver volume of 33 MT through Fumer project

- **Long-Term Incentive Plan:** Employee Stock Option Scheme (of Holding Company) is a conditional share plan for rewarding performance on pre-determined performance criteria and continued employment with the Company during the vesting period of 36 months from the date of grant. The pre-determined performance criteria shall focus on rewarding him for Company performance and superior individual performance.

  Mr. Arun Misra is eligible for an annual grant of up to a maximum of 100% of his fixed pay, subject to necessary approvals. The vesting may range between 0% and 125% of the target number of units based on achievement of specified goals/KPIs over the three-year period.

- **Performance parameters:**

Business Category	Business Performance (50%)				Individual Performance	Management Discretion	Multiplier	
	Vol	COP	NSR	ESG / Carbon Footprint			APA Rating	Nil Fatality
Hindustan Zinc	60%	15%	10%	15%	30%	20%	Sustained 3 years rating	105%

The target, threshold and corresponding actual performance values of business-wise metrices shall be the same as will be used for computing the Annual Bonus for the respective financial years under the approved Annual Bonus Scheme for the year.

Performance Period:

Business Performance: The performance period for the business/SBU performance-based option will be a period of 3 financial years (April 1 – March 31), i.e., FY2024, FY2025 and FY2026.

Sustained Individual Performance: The performance period for the individual performance-based option will be a period of 3 financial years (April 1 – March 31), i.e., FY2024, FY2025 and FY2026.

Management Discretion: Vesting period from Date of Grant to Date of Vesting.

The overall vesting basis performance will be on completion of the vesting period. Furthermore, for an employee to be eligible for performance-based vesting, he/she is required to be in continued employment as on the date of vesting.

Other incentive programmes such as monthly incentives, production incentives, etc., will continue to be paid with 100% linkage to key business outcomes including safety performance (fatality).

Claw Back Policy: Annual performance pay of employees including the CEO and Key Managerial Personnel (KMPs) is subject to clawback and malus provisions (which includes clawback of the already paid amount and/or forfeiture of the outstanding amount). This is applied:

a. On grounds of indiscipline, violation of Code of Conduct, ethics, integrity or governance
b. Misrepresentation of performance achievement of the business resulting in an increased pay-out
c. Clawback clause is also applicable to employees receiving retention bonuses as a reward

Remuneration paid to Directors for the year ended March 31, 2026

(in ₹ Lakhs)

Name of the Director	Relationship with other Directors	Sitting Fees	Salary and Perquisites	Provident, and Superannuation Funds	Commission to NED and performance incentive to CEO & WTD*	Total	Vedanta Limited ESOS 2023; ESOS 2024; ESOS 2025 (Number of shares)
Chief Executive Officer and Whole-time Director							
Mr. Arun Misra	None	-	920.75	41.44	284.8	1,246.99	3.05
Non-Executive Independent Director							
Mr. Akhilesh Joshi#	None	3.00	-	-	9.83	12.83	-
Mr. Kannan Ramamirtham##	None	3.00	-	-	12.54	15.54	-
Ms. Pallavi Joshi Bakhru	None	5.50	-	-	29.93	35.43	-
Mr. Anoop Kumar Mittal	None	3.75	-	-	19.57	23.32	
Mr. Thomas Mathews T	None	2.25	-	-	14.66	16.91	
Non-Executive Non-Independent Director							
Ms. Priya Agarwal Hebbar###	Refer note	4.00	-	-	31.00	35.00	-
Mr. Navin Agarwal###	Refer note	5.25	-	-	29.93	35.18	-

Notes:

*The performance incentive to CEO & WTD is for FY2025, which was paid during FY2026

#ceased as Director w.e.f. July 31, 2025

##ceased as Director w.e.f. August 31, 2025

Ms. Priya Agarwal is niece of Mr. Navin Agarwal

As of March 31, 2026, details of shareholdings of the Directors are provided in the Board of Directors section above. The Directors have no pecuniary relationships or transactions with the Company, except as disclosed therein. The Company has not granted any stock options to its Directors, and none of the Directors hold any shares in the Company.

Company does not give any ESOP to its employees/ Directors. However, executive leadership team/certain executives of the Company are given ESOP by its Holding Company i.e. Vedanta Limited.

During FY2026, the Company did not advance any loan or advance in nature of loan or guarantee to any of its Directors or firms/Companies in which the Directors are interested.

We hereby confirm that as required under Section 197 and Schedule V of the Companies Act, 2013:

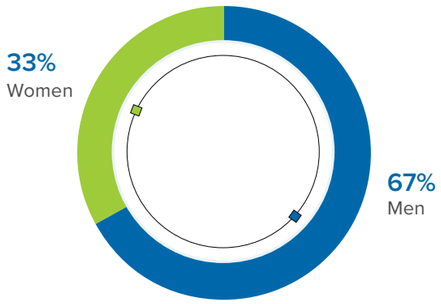
- The total managerial remuneration paid/payable for FY2026 does not exceed 11% of the net profit of the Company
- The total remuneration received by CEO & WTD of the Company does not exceed 5% of the net profit of the Company
- The total remuneration received by the Non-Executive Directors does not exceed 1% of the net profit of the Company
- None of the Non-Executive Directors, have received remuneration exceeding 50% of the total annual remuneration payable to all Non-Executive Directors

INDEPENDENT DIRECTORS

The Independent Directors of the Company abide by the definitions/criteria prescribed in the Act and Listing Regulations. Based on the disclosures received from all the Independent Directors and in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act, the Listing Regulations and are independent of the Management.

The Board consists of 3 (three) Independent Directors, out of which, one is a woman Director.

Independent Directors



SEPARATE MEETING OF INDEPENDENT DIRECTORS

Regulation 25(3) of SEBI LODR and Schedule IV of the Act, read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management.

At such meetings, the Independent Directors, inter alia, discuss and review the performance of Non-Independent Directors and the Board as a whole, Chairperson of the Company and assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

During FY2026, the Independent Directors met without the presence of other Directors and management on March 26, 2026, where all Independent Directors were present, and the meeting was chaired by Mr. Anoop Kumar Mittal.

We also confirm that during FY2026, none of the Independent Director(s) of the Company resigned before the expiry of their tenure.

DECLARATIONS FROM INDEPENDENT DIRECTORS

The Company has received declarations from the Independent Directors that they meet the criteria of independence stipulated under Section 149 of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulations 16(1)(b), 25(1) and 25(8) of the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

The Independent Directors under Regulation 25(8) of the Listing Regulations have confirmed that to the best of their knowledge, they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent judgement and without any external influence.

Based on the declaration(s) received from the Independent Directors, the Board has confirmed the veracity of such disclosures and confirmed that the Independent Directors fulfil the conditions of independence specified in the Act and the Listing Regulations and are independent of the management of the Company.

FAMILIARISATION PROGRAMME FOR DIRECTORS

During the year, the Board was regularly apprised of all business-related matters, including operations, key risks, mitigation measures and strategic initiatives. Directors were also updated on applicable regulatory provisions, including the Act, Insider Trading Regulations and Listing Regulations. All new Directors, including Independent Directors, are provided with a formal induction and orientation upon appointment. Periodic presentations were made at Board and Committee meetings on business performance, global business environment, strategy, risks, sustainability, ESG and cybersecurity matters. These programmes are designed to provide comprehensive insights into the Company and its operating landscape. It enables the Directors to stay informed about emerging challenges, risks and opportunities.

Details of the familiarisation programme are available on the website of the Company at https://www.hzlindia.com/uploads/HZL-Familiarization-Program.pdf

DIRECTORS AND OFFICERS INSURANCE

In compliance with the provisions of the Act and Listing Regulations, the Company has taken a Director's and Officer's (D&O) Liability Insurance Policy to indemnify Directors, Officers or any employee acting in a managerial capacity, against any personal liability or legal action coming onto them whilst discharging fiduciary responsibilities in relation to the Company.

SUCCESSION PLANNING

The Company firmly believes that succession plans, including the CEO's succession plan, should be proactive and rigorous to identify and secure the best possible talent, the Company aims to secure skilled individuals who can effectively guide the organisation, maintain operational excellence, and drive sustainable growth. Additionally, a proactive succession strategy also supports business continuity and enables the organisation to adapt to evolving challenges and opportunities. It involves a process that recognises, develops and retains top leadership talent and further helps in identifying key roles and mapping out ways to ensure the organisation has the right people with the right blend of skills, aptitude, expertise and experiences, in the right place and at the right time.

The Human Resources team of the Company works in close coordination with the Nomination & Remuneration Committee (NRC) for a structured leadership succession plan.

The Board, with the support of the Nomination & Remuneration Committee, keeps under constant review the composition of the Board and its Committees, succession planning, diversity, inclusion and remuneration-related matters.

COMMITTEES OF THE BOARD

The Company has seven Board-level Committees – Audit & Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Sustainability & ESG Committee, Committee of Directors, and Project Committee. The Company Secretary officiates as the Secretary of these Committees.

All decisions pertaining to the constitution of Committees, the appointment of members and the fixing of terms of reference for Committee members are taken by the Board of Directors. The minutes of the Committee meeting are placed before the Board for their review and noting.

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:

Composition of Committees as on March 31, 2026

Name of Director	Audit and Risk Management Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Sustainability and ESG Committee	Committee of Directors	Project Committee[$]
Ms. Priya Agarwal Hebbar*	--	--	--	Chairperson	Chairperson	--	-
Mr. Navin Agarwal	--	--	Member	--	--	Chairperson	-
Mr. Vivek Kumar Bajpai**	--	Member	--	Member	--	--	Chairperson
Mr. Arun Misra	--	Member	--	--	Member	Member	Member
Ms. Pallavi Joshi Bakhru***	Chairperson	--	Chairperson	Member	--	Member	-
Mr. Anoop Kumar Mittal[#]	Member	Chairperson	--	--	Member	--	Member
Mr. Ashim Kumar Modi[##]	Member	--	--	--	--	--	-
Mr. Thomas Mathew T[###]	-	--	Member	--	--	--	-
Mr. Sandeep Modi (CFO)	-	-	-	-	-	-	Member
Total No. of Members	**3**	**3**	**3**	**3**	**3**	**3**	**4**

Note:

*Ms. Priya Agarwal Hebbar has been appointed as the Chairperson of Sustainability & ESG Committee w.e.f. January 21, 2026

**Vivek Kumar Bajpai has been appointed as a member of the Corporate Social Responsibility Committee w.e.f. July 25, 2025

*** Ms. Pallavi Joshi Bakhru has been appointed as the Chairperson of the Audit & Risk Management Committee and Nomination and Remuneration Committee w.e.f. September 01, 2025 and August 1, 2025 respectively. She was also appointed as a member of Committee of Directors and Corporate Social Responsibility Committee w.e.f. September 01, 2025 and July 25, 2025, respectively

[#] Mr. Anoop Kumar Mittal has been appointed as Member of Audit & Risk Management Committee and Sustainability & ESG Committee w.e.f. September 01, 2025. He was appointed as the Chairperson on Stakeholders Relationship Committee w.e.f. September 01, 2025

[##] Mr. Ashim Kumar Modi has been appointed as the Member of Audit & Risk Management Committee w.e.f. December 01, 2025

[###] Mr. Thomas Mathew has been appointed as the member of Nomination and Remuneration Committee w.e.f. October 01, 2025

[$] Project committee was established during the year by the Board of Directors at its meeting held on August 18, 2025

Board and Committee Meetings held during FY2026

The meetings of the Board of Directors and its Committees are scheduled at regular intervals, with prior notice and detailed agenda papers circulated well in advance to facilitate informed decision-making. The interval between any two consecutive Board or committee meetings did not exceed the stipulated timelines mentioned in the law during the year, in compliance with applicable regulatory requirements. The annual calendar of Board and Committee meetings is finalised at the beginning of each financial year. In case of any exigency or urgent business requirement, resolutions are passed by circulation by the Board of Directors or the respective Committee, and are subsequently placed before the Board/ Committee for noting at the next meeting.

Meeting	Q1 Apr-Jun	Q2 July-Sep	Q3 Oct-Dec	Q4 Jan-March
Board	April 25, 2025 June 17, 2025	July 18, 2025 August 18, 2025	October 17, 2025	January 19, 2026 March 27, 2026
Audit & Risk Management Committee	April 25, 2025	July 18, 2025	October 17, 2025 November 21, 2025	January 19, 2026 March 19, 2026
Nomination and Remuneration Committee	April 25, 2025 June 17, 2025	_	October 17, 2025	March 27, 2026
Stakeholders Relationship Committee				February 11, 2026
Corporate Social Responsibility Committee	April 24, 2025	_	November 06, 2025	_
Sustainability and ESG Committee		_	November 28, 2025	_
Committee of Directors	June 25, 2025	September 15, 2025		January 23, 2026
Project Committee	_	_	November 21, 2025	_

ATTENDANCE FOR BOARD AND COMMITTEE MEETINGS HELD DURING FY2026

Name of Director/Member	Whether attended AGM held on August 25, 2025	Board Meeting		Audit & Risk Management Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsi-bility Committee	Sustainability and ESG Committee	Committee of Directors	Project Committee
		(Attended/ Entitled)	% of Attendance	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)
Ms. Priya Agarwal Hebbar	Yes	7/7	100	-	-	-	2/2	-	-	
Mr. Navin Agarwal	No	7/7	100	-	4/4	-	-	-	3/3	
Mr. Anoop Kumar Mittal	Yes	4/4	100	4/4	-	1/1	-	1/1	-	1/1
Mr. Arun Misra	Yes	7/7	100	-	-	1/1	-	1/1	3/3	1/1
Mr. Akhilesh Joshi	NA	3/3	100	2/2	2/2	-	1/1	-	1/1	
Ms. Pallavi Joshi Bakhru	Yes	6/7	85.71	4/4	2/2	-	1/1	-	2/2	
Mr. Kannan Ramamirtham	Yes	4/4	100	2/2	2/2	-	-	-	-	
Mr. Ashish Chatterjee	No	0/1	0.00	-	-	-	-	-	-	
Ms. Nirupama Kotru	No	0/3	0.00	0/2	-	-	0/1	-	-	
Mr. Vivek Kumar Bajpai	No	6/7	85.71	1/2	-	1/1	0/1	-	-	1/1
Mr. Dinesh Mahur	No	4/6	66.66	-	-	-	-	1/1	-	
Mr. Thomas Mathew T	NA	3/3	100	-	2/2	-	-	-	-	
Mr. Ashim Kumar Modi	NA	3/3	100	2/2	-	-	-	-	-	
Mr. Sandeep Vasant Kadam	NA	1/1	100	-	-	-	-	-	-	
Mr. Sandeep Modi (CFO)	Yes	-	-	-	-	-	-	-	-	1/1

- Ms. Nirupama Kotru, Mr. Ashish Chatterjee, and Mr. Dinesh Mahur ceased to be Non-Executive Nominee Directors of the Company with effect from July 25, 2025, October 10, 2025, and January 19, 2026, respectively.
- Mr. Ashish Chatterjee, Mr. Ashim Kumar Modi, and Mr. Sandeep Vasant Kadam were appointed as Non-Executive Nominee Directors of the Company with effect from July 25, 2025, October 17, 2025, and January 19, 2026, respectively.
- Mr. Akhilesh Joshi and Mr. Kannan Ramamirtham ceased to be Non-Executive Independent Directors of the Company with effect from July 31, 2025, and August 31, 2025, respectively.
- Mr. Anoop Kumar Mittal and Mr. Thomas Mathew T were appointed as Non-Executive Independent Directors of the Company with effect from August 01, 2025, and October 01, 2025, respectively.
- Pursuant to Section 167 of the Act, a Director shall incur disqualification if he/she does not meet the minimum attendance criteria and absents himself/herself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence from the Board. All Directors of the Company have duly met the attendance criteria during FY2026.
- Average Board meeting attendance during FY2026 was 87.30%.

AUDIT & RISK MANAGEMENT COMMITTEE

Name of the Member	Position
Ms. Pallavi Joshi Bakhru (Independent Director)	Chairperson
Mr. Anoop Kumar Mittal (Independent Director)	Member
Mr. Ashim Kumar Modi (Non-Executive Nominee Director)	Member

67% Independence

3 Members

6 Meetings

83.33% Attendance

All members of the Audit & Risk Management Committee are financially literate and have strong industry expertise. The Committee is chaired by a member with audit, accounting and financial management experience, ensuring effective oversight of financial reporting and risk management.

The Audit & Risk Management Committee is one of the main pillars of the Corporate Governance of the Company. The Committee acts as a link among the management, Statutory Auditors, Internal Auditors and the Board to oversee the financial reporting process of the Company. The primary function of the Audit & Risk Management Committee of the Board includes:

- monitoring and providing effective supervision of the financial reporting process
- reviewing the efficacy of the risk management systems
- maintaining robustness of internal financial controls and risk management frameworks including cyber security
- reviewing and approving of Related Party Transactions

Generally, the Committee Meetings are held prior to the Board Meeting and the Chairperson of the respective Committee reports to the Board about the deliberations and decisions taken by the Committees. The Company Secretary is the secretary to this Committee.

The Committee, in its meetings, in addition to the members also has the following set of invitees:

- The Chief Executive Officer & Whole-time Director, Chief Financial Officer, Head of Management Assurance Cell
- The representatives of Internal Auditors
- Audit & Risk Management Committee Meeting Invitees
- The representatives of Statutory Auditors

Each of the member of the Audit & Risk Management Committee are financially literate and have relevant experience in financial management. The Committee brings a wealth of expertise in accounting and financial management. In discharging its oversight responsibilities transparently and efficiently, the Committee primarily relies on the expertise and knowledge of the management, the Internal Auditors, and the Statutory Auditor, and also uses external expertise, if required.

The quorum for the Audit & Risk Management Committee meeting shall either be two members or one-third of the members of the Committee, whichever is greater, with at least two Independent Directors. The Audit & Risk Management Committee functions in accordance with its constitution and charter, framed in compliance with Companies Act, 2013 and SEBI (LODR) Regulations.

Role and function of the Audit & Risk Management Committee:

The role, powers and terms of reference of the Audit Committee covers all the areas prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 (3) read with Schedule II, Part C of the Listing Regulations besides other terms as referred by the Board of Directors from time to time. The role of Audit Committee broadly includes the following:

- Recommend appointment, remuneration and terms of appointment of Auditors of the Company and payment for any other services rendered by them
- Review and monitor their independence and performance, and effectiveness of audit process
- Oversight of the Company's financial reporting process, reviewing the quarterly and annual financial statements and the auditor's report thereon before submission to the Board for approval and to ensure that the financial statements are correct, sufficient and credible
- Approval or any subsequent modification of transactions of the Company with related parties
- Review of the quarterly and half yearly financial results with the management and the Statutory Auditors
- Scrutiny of inter-corporate loans and investments
- Reviewing and monitoring performance of Auditors, adequacy of the internal control systems, risk management systems and internal audit function
- 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
- Consideration of the reports of the Internal Auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary
- Review the functioning of the Whistle Blower mechanism
- Approval of the appointment of Chief Financial Officer

The role, powers and terms of reference of the Risk Management Committee covers all the areas prescribed under Schedule II, Part D, Para C of the Listing Regulations besides other terms as referred by the Board of Directors from time to time. The role of Risk Management Committee broadly includes the following:

Risk Management

- Review of the risk management framework, risk profile, significant risks, risk matrix and resulting action plans
- Review of the significant audit risks with the Statutory Auditor during interim review and year-end audit
- Oversight over the effective implementation of the risk management framework across various businesses
- Assurance of appropriate measures in the organisation to achieve prudent balance between risk and reward in both ongoing and new business activities
- Evaluation of significant and critical risk exposures for assessing management's action to mitigate or manage the exposures in a timely manner
- Formulate, monitor and review risk management policy and plan, inter alia, covering cyber security risks, data privacy risks.

The Audit & Risk Management 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, and
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary

The schedule of Audit & Risk Management Committee meetings held in FY2026 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the Audit & Risk Management Committee during FY2026.

STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

Name of the Member	Position
Mr. Anoop Kumar Mittal (Independent Director)	Chairperson
Mr. Arun Misra (CEO & Whole-time Director)	Member
Mr. Vivek Kumar Bajpai (Non-Executive Nominee Director)	Member

33.33% Independence

3 Members

1 Meetings

100% Attendance

The Company Secretary is the secretary to this Committee.

Role and function of the Stakeholders Relationship Committee :

The role, powers and terms of reference of the Stakeholders Relationship Committee covers all the areas prescribed under Section 178 of the Companies Act, 2013 and Regulation 20(4) read with Schedule II, Part D, Para B of the Listing Regulations besides other terms as referred by the Board of Directors from time to time. The Stakeholders Relationship Committee looks into various aspects of interest of shareholders and other security holders, and its role broadly includes the following:

- Consider and resolve the complaints/grievances of security holders
- Review measures taken for effective exercise of voting rights by shareholders
- Review adherence to service standards adopted in respect of services being rendered by the Registrar and Share Transfer Agent
- Review measures for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by shareholders
- Review status of transfer of dividend and shares to Investor Education and Protection Fund and refund thereof by Investor Education and Protection Fund

The schedule of SRC meetings held in FY2026 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the SRC during FY2026.

Details of investor grievances received and addressed by the Company during FY2026 are given below:

Nature of complaints received and attended during FY2026

1	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/BSE/National Stock Exchange/SEBI complaint redressal system/ Online dispute resolution platform and so on	15
2	Number of complaints resolved	15
3	Number of complaints not resolved to the satisfaction of the investors as on March 31, 2026	0
4	Complaints pending as on March 31, 2026	0
5	Number of share transfers pending for approval, as on March 31, 2026	0

Note: The Company received Nil complaints with respect to Non-Convertible Debentures.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Name of the Member	Position
Ms. Priya Agarwal Hebbar (Chairperson Non-Executive Director)	Chairperson
Ms. Pallavi Joshi Bakhru (Independent Director)	Member
Mr. Vivek Kumar Bajpai (Non-Executive Nominee Director)	Member

33% Independence

3 Members

2 Meetings

66.66% Attendance

The Company Secretary is the secretary to this Committee.

Role and function of the Corporate Social Responsibility Committee:

The role, powers and terms of reference of the Corporate Social Responsibility Committee (CSRC) covers all the areas prescribed under Section 135 of the Companies Act, 2013 besides other terms as referred by the Board of Directors from time to time. The role of Corporate Social Responsibility Committee broadly includes the following:

- Formulate and recommend to the Board the Corporate Social Responsibility Policy
- Recommend the amount of expenditure to be incurred on activities to be undertaken by the Companies in the areas or subject, specified in Schedule VII of the Companies Act, 2013
- Monitor the Corporate Social Responsibility Policy from time to time

In this financial year, the Company has spent a sum of ₹ 278.15 crore (this includes carry forward amount of ₹ 8.62 crore from FY2025), on CSR activities. However, as per above Section, the Company needs to spend at least 2% of the average net profits of the company made during the three immediately preceding financial years which amounts to ₹ 260.58 crore. Hence, the Company is eligible to carry forward a sum of ₹ 17.57 crore to be adjusted against CSR expenditure to be utilised in further years.

The schedule of CSR Committee meetings held in FY2026 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the CSR Committee during FY2026.

NOMINATION & REMUNERATION COMMITTEE (NRC)

Name of the Member	Position
Ms. Pallavi Joshi Bakhru (Independent Director)	Chairperson
Mr. Navin Agarwal (Non-Executive Director)	Member
Mr. Thomas Mathew T (Independent Director)	Member

67% Independence

3 Members

4 Meetings

100% Attendance

The Company Secretary is the secretary to this Committee.

Role and function of the Nomination and Remuneration Committee:

The role, powers and terms of reference of the Nomination and Remuneration (NPC) covers all the areas prescribed under Section 178 of the Act and Regulation 19(4) read with Schedule II, Part D, Para A of the Listing Regulations besides other terms as referred by the Board of Directors from time to time. The role of Nomination and Remuneration Committee broadly includes the following:

- Formulate criteria for determining qualifications, age, extension of term, positive attributes and independence of a Director and recommend to the Board the Nomination and Remuneration Policy relating to, the remuneration of the directors, key managerial personnel and other employees
- Devise a Board diversity policy
- Formulate criteria for performance evaluation of Directors
- Identify qualified persons and recommend to the Board of Directors appointment, remuneration and removal of Directors and senior management
- recommend to the Board, all remuneration, in whatever form, payable to senior management

All the Directors of the Company are appointed / reappointed by the Shareholders based on recommendations of the Nomination & Remuneration Committee and Board. The Directors are appointed individually.

Criteria for Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment as an Independent Director on the Board. The Committee inter alia considers qualification, positive attributes, area of expertise by such persons in accordance with the Company's Policy for selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

As per the requirement of the Act and SEBI (LODR) Regulations, the NRC has carried out a performance review of the individual Directors 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 an 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 based on full information and clear insight into the 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 a 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 fulfil its responsibilities
- The Board pays considerable attention to the quality of the 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
- Board Members' performance is assessed through internal assessment

The Committee expressed its overall satisfaction with the performance of the individual Board members and the overall Board.

The schedule of NRC meetings held in FY2026 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the NRC during FY2026.

SUSTAINABILITY AND ESG COMMITTEE

Name of the Member	Position
Ms. Priya Agarwal Hebbar (Chairperson Non-Executive Director)	Chairperson
Mr. Arun Misra (CEO & Whole-time Director)	Member
Mr. Anoop Kumar Mittal (Independent Director)	Member

33.33%
Independence

3
Members

1
Meetings

100%
Attendance

The Company Secretary is the secretary to this Committee.

Role and function of the Sustainability and ESG Committee:

ESG Performance

- Oversight on fatality investigations, learning dissemination across the organisation
- Engagement with expert agencies to improve systematic response to work environment
- Review and monitor environmental performance, including climate strategy, decarbonisation initiatives, and management of energy, water, and natural resources
- Review of semi-annual GHG performance
- Monitor adherence to global frameworks and memberships, including implementation of ICMM principles and performance expectations across operations

ESG Governance

- Review of progress of ESG goals and select KPIs and review of company's material topics
- Oversight and guidance on future plans to deliver on Hindustan Zinc's ESG roadmap and ICMM Action Plan
- Monitor Company's ESG ratings/scores from ESG rating agencies and improvement plan
- Oversee the appointment, determine the remuneration, and periodically review the performance of the Sustainability Assurance Auditor
- Monitor the Company's advancements related to its participation in both international and national memberships

The schedule of Sustainability and ESG Committee meetings held in FY2026 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the Sustainability and ESG Committee during FY2026.

COMMITTEE OF DIRECTORS (COD)

The objective of the COD is to evaluate, review and approve proposals relating to financial policies, investments, securities, general authorisations and treasury matters, including all borrowing proposals such as those for refinancing existing debt and meeting working capital requirements, within the overall limits approved by the Board from time to time.

Name of the Member	Position
Mr. Navin Agarwal (Non-Executive Director)	Chairperson
Ms. Pallavi Joshi Bakhru (Independent Director)	Member
Mr. Arun Misra (CEO & Whole-time Director)	Member

33%
Independence

3
Members

3
Meetings

100%
Attendance

The schedule of COD meetings held in FY2026 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Company Secretary is the secretary to this Committee.

PROJECT COMMITTEE

Project committee was established during the year by the Board of Directors at its meeting held on August 18, 2025.

The role of the Committee includes review and reporting to the Board the status of the Expansion and other capex projects undertaken by the Committee, the timelines and the budget thereof.

Name of the Member	Position
Mr. Vivek Kumar Bajpai (Non-Executive Nominee Director)	Chairperson
Mr. Anoop Kumar Mittal (Independent Director)	Member
Mr. Arun Misra (CEO & Whole-time Director)	Member
Mr. Sandeep Modi (CFO)	Member

25%
Independence

4
Members

1
Meetings

100%
Attendance

The Company Secretary is the secretary to this Committee.

The schedule of Project Committee meetings held in FY2026 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

SHAREHOLDERS MATTERS

DIVIDEND

During FY2026, the Company declared one interim dividend, details of which are as under:

Dividend	₹ per share	% of Dividend	Date of Declaration
1st Interim dividend	10	500	June 11, 2025

Total amount of dividend declared during FY2026 is ₹ 42,25,31,90,000.

Transfer of Unclaimed/Unpaid Dividend amounts to the Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), any dividend remaining unclaimed or unpaid for a period of seven years from the date of its transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF).

Further, in accordance with the IEPF Rules, shares in respect of which dividends have remained unclaimed for seven consecutive years or more are also required to be transferred to the demat account of the IEPF Authority. This requirement is not applicable in cases where such shares are subject to any specific order of a Court, Tribunal, or other statutory authority restraining their transfer.

The Company complies with the prescribed requirements of notifying the concerned shareholders at least three months prior to the due date of transfer, at their latest available addresses. In addition, a public notice is published in leading English and regional language newspapers with wide circulation, informing shareholders of the proposed transfer. As an additional measure, the Company also sends reminder communications to shareholders, encouraging them to claim their dividends and avoid transfer of shares to the IEPF.

During the year under review, the Company has duly transferred to the IEPF all unclaimed dividends that had remained outstanding for seven years. Correspondingly, shares relating to such unclaimed dividends have also been transferred to the demat account of the IEPF Authority, in compliance with the applicable provisions.

The details of unclaimed dividends transferred to IEPF during FY2026 are as follows:

Financial Year	Amount of Unclaimed Dividend transferred (in ₹)
Second Interim Dividend 2017-18	₹ 1,08,68,172.00
Special Interim Dividend 2018-19	₹ 4,33,08,580.00

The Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company as on date of the last Annual General Meeting (i.e. August 25, 2025). Details of shares transferred to IEPF Authority during FY2026 are also available on the website of the company at https://www.hzlindia.com/investors/shareholder-information/share-transfers-to-iepf

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

Further, in accordance with the IEPF Rules, the Board of Directors have appointed Ms. Aashhima V Khanna as Nodal Officer and Ms. Palak Khandelwal as Deputy Nodal Officer of the Company for the purposes of verification of claims of shareholders pertaining to shares transferred to IEPF and / or refund of dividend from IEPF Authority and for coordination with IEPF Authority. The details of the Nodal Officer are available on the website of the Company.

Details of the dividend due to be transferred to IEPF are provided below:

Particulars	Date of Declaration	Due date for transfer to IEPF
Interim Dividend 2019-20	May 12, 2020	June 17, 2027
Interim Dividend 2020-21	October 16, 2020	November 21, 2027
Interim Dividend 2021-22	December 07, 2021	January 12, 2029
Interim Dividend 2022-23	July 13, 2022	August 18, 2029
Second Interim Dividend 2022-23	November 16, 2022	December 22, 2029
Third Interim Dividend 2022-23	January 19, 2023	February 24, 2030
Fourth Interim Dividend 2022-23	March 21, 2023	April 26, 2030
Interim Dividend 2023-24	July 08, 2023	August 13, 2030
Second Interim Dividend 2023-24	December 06, 2023	January 11, 2031
Interim Dividend 2024-25	May 07, 2024	June 11, 2031
Second Interim Dividend 2024-25	August 20, 2024	September 24, 2031
Interim Dividend 2025-26	June 11, 2025	July 16, 2032

Procedure for Claiming Unclaimed Dividends and Shares from IEPF

The process of claiming unclaimed dividends and/or shares from Investor Education and Protection Fund Authority (IEPFA) involves the following steps:

1. **Online Application vide Form IEPF-5 on MCA V3:**
   The claimant initiates the process by filing Form IEPF-5 on the MCA V3 portal, attaching all required supporting documents.
2. **Despatch of documents to the Nodal/Deputy Nodal Officer of the Company:**
   The claimant is required to send a self-attested hard copy of the duly filled Form IEPF-5, along with the necessary documents, to the Company's Nodal or Deputy Nodal Officer at its registered office
3. **Upload of proof of despatch on MCA V3 Portal:**
   Upon despatch, the claimant must update the date and upload proof of despatch on the MCA V3 portal to ensure tracking of the physical submission.
4. **Submission of E-Verification Report by the Company:**
   The Company reviews the claim and within 30 days submits the E-Verification Report on the MCA V3 portal to approve or reject the claim.
5. **Release of Shares and Dividends:**
   After approval by both the Company and the IEPFA, the claimed dividends and/or shares are electronically credited to the claimant's registered bank and/or demat account.

LISTING DETAILS

Equity Shares

The Equity Shares of the Company are listed with the following stock exchanges:

S. No.	Particular	Scrip Code	ISIN Code
1.	**BSE Limited ("BSE")** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	500188	INE267A01025
2.	**National Stock Exchange of India Limited ("NSE")** Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	HINDZINC	INE267A01025

1. During the year, none of the securities of the Company were suspended from trading.
2. Company has paid annual listing fees for FY2027 to all the Stock Exchanges, where the securities of the Company are listed.

Debt Securities

In FY2026, the Company issued unsecured, redeemable, rated, listed, non-convertible debentures (NCDs) of ₹ 1,400 crore, allotted on February 02, 2026.

NCDs under ISIN INE267A08020, listed on BSE, were redeemed on maturity, i.e., March 20, 2026.

As of March 31, 2026, ₹ 1,800 crore of NCDs are outstanding under ISINs INE267A08046, INE267A08038, INE267A08053, and INE267A08061. All NCDs are listed on BSE and held in dematerialised form.

Commercial Papers

As of March 31, 2026, the Company has no outstanding commercial papers.

SHAREHOLDERS

Means of Communication

1

Financial Results

- The quarterly/half-yearly/annual results along with audit/limited review report, press release and investor presentation is filed with the stock exchanges immediately after the approval of the Board
- The results are also published in at least one prominent national and one regional newspaper having wide circulation vis-à-vis Business Standard, Financial Express and Economic Times within 48 hours of the conclusion of the meeting
- Financial results are also uploaded on the Company's website and can be accessed at https://www.hzlindia.com/

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Access to Documents

Shareholders can also access the details of corporate, financial information, shareholding information, details of dividends and shares transferred to IEPF, etc., on the Company's website

Website

The Company has a dedicated section on 'Investors' on its corporate website which encompasses all the information for the investors like financial results, policies and codes, stock exchange filings, press releases, annual reports, shareholding details etc. the link to the webpage can be accessed at https://www.hzlindia.com/investors/overview

3

Media Releases

- Stock exchanges are regularly updated on any developments/ events and the same are simultaneously displayed on the Company's website as well
- All the releases can be accessed on the website of the Company at www.hzlindia.com

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Integrated Annual Report and Annual General Meeting

Integrated Annual Report serves as a comprehensive document, containing audited standalone and consolidated financial statements together with Director's Report, update on operational and financial performance, Corporate Governance Report, Auditor's Report and other important information are circulated to the members. In the AGM, the shareholders also interact with the Board and the management. The Integrated annual report is available on company's website at https://www.hzlindia.com/investors/results-and-reports

5

Institutional Investor/Analysts Presentation

- The schedule of analyst/investor meets is filed with the stock exchanges and the presentations are uploaded on the website of the Company
- The transcripts and audio/video recordings of post earnings/ quarterly calls of results and production releases are filed with the Stock Exchanges and the same are uploaded on the website of the Company

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Announcement of material information

All the material information, requisite announcements and periodical filings are being submitted by the Company electronically through web portals of NSE and BSE, where the equity and debt of the Company are listed

Chairperson Communique

- At every AGM, the Chairperson addresses the shareholders on Company's operations and performance with her speech; Further, the Chairperson's statement addressing the shareholders are also published in the Integrated Annual Report of the Company
- Frequent communications from Chairperson to Stakeholders on various developments from time to time

Distribution of Shareholding

Below table lists the distribution of the shareholding of the equity shares of the Company by size and by ownership class, as on March 31, 2026.

Shareholding pattern by size on March 31, 2026

Distribution Schedule as on March 31, 2026					
S. No.	**Category**	**No. of Cases**	**% of Cases**	**Amount**	**% of Amount**
1	1 - 5000	8,89,408	99.13	18,54,55,360.00	2.19
2	5001 - 10000	4,261	0.47	3,12,13,728.00	0.37
3	10001 - 20000	1,872	0.21	2,71,30,384.00	0.32
4	20001 - 30000	571	0.06	1,41,56,100.00	0.17
5	30001 - 40000	316	0.04	1,12,90,116.00	0.13
6	40001 - 50000	158	0.02	71,06,138.00	0.08
7	50001 - 100000	286	0.03	2,00,94,068.00	0.24
8	100001 & Above	385	0.04	8,15,41,92,106.00	96.49
	Total	**8,97,257**	**100.00**	**8,45,06,38,000.00**	**100.00**

Shareholding pattern by ownership as on March 31, 2026

HINDUSTAN ZINC LTD
(Shareholding Pattern as on March 31, 2026)

S. No.	Description	No. of Cases	Total Shares	% Equity
1	PROMOTER COMPANIES	1	2,56,52,71,353	60.71
2	MUTUAL FUNDS	37	5,37,07,402	1.27
3	ALTERNATIVE INVESTMENT FUND	19	12,83,345	0.03
4	BANKS INSTITUTIONS (DOMESTIC)	3	41,128	0
5	INSURANCE COMPANIES	18	14,63,32,982	3.46
6	NBFC	9	38,275	0
7	FOREIGN PORTFOLIO INVESTORS CATEGORY I	274	9,53,31,942	2.26
8	FOREIGN PORTFOLIO INVESTORS CATEGORY II	19	51,84,051	0.12
9	PROVIDENT / PENSION FUNDS	1	35,50,556	0.08
10	BANKS INSTITUTIONS (FOREIGN)	2	4,21,829	0.01
11	CENTRAL GOVERNMENT	1	1,17,96,36,108	27.92
12	BODIES CORPORATES (SG/CG)	3	8,217	0
13	I E P F	1	8,43,956	0.02
14	RESIDENT INDIVIDUALS (HOLDING NOMINAL SHARE CAPITAL UP TO 2 LAKHS)	8,67,429	13,20,35,973	3.12
15	RESIDENT INDIVIDUALS (HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF 2 LAKHS)	34	1,01,61,390	0.24
16	NON-RESIDENT INDIANS (NRIs)	12,902	84,18,987	0.2
17	FOREIGN NATIONALS	3	375	0
18	BODIES CORPORATES	2,572	1,65,48,191	0.39
19	CLEARING MEMBERS	9	5,027	0
20	HUF	13,868	62,91,003	0.15
21	TRUSTS	52	2,06,910	0
	Total	**8,97,257**	**4,22,53,19,000**	**100**

Dematerialisation of Shares and NCD's

The shares and NCD's of the Company are traded in dematerialised form only. The Company's shares are available for trading in the depository system of both National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). As at the financial year end, 4,22,36,28,270 equity shares forming 99.97% of the share capital of the Company, stand dematerialised.

Capital details as on March 31, 2026

Details	Number of shares	% of total issued capital
Held in dematerialised form in CDSL	1,25,97,82,721	29.82
Held in dematerialised form in NSDL	2,96,42,44,869	70.15
Physical	12,91,410	0.03
Total no. of shares	**4,22,53,19,000**	**100.00**

The Company's shares are actively traded on both the stock exchanges, namely BSE Limited and NSE (National stock exchange). With effect from March 28, 2025, Hindustan Zinc has also been included in the future & options segment on the National Stock Exchange. During the year, company included in the Nifty 100 and Nifty Next 50 Indices w.e.f. September 30, 2026, and also became part of Nifty 100 ESG, Nifty 100 Enhanced ESG and Nifty 100 ESG Sector Leaders w.e.f. December 31, 2026.

The shareholders holding shares in physical form are requested to dematerialise their shares for safeguarding their holdings and managing the same hassle free.

Outstanding GDRs/ADRs/Warrants/Options

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

Details of Public Funding obtained in the last three years

The Company had allotted unsecured, redeemable, rated, listed, non-convertible debentures (NCDs) of ₹ 500 crore on March 20, 2025 and ₹ 1,400 crore on February 02, 2026.

During FY2026, NCDs amounting to ₹ 100 crore were redeemed on maturity, i.e., March 20, 2026.

The proceeds from these NCDs have been fully utilised for the purposes for which they were raised, in accordance with the terms of the issue.

The contact details of the debenture trustee for the above NCDs are as follows:

M/s AXIS TRUSTEE SERVICES LIMITED
The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg,
Dadar West,
Mumbai - 400028
Telephone: 022-2425 2525
Fax No. 022-2425 4200

SHARE TRANSFER SYSTEM

In line with SEBI Circular HO/38/13/(3)2026-MIRSD-POD/I/3763/2026, with effect from April 02, 2026, the requirement for issuance of a Letter of Confirmation (LOC) has been removed to make the securities transfer process faster, more transparent, and investor-friendly. Shareholders can now have securities arising from various requests, such as issuance of duplicate certificates, transmission, transposition, claims from unclaimed suspense accounts, and corporate actions, credited directly to their demat accounts without the need to obtain a LOC.

For processing these requests, shareholders are required to provide a copy of the latest Client Master List (CML) of their demat account, duly attested by their Depository Participant (DP), which should not be older than two months. LOCs issued prior to April 02, 2026, may still be submitted for dematerialisation within 120 days of issuance.

This initiative significantly reduces the time and effort for shareholders in executing their securities-related transactions, eliminates risks associated with physical documents such as loss or pilferage, and enhances overall convenience by enabling direct credit to demat accounts.

DISCLOSURE RELATED TO SUSPENSE ESCROW DEMAT ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34(3) and 39(40) read with Part F of Schedule V to the Listing Regulations, there are no shares lying in the demat suspense account/unclaimed suspense account.

REQUEST FOR UPDATION OF PAN, KYC AND NOMINATION DETAILS

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details before getting any investor service request processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC or Nomination/Opt-out of Nomination, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from April 1, 2024. Members may refer to the FAQs provided by SEBI in this regard, for investor awareness, on its website at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doFaq=yes

Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC and Nomination/Opt-out of Nomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to einward.ris@kfintech.com or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited, (Unit: Hindustan Zinc Limited) at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana, India - 500 032.

The Company has sent/will be sending out intimations to those members, holding shares in physical form, whose PAN, KYC and/or Nomination details are not updated, requesting them to update the details.

Shareholders holding shares in physical form are encouraged to convert their holdings into dematerialised form for enhanced security, ease of transactions and faster service.

DISPUTE RESOLUTION

Shareholders who are not satisfied with the resolution of their grievances may approach the SEBI Online Dispute Resolution (ODR) Portal at SMARTODR. The ODR platform provides a digital mechanism for online conciliation and arbitration of disputes arising in the securities market. This framework has been prescribed by SEBI under its Master Circular dated December 28, 2023, aimed at providing a faster, transparent, and accessible resolution process for investors.

ADDRESS FOR CORRESPONDENCE

- All correspondence by members should be forwarded to M/s. KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company at the address mentioned below.
- The Company's dedicated e-mail address for Investors' Complaints and other communications is hzl.secretarial@vedanta.co.in

Registrar and Transfer Agent
KFin Technologies Limited
(Unit: Hindustan Zinc Limited)
Selenium Building, Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddy,
Telangana, India – 500 032

Ph. No.: 1800-309-4001
E-mail: naveenkiran.l@kfintech.com /
einward.ris@kfintech.com

Company Secretary and Compliance Officer
Aashhima V Khanna
Company Secretary & Compliance Officer
Hindustan Zinc Limited
Yashad Bhawan, Yashadgarh
Udaipur – 313004,
Rajasthan

Ph. No. +91 0294 6604083
E-mail: hzl.secretarial@vedanta.co.in

DETAILS OF THE ANNOUNCEMENT OF THE FINANCIAL RESULTS FOR FY2025

Description	Date
Unaudited Financial Results for the quarter ended on June 30, 2025	July 18, 2025
Unaudited Financial Results for the quarter and half year ended on September 30, 2025	October 17, 2025
Unaudited Financial Results for the quarter and nine months ended on December 31, 2025	January 19, 2026
Audited Financial Statements for the quarter and year ended on March 31, 2026	April 24, 2026

GENERAL BODY MEETINGS

Annual General Meetings ("AGM")

The details of the last three years Annual General Meetings/Court Convened Meeting through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") are as follows:

Date	AGM	Location	Time
August 24, 2023	57th AGM	Convened through video conferencing ("VC")/ other audio-visual mode ("OAVM")	12:00 Noon
July 29, 2024	58th AGM		12:00 Noon
August 25, 2025	59th AGM		12:00 Noon

Details of the Special Resolution passed at the 57th AGM

1	To consider and approve the re-appointment of Mr. Arun Misra (DIN: 01835605) as Whole-time Director designated as Chief Executive Officer of the Company for a further period of 2 years
2	To consider and approve the re-appointment of Mr. Akhilesh Joshi (DIN: 01920024) as a Non-Executive Independent Director for the second and final term of 2 (two) years effective from August 01, 2023, to July 31, 2025
3	To consider and approve the re-appointment of Mr. Kannan Ramamirtham (DIN: 00227980) as a Non-Executive Independent Director for the second and final term of 2 (two) years effective from September 01, 2023, to August 31, 2025
4	To consider and approve the amendment in Articles of Association of the Company

Details of the Special Resolution passed at the 59th AGM

1	To consider and approve the re-appointment of Mr. Arun Misra (DIN: 01835605) as the Whole-time Director designated as Chief Executive Officer of the Company with effect from June 01, 2025 to May 31, 2026
2	To consider and approve the appointment of Mr. Anoop Kumar Mittal (DIN: 05177010) as a Non-Executive Independent Director with effect from August 01, 2025
3	To consider and approve the re-appointment of Ms. Pallavi Joshi Bakhru (DIN: 01526618) as a Non-Executive Independent Director for the second and final term of two (2) years effective from August 10, 2025

There were no special resolutions passed at the 58th Annual General Meeting of the Company.

All the resolutions proposed by the Directors to shareholders in last three years were approved by shareholders with requisite majority.

POSTAL BALLOT

During FY2026, the Company had sought approval of the members through postal ballot, the details of the same are given below:

S. No.	Postal Ballot notice date	Voting period	Date of passing of resolutions	Date of declaration of result
1.	November 14, 2025	Remote e-voting period commenced at 09:00 a.m. IST on Friday, November 21, 2025, and ended at 5:00 p.m. IST on Saturday, December 20, 2025	December 20, 2025	December 21, 2025
2.	March 09, 2026	Remote e-voting period commenced at 09:00 a.m. IST on Thursday, March 12, 2026, and ended at 5:00 p.m. IST on Friday, April 10, 2026	April 10, 2026	April 13, 2026

Details of the Special Resolution passed through postal ballot

S. No.	Items of business	Voting percentage of shareholders participated	
		% of votes in favour	% of votes against
1.	To consider and approve the appointment of Mr. Thomas Mathew T (DIN: 00130282) as a Non-Executive Independent Director of the Company	99.98	0.0132
2.	To consider and approve the appointment of Mr. Ashim Kumar Modi (DIN: 11342680), as a Government Nominee Director (Non-Executive) on the Board of the Company	98.49	1.50
3.	To consider and approve the appointment of Mr. Sandeep Vasant Kadam (DIN: 08414389), as a Government Nominee Director (Non-Executive) on the Board of the Company	97.81	2.18

Procedure adopted for Postal Ballot

- In accordance with the provisions of the Act and Listing Regulations and relevant Circulars issued by the Ministry of Corporate Affairs and SEBI from time to time, the resolutions were proposed by means of Postal Ballot only by way of remote e-voting process ('e-voting').
- The Company engaged the services of National Securities Depository Limited, to provide e-voting facility to all its members.
- Notice was sent only through electronic form to those members, whose names appeared in the Register of Members/List of Beneficial Owners as received from the Depositories/Registrar and Transfer Agent ('RTA').
- Mr. Manoj Maheshwari, Partner of M/s. V.M. & Associates, Practicing Company Secretary (Membership No. FCS 3355, CP No. 1971) acted as Scrutiniser for conducting the Postal Ballot in a fair and transparent manner.
- The Scrutiniser submitted his report after the completion of scrutiny and the result of the e-voting along with Scrutiniser's report was announced to the stock exchanges within the statutory timelines.

Further, no special resolution is proposed to be conducted through Postal Ballot as on the date of this report.

POLICIES AND OTHER DISCLOSURES

Details of the Policies and other disclosures available on website of the Company

S. No.	Particular	Statutes	Detail	Website link of the policy
1	Related Party Transactions	Regulation 23 of Listing Regulations	The Company has adopted a Policy on Related Party Transactions (RPTs) in line with the provisions of the Companies Act 2013 and applicable Listing Regulations. The Policy provides a structured framework for identification, approval and disclosure of transactions with related parties. During FY2026, all RPTs were carried out in the ordinary course of business and on an arm's-length basis, with no material transactions having any potential conflict with the Company's interests. Omnibus approvals for repetitive transactions are obtained annually from the Audit & Risk Management Committee and are subject to quarterly review. Further, the Policy ensures appropriate disclosures to the Board, shareholders, and regulatory authorities, in compliance with applicable laws and standards. The Policy, as approved by the Board, is available on the Company's website.	https://www.hzlindia.com/uploads/RPT_Policy19_01_2026_86ae9dfb76.pdf
2	Whistle Blower Policy and Vigil Mechanism	Regulation 22 of Listing Regulations	The Company has Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairperson of the Audit & Risk Management Committee. The said policy has been uploaded on the website of the Company	https://www.hzlindia.com/uploads/HZL_whistle_blower_and_vigil_mechanism_policy_6b73d120f9.pdf
3	Discretionary requirements	Schedule II Part E of the Listing Regulations	• A message from the CEO & Whole-time Director is published as a part of the press release issued at the time of declaration of quarterly/half-yearly financial performance of the Company • The auditors' report on financial statements of the Company are unmodified Internal Auditors of the Company make quarterly presentations to the Audit & Risk Management Committee on their reports	
4	Material Subsidiary Company	Regulation 24 of Listing Regulations	The Company does not have any material subsidiary company. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website	https://www.hzlindia.com/uploads/HZL_Policy_for_Determing_Material_Subsidiaries_44810a928b.pdf
5	Policy on Determination of Materiality for Disclosures	Regulation 30 of Listing Regulations	In accordance with Regulation 30(4) of the Listing Regulations, the Company has established and adopted a Policy for the Determination of Materiality of Events or Information. This policy outlines the procedures for identifying material events/information and ensures timely disclosure to the Stock Exchange(s) in compliance with regulatory requirements. Additionally, the Company has authorised its Key Managerial Personnel (KMP) to assess the materiality of events or information and to oversee the disclosure process to the Stock Exchange(s).	https://www.hzlindia.com/uploads/Policy_for_determination_of_materiality_of_evens_UPSI_and_archival_policy_eb2997e529.pdf
6	Policy on Archival and Preservation of Documents	Regulation 9 of Listing Regulations	The Company has adopted this policy.	https://www.hzlindia.com/uploads/Policy_for_determination_of_materiality_of_evens_UPSI_and_archival_policy_eb2997e529.pdf
7	Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018	Practising Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.	https://www.hzlindia.com/investors/sebi-periodic-disclosures?page=1

S. No.	Particular	Statutes	Detail	Website link of the policy
8	Business Ethics & Code of Conduct	Regulation 17 of the Listing Regulations	All the employees and Board of Directors have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2026. The Integrated Annual Report of the Company contains a certificate by the CEO & Whole-time Director, on the above compliance.	https://www.hzlindia.com/uploads/HZL_BUSINESS_ETHICS_CODE_OF_CONDUCT_05_03_2025_Reviewed_bb81dfe5df.pdf
9	Dividend Distribution Policy	Regulation 43A of the Listing Regulations	The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy, in terms of Regulation 43A of the Listing Regulations is available on the Company's website.	https://www.hzlindia.com/uploads/Dividend_Policy_2016_01897c3be8.pdf
10	Terms of Appointment of Independent Directors	Regulation 46 of Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and Conditions of appointment/re-appointment of Independent Directors is available on the Company's website.	https://www.hzlindia.com/uploads/Letter_of_Apptt_of_Independent_Director_1_389a3dd223.pdf
11	Familiarisation programme conducted for Independent Directors 2025-26	Regulations 25(7) and 46 of Listing Regulations	Details of familiarisation program imparted to Independent Directors are available on the Company's website.	https://www.hzlindia.com/investors/corporate-governance/familiarisation-programme
12	Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014	The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Company has zero tolerance on sexual harassment at the workplace. Policy on prevention of sexual harassment at the workplace is also available on the Company's website.	https://www.hzlindia.com/wp-content/uploads/SHPolicy.pdf
13	Insider trading prohibition code	Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations)	The Company has implemented a Insider Trading Prohibition Code to regulate, monitor and report trading in securities of the Company. The Code, inter alia, lays down the procedures to be followed while trading/dealing in Company's shares and while dealing with unpublished price sensitive information ('UPSI') for legitimate purposes. A structured digital database is maintained by the Company, which contains the names and other particulars as prescribed under PIT Regulations. Additionally, the Code encompasses the policy & procedures for enquiry in the event of a leak of UPSI and Code of Practices & Procedures for the fair disclosure of UPSI, and the policy for determining "Legitimate Purpose".	https://www.hzlindia.com/uploads/insider_policy_R7_SEPT_V7_d80952e074.pdf
14	Nomination & Remuneration Policy	As per provisions of the Act and Listing Regulations	The Committee shall evaluate the balance of knowledge, skill, professional & functional expertise, industry orientation, gender, age, etc. Terms and Conditions of appointment/re-appointment of the Directors	https://www.hzlindia.com/uploads/HZL_Nomination_Remuneration_Policy_final_19_04_2024_f155d5c744.pdf
15	Anti-Bribery & Anti-Corruption Policy	UK Bribery Act, 2010, and the Foreign Corrupt Practices Act	The Company is dedicated to conducting its operations with honesty, integrity, and the highest ethical standards. We maintain a zero-tolerance policy towards bribery and corruption, ensuring professionalism, and fairness in all our business dealings and relationships. We comply with various legal frameworks, including key anti-bribery legislations such as the UK Bribery Act, 2010, and the Foreign Corrupt Practices Act. The Company remains fully dedicated to upholding anti-bribery and anti-corruption laws in every jurisdiction where we operate.	https://www.hzlindia.com/uploads/Anti_Bribery_and_Anti_Corruption_Policy_21_01_2022_6eb4d7f084.pdf
16	Board Diversity Policy	As per provisions of Companies Act, 2013 and Listing Regulations	Board Diversity Policy ensure inclusive and diverse Board of Directors to enhance decision-making and drive strategic success, ensuring long-term value for its stakeholders.	https://www.hzlindia.com/uploads/HZL_Board_Diversity_Policy_final_19_04_2024_0088a8532c.pdf

ANNUAL GENERAL MEETING FOR FINANCIAL YEAR 2025-26

Date: June 29, 2026
Day: Monday
Time: 11:30 AM
Venue: VC/OAVM

FINANCIAL YEAR

The Financial Year of Company commences from April 01 and concludes on March 31 of each year. Each quarter, the Company reviewed and approved its financials. For the year ending March 31, 2026, financial results will be announced within the statutory time period provided under the Listing Regulations.

GOVERNANCE & COMPLIANCE

1. Code of Conduct

Our values and principles are enshrined in the Business Ethics & Code of Conduct ('Code'), which serves as a foundation for ethical and responsible business practices. This applies to all executives of the Company, including Board members, and is reaffirmed annually through a compliance declaration. This Code also ensures compliance with the provisions of the Listing Regulations.

The Business Ethics & Code of Conduct encompasses a wide range of policies and principles, including but not limited to:

- Securities Dealing Code (Insider Trading Regulations)
- Whistle Blower Policy
- The UK Bribery Act
- Foreign Corrupt Practices Act (USA)
- Prevention of Fraud
- Environment Health and Safety Political Activities & Personal Political Contribution
- Prevention of Sexual Harassment Policy
- CSR, Charity & Sponsorship
- Anti-Corruption & Bribery
- Business Partner Relations
- Gifts, Entertainment & Hospitality
- Accuracy of Company Records
- Conflict of Interest
- Protection & Use of Company Assets
- Confidentiality Fair Dealing
- Quality of Products & Services
- Media & Communication
- Reporting Violations of the Code of Conduct
- Diversity & Inclusion with Equal Opportunity
- Sanctions & Trade Controls and Social Media Conduct
- Data Privacy & General Data Protection Regulations and Information Security

The Code also covers Whistle Blower Policy and Vigil Mechanism, which is available on the website of the Company, https://www.hzlindia.com/uploads/HZL_BUSINESS_ETHICS_CODE_OF_CONDUCT_05_03_2025_Reviewed_bb81dfe5df.pdf. During the year, no personnel who intended to lodge complaint as per the aforesaid policy was denied access to the Audit & Risk Management Committee.

In accordance with Section 184 of the Act, every Director of the Company is required to disclose the nature of their concern or interest in any contract or arrangement during the relevant meeting. This ensures that all decisions are made with full transparency and integrity.

Commitment to Training and Awareness

Hindustan Zinc places strong emphasis on training and awareness to ensure that all employees from new joinees to senior executives are well-versed in the principles outlined in the Code. This proactive approach supports the highest standards of ethical conduct and corporate responsibility. Furthermore, all employees and Directors have completed the Code of Conduct training, with 100% participation achieved.

2. Internal Control System

On the recommendation of the Audit & Risk Management Committee, the Company appointed M/s KPMG as the Internal Auditors of the Company for the financial year 20226.

Comprehensive Audit Framework

The internal audit framework is designed to ensure compliance with documents, policies, and authorisation guidelines, tailored to the specific responsibilities and standard operating procedures of each business unit. This approach enables us to address risks effectively, enhance operational efficiency, and uphold governance responsibilities.

Quarterly Reporting and Oversight

Observations made in internal audit reports regarding business processes, systems, procedures, and internal controls are meticulously reviewed. The implementation status of recommended remedial measures by the Internal Auditors is presented quarterly to the Audit & Risk Management Committee of the Board. This ensures continuous monitoring and improvement of our internal control systems.

Effectiveness of Internal Control Systems

The Company has a well-established internal control system that has been functioning effectively throughout the year. These systems are designed to safeguard assets, ensure accurate financial reporting, and promote operational efficiency. The effectiveness of these controls is regularly evaluated to identify areas for improvement and to adapt to evolving business needs.

3. Risk Management

The company operates within a landscape where economic, environmental, and social risks are inherent to its operations. To address this and in accordance with SEBI (LODR) requirements, the Board has established an Audit & Risk Management Committee tasked with overseeing the Company's mitigation strategies for its key risks.

A comprehensive risk management policy has been developed, encapsulating all significant risks and corresponding mitigation plans in a "Risk Matrix". This matrix undergoes quarterly reviews by senior management and periodic assessments by the Audit & Risk Management Committee. The risk matrix includes the Company's evaluations of the impact and probability of each major risk, along with steps taken or planned for mitigation. Unit-wise risk matrices are reviewed quarterly by unit and location management.

Please refer to the Risk Management chapter in the Integrated Annual Report, located on page 86, for further information.

4. Compliance

Our compliance system, which is ISO 37301 certified, covers a multitude of statutory obligations and ensures adherence to all applicable laws and regulations. During FY2026, 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

All the related party transactions that were entered into during the financial year were at arm's-length basis and predominantly in the ordinary course of business and with the prior approval of the Audit and Risk Management Committee/Board. Members may refer to disclosures made in Note No. 36 to Financial Statements in compliance with Regulation 23 of the Listing Regulations and Ind AS 24. In terms of the provisions of Listing Regulations, the Related Party Transaction policy is also available on the Company's website at https://www.hzlindia.com/uploads/RPT_Policy19_01_2026_86ae9dfb76.pdf

(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 Act read with Rule 7 of the Companies (Accounts) Rules, 2014 together with Ind AS issued by the Institute of Chartered Accountants of India.

(c) Compliance with Capital Market Regulations

The Company had complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and no penalties and/or strictures have been imposed on the Company in this regard, except for the following:

BSE and NSE levied penalties amounting of ₹ 36,50,000 (excluding GST) in FY2024, ₹ 36,60,000 (excluding GST) in FY2025 and ₹ 36,50,000 (excluding GST) in FY2026 due to non-compliance with Regulation 17(1) of the Listing Regulations concerning the composition of the Board of Directors, shortfall of Independent Directors. This matter is currently under review by the Ministry of Mines (MoM), Government of India.

Note: The Company had filed an application for waiver of fine with BSE & NSE on May 30, 2024. On March 24, 2026, BSE informed the Company that Company's representation for waiver of fine was placed for the consideration of the Internal Regulatory Oversight and Review Group ("IRORG") and the IRORG has accepted the waiver application and fine paid by the Company in this matter from September 2021 to March 2024 will be refunded.

(d) Compounding Order

The Regional Director, North Western Region, Ministry of Corporate Affairs, by order dated December 16, 2025, imposed a total compounding fee of ₹ 63,90,000 on the Company and its former Whole-Time Director(s). This was in connection with non-compliance under Section 158 of the Act, where the Director Identification Number was not mentioned in annual report during the financial years 2014-15 to 2020-21.

The Company clarifies that this was an unintentional oversight. The issue has been corrected, and the Company has been fully compliant with the requirement from the financial year 2022 onwards.

(e) Vigil Mechanism

The Company has formulated a Vigil Mechanism for all the employees of the Company, its subsidiaries and all external stakeholders to report genuine concerns. The Vigil Mechanism provides adequate safeguards against victimisation of any person who avails the mechanism and also provides for direct access to the Chairperson of the Audit & Risk Management Committee. The designated email id for lodging the complaints under Vigil Mechanism or Whistle Blower is hzl.whistleblower@vedanta.co.in and a dedicated hotline number (000-800-100-1681) has also been provided. The same is also available on the website of the Company.

(f) Number of Complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

S. No.	Particulars	Number of Complaints
1.	Number of complaints filed during the financial year under review	6
2.	Number of complaints disposed of during the financial year under review	6
3.	Number of complaints pending as on end of the financial year	0

(g) Loans and Advances

The Company has not given any loans and advances to firms/company in which Directors are interested.

(h) Code of Conduct to regulate, monitor and report trading by Designated Persons (DPs) & Insiders

In accordance with the SEBI Insider Trading Regulations, the Company has implemented a comprehensive framework comprising the Code of Conduct for Regulating, Monitoring, and Reporting Trading by Designated Persons (the 'Code for Prevention of Insider Trading') and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the 'Code of Fair Disclosure'). These Codes apply to all insiders, DPs, and their immediate relatives.

Further, the Company has established systems and procedures to prohibit insider trading activity. All compliances relating to the Code of Conduct for Prevention of Insider Trading are being managed through a web-based portal. Periodic emails on topics such as the Prevention of Insider Trading and associated dos and don'ts are circulated among DPs. Additionally, the Company has organised awareness sessions aimed at educating employees and DPs about the provisions and various aspects of the Code. These initiatives have significantly enhanced awareness among stakeholders regarding compliance obligations.

During the year under review, the Audit & Risk Management Committee has reviewed the compliance with the provisions of the SEBI Insider Trading Regulations and has verified that the systems for internal controls are adequate and operating effectively. Any violation under the provisions of this Code is liable for penal/disciplinary/remedial action as may be considered appropriate by the 'Insider Trading Monitoring Committee (ITMC)' as per the sanction framework decided and approved by the ITMC. All breaches of this Code with actions taken are reported to the Audit & Risk Management Committee & Board of Directors of the Company on a quarterly basis.

Instances of non-compliances are promptly intimated to the Stock Exchanges in the prescribed format and the penalty, if any, is being directly deposited by the DPs with SEBI's Investor Protection and Education Fund. The Board has also formulated a Policy for the determination of 'legitimate purposes' as a part of the Code of Fair Disclosure as per the requirements of the SEBI Insider Trading Regulations.

The Code for Prevention of Insider Trading and Code of Fair Disclosure has been uploaded on the Company's website at https://www.hzlindia.com/uploads/insider_policy_R7_SEPT_V7_a450bdaaf2.pdf

(i) Credit rating

The Company has obtained rating from CRISIL Limited and ICRA Limited. As on March 31, 2026, the credit ratings were as follows:

Rating Agency	Rating			
	Bank Loan		Commercial Paper	Non-Convertible Debentures
	Long-Term	Short-Term		
CRISIL Limited	CRISIL AAA/Stable	CRISIL A1+	CRISIL A1+	CRISIL AAA/Stable
ICRA Limited	-	-	ICRA A1+	-

(j) Fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiary (Hindustan Zinc Alloys Private Limited), on a consolidated basis to S R Batliboi & Co. LLP (Statutory Auditors of the Company) and to entities of the network of which the Statutory Auditor is a part for the year ended March 31, 2026 are as follows:

Particulars	Amount (₹)
Statutory audit fee FY2026	1,27,98,783
LR of Q1 FY2026	23,62,778
LR of Q2 - Q3 FY2026	47,25,556
Audit of UK reporting package H1	11,81,389
Audit of UK reporting review pack March 2026	18,89,294
Audit of consolidated FY2026	6,96,300
FY certification	14,15,000
Out-of-pocket expenses	25,00,000
Total	**2,75,69,100**

(k) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Fluctuation in Commodity prices

Impact: Prices of the Company's finished goods are linked to international benchmarks, i.e., LME (for zinc and lead) and LBMA (for silver) and are strongly influenced by global economic conditions and global demand & supply for the products. Volatility in commodity prices and demand may adversely affect our earnings, cash flow and reserves.

Mitigation: We consider exposure to commodity price fluctuations to be an integral part of the Company's business and its usual policy is to sell its products at prevailing market prices, and not to enter into long-term price hedging arrangements. However, to minimise price risk for finished goods and to achieve monthly average, hedging is done. The Company monitors the commodity markets closely to determine the effect of price fluctuations on earnings, capital expenditure and cash flows.

S. No.	Commodity Name	Exposure in ₹ towards the particular commodity (In Absolute)*	In units	Exposure in quantity terms towards the particular commodity#	% of such exposure hedged through commodity derivatives				
					Domestic market		International market		Total
					OTC	Exchange	OTC	Exchange	
1	Zinc	2,37,71,19,55,002	MT	8,51,281.40	0%	0%	46%	0%	46%
2	Silver	98,41,14,69,901	MT	627.37	0%	0%	55%	0%	55%
3	Lead	39,00,68,70,688	MT	1,96,794.49	0%	0%	37%	0%	37%

Notes:
*Revenue includes concentrate sale
#Exposure in quantity and % of such exposure is calculated excluding concentrate sale quantity

Currency exchange rate fluctuations

Impact: Our assets, earnings and cash flows are influenced by a variety of currencies. Fluctuations in exchange rates of those currencies may have an impact on our financials. The Company's revenue is tied to commodity prices that are typically priced by reference to the US dollar, whereas a significant part of its expenses is incurred and paid in local currency.

Mitigation: We do not speculate in forex. We have developed robust controls in forex management to monitor, measure and hedge currency risk liabilities. The treasury team reviews our forex-related matters periodically and suggests necessary courses of action as may be needed by businesses from time to time, within the overall framework of our forex policy.

The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. The Company uses forward exchange contracts to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies as well as financing transactions denominated in foreign currencies. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

(l) CEO and CFO Certification

The CEO and CFO certification of the Financial Statements for FY2026 is enclosed at the end of this report.

(m) Details of utilisation of funds raised through preferential allotment or qualified institutions placement

During FY2026, the Company has not raised any funds through preferential allotment or qualified institutions placement and there are no unutilised funds, therefore, disclosure under Regulation 32(7A) of the Listing Regulations is not applicable.

(n) Non-Convertible Debentures

During FY2026, the Company issued and allotted 1,400 unsecured, redeemable, rated, listed, non-convertible debentures (NCDs) in two separate transferable and redeemable principal parts of face value of ₹ 1,00,000 each on private placement basis. The details of the outstanding NCDs as on March 31, 2026, are as follows:

Security Description	ISIN	Date of Allotment	No. of NCDs	Total amount (in ₹ crore)	Maturity Date
Unsecured, Redeemable, Rated, Listed NCDs	INE267A08038	March 20, 2025	10,000	100	March 20, 2027
	INE267A08046	March 20, 2025	30,000	300	March 20, 2028
	INE267A08061	February 02, 2026	42,000	420	February 02, 2028
	INE267A08053	February 02, 2026	98,000	980	February 02, 2029

(o) Certificate of Non-disqualification of Directors

A certificate from the Practising Company Secretary is attached to the Directors' Report, affirming that none of the Directors on the Company's Board have been barred or disqualified from serving as Directors of Companies. This confirmation is in accordance with Regulation 34(3) of the Listing Regulations and ensures compliance with stipulations set forth by SEBI, the Ministry of Corporate Affairs, or any other relevant Statutory Authorities is attached with the Report.

(p) The Company has complied with all mandatory requirements of SEBI (LODR) Regulations, 2015 except as already disclosed in the earlier part of the report.

(q) The Company complies with all applicable secretarial standards.

(r) Shareholder approval is required for changes in by law.

(s) Additional Shareholder Information

Registered Office

Hindustan Zinc Limited
Yashad Bhawan, Yashadgarh
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
Bamnia Kalan Mines	:	Rajsamand District

Smelting Units (all in Rajasthan):

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

Captive Power Plants (all in Rajasthan):

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

Processing & Refining Units:

Pantnagar Metal Plant	:	Rudrapur District (Uttarakhand)

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)

Marketing Offices

East:
Hindustan Zinc Limited 608, 6th Floor, Infinity Benchmark, Block GP, Sector – V, Salt Lake, Kolkata – 700091

West:
Hindustan Zinc Limited C-103, Atul Projects-Corporate Avenue, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai - 400 099, Maharashtra, India

North:
Hindustan Zinc Limited 1st Floor, CORE 6, SCOPE Complex 7 Lodhi Road, New Delhi – 110003, India

Details of Wholly-Owned Subsidiary Companies

- Hindustan Zinc Alloys Private Limited
- Vedanta Zinc Football & Sports Foundation
- Zinc India Foundation
- Hindustan Zinc Fertilisers Private Limited
- Hindmetal Exploration Services Private Limited

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION, 2015

A. We, Arun Misra, CEO & Whole-time Director and Sandeep Modi, Chief Financial Officer of Hindustan Zinc, have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit & Risk Management Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit & Risk Management Committee:

(1) significant changes in internal control over financial reporting during the year - No change;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements - No change; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting - No such case.

Sandeep Modi
Chief Financial Officer

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Place : Udaipur
Date: April 24, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
HINDUSTAN ZINC LIMITED
(CIN: L27204RJ1966PLC001208)
Yashad Bhavan, Yashadgarh,
Udaipur, Rajasthan-313004

1. The equity shares of Hindustan Zinc Limited ("the Company") are listed on National Stock Exchange of India Limited and BSE Limited

2. We have examined the relevant disclosures received from the Directors of the Company and registers, records, forms and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause 10(i) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

3. We have also done examination and verification of the disclosures under Sections 184/189, 164 and 149 of the Companies Act, 2013 (the Act) received from the Directors and Register of Directors and Key Managerial Personnel and their Shareholding under Section 170 of the Act and Director Identification Number (DIN) status of the Directors at MCA portal i.e. www.mca.gov.in. In our opinion and to the best of our knowledge and on the basis of information furnished to us by the Company and its officers, we certify that none of the below named Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2026:

Sr. No.	Name of Director	DIN	Date of Appointment
1	Mr. Navin Agarwal	00006303	April 11, 2002
2	Mr. Vivek Kumar Bajpai	10717439	July 24, 2024
3	Ms. Priya Agarwal	05162177	January 19, 2023
4	Mr. Arun Misra	01835605	August 01, 2020
5	Ms. Pallavi Joshi Bakhru	01526618	August 10, 2023
6	Mr. Sandeep Vasant Kadam	08414389	January 19, 2026
7	Mr. Thomas Mathew Thumpeparambil	00130282	October 01, 2025
8	Mr. Ashim Kumar Modi	11342680	October 17, 2025
9	Mr. Anoop Kumar Mittal	05177010	August 01, 2025

4. Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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.

5. This certificate is based on the information and records available as on March 31, 2026 and we have no responsibility to update this certificate for the events and circumstances occurring thereafter.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900
Peer Review Certificate No.: 7853/2026

Kapil Dev Taneja
Partner
CP No. 22944 / Mem. No. F4019
UDIN.: F004019H000189435

Place : New Delhi
Date: April 24, 2026

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under clause 17 (5) (a) of the SEBI (LODR) Regulation 2015, all Board Members & Senior Management Personnel have confirmed compliance with the Business Ethics and Code of Conduct for the year ended on March 31, 2026.

For **Hindustan Zinc Limited**

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Place: Udaipur
Date: April 24, 2026

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,
The Members of
HINDUSTAN ZINC LIMITED
(CIN: L27204RJ1966PLC001208)
Yashad Bhavan, Yashadgarh,
Udaipur, Rajasthan-313004

Dear Sir/Ma'am(s),

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 authorised 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 March 31, 2026 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2026 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) The 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, wherever applicable;

(v) The following Regulations 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, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 {**Not applicable during the audit period**};

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; {**Not applicable during the audit period**};

(e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 to the extent of the Act and dealing with client to the extent of securities issued;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 {**Not applicable during the audit period**};

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {**Not applicable during the audit period**}; and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

We have also examined compliance with the applicable clauses of the Secretarial Standards on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India, which the Company has generally complied with.

(vi) The Company is engaged in the business of exploring, extracting and processing of minerals. As informed by the Management, following laws are being specifically applicable to the Company:

i. The Mines Act, 1952 and Rules made thereunder;

ii. The Mines and Minerals (Development and Regulation) Act, 1957 and the Rules made thereunder.

On our test-check basis, we are of the view that the Company has generally ensured compliance of laws specifically applicable on it.

We report that on the basis of documents and information provided to us by the management of the Company during the course of audit, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above, except that the Company continues to be non-compliant with the Regulation 17(1) of SEBI Listing Regulations. As per Regulation 17(1) of SEBI Listing Regulations, at least half of the Board is required to be comprised of Independent Directors due to being the Chairperson of the Company is relative of a promoter. At present, 3 out of 9 Directors are Independent Directors and in accordance with the Shareholders' Agreement dated April 4, 2002, executed with the Government of India, Ministry of Mines (GOI-MoM), more Independent Directors are yet to be nominated by the GOI-MoM. As on March 31, 2026, nominations of said Directors are still pending.

We further report that, except as stated above, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Director. Further, the changes in the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent in advance other than meeting held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out with requisite majority and therefore, no dissenting views were noticed while reviewing the minutes.

We further report that there are 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 Board of Directors of the Company and the Members of the Company, at their respective meetings held on April 25, 2025 and August 25, 2025, approved the re-appointment of Mr. Arun Misra (DIN: 01835605) as Whole-time Director, designated as Chief Executive Officer of the Company, for a term commencing from June 1, 2025 and ending on May 31, 2026

- the Board of Directors of the Company through resolution passed by circulation on June 11, 2025 approved the declaration of First Interim Dividend of ₹ 10/- per equity share on face value of ₹ 2/- per equity share for the Financial Year 2025-26 amounting to ₹ 4,225.32 crore

- the BSE and NSE levied penalties amounting of ₹ 36,50,000 (excluding GST) in FY2026 for non-compliance of Regulation 17(1) of SEBI Listing Regulations concerning the composition of the Board of Directors, shortfall of Independent Directors. This matter is currently under review by the GOI-MoM

- the Committee of Directors at its meeting held on January 23, 2026 accorded its approval for issuance of unsecured, redeemable, rated, listed, non-convertible debentures ("NCDs"") aggregating up to ₹ 1,400 crore. Further, the Committee of Directors approved the allotment of the said NCDs on February 02, 2026

- the Company received an Interim Order on December 17, 2025, from the Office of the Regional Director, North Western Region, Ministry of Corporate Affairs, in connection with the application for compounding under Section 441 of the Companies Act, 2013 ("the Act") for non-mentioning of the Director Identification Number (DIN) of the Directors, as required under Section 158 of the Act, during the financial years 2014-15 to 2020-21. Pursuant to the said Order, the Regional Director imposed a compounding fee aggregating to ₹ 63,90,000/- on the Company and the erstwhile Whole-time Director(s) of the Company

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900
Peer Review Certificate No.: 7853/2026

Kapil Dev Taneja
Partner
M. No.: FCS 4019 / CP No. 22944
UDIN: F004019H000189380

Place: New Delhi
Date: April 24, 2026

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,
The Members of
HINDUSTAN ZINC LIMITED
(CIN: L27204RJ1966PLC001208)
Yashad Bhavan, Yashadgarh,
Udaipur, Rajasthan-313004|

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

a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our review.

b) We have followed the review practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test check basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, and standards is the responsibility of the management. Our examination was limited to the verification of procedures on a test check basis.

f) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900
Peer Review Certificate No.: 7853/2026

Kapil Dev Taneja
Partner
M. No. FCS 4019 / CP No. 22944
UDIN: F004019H000189380

Place: New Delhi
Date: April 24, 2026

CORPORATE GOVERNANCE CERTIFICATE

To,
The Members of
HINDUSTAN ZINC LIMITED
(CIN: L27204RJ1966PLC001208)
Yashad Bhavan, Yashadgarh,
Udaipur, Rajasthan-313004

We have examined the compliance of conditions of Corporate Governance by Hindustan Zinc Limited ("the Company"), for the financial year ended on March 31, 2026 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations, except as stated below:

Since the Chairperson of the Company is related to the promoter, at least half of the Board is required to comprise of Independent Directors in terms of Regulation 17 of the Listing Regulations. Currently, only 3 out of 9 Directors are Independent Directors. However, we have been informed that, in accordance with the Shareholders' Agreement dated April 04, 2002, executed with the Government of India, Ministry of Coal and Mines (GOI-MoC), the appointment of more Independent Directors can only be nominated by the GOI-MoC; and such nominations are presently pending. The Company is constantly following up with the GOI-MoC on the same.

We further 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 **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900
Peer Review Certificate No.: 7853/2026

Kapil Dev Taneja
Partner
CP No. 22944 / Mem. No. F4019
UDIN.: F004019H000189490

Place: New Delhi
Date: April 24, 2026

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

CEO's STATEMENT

Dear All,

At Hindustan Zinc, sustainability is deeply embedded in the way we create value, manage risks, and strengthen long-term resilience for both our business and stakeholders. Guided by this commitment, I am pleased to present our **fifth Business Responsibility and Sustainability Report (BRSR)**, capturing our **progress, priorities, and performance over the past year**.

This report reflects our alignment with the nine principles of the BRSR framework and showcases key milestones in our journey toward responsible and inclusive growth. It underscores how sustainability continues to shape our decisions across operations, governance, and community engagement, as we work to create shared value and reinforce trust with all our stakeholders.

Our sustainability leadership received strong global recognition during the year. In **August 2025**, Hindustan Zinc became the **first Indian company** to join the **International Council on Mining and Metals** and the **Extractive Industries Transparency Initiative**, strengthening **our Sustainability 2.0 journey**. Furthermore, we were **ranked first globally** in the **metals and mining sector in the S&P Global Corporate Sustainability Assessment 2025** for the third consecutive year and were included in the S&P Sustainability Yearbook among the top 1% distinction.

Our progress is anchored in a robust **three-tier sustainability governance** that enables effective management of key priorities such as decarbonisation, energy efficiency, biodiversity, water stewardship, and inclusive workplace, as we advance toward our **2030 sustainability goals**.

We made meaningful strides in our transition to a low carbon future, with a clear goal to **achieve Net Zero by 2050** or sooner. We strengthened environmental stewardship by achieving **3.32 times water positive status**, supported by state-of-the-art water and wastewater treatment facilities, increased recycling, and watershed-level replenishment initiatives. Increasing use of renewable energy and waste-to-wealth solutions continues to lower our environmental footprint while improving operational resilience. Following the launch of **Asia's first low carbon zinc, EcoZen, FY2026 focused on collaborating with customers to scale** its adoption across galvanised steel production, reinforcing our commitment to **product stewardship** and **sustainable innovation**.

Advancing our circular economy ambitions, our Board approved India's first zinc tailings reprocessing plant at Rampura Agucha, with an investment of ₹ 3,823 crore. This landmark project reinforces our commitment to responsible resource management and long-term environmental stewardship.

FY2026 was also a significant year for strengthening social performance and governance. We conducted **Social** and **Human Rights Impact** and **Risk Assessments** across all sites in **alignment with ICMM principles** and enhanced site-level governance processes to ensure continuous improvement.

During the year, we experienced the tragic loss of two colleagues from our business partners in work-related incidents. We extend our heartfelt condolences to their families and loved ones. These incidents serve as a solemn reminder of the responsibility we carry. Guided by our **Zero Harm vision**, we undertook detailed root cause analyses and remain firmly committed to implementing all learnings with rigour, while continuing to strengthen our safety culture across operations.

Through our social impact initiatives, we reached over **2.6 million beneficiaries**, with sustained focus on education, healthcare, skill development, and women empowerment, contributing meaningfully to inclusive community development. Initiatives such as rural entrepreneurship and community infrastructure development continue to support our long-standing alignment with the UN Sustainable Development Goals (SDGs).

Diversity and inclusion remain central to our people strategy. From establishing **India's first all-women underground mine rescue team** and launching **Team Tejaswini** to introducing progressive parenthood policies, we are committed to fostering a more inclusive workplace. Responsible practices across our **supply chain** also remain a priority, driven through initiatives like 'Wednesday for Transition' and Supply Chain Sustainability Program.

Our stakeholder engagement this year was further strengthened through the **ICMM-aligned Action Plan**, with a focused emphasis on social performance. Additionally, alignment with global frameworks such as the Global Reporting Initiative (GRI), and **ICMM Performance Expectations** continues to enhance the depth and clarity of our ESG disclosures.

At Hindustan Zinc, **sustainability** is a **strategic imperative – one** that **strengthens resilience** and drives **long-term value creation**. Guided by our values and purpose, we remain committed to leading responsibly and building a future where business success goes hand-in-hand with shared prosperity.

Best Wishes,

Arun Misra
Chief Executive Officer & Whole-time Director,
Hindustan Zinc

SECTION A General Disclosures

I. DETAILS OF THE LISTED ENTITY

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L27204RJ1966PLC001208
2.	**Name of the Listed Entity**	Hindustan Zinc Limited
3.	**Year of Incorporation**	January 10, 1966
4.	**Registered Office Address**	Yashad Bhavan, Udaipur, Rajasthan 313004 - India
5.	**Corporate Address**	Yashad Bhavan, Udaipur, Rajasthan 313004 - India
6.	**E-mail**	Hzl.ir@vedanta.co.in
7.	**Telephone**	+ 91-294-6604000 / + 91-294-6604002
8.	**Website**	www.hzlindia.com
9.	**Financial year for which reporting is being done**	April 01, 2025 to March 31, 2026
10.	**Name of the Stock Exchange(s) where shares are listed**	Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	₹ 845.06 crore
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Ms. Aashhima V Khanna, Company Secretary & Compliance Officer Telephone Number - +91 294-6604015 Email Address: hzl.secretarial@vedanta.co.in
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	The disclosures under this report are made on a consolidated basis. The Group comprises Hindustan Zinc Limited, its subsidiaries and joint venture disclosed in point no. 23 of Section A below. All these entities are considered for the purpose of Financial Consolidation of the Group; however, for the purpose of BRSR, the non-operational/intermittent operational/new incorporated entities/sites have not been considered based on the management's assessment of materiality. Furthermore, for the purpose of BRSR reporting, following methodology has been used: • The financial numbers used in some of the indicators of the BRSR are extracted from the Integrated Annual Accounts FY2026 • Based on an assessment of materiality, waste management details related to corporate offices, guest houses, and residential colonies of entities/sites falling within the reporting boundary have not been included, as they are not considered material to the Group's reporting • While the financial numbers for certain entities include inter-company consolidation adjustments, as per the applicable financial reporting framework (net figures), the non-financial data used in some of the indicators of the BRSR are given without adjustments (gross figures). Further, some of the entities/sites are considered for the purpose of said consolidated financial numbers, which may have been excluded from the BRSR Reporting Boundary
14.	**Name of assurance provider**	S. R. Batliboi & Co. LLP
15.	**Type of assurance obtained**	BRSR Core: Reasonable BRSR (Rest of indicators): Limited

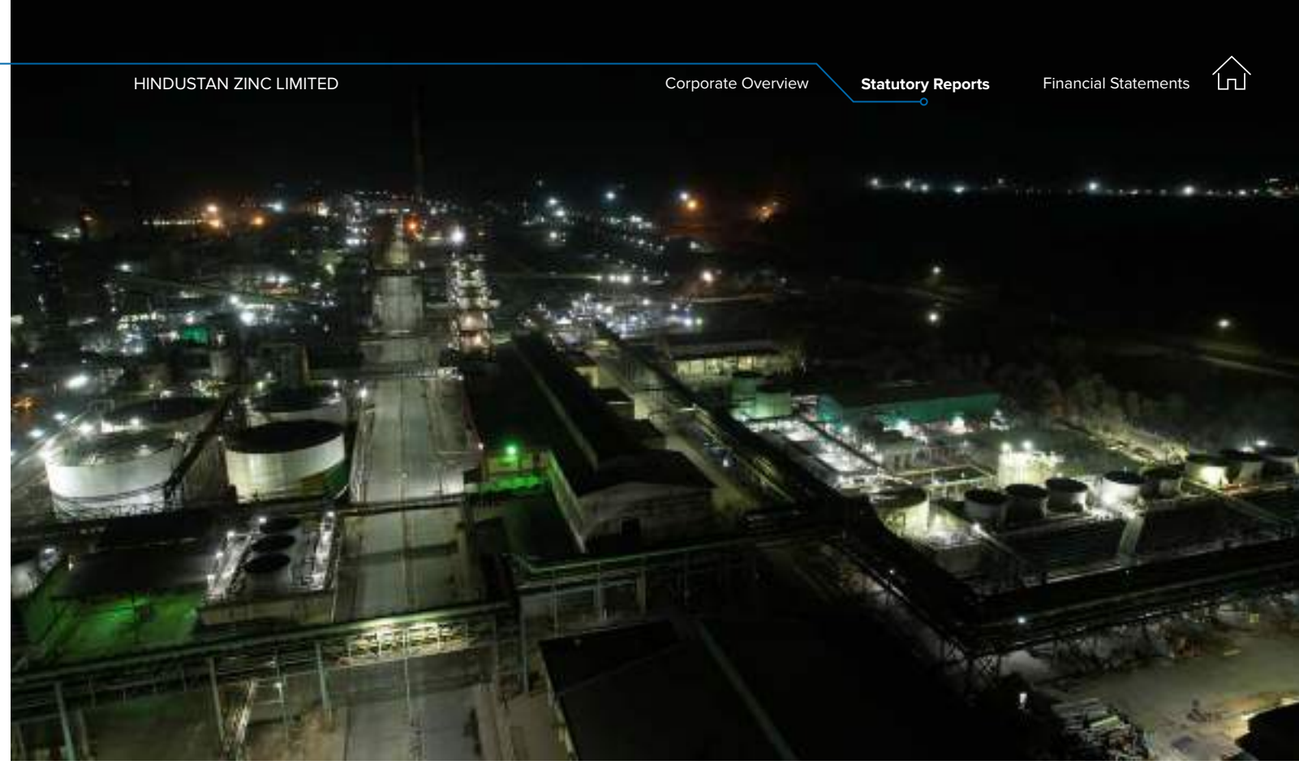
II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Metal & Metal products	91.84%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Zinc	24203	58.20%
2	Lead	24203	9.55%
3	Silver	24205	24.09%



III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants*	Number of offices	Total
National	17	4	21
International	0	0	0

*Four discontinued units are not accounted here

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	25
International (No. of Countries)	38

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports (metals) is 21.15% of the total turnover of the entity for FY2026.

c. A brief on types of customers

Our Company has B2B customers for our products as below:

- Refined zinc metal, which is used in a number of applications including galvanising, oxides, die castings and alloys
- Lead ingot is used in a number of applications including battery segment, lead-based pigments and cathode ray tubes
- We are India's only and one of the world's leading integrated silver producers. We produce refined silver, recovered as a by-product of lead processing and used in various industrial applications and decorative applications and jewellery
- Hindustan Zinc Alloys Private Limited (a wholly-owned subsidiary of Hindustan Zinc) manufactures zinc alloys, primarily used in die casting applications and sheet industry across sectors such as automotive, electrical, electronics, consumer durables, and industrial components

We were effectively able to reach out to MSME customers with live London Metal Exchange benchmarked prices, and delivery of zinc and lead metals with quantity as low as 1 tonne.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
Employees								
1.	Permanent (D)*	2,804	2,059	73.43%	743	26.50%	2	0.07%
2.	Other than Permanent (E)	11	10	90.91%	1	9.09%	0	0.0%
3.	Total Employees (D + E)	2,815	2,069	73.50%	744	26.43%	2	0.07%
Workers								
4.	Permanent (F)**	499	486	97.39%	13	2.61%	0	0.0%
5.	Other than Permanent (G)***	23,949	23,605	98.56%	323	1.35%	21	0.09%
6.	Total Workers (F + G)	24,448	24,091	98.54%	336	1.37%	21	0.09%

*Permanent Employees means Executive employees

** Permanent Workers means Non-executive employees

***Other than Permanent Workers means Business partner employees

b. Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (H)	% (H/A)
Differently abled Employees								
1.	Permanent (D)*	3	2	66.66%	1	33.33%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%	0	0%
3.	Total Differently abled Employees (D + E)	3	2	66.66%	1	33.33%	0	0%
Differently abled Workers								
4.	Permanent (F)**	4	4	100%	0	0%	0	0%
5.	Other than Permanent (G)***	11	11	100%	0	0%	0	0%
6.	Total Differently-abled Workers (F + G)	15	15	100%	0	0%	0	0%

*Permanent Employees means Executives employees

** Permanent Workers means Non-executive employees

***Other than Permanent Workers means Business partner employees

21. Participation/Inclusion/Representation of Women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22.22%
Key Managerial Personnel*	3	1	33.33%

*Key Managerial Personnel also includes one member of Board of Directors, i.e., Chief Executive Officer

22. Turnover rate for Permanent Employees and Workers

(Disclose trends for the past 3 years)

	FY2026				FY2025				FY2024			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	15%	16%	0%	15%	18%	15%	0%	18%	14%	17%	NA	15%
Permanent Workers	24%	0%	0%	24%	18%	14%	0%	18%	17%	18%	NA	17%

No other gender employee in FY2024

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Vedanta Limited	Immediate Holding Company	0*	No
2	Hindustan Zinc Alloys Private Limited	Wholly-owned Subsidiary Company	100	Yes
3	Vedanta Zinc Football & Sports Foundation	Wholly-owned Subsidiary - Section 8 Company	100	Yes
4	Zinc India Foundation	Wholly-owned Subsidiary - Section 8 Company	100	Yes
5	Hindustan Zinc Fertilisers Private Limited	Wholly-owned Subsidiary Company	100	No
6	Hindmetal Exploration Services Private Limited	Wholly-owned Subsidiary Company	100	No
7	Madanpur South Coal Company Limited**	Joint Venture	18.05	No

* Vedanta Limited is holding 60.71% in HZL

** During the year, there are no business activities in the company, and it does not have any mining asset

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: (Yes/No)

Yes

	(in ₹ crore)
(ii) Turnover*	
Standalone	40,658
Consolidated	40,844
(iii) Net worth	
Standalone	22,475
Consolidated	22,629

*Turnover includes other operating income

Note: The report's calculations are derived from consolidated turnover.

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY2026			FY2025		
		Number of complaints filed during the year	Number of complaints pending resolution as at close of the year*	Remarks	Number of complaints filed during the year	Number of complaints pending resolution as at close of the year**	Remarks
Communities	Yes Grievance Mechanisms Technical Standard	64	4	Employment, Environment & CSR related	78	9	Employment, Environment & CSR related
Investors & Shareholders	Yes HZL Whistleblower Policy Hindustan Zinc Contact Details	15	0	Dividend & Share related	47	0	Dividend & Share related
Employees and Workers	Yes Business Ethics Code of Conduct HZL Whistle Blower Policy	506	62	Sexual Harassment related (POSH), working conditions and Health & safety	683	91	Sexual Harassment related (POSH), working conditions and Health & safety

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY2026 Number of complaints filed during the year	FY2026 Number of complaints pending resolution as at close of the year*	FY2026 Remarks	FY2025 Number of complaints filed during the year	FY2025 Number of complaints pending resolution as at close of the year**	FY2025 Remarks
Customers	Yes Vedanta MetalBazar	24	1	Customer's grievances on varied issues	44	2	Customer's grievances on varied issues
Value Chain Partners	Yes HZL Whistle Blower Policy Sahyog Portal	5	2	Suppliers' and Service providers' grievances on varied issues	5	0	Suppliers' and Service providers' grievances on varied issues
Other (please specify)	-				-	-	-

*Pending grievances or complaints as at the end of the current FY relates to the new complaints or grievances raised during the year.

** Grievances which are reported in FY2025 and are pending for resolution, have been resolved in FY2026

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Hindustan Zinc Limited (Hindustan Zinc) conducted a comprehensive double materiality assessment in FY2025 Our Approach on Materiality, engaging over 400 internal and external stakeholders via site visits, focused group discussions, and one-on-one interviews. We enhanced our approach to materiality assessment by identifying an extensive set of impacts, risks, and opportunities associated with each material topic. The outcome of the assessment has provided us with deep insight into the most significant financial and impact considerations associated with ESG issues for Hindustan Zinc.

We adopted the principles of double materiality established by the EU Corporate Sustainability Reporting Directive (CSRD) to identify and prioritise issues that are financially material to our business operations while also having significant environmental and social impacts on our stakeholders. The key focus of our materiality assessment in this cycle was to identify impacts (positive and negative), risks, and opportunities associated with the material topics. This analysis enabled us to align our sustainability strategy and disclosures with stakeholder expectations in a way that creates and preserves long-term value for Hindustan Zinc.

Our methodology followed a structured five-step process:

1. **Identification of Material Topics:** We began with 200+ ESG topics derived from peer benchmarking and leading standards, refining them to 22 potentially material topics.
2. **Impacts, Risks, and Opportunities (IRO's) Identification:** Using internal risk registers, human rights reports, community impact assessment reports and industry standards (GRI, SASB), we mapped over 250+ IROs linked to these topics.
3. **Stakeholder Engagement:** We engaged with an extensive set of stakeholders to cover both the financial and impact materiality dimensions. On the former, we carried out structured consultations on the risks and opportunities with Hindustan Zinc leadership and key institutional investors to understand their priorities. On the impact materiality dimension, we engaged with business partners, suppliers, customers, employees, civil society, regulators, media partners, and the local communities. These were the key stakeholder groups who provided us with detailed insights into the positive and negative impacts associated with our material topics. The modes of engagement included structured and semi-structured interviews, focused group discussions, and surveys.
4. **Materiality Matrix Development:** Stakeholder inputs were scored and weighted based on influence and interest to create a consolidated materiality matrix across the financial and impact dimensions.
5. **Validation and Review:** The outcomes were reviewed by senior leadership and approved by the Sustainability & ESG Committee meeting discussion and has been part the third-party annual assurance process.

This exercise has helped sharpen our ESG focus and ensure alignment with stakeholder expectations. Basis the analysis below are the topics identified as high priority issues.

During the current reporting year, the Company undertook an annual review of the material topics identified in the prior assessment, considering internal risk registers, ongoing stakeholder engagement, and changes in the operating and regulatory environment. The review confirmed that there have been no changes to the material topics or their prioritisation. The outcomes of this review were presented to and endorsed by the Sustainability & ESG Committee, reaffirming that the existing materiality framework continues to capture Hindustan Zinc's most significant ESG impacts, risks, and opportunities.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
Environmental					
1.	**Air Emissions & Quality**	Risk	Failure to comply with statutory emission norms could lead to negative/ inevitable long-term impact on the environment and society, with imposition of levies/ fines, escalation in costs related to monitoring and reporting, among others.	Large-scale air emissions can cause serious impact on the environment and local communities. We continuously work towards reducing air emissions. • Well-designed state-of-the-art air pollution control devices (APCD) are in place • Effective fugitive emission management • Continuous monitoring and reporting • Adoption of advanced pollution controls	Failure to comply with emission norms could lead to negative long-term impact. However, the Company is committed to taking positive steps in the right direction, hence reducing liabilities from environmental non-compliance.
2.	**Tailings Management**	Risk	The effective monitoring and management of tailings storage facilities (TSFs) play a significant role in minimising environmental impact on our local stakeholders. Tailings dam failure can lead to loss of life, environmental damage, and reputational cost for the company. It can also entail significant financial costs/ losses and stoppages in production. Global incidents show high consequence social/ environmental harm; GISTM sets 77 auditable requirements across the lifecycle;	Failure of tailings dams can cause a huge environmental and social impact. Hence, we accord top priority to managing them responsibly. • All the Company's tailings facilities are designed and constructed to the highest engineering standards and best-in-class benchmarked practices, and design is certified by an external expert • External and internal inspection and monitoring of the TSFs to review the integrity/ stability of our TSF structures and their associated management practices • Effectiveness of reclaim water system • Conducting periodic TSF risk assessments and developing mitigation plans to minimise associated risks • Surveillance of TSFs • Utilisation of tailings in backfilling • Replacement of wet tailing disposal system with filtered tailing disposal • Dam break analysis and emergency preparedness • Satellite-based interferometric synthetic aperture radar (InSAR) monitoring technique to provide early warning of surface ground movements • Various geotech instruments-like piezometers, inclinometers, prisms, and satellite monitoring are in use • Renewal of CEO attestation annually • Critically reviewing monsoon management • Implement GISTM including Engineer of Record/ Independent Review, consequence classification, OMS manuals, surveillance & instrumentation, emergency response & community engagement • Transition from Wet to Filtered Tailings	There may be negative financial consequences catastrophic liability, loss of life, fines, legal damages in case of breach of tailings dam. However, the Company is committed to taking positive steps in the right direction.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
3.	**Water Resources Management**	Risk/ Opportunity	Our operational activities involve processes in which water is an indispensable input, both for extraction and processing & smelting. Thus, it is even more important for us to strive to reduce water use and increase reutilisation throughout the value chain. According to our climate change assessment, climate change may result in an increase in extreme weather events and subsequent resource shortages. Most of our operations are located in Rajasthan, which is one of the designated water-stressed regions in the country based on WRI's Aqueduct tool. There is a high probability of experiencing situations of drought and extreme heat waves. Since water is a critical input to our business, these factors have the potential to disrupt operations, to impact productivity of staff as well as our revenues and logistics	Water conservation is particularly important for us as we operate in a water-stressed region. We are 3.32 times water positive company. Company has taken several initiatives to reduce its dependencies on fresh water and enhance the availability of water for the communities surrounding our sites. • Increasing efficiency in water usage and exploring less water-intensive technologies • Strengthening water recycling and installation of state-of-the-art water and wastewater treatment facilities plants across all locations • Using alternative water sources to reduce dependency on freshwater using treated water from sewage treatment plant • Replenish water within local watersheds and rainwater harvesting • Establishment of filtered tailings plants • Water risk assessment using WBCSD's India Water Tool and WRI Aqueduct	This would have financial implications as the Company has already taken significant initiatives to reduce water consumption and recycle it efficiently in the past. However, with our initiatives, we are reducing dependency on fresh water and reduced risk of shutdowns due to water scarcity, hence positive impact is also considered
4.	**Circularity & Waste Management**	Risk	Waste generated from our operations poses challenge for us in terms of increasing our cost for disposal, its storage & risk of non-compliance.	• At Hindustan Zinc, we believe in 'Near-to-Zero Waste to landfill' and have designed a comprehensive approach in managing waste generated. We have aligned our waste management practices to '4R' strategy - Reduce, Reuse, Recycle and Reclaim • Gainful utilisation of waste in terms of recovering minor metals & finding business sense in use of high volume-low toxicity waste in other industries (cement, road etc.) • Fumer plant operation to minimise Jarosite generation from Hydro Zinc Smelter	Together with some negative implications, this would largely have a positive impact through waste to wealth initiatives
		Opportunity	Revenue from recycling, reduced disposal costs.		
5.	**Climate Change & Energy Transition**	Risk	We are an energy-intensive industry due to the nature of our operational activities, logistics and transportation processes. That is why we seek new technologies and progress regarding sustainable energy generation. This can impact the overall market value of the products in the geographies with restrictions, thus impacting our revenues. As a result, we keep track of all transition risks and changes in regional Climate Change Policy.	The rising challenges of climate change and resource scarcity have put us on a path of transformation to a low-carbon economy. Our strategies for mitigating these risks include: • Reducing fossil fuel-based energy use in our operations by using innovative energy efficiency technologies and process optimisation • Shifting to renewables and/or low-carbon solutions like biomass, where possible • The company has committed to net zero carbon emissions by 2050 and has signed power-purchase agreement up to 530 MW • Replacing diesel-fuelled transportation vehicles with electric vehicles. We have introduced India's first underground mining electric vehicle	There may be negative financial consequences for failing to implement mitigation and adaptation strategies. However, the Company is committed to taking positive steps towards the journey of net zero

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
			As per our physical risk assessment for the year 2030 and 2050, Hindustan Zinc is likely to face natural disasters like droughts, heat waves and increase in extreme weather conditions. These would impose challenges to mining operations. Climate change may cause or result in increase in extreme weather events and subsequent resource shortages, impacting overall cost of acquisition of resources from alternative sources.	• Introduced 180 LNG-powered trucks and 52 electrical trucks for upstream and downstream transportation and further extended our MoU for green fleet • Business partners also introduced electrical vehicles, several forklifts, towing vehicles, and passenger vehicles • 100% RE power consumption at Pantnagar Metal Plant • Climate change risk assessment	
		Opportunity		• Use of renewable electricity may result in lower Levellised Cost of Energy (LCOE) • New market opportunities due to expected growth in solar photovoltaic panels and energy storage systems and batteries using zinc, lead, and silver • Low-carbon metals, like EcoZen, may give differentiator and command premium well before 2030	Positive
Social					
6.	**Health, Safety & Well-Being**	Risk	At Hindustan Zinc, safety continues to be a material priority given the inherently high-risk nature of underground mining and smelting operations. These complex industrial environments present potential exposure to critical hazards that can result in serious injuries, fatalities, occupational health concerns. Maintaining strong safety performance is therefore essential not only for protecting people but also for sustaining operational reliability and long-term organisational value. The scale of HZL's contractor workforce across mining and smelting locations further increase the complexity of safety governance and assurance. Any deviation from established safety standards or critical controls can lead to operational interruptions, regulatory implications, financial impact, and reputational risk. Recognising this, HZL remains committed to strengthening its safety management systems, enhancing contractor capability building, and implementing proactive risk identification and fatality prevention measures to reinforce a culture of safety excellence across all operations.	• Launch and roll out of CRM centric safety management system aligning with Aarohan Pillars • Roll out of Inframatrix and rule matrix across Hindustan Zinc to ensure that adequate resources are available to manage risks across Hindustan Zinc • Implementation of engineering and digital solutions like detect technology for preventing the occurrence of fatal injuries • Horizontal implementation of past incident learnings across all business units of Hindustan Zinc • Provision for workers to report hazards and remove themselves from risks through online digital system, Enablon • Effective safety governance system in place for timely action to improve working conditions and health & safety, involving the key business partners of our operation • Adequate medical and healthcare services to all employees and workers of the organisation. Regular Periodical Medical Examination (PME) and Initial Medical Examinations (IMEs) for monitoring health condition • Industrial hygiene assessment through competent external third party for better exposure monitoring and timely control by recognising, evaluating, and controlling occupational health hazards and occupational exposures • Competency enhancement and skill development of workforce through trade test, training need assessment and other structured training programs	Negative implication Risks can result in various direct and indirect costs to operations, which may be either tangible or intangible.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
7.	**Community Engagement and Development**	Risk Opportunity	Communities are identified as foremost stakeholder group. Stakeholders, especially communities, may get impacted at the socio-cultural and economic level due to our business operations. Deficit of trust and relationship with the earmarked stakeholders may not only impede the progress on initiatives for furthering our societal impact, but may also lead to consequential loss of reputation, brand and business continuity. Mismatch between expectations of community and actions deployed or lack of awareness or poor deployment of engagement initiatives may lead to discontented communities. A proactive and sustained approach towards consultation with stakeholders including communities is critical to strengthen the engagement levels and sustained interactions and engagement platforms would lead to presenting our commitment to driving value for both communities and organisation. We also are cognisant that each location has a different cultural and economic significance, which influences the expectations local communities have from us. Hence, community engagement for sustainable integrated land use planning, the training of community persons in specialised skills, importance to cultural values and its integration into the relationship, empowering and bringing women in leadership by focusing on equality, overall developing the assets within the community & intensely educating them thereby making self-sustained communities' local employment, local sourcing are few of the most important aspects for us to build a trust and uplift their standard of living.	• Proactive and sustained engagement platforms like "Community Connect" and "Community Leadership Connect" shall ensure two-way communication network and strengthen the trust element. Our approaches towards strengthening Social Performance Steering Committees (SPSC) at business locations with active involvement of the functional leaders across Hindustan Zinc, is key to monitoring the grievances and their resolution, key risks and their mitigation and creating strong relationships with the stakeholder base. This reduces the collective risks & immediately addresses the grievances and feedbacks received from the communities • Engagement of senior management at village level across all business units on a regular basis for discussing village level development and ensure resolution of concerns/grievances, if any • Model Village as a strategic approach is being adopted to strengthen the village infrastructure in discussion with the villages and its elected members • Assessing the community need and impact derived from our interventions including perception studies, aid us in learning the insights and further help us draw inferences and future action plans	Probable positive and negative financial impacts

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
8.	**Diversity, Equal Opportunity & Inclusion**	Risk	People are our core assets and responsible for organisational success. By establishing a culture of safety, employee engagement and support for diverse groups in our workforce, we have been able to deliver in the top quartile of the business performance. We are an employer of choice and a company that continues to attract, develop and retain talent across all the levels. Diversity is a business imperative for us and we firmly believe that healthy diversity mix is more likely to have financial returns above industry median.	While we see opportunity in diverse workgroups, there are apparent risks. The workplace has to be inclusive, safe, secure, free of discrimination, harassment and bullying. • Mitigation: Policy on Prevention of Sexual Harassment, Anti-Discrimination Policy, Internal Complaints Committee • Grievance Redressal Committee, Women Councils are in place which are channels to directly approach for any grievance, complaint, or suggestion • Launched PRISM (Prevention, Response, Inclusion, Safety & Mindset): to ensure employees and business partner workforce are aware of the rules and regulations related to sexual harassment as well as the policy, PRISM campaign was launched enterprise-wide • Strategically, we focus on having a strong representation of women across levels and our diversity candidates currently constitutes 26.4% of the strength in the executive cadre • Simultaneously, we have successfully onboarded transgenders in front-end roles • We have flagship programmes for identification and development of diverse workgroups such as ACT-UP, SHIKHAR, V-Aspire, which focus on technical & behavioural aspects of individuals	There may be minor financial implications while strategising improved hiring techniques and systems may reduce the risk
9.	**Talent Attraction & Retention**	Risk	A high-quality talent pipeline paves the way for organisation excellence. Our talent management framework is conceptualised and implemented to maximise individual contribution by developing existing skills & experience. We believe in deploying best-in-class talent management practices that boost performance and help in building our brand to attract and retain talent. We continuously work with a focused approach to get the right people in the right jobs, developing them and creating a great work environment, which in turn will build the foundation for an exceptionally talented and successful organisation. The core operations at Hindustan Zinc include mining, smelting & refinery, require workforce with niche skills. Attrition in this talent pool is considered as a threat to the business deliverables.	We build and leverage the talent through a robust framework, as mentioned below: • Attraction and Acquisition - Empanelment of premier institutes across the country to tap the best talent, unique drives for attracting best talent from diverse work groups etc. • Promoting Young Talent - Right management in place, and building the talent pipeline through succession planning • Capability Building - Ensuring that we have people with the right skills which are niche skills in mining and smelting. Also, acquiring new skills at par with external requirements and be agile with both internal & external developments. We ensure the development of our people on technical & behavioural aspects through customised interventions • Driving Diversity – Diversity, equity and inclusion is a business imperative and our objective is to achieve gender parity across all levels starting from the Board • Performance Management - Cascading organisational goals to the last line to ensure that the entire workforce is aligned to achieve the business targets • Our Employee Well-being & Assistance Program is designed to address mental stressors in both personal and professional spheres, ensuring holistic support for our workforce	There may be minor financial implications while strategising improved hiring techniques and systems may reduce the risk

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
Governance					
10	**Business Ethics and Governance**	Risk opportunity	Business ethics is a critical issue for our company as it directly influences trust, transparency, and compliance with legal and regulatory frameworks. Lack of transparency in financial transactions exposes the company to corruption risks, which can undermine market trust and investor confidence. Non-adherence to governance standards can lead to severe penalties, reputational damage, and legal scrutiny, especially in regions prone to corruption. Additionally, politically influenced groups may pose risks such as targeted attacks or manipulation during vendor bidding processes. Strengthening anti-corruption measures, transparency, and embedding sustainability KPIs for leadership provide opportunities to enhance investor confidence and secure long-term operational licenses. Responsible business practices are the foundation for sustainable growth and stakeholder trust, critical for safeguarding our reputation and business continuity.	• We steadfast in our commitment to the highest standards of ethical conduct, integrity, and transparency. Central to this commitment is our comprehensive **Business Ethics and Code of Conduct**, which serves not merely as a policy but as a foundational guide that shapes our corporate culture and informs responsible decision-making across all levels of the organisation • Our Code of Conduct outlines clear expectations for ethical behaviour and applies to all employees, directors, and business partners	Probable negative financial consequences due to failure for failing to implement the designed roadmap and future strategies. However, the Company is committed to taking positive steps in the right direction

SECTION B Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes											
1.	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b.	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c.	Web-Link of the Policies, if available									
		Business Ethics and Code of Conduct	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Insider Trading Prohibition Code	✓								
		Related Party Transactions Policy	✓								
		Whistle-Blower Policy	✓				✓				
		Anti-Bribery and Anti-Corruption	✓				✓				
		Dividend Distribution Policy	✓								
		Nomination & Remuneration Policy	✓								
		CSR Policy								✓	
		Policy on Determination of Materiality for Disclosures	✓								
		Board Diversity Policy	✓								
		Policy on Prevention of Sexual Harassment at the Workplace	✓		✓		✓				
		Supplier Code of Conduct	✓	✓		✓					
		Vendor Grievance Redressal Policy				✓					
		Alcohol & Drug Free Workplace Policy			✓						
		Anti-Harassment & Anti-Discrimination Policy	✓		✓		✓				
		Biodiversity Policy		✓				✓			
		Diversity and Inclusion Policy			✓		✓				
		Energy and Climate Change Policy		✓				✓			
		Environmental Policy		✓				✓			
		Health & Safety Policy			✓		✓				
		Human Rights Policy			✓		✓				
		Social Performance Policy			✓	✓	✓				
		Supplier Sustainability Management Policy		✓			✓	✓			
		Sustainable Sourcing Policy		✓			✓	✓			
		Tailings Management Policy						✓			
		Water Management Policy		✓				✓			
		Customer Delight Policy									✓
		Stakeholder Engagement Standard				✓					
		Grievance Mechanisms				✓					
		Inclusion Policy for LGBTQ+					✓				
		Equal Opportunity Policy	✓		✓					✓	

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 31000 (Risk Management System) ISO 37301 (Compliance Management System)	ISO 9001 (Quality Management System) ISO 14001 (Environmental Management System)	ISO 45001 (Occupational Health and Safety (OH&S) Management System) ISO 22301 (Business Continuity Management System & Disaster Recovery System)	-	ISO 14001 (Environmental Management System) ISO 45001 (Occupational Health and Safety (OH&S) Management System)	ISO 14001 (Environmental Management System) ISO 50001 (Energy Management System) Environment Product Declaration (EPD) for Zinc Product	-	-	ISO 9001 (Quality Management System) ISO 27000 (Information Security Management System) Environment Product Declaration (EPD) for Zinc Product
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	Hindustan Zinc is built on inherently sustainable principles. We believe in driving long-term sustainable economic development and value creation for our stakeholders by protecting the health and safety of our people and community, minimising the environmental impact of our operations, respecting human rights and sharing benefits with the community. We have taken a holistic view in setting our sustainability goals for 2030, aligning them with UN Sustainable Development Goals and our previous goals. Following a formal double materiality analysis process and extensive internal and external stakeholder dialogue, we have set ambitious sustainability goals for 2030 as mentioned below:								

Sustainability Goals 2030*

1 Climate Change & Decarbonisation

- Accelerate mitigation and adaptation measures and reduction of Scope 1 and 2 emissions by 50% and Scope 3 emissions by 25% from the 2020 baseline
- Net Zero Goal: Achieving Net Zero emission by 2050 or sooner

2 Water Stewardship

- Achieve a 50% reduction in freshwater consumption in operations from the 2020 baseline, thereby contributing to increased freshwater availability for communities within the shared watershed
- Securing 100% municipal treated sewage water for smelting operations
- Engage with supply chain partners to assess and manage water footprint in water-stressed

3 Circular Economy & Material Stewardship

- Aiming to achieve near to Zero waste to landfill by diverting all smelting process waste away from landfill through reuse, recycling and recovery.

4 Biodiversity Conservation

- Halting and reversing biodiversity loss by 2030 from a 2020 baseline, through measurable gains in the health, abundance, diversity and resilience of species, ecosystems, and natural processes
- Plan and stive to achieve No Net loss of biodiversity at all mine sites by closure through applying mitigation hierarchy

5 Ensuring Zero Harm

- Contribute to reach Zero Fatality and 100% elimination of high consequence work-related injuries

6 Social Performance

- By 2030, complete Social and Human Rights Impact Assessments (SHRIA) at all major sites and implement site-specific Social and Human Rights Management Plans (SHRMPs) to respect human rights, support vulnerable communities, and promote inclusive growth
- Impacting 0.5 million lives directly through economic enhancement & improving the quality of life
- 30K individuals made employable through skilling and entrepreneurial opportunities by 2030

7 Diversity & Inclusion

- Increase gender diversity to 30%, with a strong focus on decision-making roles, to foster a more inclusive and diverse workplace

8 Responsible Sourcing

- 100% active Supplier evaluation on ESG & Risk Management
- Transition to Greener Fuels for advancing Scope 3 emission reduction
- Achieve 25% of total procurement spend from local business partners (includes Contracting & Sub-contacting spend) by 2030 from base year 2025

*Except Responsible sourcing (baseline 2025), baseline for all others is 2020

6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.

2030 Goals	Action Taken	Performance KPI's
1 • Accelerate mitigation and adaptation measures and reduction of Scope 1 and 2 emissions by 50% and Scope 3 emissions by 25% from the 2020 baseline • Net Zero Goal: Achieving Net Zero emission by 2050 or sooner	• Power delivery agreement of 530 MW round the clock renewable energy (518 MU of RE power received from this project in FY2026) • 100% RE power consumption at Pantnagar Metal Plant • Energy-efficiency programmes/ISO 50001 certification • Switching to electric mobility • Alternate fuel (LNG) use for IUT transportation	• Total absolute emissions (Scope 1+2) = 5.02 $MtCO_2e$ Scope 3 Emissions = 1.47 $MtCO_2e$
2 • Achieve a 50% reduction in freshwater consumption in operations from the 2020 baseline, thereby contributing to increased freshwater availability for communities within the shared watershed • Securing 100% municipal treated sewage water for smelting operations • Engage with supply chain partners to assess and manage water footprint in water-stressed	• Utilisation of Municipality sewage treated water • Maintaining zero liquid discharge across sites • Water recycling through integrated wastewater treatment facilities ETP/RO/MEE/MVR plants • Filtered tailing plant • Rainwater harvesting • Water risk assessment	• 13% reduction in freshwater consumption in operation from FY2020 • 47% municipal sewage treated water in smelting operation • 49% Water Recycling Rate
3 • Aiming to achieve near to Zero waste to landfill by diverting all smelting process waste away from landfill through reuse, recycling and recovery	• Utilisation of Jarosite in cement • Jarofix utilisation in road construction • Metal recovery from waste	• HVLT Utilisation = 104%*
4 • By 2030, complete Social and Human Rights Impact Assessments (SHRIA) at all major sites and implement site-specific Social and Human Rights Management Plans (SHRMPs) to respect human rights, support vulnerable communities, and promote inclusive growth • Impacting 0.5 million lives directly through economic enhancement & improving the quality of life • Making 30K individuals made employable through skilling and entrepreneurial opportunities by 2030	• Outreach 4,149+ villages; ~2.6 million beneficiaries through sustained CSR initiatives • Enhancing the local economy by sustainable livelihood practices • Improving quality of life of communities including the lifecycle approach in education sphere and developing model villages • Promoting community-led microenterprises	• 1,63,803 No. of lives impacted with economic enhancement • 13,314 No. of individuals made employable

2030 Goals	Action Taken	Performance KPI's
5 • Halting and reversing biodiversity loss by 2030 from a 2020 baseline, through measurable gains in the health, abundance, diversity and resilience of species, ecosystems, and natural processes • Plan and stive to achieve No Net loss of biodiversity at all mine sites by closure through applying mitigation hierarchy	• Three years engagement with International Union for Conservation of Nature (IUCN) • Integrated Biodiversity Assessment Tool (IBAT) report • Ecosystem service review • Biodiversity assessment and Biodiversity Management Plan renewed for all sites • Miyawaki afforestation • Restoration of Jarofix Yard • Wildlife conservation plan	• 1,13,500 additional plantations in FY2026.
6 • Increase gender diversity to 30%, with a strong focus on decision-making roles, to foster a more inclusive and diverse workplace	• Improving diversity of gender, sexual orientation, specially abled, and regional diversity. LGBTQIA+ onboarded in front end role (45 nos.) • Sensitisation workshop for diversity and inclusion • Rolled out various women professional development programmes • Effective employee engagement programme	• Gender diversity in executives increased from 14.4% in FY2020 to 26.4% in FY2026
7 • Contribute to reach Zero Fatality and 100% elimination of high consequence work-related injuries	• CRM Centric Safety Management System • S.A.F.E Leadership Coaching • Launch of Mine Safety Assurance Program • Community of Practice – Structural Stability, Visible Felt Leadership, Process Safety Management • Implementation of collision avoidance system • Industrial Hygiene Exposure Assessment • Safety Culture Assessment	• 2 Fatalities • 1 No. of high consequence work related injuries (excluding fatalities)
8 • 100% active Supplier evaluation on ESG & Risk Management • Transition to Greener Fuels for advancing Scope 3 emission reduction • Achieve 25% of total procurement spend from local business partners (includes Contracting & Sub-contacting spend) by 2030 from base year 2025	Incorporated ESG into the commercial process through below initiatives: • Suppliers' due diligence programme and Code of Conduct adherence • Standard ESG expectations incorporated in the contracts • Incorporated single-use plastic and Modern Slavery Act declaration in RFQ process • Grievance redressal through portal • Conducted webinar for various ESG topics, including training sessions on sustainability disclosures In compliance with London Metal Exchange (LME) Responsible Sourcing Guidelines • Sustainable Supply Chain program launched	• 100% critical suppliers evaluated • 22% spend on local procurement

*Legacy waste utilised, making recycling % more than 100%

Governance, leadership and oversight		
7.	**Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) -**	Mr. Arun Misra, CEO & Whole-time Director is responsible for the Business Responsibility and Sustainability Report. Please refer to page 374 of the Integrated Annual Report FY2026 for CEO statement covering ESG risk, challenges, highlights and achievements.
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)**	Mr. Arun Misra, CEO & Whole-time Director, who is also a member of Board-level Sustainability and ESG Committee, is responsible for the implementation and oversight of the Business Responsibility and Sustainability Policy(ies)
9.	**Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability-related issues? (Yes/No). If yes, provide details.**	Yes, the Company has Board-level Sustainability and ESG Committee in place for decision-making on sustainability-related issues. The Sustainability and ESG Committee, chaired by an Independent Director, is responsible for providing oversight and in formulating our sustainability strategy including topics such as climate change, environment, safety, transparent disclosures besides setting long-term goals and targets. Refer Page 180 of the Integrated Report FY2026 for more details. The Committee is responsible for: • Periodically review the Company's stakeholder base and their material interests • Review and approve any reporting on sustainability aspects to the public or government agencies • Implement industry best practices and standards, to ensure that the Company's sustainability strategy minimises environmental impact and creates shared value in the long-term for stakeholders • Manage risks in all forms; by applying controls and testing their effectiveness against environmental risks and opportunities, social impacts and activities related to stakeholder engagement The Committee also plays a key strategic role in all business decisions to ensure workplace safety, eliminating any potential damage to the environment, enhancing a commitment towards stakeholders and maintaining Hindustan Zinc's reputation as one of the leading sustainable metal & mining company. Committee Composition Ms. Priya Agarwal Hebbar - Non-Executive - Chairperson Mr. Arun Misra - Executive Director - Member Mr. Anoop Kumar Mittal - Independent Director - Member ESG risk and mitigation are also reassured by the Audit & Risk Management Committee

10. Details of review by NGRBCs by the Company:

Subject of review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee								
	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Performance against above policies and follow-up action	All NGBRC-related policies are reviewed by Sustainability and ESG Committee, Senior Management and the Board.								

Subject of review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee								
	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Performance against above policies and follow-up action	Committee of the Board								

Subject of review	Frequency (Annually/Half Yearly/Quarterly/Any other - please specify)								
	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Performance against above policies and follow-up action	The policies of the Company are reviewed annually by Director/ Board Committees, wherever applicable								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Review of compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances is done by relevant Board Committee								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Yes. Vedanta undertakes an annual audit exercise, known as the Vedanta Sustainability Assurance Process (VSAP) audit, conducted by an external agency Deloitte to evaluate the workings of these policies. This audit is conducted across all business locations including Hindustan Zinc to ensure Vedanta Sustainability Framework (VSF) compliance.								

12. If the answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not applicable

SECTION C Principle-wise Performance Disclosure

PRINCIPLE 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

S. No.	Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
1	Board of Directors	11	• Business and operational performance of the Company and update on key projects, industry changes and outlook • Update on key risks • Update on sustainability & ESG initiatives • Update on CSR initiatives • ESG awareness session • Risk management awareness session	100%
2	Key Managerial Personnel	7	• Business and operational performance of the Company and update on key projects, industry changes and outlook • Business Ethics and Code of Conduct covering insider trading • ESG awareness session • Risk management awareness session • Peer learnings - Tailings management • Trainings on ICMM principles & position statements • Training on Human rights & Social performance • Training on Psychological health & Safety	100%
3	Employees other than BoD and KMPs	6,183	• Safety, governance, legal, technology, ESG, behavioural training covered	100%*
4	Workers	7,206	• Legal, technical, behavioural, health safety & environment upskilling training	75.67%

* 2 employees in Maternity/Long medical leave

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine*	Principle-1	BSE & NSE	36,50,000 (excluding GST)	1. Non-compliance related to minimum number of Independent Directors on Board. Penalty of ₹ 36,50,000	No
		Office of Deputy Excise & Taxation Commissioner, Haryana	20,000	On account of procedural issue	No
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	Regional Director, North Western Region, Ministry of Corporate Affairs	63,90,000	Not mentioning Director Identification Number (DIN) of the Directors as required under Section 158 of the Act, during financial years 2014-15 to 2020-21	NA

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

*Reporting under Regulation 30

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of regulatory/enforcement agencies/judicial institutions
NA	0

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Hindustan Zinc has adopted the anti-corruption or anti-bribery policy. The policy can be accessed at Anti-Bribery-and-Anti-Corruption Policy. The policy has been developed in alignment with the Company's Code of Conduct, including whistle-blower policy bound by various laws including the Indian Prevention of Corruption Act 1988, UK Bribery Act 2010 and Foreign Corrupt Practices Act 1977 etc. The policy reiterates Hindustan Zinc's stance of zero tolerance towards fraud, bribery, and corrupt practices. The policy facilitates ethical decision-making and reinforces the Company's culture of transparency in all its dealings. This policy applies to all employees and business partners of the Company and sets out conduct that must be always adhered to.

The policy can be accessed at Anti-Bribery-and-Anti-Corruption Policy

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY2026	FY2025
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY2026		FY2025	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable as there were no fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest as mentioned above.

8. Number of days of accounts payables ((Accounts payable* 365)/Cost of goods/services procured) in the following format:

	FY2026	FY2025
Number of days of accounts payables	99	80

Note: The methodology for calculating accounts payable has been updated as per the new guidelines issued by the Industry Standards Forum on December 20, 2024 which revised the definition for "purchases". Thereby values are restated.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY2026	FY2025
Concentration of purchases	a. Purchases from trading houses as % of total purchases	1.66%	1.97%
	b. Number of trading houses where purchases are made from	10	11
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	99.75%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	33.44%	40.33%
	b. Number of dealers/distributors to whom sales are made	85	91
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	64.67%	62.62%
Share of RPTs in	a. Purchases (Purchases with related parties/Total purchases)	14.43%	9.14%
	b. Sales (Sales to related parties/Total sales)	2.22%	0.77%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	6.35%	6.43%

Calculations derived from purchases changed basis above footnote

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
120	Carbon Emission & Climate Change, Health & Safety, Energy Conservation, TNFD, Extended Producer Responsibility, Psychological Health & Safety, Sustainable Supply Chain, Human Rights	• 100% of new suppliers given training on Supplier Code of Conduct • 58% suppliers (on commercial procurement spend basis) were given training on ESG topics • All business partners accessing Hindustan Zinc sites go through mandatory safety training

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes. The Company maintains a stringent policy on Business Ethics & Code of Conduct (The Code). Ethical conduct within our Company extends to all stakeholders, including Board members, top management, employees, partners, contractors, shareholders, and others. The Code of Conduct is founded on the principles of trust, mutual respect, professionalism, responsibility, accountability, and transparent communication. It aligns with the Indian Prevention of Corruption Act 1988, the Foreign Corrupt Practices Act 1977, and the UK Bribery Act 2010.

The Code provides guidance on our behaviour, fostering honest and ethical conduct, handling conflicts of interest ethically, and ensuring complete and timely disclosures. It ensures that our actions and policies comply with applicable laws and regulations and adhere to the highest standards of business ethics and integrity.

The Company obtains annual declarations from members of the Board detailing entities in which they have an interest, and such declarations are updated on an ongoing basis to reflect any changes. Transactions with these entities are permitted only after ensuring compliance with applicable statutory provisions and the Company's policies, including obtaining all necessary approvals prior to execution. The policy is placed on the Company's website HZL Business Ethics & Code of Conduct

PRINCIPLE 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY2026	FY2025	Details of improvements in environmental and social impacts
R&D	100%	100%	Hindustan Zinc Limited's R&D division is aligned with business objectives, prioritising operational efficiency, process innovation, evaluation and adoption of advanced technologies, cost-effective solutions, and sustainable practices that generate value from waste & secondaries. The key technical focus included developing a deeper understanding of complex ore mineralogy and liberation and enhancing the recovery of target & critical metals during beneficiation and smelting through process optimisation. A major emphasis was on improving silver recovery during mineral processing, and further downstream smelting operation leading to successful plant trials through the introduction of new reagent schemes and process flowsheet enhancements. Specifically, several initiatives were undertaken to reduce reagent consumption and improve value realisation from secondary materials for cost optimisation. Hindustan Zinc has made transition in constant development of value-added products viz., Zn-based batteries and alloy systems attuned to market requirements. We collaborated with leading Indian and foreign research institutes and global technology providers to develop, validate, and scale up in-house processes for concentrate grade improvements and converting waste streams into value-added products. In FY2026 Hindustan Zinc has filed 02 IPs concentrating in fields of sustainable metal valorisation from smelters waste, automation product quality check while running electrowinning process and mineral processing – generation of pyrite con from tailings. Furthermore, Hindustan Zinc has signed two Memorandum of Understanding (MoU) with CSIR-National Metallurgical Laboratory (India) and Virginia Tech. University (US) focusing on strengthening process related to metal grade improvements in mineral processing coupled with innovative techniques for strategic metal extraction across Hindustan Zinc.
Capex	14%	13%	As a leading company in the metals & mining sector, we are completely aligned with UN Sustainable Development Goals. The Company is working on various areas of ESG with our 8 sustainability goals, having number of projects under the capex investment. The project area includes climate change, energy efficiency, water & waste management, and health & safety. Some of the key projects covered under capex investment are – • Establishment of water treatment plant including RO and MVR at Rampura Agucha Mine • Setting up filtered tailing storage facility at Rajpura Dariba Complex and monsoon preparedness of tailings dam • Development of seismic monitoring system at mines • Tail gas treatment plant for Hydro 1 Roaster • UG Ventilation Improvement • Greenbelt Development of Jarofix Yard • Power delivery agreement of 530 MW Renewable energy round the clock

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company operates in a responsible manner, embedding sustainability across its business through ethical practices, robust governance, protection of human rights, health and safety of workers, and environmental responsibility. To achieve this vision, we have put in place a Sustainable Sourcing policy that aligns our goals with our valued business partners and promote a culture of responsibility towards sustainability in all our stakeholders. The policy applies to all our Tier-1 business partners including service and supply partners based on fundamental requirement of adherence to the Supplier's Code of Conduct, which embodies our commitment to internationally recognised standards on five core principles - labour and human rights, occupational health

and safety, environmental sustainability, business integrity, and governance. This system enables the detection of red flags, prompting enhanced due diligence to evaluate the presence of serious risks such as human rights abuses, security-related concerns, support to non-state armed groups, money laundering, tax evasion, bribery, environmental violations, greenhouse gas emissions, water scarcity, social unrest, and misrepresentation of material origins. In response to identified risks, the company formulates targeted risk management plans, including a grievance mechanism to ensure timely prevention and mitigation. When red flags are detected, appropriate corrective actions are taken to address and resolve the issues effectively.

b. If yes, what percentage of inputs were sourced sustainably?

100% of our material and services are being sourced sustainably only through our robust supply chain process, i.e. 100% of tier 1 supplies by commercial procurement spend have been assessed by a third party for ESG aspects during the year.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end-of-life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The products manufactured by Hindustan Zinc are integrated into various products produced by their customers, making it impractical to separate or reclaim them individually. Therefore, the question does not apply to our products.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, it is applicable for the plastic being received as packaging material for imported material goods and it is not applicable for our own product/product packaging. These applicable packaging materials are unwrapped in our stores and sent for further recycling and waste collection plan is in line with the EPR plan submitted to Pollution Control Board.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The Company has published an environmental product declaration (EPD) for special high-grade zinc over a cradle-to-grave system boundary. Also conducted life cycle assessment (LCA) in FY2025 as per ISO 14044/44 standards, using cradle to gate approach for zinc, lead, and silver products. The study established the baseline impact of 1 tonne of Special High-Grade Zinc, Refined lead, and Refined silver production each for facilities of Hindustan Zinc.

A set of life cycle impact indicators, such as abiotic depletion potential of minerals and metals, acidification potential, eutrophication potential, global warming potential, ozone layer depletion potential, photochemical ozone creation potential, primary energy demand, and water consumption, were assessed over a cradle to gate system boundary.

NIC Code	Name of the product/ service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
24203	Zinc	58.20%	Cradle-to-gate	Yes	Environment Product Declaration
24203	Lead	9.55%	Cradle-to-gate	Yes	Integrated Annual Report 2025-26, Page No. 193
24205	Silver	24.09%	Cradle-to-gate	Yes	Integrated Annual Report 2025-26, Page No. 193

Additionally, the launch of EcoZen – Asia's first low-carbon zinc product in July 2024 – demonstrates our commitment to product innovation and ESG excellence. Manufactured using renewable energy, EcoZen has a carbon footprint approximately 75% lower than the global average. We undertook Product Carbon Footprint of Average Low Carbon SHGZ product based on mass balance approach as per ISO 14067 Standards along with Third Party Verification by an Independent International reviewer. As per the latest verification carried out for Low carbon Zinc & emissions associated with low carbon Zinc is 0.939 TCO_2e/Tonne of Zn, which is less than 1 tonne. For more information please find link to the product carbon footprint report.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Name of Product/Service	Description of the Risk/Concern	Action Taken
Zinc Lead Silver	There are no significant social or environmental risks or concerns arising from production or disposal of our products/ services, as identified in the life cycle assessments (LCA). Following are the recommendations from the above study for which we have worked on: • Identifying all potential areas for improvement and direct efforts so as to reduce the impact, or otherwise minimise as far as possible, getting the consequent environmental improvement and compare with the benchmark and best available technologies • Optimisation and improvement of the production processes, end-of-life scenarios, etc. • Stimulating the generation of information on the life cycle performance of materials to support both reductions in the footprint of the upstream activities to harvest the materials, as well as more sustainable applications of materials in products • Objectively analysing different future scenarios and possible alternatives and their implications and impact on the life cycle • Third-party standards and rating schemes that are trying to improve the environmental footprint of product and building systems	• Energy-efficiency projects such as revamping of all the turbines, improvement of cellhouse efficiency, and other projects like installation of variable frequency drives across operations, switching from high-speed diesel to piped natural gas, have contributed to energy savings in our operations • We have further extended our power delivery agreement to 530 MW renewable energy • We are using biomass along with coal in our captive power plants • Electric vehicles have been introduced in our underground mining & smelter operations With all these initiatives and supply of round-the-clock renewable energy with these power delivery agreements, we will be able to source about 70% of our electrical energy requirement from renewable energy and reduce global warming potential, acidification potential and blue water potential significantly below world average data • Company has commissioned India's 1st filtered tailing plant at Zawar Mines which recirculates more than 80% of the process water present in tailings. In 2024, a filtered tailing plant was also commissioned at Rajpura Dariba Mine • We have zero liquid discharge (ZLD) plants at all smelters which recycles processed water, which is then reused in operations • We have also set out plans to commission the ZLD plants at all our units and remain committed to principles of water conservation and zero discharge • >8.7 MCM/annum total groundwater recharge potential created in Rampura Agucha Mines • Hindustan Zinc has launched low carbon zinc, EcoZen, having GWP<1 tCO_2e/t of SHG Zinc

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input Material*	Recycled or reused input material to total material	
	FY2026	FY2025
Lead Bullion, Cobalt Cake, Zinc Sulphate, Copper Cement	5.05%	6.69%

* Recycled input material to total associated process material

4. Of the products and packaging reclaimed at end-of-life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY2026			FY2025		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	NA	NA	NA	NA	NA	NA

Not applicable, as we are primarily the manufacturer of non-ferrous metals which is sold as an intermediate product in the form of an ingot without any plastic packaging.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable, as we are primarily the manufacturer of non-ferrous metals which is sold as an intermediate product in the form of an ingot without any plastic packaging	

PRINCIPLE 3

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1) a) Details of measures for the well-being of Employees:

Category	Total (A)	% of Employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2,059	2,059	100%	2,059	100%	NA	NA	2,059	100%	2,059	100%
Female	743	743	100%	743	100%	743	100%	NA	NA	743	100%
Other*	2	2	100%	2	100%	2	100%	NA	NA	2	100%
Total	**2,804**	**2,804**	**100%**	**2,804**	**100%**	**745**	**26.5%**	**2,059**	**73.4%**	**2,804**	**100%**
Other than Permanent Employees											
Male	10	10	100%	10	100%	NA	NA	10	100%	10	100%
Female	1	1	100%	1	100%	1	100%	NA	NA	1	100%
Other	0	0	0%	0	0%	0	0	0	0%	0	0%
Total	**11**	**11**	**100%**	**11**	**100%**	**1**	**9.09%**	**10**	**90.91%**	**11**	**100%**

*As per our parenthood policy, others are also eligible for maternity/paternity benefits

b) Details of measures for the well-being of Workers:

Category	Total (A)	% of Workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	486	486	100%	486	100%	NA	NA	NA	NA	486	100%
Female	13	13	100%	13	100%	13	100%	NA	NA	13	100%
Other*	0	0	0%	0	0%	0	0	0	0%	0	0%
Total	**499**	**499**	**100%**	**499**	**100%**	**13**	**2.61%**	**NA**	**NA**	**499**	**100%**
Other than Permanent Workers											
Male	23,605	23,605	100%	23,605	100%	NA	NA	NA	NA	23,605	100%
Female	323	323	100%	323	100%	323	100%	NA	NA	323	100%
Other*	21	21	100%	21	100%	21	100%	NA	NA	21	100%
Total	**23,949**	**23,949**	**100%**	**23,949**	**100%**	**344**	**1.44%**	**NA**	**NA**	**23,949**	**100%**

*As per our parenthood policy, others are also eligible for maternity/paternity benefits

c) Spending on measures towards well-being of Employees and Workers (including permanent and other than permanent) in the following format -

	FY2026	FY2025
Cost incurred on wellbeing measures as a % of total revenue of the company	0.13%	0.14%

2) Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY2026			FY2025		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund (PF)	99.79%	100%	Y	99.79%	100%	Y
Gratuity	99.61%	100%	Y	99.72%	100%	Y
Employees State Insurance (ESI)	NA	NA	NA	NA	NA	NA
Others - (Death Benefits & Medical Assistance)	100%	100%	NA	100%	100%	NA

3) Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Premises/offices of the Company are largely accessible to differently abled employees & workers together with normal employees, barring a few places/locations/manufacturing facilities due to safety considerations and specific design and structure of certain places. We also conduct training to our employees on Indian Sign Language to assist them in communication with deaf & mute.

The inclusive infrastructure facilities available at most of our premises includes:

- Elevators with braille inscribed for person with visual impairment
- Ramps for mobility-impaired person with disability
- Touchless entry places for person with disability
- Text to speech software for visually impaired
- Wheelchair accessible restrooms are available in the office at the ground floor

4) Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company has adopted an Equal Opportunity Policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016 and the Rules framed thereunder and provides a framework, which is committed towards the empowerment of persons with disabilities. Company is committed to providing equal employment opportunities, without any discrimination on the grounds of disability.

We are guided by our Code of Conduct Policy which clearly specifies that we have zero tolerance policy against discrimination against any disability.

We promote an inclusive work culture of creating a supportive professional environment that promotes trust, empathy and mutual respect for all employees including disabled employees as mentioned in Diversity, Equity and Inclusion Policy.

5) Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	95.96%	NA	NA
Female*	65.22%	100%	NA	NA
Other	NA	NA	NA	NA
Total	**92.08%**	**96.3%**	**NA**	**NA**

* Hindustan Zinc Limited's Parenthood policy offers female employees flexibility after post-maternity leave, leading them not to return to work immediately.

6) Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	**Yes, there are mechanisms available to receive and redress grievances of employees and workers which are as below:**
Other than Permanent Workers	**Grievance Redressal Committees:** They are institutionalised across locations for redressal of complaints from internal as well as external stakeholders.
Permanent Employees	**Joint Consultation Committee:** A joint committee with equal representation from the management and workers meets at regular frequency ensuring grievances of workers are timely redressed.
Other than Permanent Employees	**Hindustan Zinc Limited Workers' Federation & Executive Committee Meet:** The General Secretary along with the federation representatives meet Hindustan Zinc's executive members to redress the grievances at a larger forum which requires intervention from EXCO.
	Sampark: CEO townhall is an open forum where employees as well as workers can share the grievances directly with the CEO.
	Visible Felt Leadership Drive: Every leader is mandated to interact once in a month with workforce. This redresses the grievances related to safe working environment at the shopfloor.
	The Vigil Mechanism: Provides adequate safeguards against victimisation of any person who avail the mechanism as well as provides for direct access to the Chairperson of the Audit Committee.
	Internal Complaints Committee: In pursuance of the mandate under the POSH Act 2013, every employer of a workplace shall, by an order in writing, constitute a Committee to be known as the "Internal Complaints Committee (ICC)" to receive, hear and redress any and all complaints pertaining to sexual harassment at workplace.
	There is a designated email id and toll-free number for lodging the complaints under Vigil Mechanism or Whistle Blower i.e., hzl.whistleblower@vedanta.co.in and 000-800-100-1681. These details are also available on the website of the Company.

7) Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Hindustan Zinc Limited (HZL) maintains a firm commitment to freedom of association and collective bargaining as part of its Human Rights Policy and Business Ethics Code, which are aligned with the United Nations Guiding Principles on Business and Human Rights.

Category	FY2026			FY2025		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	2,804	0	0%	2,846	0	0%
- Male	2,059	0	0%	2,116	0	0%
- Female	743	0	0%	728	0	0%
- Other	2	0	0%	2	0	0%
Total Permanent Workers*	499	499	100%	632	632	100%
- Male	486	486	100%	619	619	100%
- Female	13	13	100%	13	13	100%
- Other	0	0	0%	0	0	0%

*Only Non-executive Employees are Members of Unions

8) Details of training given to employees and workers:

Category	FY2026					FY2025				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No.(C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2,069	2,069	100%	2,069	100%	2,124	2,124	100%	2,101	98.92%
Female	744	744	100%	744	100%	728	728	100%	719	98.76%
Other	2	2	100%	2	100%	2	2	100%	2	100%
Total	2,815	2,815	100%	2,815	100%	2,854	2,854	100%	2,822	98.88%
Workers										
Male	24,091	24,091	100%	17,882	74.23%	22,349	22,349	100%	12,884	57.65%
Female	336	336	100%	220	65.48%	307	307	100%	190	61.89%
Other	21	21	100%	21	100%	21	21	100%	21	100%
Total	24,448	24,448	100%	18,123	74.13%	22,677	22,677	100%	13,095	57.75%

9) Details of performance and career development reviews of employees and workers

Category	FY2026			FY2025		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	2,069	2,069	100%	2,124	2,124	100%
Female	744	744	100%	728	728	100%
Other	2	2	100%	2	2	100%
Total	2,815	2,815	100%	2,854	2,854	100%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

10) Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

- Yes. We have implemented an Integrated Management System (IMS) across all our operational sites, aligned with the requirements of ISO 9001, ISO 14001, ISO 45001, ICMM Principle 5 and our sustainability framework, adopted from parent company's Vedanta Sustainability Framework (VSF)
- This comprehensive system integrates quality, environmental, and occupational health and safety management to drive continuous improvement, ensure compliance, and promote sustainable development. By adopting these globally recognised standards, we ensure a consistent approach to risk management, operational excellence, and stakeholder satisfaction
- Our Health & Safety Policy, endorsed by our CEO, serves as a guiding document for all our business operations. It is applicable to all Hindustan Zinc business units, including subsidiaries, joint ventures, acquired sites, licensed and outsourced operations, corporate offices, and research facilities. This policy extends its reach to Hindustan Zinc employees, business partners, contractors, suppliers, and other stakeholders associated with our business. It underscores our commitment to maintaining the highest standards of health, safety performance (physical and psychological) across all levels of operation
- The Sustainability Framework reflects our alignment with global best practices, including the International Finance Corporation (IFC) Performance Standards, the International Council on Mining and Metals (ICMM) principles, and the United Nations Global Compact (UNGC) principles. The framework comprises a suite of policies, management standards, technical standards, performance standards, and guidance notes, addressing all aspects of sustainability. Emphasis is placed on occupational health and safety, ensuring that our operations are not only efficient but also safe and environmentally responsible
- This year we have rolled out Critical Risk Management (CRM)-centric Safety Management System which marks a significant step toward strengthening fatality prevention and operational risk governance across mining and smelting operations. This framework is being implemented by integrating the core pillars of the Aarohan Safety Management System, ensuring alignment between risk identification, critical control management, contractor safety, leadership accountability, and incident learning
- By embedding CRM principles into the Aarohan structure, Hindustan Zinc is enabling a more structured approach to identifying critical hazards, defining and verifying critical controls, and enhancing workforce competency to manage high-consequence risks. The integrated system supports consistent safety standards across business units, reinforces proactive assurance mechanisms, and strengthens Hindustan Zinc's commitment to building a resilient, risk-aware safety culture focused on eliminating fatalities and serious injuries

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- We adhere to Standard (GN 07: Risk Assessment) and Indian Standard 15656 for Hazard Identification and Risk Assessment (HIRA), which forms the foundation of our risk management practices
- Depending on the complexity and criticality of the activity, we perform qualitative, semi-quantitative, or quantitative risk assessments using industry-recognised tools such as Hazard and Operability Study (HAZOP) and Process Hazard Analysis (PHA). These tools enable us to identify potential hazards and implement effective control measures to mitigate risks
- Each site maintains a comprehensive HIRA register that serves as a living document, capturing all identified hazards and associated controls. These registers are meticulously updated at regular intervals to ensure alignment with operational changes, technological advancements, and emerging risks
- For all routine activities, we conduct detailed risk assessments and develop Standard Operating Procedures (SOPs) to standardise safe work practices. These SOPs undergo periodic reviews and updates to incorporate lessons learned, audit findings, and feedback from the workforce, ensuring they remain effective and relevant
- Non-routine activities, which often involve higher risks, are managed through a robust Permit to Work (PTW) system. This system mandates a thorough risk assessment, including a Job Safety Analysis (JSA), before commencing any task. The PTW system ensures that all potential hazards are identified, and appropriate controls are implemented to safeguard employees and contractors
- Critical Risk Management (CRM) has been implemented to address 19 identified high-priority risks across the business. These risks are systematically managed through defined governance structures, ensuring consistent monitoring and control. Employees play an active role in this process by conducting regular inspections based on well-defined checklists tailored to major activities

This proactive approach reinforces a culture of safety and accountability, helping us mitigate risks effectively and enhance overall safety performance.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Y/N)

Yes. We have implemented a robust digital platform, the V Unified Enablon System, to streamline the reporting of work-related hazards and incidents across all our operations. This platform empowers employees and workers to promptly report any unsafe conditions, near misses, or hazards they encounter during their daily activities. By leveraging this centralised system, we ensure that reported concerns are logged, tracked, and addressed in a systematic and timely manner, fostering a safer and more transparent working environment.

In addition to the Enablon System, employees and workers have access to a formal safety whistleblower portal to report incidents, including safety concerns, unethical practices, or other workplace issues. This portal provides a secure and confidential channel, ensuring that individuals can voice their concerns without fear of retaliation. The system aligns with our commitment to fostering a culture of trust, accountability, and continuous improvement.

To further strengthen our safety governance, we conduct regular Central Safety Committee Meetings and Pit Safety Committee Meetings (Mines) across all operational units. These meetings serve as a platform for collaborative discussions on safety performance, hazard identification, and risk mitigation strategies. Participants include representatives from Hindustan Zinc management, union leaders, and contract and business partner employees, ensuring a diverse range of perspectives and active engagement from all stakeholders. By encouraging open dialogue and collective decision-making, these meetings play a vital role in enhancing our overall safety performance and driving a culture of shared responsibility.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes. All employees of the company, including business partners, are comprehensively covered by our medical and healthcare services, ensuring their well-being and providing essential support during uncertainties, unfortunate incidents, or periods of distress. Our healthcare initiatives are designed to prioritise the physical and mental health of every individual associated with our organisation.

For emergency medical situations, we operate advanced life support (ALS) ambulances at all major locations. These ambulances are equipped with state-of-the-art medical equipment and staffed by highly trained paramedics and emergency response professionals. The ALS ambulance system ensures immediate and effective medical intervention, providing lifesaving support and transportation during critical emergencies. This comprehensive healthcare framework reflects our unwavering commitment to safeguarding the health and safety of our workforce.

To safeguard employee health, we have established well-equipped hospitals across all operational locations, staffed by skilled healthcare professionals. These facilities are equipped with advanced medical technology to address a wide range of health concerns. Additionally, our employees are covered under some of the best medical insurance and accident coverage policies, providing them and their families with financial protection during medical emergencies. Regular periodic health check-ups are conducted to monitor and maintain employees' physical health.

Further, our Employee Well-being & Assistance Programme (EWAP), a comprehensive initiative designed to address mental stressors in both personal and professional spheres, ensures holistic support for our workforce. Through partnerships with mental wellness professionals and trained psychologists, EWAP offers 24x7 confidential counselling services to employees and up to three dependents, covering areas such as mental health, diet and nutrition, legal guidance, and financial advice.

11) Details of safety-related incidents, in the following format:

Safety Incident/Number	Category	FY2026	FY2025
Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employees	0.26	0.42
	Workers*	0.72	0.56
Total recordable work-related injuries	Employees	6	6
	Workers*	127	86
No. of fatalities	Employees	0	1**
	Workers*	2	3
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers*	1	2

*Including in the contract workforce

** Including 1 at our subsidiary, Vedanta Zinc Football & Sports Foundation

12) Describe the measures taken by the entity to ensure a safe and healthy workplace.

- At Hindustan Zinc Limited (Hindustan Zinc), a Critical Risk Management (CRM)-centric Safety Management System has been launched by integrating the foundational pillars of the Aarohan Safety Management System to strengthen fatality prevention and risk governance across mining and smelting operations. As part of this initiative, nineteen CRM critical risks have been identified and rolled out across business units with clearly-defined critical controls and assurance mechanisms to enable systematic management of high-consequence hazards
- To support the effective implementation of critical controls, Hindustan Zinc has developed a comprehensive safety infrastructure matrix and invested ₹ 61.7 crore expenditure toward enabling critical engineering risk control interventions across operations. These improvements are aimed at strengthening workplace safety conditions and ensuring sustainability of risk mitigation measures
- Leadership capability building remains a key focus area under this transformation journey. The organisation has initiated S.A.F.E. leadership coaching for leaders through the engagement of third-party safety experts to reinforce visible safety leadership, accountability, and decision-making aligned with critical risk management principles
- In parallel, Hindustan Zinc is undertaking targeted initiatives to strengthen safety culture across operations. A safety culture perception survey has been launched as a pilot project at CLZS to better understand workforce perspectives and identify opportunities for improvement. To further reinforce operational safety practices, dedicated safety experts have been deployed at the CLZS smelter to support frontline risk management and capability building
- Additionally, structured Safety Action Meetings are being conducted across Hindustan Zinc locations to review incidents, identify systemic causes, and implement preventive actions aimed at eliminating the recurrence of injuries. These interventions collectively reflect Hindustan Zinc's continued commitment to building a proactive, learning-oriented, and risk-focused safety culture across the organisation
- We have implemented a safety governance system, comprising the Corporate Safety Council at the central level and location Apex Committees at the unit level. These governance bodies play a critical role in monitoring, reviewing, and enhancing safety performance. Monthly safety performance reviews are conducted at the CEO level to assess progress, address gaps, and drive continuous improvement in safety standards
- Our advanced digital platform, V-unified Enablon system captures a wide range of safety data, including leading and lagging indicators. This platform has revolutionised our safety practices by enhancing data transparency. It allows us to record safety observations and track closure of safety actions. By automating data capture and analysis, the platform has significantly improved the accuracy and efficiency of our safety reporting processes
- To enhance the skills and capabilities of our workforce, we conduct competency enhancement programs for employees. These include internationally and nationally recognised certification programs delivered by competent third-party organisations. These initiatives ensure that our employees remain up to date with the latest safety practices and standards
- Comprehensive industrial hygiene assessments have been conducted across all our business units to identify and mitigate workplace health hazards. These assessments help us ensure a healthy and safe working environment for all employees

13) Number of Complaints on the following made by employees and workers:

	FY2026			FY2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year*	Remarks
Working Conditions	315	37	-	329	42	-
Health & Safety	185	25		353	49	

* Pending grievances or complaints as at the end of the current FY relates to the new complaints or grievances raised during the year

14) Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100% (9 operating locations are ISO 45001:2018 certified). HSE is also a very important part of the Vedanta Sustainability Audit Program (VSAP) assessment and all units are participating in VSAP, which is organised through third party
Working Conditions	100% working conditions are assessed during the ISO certificate vigilance, VSAP, and during the statutory authority's audit

15) Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

The following incidents happened in Hindustan Zinc's facilities and managed operations, which was followed by a thorough investigation (basis ICAN methodology) for identification of root cause on which following management plan and mitigation measures have been undertaken.

Fatal Incident	Management Plan and Mitigation Measures
RD Mines Fatality (man machine interaction)	Installation of Proximity Detection Systems in all underground vehicles/equipment running at site.
	LHD vehicles to be fitted with suitable cameras to avoid blind spots from all sides.
	No Simultaneous Operations will be carried out unless comprehensive risk assessment approved by Unit Head is in place and controls are effectively implemented & communicated to eliminate man-machine interaction.
	Ventilation Plan will be developed with due consideration of avoiding any possibility of return air from other level that results in suboptimal ventilation at working level.
Zawarmala Fatality (man machine interaction)	Prohibition of simultaneous LHD operation within a stope.
	Strengthening deployment and shift-planning processes to ensure prevention of conflicting or overlapping equipment allocation.
	Any change in planned equipment deployment during a shift, will trigger through a formal re-authorisation before work resumes including a risk review.
	Deviations from SOPs will result in work being stopped and formally reviewed before restart.

LEADERSHIP INDICATORS

1) Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends the following measures in the event of the death of employees or workers.

- To safeguard executives and support them from uncertainties and unfortunate times or distress, we have 'Group Term Life Insurance' policy with a coverage limit of 5 times of fixed salary of each employee up to a maximum of free cover limit i.e. ₹ 5.5 crore. This policy portrays our value of care and commitment to the triple bottom line
- For permanent workers, we have a tripartite long-term settlement (LTS) with recognised union where in the event of on-duty fatal accident, an amount of ₹ 30 lakhs is payable over and above the compensation payable under Employees Compensation Act. Further, in case of normal death, an amount of ₹ 5 lakhs is payable under contributory 'Death Benefit Scheme' along with a compensatory package ranging between ₹ 8 lakhs and ₹ 17 lakhs (as per individual's age bracket)
- For contractual employees, in the event of on-duty fatal accident, an amount of ₹ 25 lakhs is payable over and above the compensation payable under Employees Compensation Act. Further, in case of normal death, an amount of ₹ 5 lakhs is payable under contributory 'Benevolent Fund Scheme'

2) Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Hindustan Zinc ensures adherence to statutory compliances (PPF, Gratuity etc.) related to value chain partners by performing due diligence. Company has partnered with external agency as its outsourced partner to ensure all statutory dues, checks, Labour Law related compliances, etc., in case of any non-compliances, stringent actions are taken against defaulter business partner.

3) Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2026	FY2025	FY2026	FY2025
Employees	0	1	0	0
Workers	3 (2 fatality + 1 high consequence)	5	1 (1 high-consequence)	4*

*This number has been restated from last year as one of the FY2025 case of high-consequence injury has been rehabilitated in the current FY.

4) Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

At Hindustan Zinc, retention program is available, subject to the criticality of role, business need, and continuity of the employment. On case-to-case basis, some of the highly qualified senior employees have been retained as advisors post their retirement from the company. In addition, during employment, capacity building and training sessions for skill upgradation are provided to all employees, to facilitate continued employability.

Saksham Udbhava is a thoughtfully designed e-learning program and is aimed to support retiring employees by focusing on key pillars of life: Financial Preparedness, Health and Wellness, Emotional Resilience, and Lifestyle Planning. In FY2026 , there were 10 employees who went through the modules to be well versed before they enter their second innings

5) Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices*	100%
Working Conditions*	100%

* Tier 1 suppliers are covered

6) Provide details of any corrective action taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

As part of our strategy to prevent health and safety incidents involving service providers, we conduct Contractor Field Safety Audits (CFSAs) to verify the adequacy of safety controls and working conditions at operational sites. Based on audit findings, corrective and preventive actions are systematically implemented. Audit observations are categorised across key areas, including procedures, tools and equipment, plant upkeep, personal protective equipment (PPE), and safe positioning of personnel.

In addition, for every commercial enquiry processed through our online platform, suppliers are required to provide an ESG undertaking, including their commitment to creating and maintaining a safe and healthy workplace that is free from injuries, fatalities, and occupational illnesses.

PRINCIPLE 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1) Describe the processes for identifying key stakeholder groups of the entity.

Persons or groups that are directly or indirectly affected by our operations as well as those that may have interests in our operations or the ability to influence its outcome, either positively or negatively are considered as stakeholders for us. This inter alia includes customers, suppliers, communities, government, regulators, shareholders, NGOs and employees. Following is the detailed process for identification, review and updating the stakeholders group within Hindustan Zinc Limited:

- Proactive stakeholder identification and analysis processes are implemented by all sites at all stages of the project to assess the potential and relevant impacts and risks to the stakeholders, and the associated risks to the project
- All the sites identify potential stakeholder representatives who could act as conduits for dissemination of information to large numbers of stakeholders
- As part of this process, operations/sites also identify individuals and groups who may be differentially or disproportionately affected by operations due to their disadvantaged, isolated or vulnerable status and consider specific and proactive communication routes for these groups
- Using the information gathered above, operations than determine the level of communication and consultation that is appropriate for each stakeholder or group, and a Stakeholder Engagement Plan is developed
- Throughout the lifecycle of the project, the process of stakeholder identification and analysis is being reviewed and updated if necessary, taking the feedback from stakeholders into consideration

2) List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Total seven stakeholder groups are identified.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half Yearly/ Quarterly/others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Intuitive Vedanta Metal Bazaar (Moglix) platform for continuous engagement and feedback • Periodic connects with key customers by senior executives and top management • Biennial customer satisfaction survey • Forum for quick customer query resolution • Voice of customers workshops chaired by CEO & CFO to understand their concerns and feedback • LinkedIn Campaigns for communication and information sharing	• Engagement with regional teams on a regular basis virtually as well as through physical visits • Quarterly engagement with National Sales Head • Biannual or annual connects with Chief Marketing Officer depending on the volume of customer • Chairperson/CEO connect as required with high value target customers • Engagement with customers during new product launch like EcoZen	• Understanding the current market requirement, disruptive industry trends and scope of new zinc & lead applications • Current level of serviceability and areas of improvement to create a buyer/user-friendly experience • Product development is guided by customer requirements basis their zinc application and any changes in their customer products • Discussion on ESG and sustainability practices being adopted to reduce environmental impact • Improving ease of business by understanding their concerns to become a preferred supplier to domestic customers

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half Yearly/ Quarterly/others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	• Regular emails, meetings and site visits • Contract negotiations, supplier code of conduct, policies & standards • Vendor due diligence and pre-qualification meetings • Supplier audits and assessments • On-site quality audits of critical suppliers • Supplier sustainability desktop assessment • Helpdesk for speedy resolution of supplier queries • Training and capacity building sessions through programmes like “Wednesdays for Transition” • Focused discussion on ESG goal alignment with critical suppliers • Vendor Grievance Redressal Mechanism through SAHYOG Portal	Continuous and Regular engagement	• Ethical and transparent procurement practices • Critical to ensure operational efficiency through timely supply & logistical efficiency • Vital to our goals of sustainability and responsible • Safety of workers and workplace • Training and capability building
Communities	Yes	• CSR initiatives, events and interventions • Robust grievance mechanism through strategic Social Performance Management Committees (SPMC) • Leadership community connect and community meetings • Third-party assessments – Baseline/Need Impact Assessment Survey and perception studies • Communication via emails, newsletters, leaflets, hoardings, print, social media and website, etc.	Continuous and Regular engagement	• Community outreach is vital to understand the needs & expectations of the community & further accordingly plan the interventions for them, which shall further support national progress, as well as smooth business operations • To enhance their quality of life & overall wellbeing, including economic well-being through sustained livelihood enhancement initiatives • Reduction in the environmental & social impacts including grievances and risks that may affect communities, thereby safeguarding cordial relations with the community • Capacity Building, strengthening grassroot institutions and livelihoods of the nearby communities • Participatory approach in designing long-term strategy

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half Yearly/ Quarterly/others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory Authorities	No	• Contribution towards nation-building through our products, taxes & royalties • Support to Government’s on-ground initiatives through sponsorships & CSR contributions • Ensuring coherence of interventions through continuous coordination with respective government departments • Policy advocacy on subject relevant to business • Meeting regulatory and statutory compliance requirements • Regular engagement with various regulators, local administration, inspection bodies, industry associations, etc., to adapt to the evolving regulatory environment • Technical representations with various trade and industry associations, state/ central mines departments • Investor meets/roadshows • Submission of Returns/ Forms/ Compliance Report as per Statutory Requirement	Periodic/Need basis	• Area relaxation for base metals in the state of Rajasthan • Associated minerals mining and processing • Contiguous mining of deep-seated minerals • Lease validity expansion for captive mines beyond 2030 • Policy incentives for greening of mining operations and mineral processing • Critical mineral processing and recycling of process waste for critical mineral recovery • Protecting domestic market and restructuring of imports • Risk management for business continuity • Divestment of Government’s share in Hindustan Zinc and restructuring • Zinc Park – World-class ancillary industry park in Rajasthan • Execution of new auctioned blocks • Other statutory approvals and compliance requirements
Investors & Shareholders	No	• Annual General Shareholders Meetings, quarterly financial results declaration and earnings calls with senior management • Investor Relations events; one-on-one/group investor meetings, site-visits, investor conferences • Disclosure tools including Annual Reports, Sustainability Reports, Tax Transparency Reports, and Investor Presentations, etc. • Complaints and grievance management	Annual/Quarterly/ Ongoing basis	• Shareholder support and feedback on operations provides continuous guidance for the management on governance • Keeping communications channels open with analysts and investor community, helping them connect with the management • Apprising the investors about the operations, profitability and sustainability initiatives regularly. ESG concerns are of importance to the shareholders

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half Yearly/ Quarterly/others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee & Business Partners Employees	No	• Emails for official and transparent communication • Mentorship programmes for new hires with senior leaders • Sampark townhall meetings with the CEO, location town halls with location heads and pulse checks by HR teams • Flyers to communicate behavioural, motivational and other aspects, promoting a positive work environment • Focus group discussions by leaders and one-on-one discussions with managers • Grievance handling portals and company website • In-person family gatherings during festivals and events to enhance positive atmosphere and develop a healthy community • Awareness of employee benefit policies via regular connects • Annual employee surveys (internal and external)	Continuous and Regular engagement.	• Improve employee experience, monitor organisational health, and provide a better quality of life at the workplace • Improve trust and loyalty through motivation, thereby increasing employee retention, performance, and innovation • Annual Employee surveys help us assess how employees navigate their experience and areas of improvement • Employee engagement ensures their positive mental health and enhances productivity • Understand needs and requirements at grassroots level through direct interaction with the senior management • Develop an inclusive workplace through feedback from the underrepresented communities within our employees and their families • Enable a seamless interaction and recognition for nurturing growth
Non-Government Organisations (NGOs)	No	• CSR initiatives, events and interventions • Robust grievance mechanism through strategic Social Performance Management Committees • Leadership community connect and community meetings • Third-party assessments – Baseline/Need Impact assessment survey and perception studies • Communication via emails, newsletters, leaflets, hoardings, print and social media and website etc. • Review & Governance Mechanisms including due-diligence	As per defined frequency	• To onboard & engage experts in the field for effective implementation of the CSR programs as well as to regularly discuss & share updates to strengthen the existing programs • To strengthen grassroot institutions/experts for the overall development of the community through strategic long-term interventions

LEADERSHIP INDICATORS

1) Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

There is a structured procedure in place for direct dialogue between the stakeholders and the Board concerning economic, environmental, and social matters. Regular stakeholder consultations are conducted by business heads/ unit heads, who oversee & monitor unit's stakeholder engagement plan. The consolidated feedback, concerns, and issues emerging from these consultations are formally presented by the CEO to the Board of Directors during the quarterly Board meetings. Additionally, periodic review of the Company's stakeholder base and their material interests is an integral part of the roles and responsibility of the Board. During FY2025, we reassessed our material issues in consultation with our stakeholders, ensuring that the Board remains informed and responsive to evolving expectation.

Process for the consultation with different stakeholders

Local Communities:
There is a continuous dialogue with the communities, stakeholder engagements are reviewed at business unit levels in Social Performance Management Committee meetings as well as the CSR Committee level. Their feedback is also taken every three years through the third-party engagement, impact, baseline and need assessment and same is presented to the CSR Committee. We have also established a Board-level ESG and Sustainability Committee where we present the social impact and related matters. An annual perception study is conducted by an independent third party to systematically gather feedback and assess stakeholder perceptions regarding the organisation and its social development projects.

Investors/Shareholders:
The Stakeholder Relationship Committee is primarily responsible for reviewing investor service standards and addressing the interests and grievances of shareholders, debenture holders, and other security holders. Hindustan Zinc's Investor Relations department serves as a bridge between senior management and investors, facilitating regular interactions and feedback sessions through earnings calls, one-on-one meetings, investor conferences, and more. Annually, shareholders engage with the Board members during the Annual General Meeting. We have appointed Kfin Technologies Limited as our Registrar & Transfer Agent, who collaborates with the Secretarial team to address all investor queries.

Employees:
Hindustan Zinc participates in Annual Tripartite Committee Meeting under the aegis of Directorate General of Mines Safety (DGMS), with discussions among the dignitaries from DGMS, Hindustan Zinc, and Worker's Federation, revolving around health, safety, and welfare of the workers. While our employees and business partners interact with the CEO in the monthly townhalls, we also have regular visits by our chairperson, where such consultations happen as well. Moreover, to ensure continuous and inclusive engagement, we have other functional and institutional mechanisms like:

- Focused group discussions (FGDs) to capture grassroots-level feedback from the workforce
- Joint consultation committee (JCC) to discuss key operational and people-related issues
- Grievance redressal committees to raise individual or group grievances of employees
- Canteen management committees to ensure employee welfare facilities like food and hygiene
- Social performance committees to assess the social impact of our operations

Insights gathered from these mechanisms are systematically documented, reviewed, and integrated into operational and strategic decision-making. Each forum encourages participation from diverse employee groups across functions, skill categories, genders, and work levels to ensure broad representation and inclusivity. Together, these multidimensional platforms from regulatory committees to grassroot forums ensure that employee consultation at Hindustan Zinc is far more than a compliance requirement. It is a core organisational philosophy embedded into governance and decision-making, reinforcing our commitment to transparency, collaboration, and responsible business conduct.

Customers:
We prioritise maintaining strong connections with our customers, ensuring their needs and concerns are addressed effectively. We have established a structured protocol for customer interaction, led by various levels of management. Our regional managers and area managers actively engage with customers on a regular basis, serving as primary points of contact for addressing day-to-day enquiries, resolving issues promptly, and fostering positive relationships with our valued clientele. Their proactive approach ensures that customer feedback is acknowledged and acted upon swiftly, contributing to enhanced customer satisfaction and loyalty. In instances where situations require escalated attention or involve significant concerns, our national sales heads and chief marketing officer (CMO) personally intervene by engaging directly with customers on a case-by-case basis, upholding our commitment to customer-centricity.

Suppliers:
Hindustan Zinc regularly engages with business partners through one-on-one discussions on ESG topics, as well as training sessions and webinars, to gather their feedback. Relevant feedback is then presented at the monthly EXCO meetings, which is attended by the top management including the CEO.

Government and Regulatory Bodies:
The mining sector has a dynamic regulatory environment which solicits continuous engagement and knowledge-sharing with the government stakeholders at all levels. Public policy advocacy is done through periodic connects and representations for ongoing policy pain points directly with apex institutions and the sector regulator as well as indirectly via national-level industrial associations. To ensure minimal impact on business continuity in the event of any government or community-related disruptions, all engagements with the government are coordinated through the Corporate Affairs department, whose role is to undertake regular mapping of stakeholders and present as a single-point-of-contact for the government and regulators to direct any concerns. The Head of Corporate Affairs presents updates on advocacy matters and day to day compliance status to the Board on case-by-case basis as required.

Non-Governmental Organisations (NGOs):
We regularly assess the progress and identify areas of improvement of our projects in collaboration with our NGO partners, fostering a more dynamic and responsive environment where perspectives of all stakeholders are valued. By actively seeking their input and feedback, we ensure that their insights and expertise are integrated into the process, which not only strengthens the project's efficiency but also enhances its overall impact. As part of our standard assessment practices, we conduct due diligence on NGOs prior to their onboarding into the organisation. This process aims to identify potential threats and weaknesses associated with the NGOs, thereby facilitating systematic planning and risk mitigation.

2) Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultation is used to support the identification and management of environmental, and social topics. In our regular interactions with the shareholders, we provide updates on all key aspects including ESG, monitor market reactions, identify their key concerns, and consider their advice/suggestions in our decision-making process. We also take their consent for major corporate actions at AGMs. We address all concerns, including workplace health and safety, of our executive employees and business partners' employees in a monthly employee engagement session, Sampark (CEO townhall), where their efforts are also recognised.

During the double materiality assessment, we identify, shortlist and prioritise material topics based on their impact on our stakeholders and our business. We ensure that we integrate the inputs received from stakeholders into our processes and policies. We have framed our Sustainability Goals 2030 on material topics from our stakeholder consultations. We also take their input through public consultation prior to establishing any greenfield/brownfield projects.

Sustainability Goals 2030

Climate Change & Decarbonisation
- Accelerate mitigation and adaptation measures and reduction of Scope 1 and 2 emissions by 50% and Scope 3 emissions by 25% from the 2020 baseline
- Net Zero Goal: Achieving Net Zero emission by 2050 or sooner

Water Stewardship
- Achieve a 50% reduction in freshwater consumption in operations from the 2020 baseline, thereby contributing to increased freshwater availability for communities within the shared watershed
- Securing 100% municipal sewage treated water for smelting operations
- Engage with supply chain partners to assess and manage water footprint in water-stressed

Circular Economy & Material Stewardship
- Aiming to achieve near to Zero waste to landfill by diverting all smelting process waste away from landfill through reuse, recycling and recovery

Biodiversity Conservation
- Halting and reversing biodiversity loss by 2030 from a 2020 baseline, through measurable gains in the health, abundance, diversity and resilience of species, ecosystems, and natural processes
- Plan and stive to achieve No Net loss of biodiversity at all mine sites by closure through applying mitigation hierarchy

Ensuring Zero Harm
- Contribute to reach Zero Fatality and 100% elimination of high consequence work-related injuries

Social Performance
- By 2030, complete Social and Human Rights Impact Assessments (SHRIA) at all major sites and implement site-specific Social and Human Rights Management Plans (SHRMPs) to respect human rights, support vulnerable communities, and promote inclusive growth
- Impacting 0.5 million lives directly through economic enhancement & improving the quality of life
- 30K individuals made employable through skilling and entrepreneurial opportunities by 2030

Diversity & Inclusion
- Increase gender diversity to 30%, with a strong focus on decision-making roles, to foster a more inclusive and diverse workplace

Responsible Sourcing
- 100% active Supplier evaluation on ESG & Risk Management
- Transition to Greener Fuels for advancing Scope 3 emission reduction
- Achieve 25% of total procurement spend from local business partners (includes Contracting & Sub-contracting spend) by 2030 from base year 2025

3) Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company identifies the disadvantaged, vulnerable and marginalised stakeholders on an ongoing basis. A comprehensive stakeholder management and grievance mechanism exist at all our locations.

The response to this question has been covered under the CSR section of our Integrated Annual Report 2025-26. For more details, refer page 236 of the Integrated Annual Report 2025-26.

PRINCIPLE 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1) Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2026			FY2025		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
			Employees			
Permanent	2,804	2,804	100%	2,846	2,598	91.29%
Other than permanent	11	11	100%	8	8	100%
Total Employees	2,815	2,815	100%	2,854	2,606	91.31%
			Workers			
Permanent	-	-	-	-	-	-
Other than permanent*	845	845	100%	831	831	100%
Total Workers	845	845	100%	831	831	100%

* All security personnel are accounted here

2) Details of minimum wages paid to employees and workers, in the following format:

Category	FY2026					FY2025				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2,804	-	-	2,804	100%	2,846	-	-	2,846	100%
Male	2,059	-	-	2059	100%	2,116	-	-	2,116	100%
Female	743	-	-	743	100%	728	-	-	728	100%
Other	2	-	-	2	100%	2	-	-	2	100%
Other than Permanent	11	-	-	11	100%	8	-	-	8	100%
Male	10	-	-	10	100%	8	-	-	8	100%
Female	1	-	-	1	100%	-	-	-	-	100%
Other	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	499	-	-	499	100%	632	-	-	632	100%
Male	486	-	-	486	100%	619	-	-	619	100%
Female	13	-	-	13	100%	13	-	-	13	100%
Other	-	-	-	-	-	-	-	-	-	-
Other than Permanent	23,949	-	-	23,949	100%	22,045	-	-	22,045	100%
Male	23,605	-	-	23,605	100%	21,730	-	-	21,730	100%
Female	323	-	-	323	100%	294	-	-	294	100%
Other	21	-	-	21	100%	21	-	-	21	100%

3) Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female		Other	
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category
Board of Directors (BOD)[$]	1	12,46,99,557	0	0	0	NA
Key Managerial Personnel (KMP)	2	5,47,17,836	1	24,79,042	0	NA
Employees other than BOD and KMP[#]	1,805	15,59,402	618	10,58,861	2	18,25,242
Workers[#]	486	30,73,977	13	23,75,912	0	NA

Note:

[$] Only one Executive Director (CEO) has been considered for this purpose as the other Directors do not draw any salary except for sitting fee

[##] Excluding the current Company Secretary, as she was onboarded during the year w.e.f. January 09, 2024

[#] Only permanent employees and workers who are employed with the company for the complete financial year are considered for the purpose of median remuneration

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY2026	FY2025
Gross wages paid to female as % of total wages*#	12%	12%

*Permanent employees, other than permanent employees and permanent workers are included for calculations

[#] All permanent employees who have worked during the year (full and partial) are considered for the purpose of this analysis

4) Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Mr. Munish Vasudeva, Chief Human Resource, Hindustan Zinc Limited, is the focal point for addressing human rights related issues.

5) Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company considers human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. Hindustan Zinc has defined a technical standard (TS-04) for handling all types of grievances including the grievances related to human rights. Every unit has a Grievance Redressal Committee and a grievances handling procedure is defined at all units wherein any employee/worker/stakeholders can register any kind of grievance. The grievance can be captured through various means. Also, grievance boxes are available at conspicuous places where the person can post their grievance, and the Committee takes it up as per the procedure. Company also has the whistle blower policy in place and aims to protect the confidentiality and anonymity of the complainant to the fullest extent possible with an objective to conduct an adequate review and consequence. Company respects the dignity of all employees working for the Company irrespective of their gender or hierarchy and expect responsible conduct and behaviour on the part of all employees at all levels. Providing for a safe and congenial work environment to all employees is an integral part of the Company's employment policy and the same commitment is there in our Human rights policy.

6) Number of Complaints on the following made by employees and workers:

	FY2026			FY2025		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year*	Remarks
Sexual harassment	6	0	The case is upheld & closed	1	0	The case is upheld & closed
Discrimination at workplace	0	0	-	0	0	-
Child labour	0	0	-	0	0	-
Forced labour/involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7) Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY2026	FY2025
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	6	1
Complaints on POSH as a % of female employees/workers	0.56%	0.15%
Complaints on POSH upheld	6	1

8) Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Yes. The Company is committed to providing equal opportunities to all individuals and is intolerant towards discrimination and/or harassment based on race, religion, colour, age, sexual orientation, national origin, gender identification, political affiliation and political beliefs, minority or vulnerable groups. The Company has adopted Diversity & Inclusion Policy with the objective to ensure that the Company continues to be an employer for all diversity groups to create and foster an open culture of inclusion for all its stakeholders; and to create an environment, which has zero tolerance for discrimination. Company also has a policy on prevention, prohibition, and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the Corporation's ICC are responsible for conducting enquiries pertaining to such complaints. Hindustan Zinc follows several mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

- **Confidentiality:** Keeping the complaint and its details confidential helps to protect the complainant's privacy and prevent retaliation. The organisation ensures protection of aggrieved women by taking appropriate steps such as change of workplace or leaves, etc. as prescribed by the law.
- **Non-retaliation policy:** At Hindustan Zinc, Human Rights Policy and Prevention of "Sexual Harassment" Policy are established to ensure the prohibition of retaliation against an employee who reports discrimination or harassment.
- **Investigation:** An investigation conducted to determine whether the complaint has merit and to identify any witnesses or evidence to support the complaint.

- **Remedial actions:** If the investigation finds that discrimination or harassment has occurred, remedial actions are taken to address the situation. It includes disciplinary action against the perpetrator, training to employees and managers, and change/amendment/modification in policies and procedures.
- **Support and counselling:** Support and counselling to the complainant to help them to cope with the emotional impact of the situation.

9) Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human Rights forms part of our business agreements and contracts for all of our value chain partners. Further following processes ensure that the Human Rights are embedded in all the dealings we do with them:

1. **Onboarding/selection process -** Compliance with applicable Labour Laws, including statutory requirements such as child labour, forced and compulsory labour is also ensured along with other necessary compliances.
2. **Compliance with Company's Code of Conduct -** All the value chain partners are also abided by our Code of Conduct through signing the same as a part of their respective contracts.
3. **Due diligence process -** All of our critical business partners undergo desktop assessment and on-site assessment for human rights, together with the usual risk assessment process.

10) Assessments for the year:

Hindustan Zinc conducted Human rights assessment during FY2026.

The Human Rights Impact Assessment (HRIA) was conducted using a **systematic and evidence-based methodology** aligned with the **UN Guiding Principles on Business and Human Rights (UNGPs), OECD Due Diligence Guidelines, ILO Core Labour Standards, ICMM Principles**, and applicable **Indian laws and regulations**. Methodology involved scoping, identification of key human rights indicators, stakeholder consultations, document reviews

The assessment of our performance against 14 key categories as management, human rights, labour, environment, and anti-corruption.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties) *
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	-

*All nine operating mines, smelters & refining units were assessed

11) Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not applicable as no significant risks/concerns arose from the above assessment.

LEADERSHIP INDICATORS

1) Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints.

The business process is generally modified or introduced as a result of addressing human rights grievances/complaints received through the grievance redressal committee. However, there was no need for such revisions during FY2026 as no such complaints were received during the year.

2) Details of the scope and coverage of any Human rights due diligence conducted.

The HRDD was conducted for all sites of Hindustan Zinc operations including employees, contract workers, business partners, and surrounding communities. It assesses actual and potential human rights impacts arising from operational activities, labour practices, environmental aspects, community interactions, and governance systems, based on stakeholder engagement, document review, and site observations, in alignment with applicable laws and international human rights standards.

3) Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Premises/offices of the Company are also accessible to differently-abled visitors, barring a few places/locations/ manufacturing facilities due to safety considerations and specific design and structure of certain places.

The inclusive infrastructure facilities available at most of our premises include:

- Elevators with braille inscribed for person with visual impairment
- Ramps for mobility impaired person with disability
- Touchless entry places for person with disability
- Text to speech software for visually impaired
- Wheelchair accessible restrooms are available in the office at the ground floor

4) Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at Workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others - please specify	NA

5) Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

No significant risks or concerns were identified during the assessments of value chain partners.

PRINCIPLE 6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Hindustan Zinc's progress towards its climate change goals is described in detail in the Climate Action Report (CAR), including the performance against targets and the implementation of the relevant projects. The report provides insights into the Hindustan Zinc's climate change strategy and actions taken to mitigate its impacts.

Parameter	Units	FY2026	FY2025
From renewable sources (GJ)			
Total electricity consumption (A)		22,37,281	14,95,989
Total fuel consumption (Biomass) (B)		12,336	2,14,179
Energy consumption through other sources (WHRB) (C)		9,63,099.39	8,20,392
Total energy consumed from renewable sources (A+B+C)		32,12,716	25,30,560
From non-renewable sources (GJ)			
Total electricity consumption (D)		12,25,664	19,10,385
Total fuel consumption (E)		4,88,76,206	4,68,74,019**
Energy consumption through other sources (F)		-	-
Total energy consumed from non-renewable sources (D+E+F)		5,01,01,870	4,87,84,404**
Total energy consumed (A+B+C+D+E+F)		5,33,14,586	5,13,14,964**
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)		0.000131	0.000151**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP) *		0.00266	0.00311**
Energy intensity in terms of physical output			
Energy intensity (optional) - the relevant metric may be selected by the entity (Total energy consumption/tonne of metal)		50.83	48.74

*PPP adjusted revenue in US$

PPP Factor = 20.34; World Economic Outlook (April 2024) implied PPP conversion rate (imf.org).

** This number has been restated

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/information of this report obtained Limited Assurance by S. R. Batliboi & Co. LLP

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The targets under PAT Scheme are yet to be assigned to Hindustan Zinc. However, the baseline study is currently being conducted by auditors assigned by the Bureau of Energy Efficiency (BEE).

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Units	FY2026	FY2025
Water withdrawal by source (in kilolitres)			
(i) Surface water	Kilolitres	1,53,62,889	1,51,93,065
(ii) Groundwater		35,41,000	38,21,972
(iii) Third-party water (Municipal water supply)		2,272	2,841
(iv) Seawater/desalinated water		-	-
(v) Others (Municipal Sewage Treated Water)		88,66,159	87,38,856
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		2,77,72,321	2,77,56,734
Total volume of water consumption (in kilolitres)		2,53,63,614	2,59,78,248
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	KL/₹	0.0000621	0.0000762
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)*	KL/US$	0.00126	0.00157
Water intensity in terms of physical output			
Water intensity (optional) - the relevant metric may be selected by the entity (Water consumed/tonne of metal)	KL/MT of Metal	24.18	24.69

*PPP adjusted revenue in US$

PPP Factor = 20.34; **World Economic Outlook (April 2024)** implied PPP conversion rate (imf.org).

Note: The difference between withdrawal and consumption is due to water distributed to communities as a part of CSR activities and evaporation losses.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/information of this report obtained Limited Assurance by S. R. Batliboi & Co. LLP

4. Provide the following details related to water discharged:

Parameter	FY2026	FY2025
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment		
- With treatment - please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) To Seawater		
- No treatment	Nil, as all plants are maintaining zero liquid discharge (ZLD).	
- With treatment - please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/information of this report obtained Limited Assurance by S. R. Batliboi & Co. LLP

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, all our units are maintaining zero liquid discharge. Effluent generated at our smelters is treated in effluent treatment plant (ETP), followed by two stages RO plant. The treated effluents conform to the prescribed standards and recycle in the process. Further, to strengthen zero liquid discharge (ZLD), improved water recovery is achieved using upgraded technology by installation of multiple effect evaporator (MEE)/mechanical vapour recompression (MVR).

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY2026	FY2025
NOx	MT	6,379	6,606
SOx	MT	22,252	26,753
Particulate matter (PM)	MT	1,240	1,247
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)*	-	BDL	BDL
Others - please specify	-	-	-

*HAP – Here, Mercury emissions is Below Detectable Levels.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. .

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/information of this report obtained Limited Assurance by S. R. Batliboi & Co. LLP

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

We have adopted a range of green and low carbon solutions to translate our climate ambition into tangible outcomes and achieve key milestones under our climate vision. An overview of these initiatives is outlined in this section. Further details are available under Sustainability | Energy and Climate Management.

Parameter	Unit	FY2026	FY2025
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	47,82,041	45,42,396
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	2,41,728	3,85,798

Parameter	Unit	FY2026	FY2025
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	Total Scope 1 and Scope 2 GHG emissions/Revenue from operations	0.00001230	0.0000145**
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP*	0.000250	0.000299**
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity (optional) **-** the relevant metric may be selected by the entity	Total Scope 1 and Scope 2 GHG emissions/Tonnes of metal produced	4.79	4.68**

*PPP adjusted revenue in US$

** Numbers have been restated from last year

PPP Factor = 20.34; **World Economic Outlook (April 2024)** implied PPP conversion rate (imf.org).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/information of this report obtained Limited Assurance by S. R. Batliboi & Co. LLP

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, Our decarbonisation efforts focus on technology investments, renewable energy adoption, and operational innovation to lower our carbon footprint. Refer to our Sustainability | Energy and Climate Management.

Key Highlights of FY2026:

- Asia's first low-carbon 'green' zinc, EcoZen, produced using 100% renewable electricity, witnessed expanded adoption during the year as Hindustan Zinc strengthened partnerships with key customers to integrate EcoZen across manufacturing operations, enabling verified Scope 3 emission reductions across one of India's largest industrial value chains
- Strengthened its sustainable logistics efforts by 52 Electric Vehicle bulkers at its Zinc Smelter Debari in Udaipur. Developed with Enviro Wheels Mobility Pvt. Ltd., ten EV bulkers are already operational, with the rest to be rolled in coming months
- 530 MW round-the-clock renewable energy (RE-RTC) power agreement with Serentica India Renewables Limited through which we received 518 million units power, resulting in reduction of 0.83 million tCO_2e

9. Provide details related to waste management by the entity, in the following format:

We implement the 4R strategy – Reduce, Reuse, Recycle, Reclaim – throughout the processes and facilities to minimise waste, maximise resource recovery, and promote eco-friendly disposal while fostering innovation and championing the circular economy. Refer to our Sustainability | Waste Management

Parameter	FY2026	FY2025
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	33	9
E-waste **(B)**	74	44
Bio-medical waste **(C)**	11	4
Construction and demolition waste **(D)**	188	0
Battery waste **(E)**	152	103
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	1,24,627	1,07,801
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition, i.e., by materials relevant to the sector)	2,03,63,115	1,96,48,857
Total (A + B + C + D + E + F + G + H)	2,04,88,200	1,97,56,818
Waste intensity per rupee of turnover (Total waste generated MT/₹)	0.0000501	0.0000580
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) * (Total waste generated MT/Revenue from operations adjusted for PPP US$)	0.00102	0.00120
Waste intensity in terms of physical output		
Waste intensity (optional) - the relevant metric may be selected by the entity	19.54	18.78

Parameter	FY2026	FY2025
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2,04,499.09	1,91,532
(ii) Re-used	66,00,252	58,54,344**
(iii) Other recovery operations	2,972	5,025**
Total	68,07,723	60,50,901
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	25	392
(ii) Landfilling	1,44,81,695	1,40,13,010
(iii) Other disposal operations	1,366	71
Total	1,44,83,086	1,40,13,473

*PPP adjusted revenue in US$

**The number has been restated due to better categorization of waste disposal

PPP Factor = 20.34; **World Economic Outlook (April 2024)** implied PPP conversion rate (imf.org).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/information of this report obtained Limited Assurance by S. R. Batliboi & Co. LLP.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste management practices description -

We have in place a Resource Use and Waste Management Technical Standard and the supporting guidance notes which augment us to mitigate the environmental impacts of our products and process. The Company believes in Zero Waste and has aligned waste management practices to '4-R Policy" of Reduce, Reuse, Recycle and Reclaim in our operations. Refer to Sustainability | Waste Management

Strategy adopted to reduce usage of hazardous and toxic chemicals in products and processes

Company is taking various initiatives and has adopted state-of-the-art technologies to reduce the waste generation, reuse of waste, recovery of metal from waste and disposal of remaining waste in environmentally sound manner.

Processes and the practices adopted to manage Hazardous and Toxic Chemicals

- The commissioning of Fumer plant has resulted in significant elimination of Jarosite generation from one of the Hydrometallurgical Zinc Smelter and the generated slag will be 100% utilised in cement industries
- For effective metal recovery, a second ancillary plant was commissioned for treatment of process residues at Chanderiya Lead-Zinc Smelter
- A project to recover sodium sulphate crystal from RO reject was commissioned at Dariba Zinc Smelter
- Gainful utilisation of Jarosite, Jarofix, slag and fly ash in cement manufacturing, road construction, and railway embankment as well as tailings in back-filling voids in mines through paste fill/hydrofill

For further information, please refer to: Our Approach Note on Responsible Production

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

None of HZL's operations are located in eco-sensitive zone however, Zawar Mines is located 3.2 km away from eco-sensitive zone of Jaisamand Wildlife Sanctuary. Details are in below table -

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	Zawar Mines	Mining	Yes

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
Not Applicable. No environmental impact assessments of projects were undertaken by the company during the current financial year. However, the details of our EIA studies can be referred here.					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company's operations and offices operate in compliance with applicable environmental laws and regulations and adhere to the Consent to Operate conditions issued by the Central and State Pollution Control Boards.

S. No.	Specify the law/regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as Pollution Control Boards or courts	Corrective actions taken, if any
Not applicable, since there is no non-compliance with the applicable environmental laws/regulations/guidelines in India				

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

I. **Name of the area** - Chanderiya Lead Zinc Smelter, Dariba Smelting Complex, Rajpura Dariba Mine, Sindesar Khurd Mine, Rampura Agucha Mine, Kayad Mine, Zawar Mines, Zinc Smelter Debari.

II. **Nature of operations** - Smelting & Mining

III. Water withdrawal, consumption and discharge in the following format:

Parameter	FY2026	FY2025
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,53,48,433	1,51,83,051
(ii) Groundwater	34,99,697	37,81,726
(iii) Third party water (Municipal water)	2,272	2,841
(iv) Seawater/desalinated water		
(v) Others (Municipal sewage treated water)	88,66,159	87,38,856
Total volume of water withdrawal (in kilolitres)	2,77,16,562	2,77,06,474
Total volume of water consumption (in kilolitres)	2,53,09,833	2,59,28,370
Water intensity per rupee of turnover (Water consumed/turnover)	0.0000619	0.0000761
Water intensity (optional) - the relevant metric may be selected by the entity	24.18	24.64
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(ii) Into Groundwater	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iii) Into Seawater	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iv) Sent to third-parties	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(v) Others	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/information of this report obtained Limited Assurance by S. R. Batliboi & Co. LLP.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY2026	FY2025
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	14,69,090	15,39,762
Total Scope 3 emissions per rupee of turnover	Total Scope 3 GHG emissions/ Revenue from operations	0.00000359	0.00000452
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	Total Scope 3 GHG emissions/ Tonnes of metal produced	1.40	1.46

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

The Company does not have any operations located within notified eco-sensitive zones. While Zawar Mines (ZMW) operations have obtained the requisite forest clearances, all sites of HZL are situated outside ecologically sensitive areas. Comprehensive biodiversity assessments have been conducted across all operational locations, and site-specific Biodiversity Management Plans are in place to identify, mitigate, and manage potential direct and indirect impacts on biodiversity.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	**Water Stewardship - Sewage Treatment Plant (STP) at Udaipur & Bhilwara**	Company commissioned a 20 MLD STP in Udaipur in 2014 under a public-private partnership, which is the first of its kind in Rajasthan. Further, Hindustan Zinc Limited and Udaipur Smart City Limited signed an agreement in June 2017 to extend the sewage treatment capacity by another 40 MLD. 25 MLD has been commissioned in January 2019. Another 15 MLD was commissioned in FY2021, taking the total to 60 MLD.	The replacement of fresh water for operations by STP treated water has led to increased availability of fresh water for the community. 32% of total water withdrawal was satisfied with treated sewage.
2	**Circularity & Waste Management – Filtered Tailing Plant**	India's first filtered tailing plant was set up at the Zawar Mines in Rajasthan and in 2024 at Rajpura Dariba Mine. The filtered tailing technology is based on separating water from tailings slurry, which is generated in the beneficiation process. Company repurposes tailings materials and waste rock as backfill to stabilise our underground mining operations, while the remaining tailings are then placed in a specially designed tailings storage to minimise the environmental, social and economic risks. We externally review the integrity/stability of our dam structures and their associated management practices by global experts. The same is in progress in Rampura Agucha Mine.	Key benefits of the filtered tailing technology include recirculation of more than 80% of the process water present in tailings, a faster rehabilitation, and restoration of storage site at mine closure and ensuring re-availability of water for further use.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
3	**Water Stewardship - 4 MLD Zero Liquid Discharge (ZLD) at Zawar and water treatment plant at Rampura Agucha Mines.**	Treatment of poor-quality excess water at Zawar Mines by installation of 4,000 cum/day effluent treatment plant with zero liquid discharge and recycling in the process. The same has been commissioned at Rampura Agucha Mines.	1. Reduction of freshwater intake from Tidi Dam on daily basis of c. 3,800 cum/day. 2. Being environmentally compliant
4	**Water Stewardship - Rainwater Harvesting Structure**	Company executed groundwater recharge intervention project across Hurda, Shahpura, Kotri, and Jahazpur blocks of Bhilwara district. We were able to complete the desilting of ponds, repairing, strengthening and increasing the height of damaged embankments, and construction of 358 recharge shafts for effective groundwater recharge in 83 ponds	Created a total groundwater recharge potential of over 8.7 million cubic metre/annum
5	**Climate Change & Energy Transition** **Agreement for 180 Liquified Natural Gas (LNG) vehicles**	In a significant move towards green transportation, the Company has joined forces with Greenline, a subsidiary of Essar Group, by signing a contract for 180 LNG vehicles. During the previous year, all 180 LNG vehicles (alternate fuel vehicles) were launched to aid finished goods and interunit transport.	This initiative is to help reduce Company's Scope 3 emissions and help achieve SBTi Scope 3 targets.
6	**Circularity & Waste Management - Paste Fill**	Instead of conventional hydraulic filling, Company chose to use the paste fill technology. This technology ensured fast filling and practically no bleeding water in the stopes. The other benefits of paste fill technology have been water conservation, better stope stability, surface integrity in mines, and more recycling of tailings.	• Metal recovery from secondary stopes • Reduced cement consumption with increased usage of fly ash • Reduced water consumption as paste solids content is high (77-79% solids) • Utilisation of nearly 39% of tailings in paste fill plant, helping in improving the stability of tailings dam
7	**Circularity & Waste Management - Ancillary Plant**	It treats residues produced during smelting process, leading to in-house production of a few key consumables and by-products, in collaboration with the Company's central R&D team. Few projects were successfully executed, including production of copper sulphate and zinc sulphate from purification cake as well as production of potassium antimony tartrate from antimony dust.	• It treats different kinds of residues, namely copper dross, purification waste cake, antimony dust/slag, and raw zinc oxide • This has also enabled in improvement of metal recoveries of lead, copper and silver
8	**Circularity & Waste Management - Jarofix Yard Restoration**	Company follows the principle of reducing the waste, quantitatively as well as qualitatively, and performing recovery and recycling. The last priority is disposal in landfills. Company used Mycorrhiza technology for rejuvenation and reclamation of wasteland into productive land by increasing the green cover, enhancing biodiversity, controlling fugitive dust emission, and restoring site. It also makes plants less vulnerable to environmental stresses through optimum use of water resources	Provides overall stability to waste dump and dump failure due to heavy rains, ensuring safe and stable dump. Phase 1 covered development of green belt in an area of 6.25 hectares (10,000 plants). Further, Phase 2 of area restoration of 16 hectares has been completed, taking the total area to 22.25 ha
9	**Climate Change & Energy Transition** **Solar Plant**	Company has installed 40.70 MW of solar power project by utilising its waste lands without disturbing any productive land.	40.70 MW of renewable power capacity

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
10	**Circularity & Waste Management - Fumer Plant**	In the existing zinc hydro metallurgical process, Jarosite is generated which is treated with lime & cement and disposed in Jarofix Yard. In the Fumer plant, a clean slag will be produced and utilised in cement manufacturing and goethite cake produced will be treated with lime & cement and disposed in captive secured landfill.	• Production of usable clean slag and elimination of Jarosite waste of 1,00,758 MT in FY2026 • Elimination of recurring land for storage of Jarofix • Power generation from waste heat recovery • Increased recovery of zinc, lead, silver, copper, and sulphur • Saving of cement and lime
11	**Circularity & Waste Management - Jarofix/Jarosite Utilisation in Cement and Road Construction**	Jarosite is waste produced in the hydrometallurgy process of zinc extraction, necessitating additional investment for its stabilisation and disposal. The study showed positive results and encouraged us to conduct field trials. Company has been granted permission by Rajasthan State Pollution Control Board for gainful utilisation of Jarofix waste for road construction/highway construction (embankment). Company also partnered with a few government agencies like NCCBM, NEERI and CRRI for the utilisation of jarosite in cement and road construction.	• Jarosite used in cement construction – 1,78,212 MT • Jarofix used in road construction – 4,75,719 MT
12	**Circularity & Waste Management - Closure of Secured Landfill (SLF) at Vizag**	Company's Vizag closure and capping was first project in the entire country in which a slurry pond was stabilised, closed and capped as per the Central Pollution Control Board (CPCB) Guidelines due to introduction of superior geotechnical concepts and material science knowledge.	• Nearly 56,000 sqm (6 hectares) of plan area at site has been stabilised and capped as per CPCB guidelines • Aligned to our site closure management standard
13	**Climate Change & Energy Transition** **530 MW Renewable Power**	Hindustan Zinc has extended the power delivery agreement for up to 530 MW renewable energy and it will contribute towards transitioning to green energy and reduce carbon emissions.	It will contribute towards transitioning to green energy and reduce 3.5 million tCO_2e carbon emissions by 2028
14	**Climate Change & Energy Transition** **EV bulkers and trucks for Interunit Transport**	Hindustan Zinc has taken a significant leap towards sustainable logistics by signing a contracts with multiple vendors, marking the deployment of 52 electric vehicle (EV) bulker and trucks, each boasting a capacity of 55 metric tonnes and dedicated to the inter-operations transport of concentrates. We have further introduced 5 EV charging stations overall.	These eco-friendly trucks reaffirm Hindustan Zinc's commitment to green and sustainable practices. The partnership signifies an important shift in the logistics landscape, aligning with global efforts to reduce carbon emissions and promote cleaner modes of transportation. This marks a total of 52 EVs in Hindustan Zinc.
15	**Circularity & Waste Management - Zinc Tailings Reprocessing Plant, Rampura Agucha**	In a landmark step towards circular mining, the Board of Hindustan Zinc approved the establishment of India's First Zinc tailings reprocessing plant at Rampura Agucha Mine, Bhilwara district, Rajasthan. The plant, with a feed capacity of 10 Mtpa and an investment of up to ₹ 3,823 crore, will extract zinc and silver from previously processed tailings. Contracts have been awarded to CIMIC group companies - Sedgman for engineering and procurement, and Leighton Asia for onshore construction - and the facility is targeted for completion within 28 months from zero date.	• Transform legacy mine waste into recoverable zinc and silver, reducing long-term environmental liability • India's first facility of this kind - sets a national benchmark for responsible tailings management • Directly supports the company's zero waste to landfill goal by 2030

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
16	**Climate Change & Energy Transition** **EcoZen Low-Carbon Zinc - Industrial Partnerships**	Hindustan Zinc scaled the adoption of EcoZen - Asia's first low-carbon zinc -through strategic partnerships with major industrial customers. Silox India adopted EcoZen across its operations to reduce the carbon footprint of its zinc-based chemical manufacturing. Subsequently, we partnered with Tata Steel to scale EcoZen adoption in steel manufacturing, enabling verified Scope 3 emission reductions across one of India's largest industrial value chains. EcoZen is produced using 100% renewable electricity and carries a carbon footprint of less than 1 tCO_2e per tonne of zinc - nearly 75% lower than the global industry average.	• Enables customers to significantly reduce their Scope 3 emissions through verified low-carbon zinc sourcing • Strengthens commercial demand for certified green metals in key industrial sectors • Positions Hindustan Zinc as the preferred low-carbon metals supplier for decarbonising value chains
17	**Biodiversity & Ecosystems** **Baghdarra Crocodile Conservation Reserve**	Hindustan Zinc signed a ₹ 5 crore MoU with the Forest Department, Udaipur, under the Hariyalo Rajasthan and "Ek Ped Maa Ke Naam" initiatives for a large-scale plantation drive at the Baghdarra Crocodile Conservation Reserve. The Company planted 500 native saplings and committed to nurturing 5,000 more to bolster habitat biodiversity and green cover across the nearly 400-hectare reserve. This public-private collaboration focuses on afforestation, water-conservation infrastructure, and the development of eco-sensitive visitor zones to protect marsh crocodiles and restore wetland ecosystems.	• 5,000 saplings committed for habitat restoration across the nearly 400-hectare conservation reserve • Strengthens wetland ecosystem resilience and marsh crocodile habitat protection, positively impacting over 200 species in the ecosystem • Reinforces the Company's biodiversity stewardship and No Net Loss commitment under its Biodiversity Management Plan
18	**Circularity & Waste Management - Zinc-Ion Battery Technology - R&D Collaboration**	As part of its continued collaboration with the Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR) and Indian Institute of Technology (IIT) Madras, Hindustan Zinc is advancing the development of next-generation zinc-ion battery storage solutions. JNCASR has developed and demonstrated stable zinc-ion battery pouch cell prototypes for large-scale renewable energy storage. In parallel, IIT Madras is working on zinc-air battery prototypes at lab scale, with ongoing work focused on vehicle-level range-extension applications. Low-cost electrolyte formulations that address key challenges in cycle life and energy density have been developed through these collaborations.	• Zinc-ion battery prototypes developed for large-scale renewable energy storage applications • Advances India's indigenous research in safer, non-flammable energy storage alternatives to lithium-ion • Positions zinc as a critical energy transition metal, opening new market opportunities for the Company

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

- All our operating sites are having onsite emergency preparedness plan (including disaster control management plan) along with responsibilities in place covering all the risk associated with the operational activities to mitigate and handle the emergency and ensure business continuity. Emergency scenarios, mock drills, rescue team, and trainings are regularly being carried out for making the system more robust and to check the healthiness of the emergency response procedure
- We have an Incident Management Committee to investigate all the incidents (safety, environment, process) and learnings are being shared across all the locations for horizontal deployment and based on the recommendations, suitable changes are being made in the emergency response plan also
- Stand downs are being conducted on shop floor to communicate the learnings from all such incidents. Regular trainings and awareness programmes are being conducted at sites. Unit leadership regularly review the emergency preparedness and contingency planning at their sites. We have a standalone standard on emergency preparedness and contingency planning and uniformly applies to all the sites of the Company
- Hindustan Zinc recognises that Business Continuity & Disaster Recovery is not only an IT subject, rather a business subject. Aligned with this thought, Hindustan Zinc has implemented ISO 22301 Disaster Recovery & Business Continuity Management Framework to prevent the interruption in operations of Hindustan Zinc's critical IT systems and to ensure that IT systems are continuously available to all the authorised users, all statutory & legal requirements are complied with, and organisation's finance and reputational interests are protected. Business Continuity Plan (BCP) has considered various risks including technical risk, natural disasters risk, human risk, and risk related to external partners
- Business Continuity Testing & Disaster Recovery Drills are carried out on a half-yearly basis to test the readiness of recovery sites

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

As part of its due diligence framework, Hindustan Zinc assesses the potential for significant adverse environmental impacts arising from its Tier-1 business partners. The assessment for the year did not identify any high-impact cases. Our supply chain management framework promotes responsible sourcing and enhanced sustainability performance, driven by technology, innovation, and collaboration. Embedded policies support a future-ready ecosystem aligned with ESG goals and regulatory compliance. Refer to Our Approach on Supply Chain Management

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100% of tier 1 suppliers (by value of business done with such partners basis commercial procurement spend) were assessed for environmental impacts. 570 commercial vendors undergone due diligence and rest are under progress.

8. How many Green Credits have been generated or procured:

a. By the listed entity

NIL

b. By the top ten (in terms of value of purchases and sales respectively) value chain partners

NIL

PRINCIPLE 7

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1) a. Number of affiliations with trade and industry chambers/associations.

11

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	International Council of Mining & Metal	International
2	Federation of Indian Mineral Industries	National
3	Confederation of Indian Industry	National & State
4	Federation of Indian Chambers of Commerce & Industry	National & State
5	Indian Chamber of Commerce	National
6	India Lead Zinc Development Association	National
7	Udaipur Chambers of Commerce	National
8	Global Compact Network - INDIA	National
9	Extractive Industries Transparency Initiative	International
10	International Zinc Association	International

2) Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

During the year, there were no adverse orders from regulatory authorities relating to anti-competitive conduct.

Name of Authority	Brief of the case	Corrective action taken
-	-	-

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information is available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half Yearly/Quarterly/ Others - please specify)	Web-Link, if available
1	Area relaxation for base metals (zinc, lead, silver, iron, etc.) in the state of Rajasthan	Advocacy with the State Mines department as well as the Industry Association for the benefit of pioneer companies to get more area for enhancement of production and reduce imports. Relaxation of maximum area limit in exercise of powers conferred under provision 6(1)(b) of MMDR Act. GOI Ministry of Mines order number 16/33/2016-M PART IV issued in September '25	No	NA	NA
2	Mineral exploration	Representations through National level industry associations/geological conferences and meetings have been sent to apprise the concerned authorities of the process and complexities involved in the exploration of deep-seated base metals.	No	NA	NA
3	Critical associated minerals mining and processing	Representations through National level industry associations, NITI and Think Tanks. Amendment act passed by the Parliament and the President. Rules awaited.	No	NA	THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) AMENDMENT ACT, 2025
4	Contiguous mining of deep-seated minerals	Representations through National level industry associations, NITI and Think Tanks. Amendment act passed by the Parliament and the President. Rules awaited.	No	NA	THE MINES AND MINERALS (DEVELOPMENT AND REGULATION) AMENDMENT ACT, 2025
5	Lease validity extension	Representations through National level industry associations.	No	NA	NA
6	Policy incentives for greening of mining operations and mineral processing	Direct representation through industrial consultation process and indirect representation through National level industrial associations.	No	NA	NA
7	Reinstating of QCOs for Lead and Zinc	Refined Zinc (Quality Control) Order, 2025 (S.O. 1768(E), April 17, 2025) and Primary Lead (Quality Control) Order, 2025 (S.O. 1767(E), April 17, 2025) were removed by Ministry of Mines vide order dated November 13	No	NA	NA
8	Permitting women to work in underground mines round-the-clock.	Direct representation through industrial consultation process and indirect representation through National level industrial associations.	No	NA	https://www.pib.gov.in/FactsheetDetails.aspx?Id=150475&reg=3&lang=2

PRINCIPLE 8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1) Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
SK Village R&R as per LARR Act 2013	G.N. संख्या प.12/17 ( ) राजस्व/ भू. अ./2023	25/04/2023	Yes, its is conducted by an agency headed by Dr. Alpana Kateja, Professor, Department of Economics, University of Rajasthan, Jaipur	No, only notification is communicated in public domain (https://reams.rajasthan.gov.in/PrintingStationary) The final number of projected affected families shall be identified accurately by the administration; hence report is yet to be finalised	-

Note: The project was undertaken in FY2024

2) Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in FY (In ₹)
1	SK Village R&R as per LARR Act 2013	Rajasthan	Rajsamand	**325** families (Estimated) as per Gazette Notification and **228** families (including 168 nuclear and 60 joint families) as per SIA report by Dr. Alpana Kateja	The final number of projected affected families shall be identified accurately by the administration after undertaking a detailed survey of the population and final number of families to be shifted and compensated shall also be finalised basis the same only.	Not yet decided.

Note: The project was undertaken in FY2024

3) Describe the mechanisms to receive and redress grievances of the community.

Aligning with Technical Standards (TS-04), structured grievance redressal mechanisms are adhered to for receiving and resolving grievances. In line with sustainability strategy of establishing strong relationships with stakeholders and adhering to the International Finance Corporation (IFC), International Council on Mining and Metals (ICMM), Organization for Economic Cooperation and Development (OECD) and United Nations Environment Programme (UNEP) Standards for responsible stewardship, United Nations Global Compact (UNGC) Principles & Technical standards, Company has set up a robust Grievance Redressal Mechanism. Regular monitoring and reviewing of the mechanism established is undertaken at various platforms. To further strengthen it, effective stakeholder engagement is a continuous process taken up to reduce the grievances of the stakeholders.

Proactive and sustained engagement platforms like "Community Connect" and "Community Leadership Connect" are established to ensure two-way communication network and strengthen the trust element thereby reducing the grievances.

A grievance box has been placed outside the plant main gate for stakeholders to share their grievances in written form in the local language. All grievances are required to be resolved in maximum 15 days, failing which they are escalated to the senior management for its resolution and closure. Also, at each Company location, we have well established Social Performance Steering Committee, consisting representatives of major functions and chaired by respective IBU CEO/SBU Director, through which all grievances are raised and discussed for their timely resolution and thereby reduction in the collective risk involved. Our approach to strengthening Social Performance Steering Committees (SPSC) at business locations involves active participation from functional leaders. This is crucial for

monitoring grievances, resolving issues, mitigating key risks, and fostering strong stakeholder relationships. By addressing community feedback and grievances promptly, we reduce collective risks. At the corporate level, the Social Performance Management Committee consolidates and reviews progress at each site, enhancing our overall social performance management.

4) Percentage of input material (inputs to total inputs by value) sourced from suppliers*:

	FY2026	FY2025
Directly sourced from MSMEs/small producers	30.08%	19%
Directly from within India	88%	89%

* Tier 1 suppliers are covered. FY2025 numbers are restated basis total procurement spend, hence not comparable with FY2026.

5) Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

	FY2026	FY2025
Rural	81%	81%
Semi-Urban	0.00%	0%
Urban	17%	16%
Metropolitan	2%	2%

LEADERSHIP INDICATORS

1) Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable, as SIA is yet to be finalised by district authorities.

2) Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (In ₹)
1	Uttarakhand	Udham Singh Nagar	12,34,87,340
2	Rajasthan	Dholpur	2,39,73,945

3) (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No, the Company does not have a preferential procurement policy. However, Company strives to procure locally, which makes up 30% from MSMEs & 88% of the total procurement spend sourced from within India, comprising Rajasthan & Uttrakhand and 22% basis HZL's local procurement policy.

(b) From which marginalised/vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4) Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
	NIL	NIL	NA	NA

5) Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6) Details of beneficiaries of CSR Projects:

S. No.	Project Name	Thematic Area	Beneficiaries	% of beneficiaries from vulnerable and marginalised groups
1	Child Care Centre	Education	564	100
2	Nand Ghar		3,21,510	100
3	Shiksha Sambal		13,023	100
4	Unchi Udaan		152	100
5	Vedanta College		137	100
6	Company Run Schools		1,850	100
7	Rural Infra	Rural Infrastructure	1,63,803	100
8	Drinking Water Project	Drinking Water & Sanitation	90,977	100
9	Environment Conservation (including plantation and sewage treatment)	Environment	5,94,477	100
10	Swasthya Seva (Health)	Healthcare	96,287	100
11	Company Run Hospitals		1,33,959	100
12	Samadhan + SPARSH	Livelihoods	33,716	100
13	Microenterprise	Livelihoods	372	100
14	Zinc Kaushal	Skill Development	2,256	100
15	Zinc Football Academy	Sports & Culture	1,405	100
16	Cluster-based Sports	Sports & Culture	55,263	100
17	Promotion of Art and Culture	Sports & Culture	7,76,282	100
18	Sakhi	Women Empowerment	25,530	100
19	Uthori		2,67,519	100
20	Community Safety	Healthcare	19,194	100
Total			**25,98,276**	

PRINCIPLE 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

There are following mechanisms in place to receive and respond to consumer complaints and feedback:

1. **Customer Service Hotline:** Vedanta Metal Bazaar is a one-stop portal for customers from buying the product to raising concerns or complaints etc. Customers can raise their concerns or feedback through the portal. Through an automatic raised ticket by the portal, the customers can monitor the progress of their complaints and resolutions thereon. This portal can be accessed here.

2. **Email Correspondence:** Customers can also reach out to the company via email to lodge complaints or provide feedback. Hindustan Zinc Limited ensures prompt responses to emails, acknowledging receipt and providing a timeline for resolution, whenever possible.

By employing these diverse mechanisms, Hindustan Zinc Limited demonstrates its commitment to listening to consumer concerns, addressing issues promptly, and continuously improving its products and services to ensure sustainability and long-term success.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable*.
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

* Since we provide services in a B2B market and such information on products is provided by the final end product manufacturers.

3. Number of consumer complaints in respect of the following:

	FY2026			FY2025		
	Received during the year	Pending resolution at end of year*	Remark	Received during the year	Pending resolution at end of year**	Remark
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cybersecurity	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other (Product and service-related complaints)	24	1	The given number is of formal complaints logged by customers in the Company's portal related to quality.	44	2	The given number is of formal complaints logged by customers in the Company's portal related to quality.

*Pending grievances or complaints as at the end of the current FY relate to the new complaints or grievances raised during the year.

** Grievances which are reported in FY2025 and are pending for resolution, have been resolved in FY2026

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Hindustan Zinc Limited has an integrated framework for cyber security, data privacy and business continuity management, which can be accessed at our Information Security Policy and our Approach on Cybersecurity

To manage the information security in the Company, we have a well-entrenched and comprehensive Information Security Management Framework as part of our Enterprise Risk Management (ERM) framework. The framework for managing information security effectively covers the various relevant policies, standard operating procedures (SOPs) and technology standards. We have also established an effective security assessment and audit process for preventing cyber-attacks. Implementation of security-by-design in our business and technology landscape has further strengthened the framework.

The framework covers:

- A **cyber resilience programme**, with technical and business-readiness to respond to or recover from critical incidents
- Adoption of **security service edge (SSE)** enables secure, identity-centric access to applications and data from any location, integrating capabilities such as secure web gateway, cloud access security broker, and zero-trust network access
- **Network Access Control** enforces explicit verification of every user and device attempting to connect to our corporate resources, ensuring that access is granted only to authenticated, compliant, and trusted endpoints
- Comprehensive **social engineering and security awareness** for full-time employees and business partner employees
- **Data privacy** compliance, to implement best-in-class privacy practices and avoid regulatory penalties
- **Operational technology security**, by strengthening and monitoring plant technical system (PTS) assets to prevent compromise of critical PTS infrastructure
- Risks and vulnerabilities are identified and addressed across the information technology (IT), operational technology (OT) and digital landscape, in line with the Company's **vulnerability management program**
- Protection of the Company's information assets hosted in the Vedanta cloud or external SaaS (software as a service) platforms, ensuring **cloud security**
- Comprehensive **data leakage prevention**, protecting all communication channels
- **Third-party risk management,** through mitigation of cyber risks posed by third parties, including strengthening of third-party contracts
- **Governance, risk and compliance framework** for audit and risk management, as well as continuous improvement

The framework guides the formulation of our information security strategy, as well as our long-term roadmap and annual information security plan. The Executive Committee reviews the framework annually, in consultation with external expert agencies. This helps in incorporating applicable regulatory requirements and prevailing industry knowledge and also enables consideration of newer threats and risks.

Company is compliant with ISO 27001 framework and is certified as per the defined Statement of Applicability (SOA) since the year 2018. Certification is applicable to all Infrastructure & Applications under the purview of Information Technology & Operational Technology functions across all sites of the Company. Subsequently, the Company has decided to implement an integrated framework covering various domains of Information Security, Disaster Recovery & Business Continuity Management, Risk Management and Data Privacy Management. Under this approach, the Company has achieved an Integrated ISO Certification consisting of ISO 27001 (Information Security), ISO 22301 (DR & BCP), ISO 31000 (Risk Management) and ISO 27701 (Privacy Management) in the year 2024.

All the policies and procedures enforced in the Company environment are all-inclusive to manage the Information Security and Data Governance aspects. All these policies are reviewed annually by competent personnel in the Information Security Function. All the approved and enforced policies are made available to all employees and business partners over the Hindustan Zinc Limited Intranet Portal.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

Not Applicable, as there are no complaints with respect to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls. Further, no penalties were paid or regulatory actions were taken by regulatory authorities on account of the safety of our products/services.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches: **NIL**

b. Percentage of data breaches involving personally identifiable information of customers: **Not Applicable**

c. Impact, if any, of the data breaches: **Not Applicable**

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Hindustan Zinc Limited provide products and services related information on its Company's website and various other platforms as mentioned below. These sites/platforms carry all the factsheets about each of the products we manufacture

- https://www.hzlindia.com/what-we-do/products-powering-transformation
- https://www.hzlindia.com/uploads/HZL_Product_Brochure_2025
- https:www.lme.com/Physical-services/Brands/Approved-brands
- https://www.lbma.org.uk/good-delivery/silver-current-list#-
- EcoZen leaflet
- Environment product declaration zinc

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Material Safety Data Sheets are issued to all new vendors and are shared with customers on request, ensuring access to complete information on product characteristics, safe use, and handling. Our sales team also interacts with customers and all their queries are resolved during the personal interactions. A dedicated customer services team is available to assist customers with any sales-related services.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Hindustan Zinc Limited through the issue of market circulars and in-person interaction with the customers via emails and phone calls inform the customers immediately of any risk of disruption/discontinuation of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey regarding consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. Majority of our production grades are listed on the London Metal Exchange (LME) and therefore following their guidelines for the specification of products on labels, prominent large-size labels are displayed on our product, however, there is no Indian regulatory mandate to display any product information.

Hindustan Zinc Limited carried out a consumer/customer/buyer satisfaction survey in FY2024, and one ongoing, with the help of Feedback Insights Agency relating to the major products manufactured by Hindustan Zinc Limited for its significant locations of operation.

Feedback Insights team has conducted the survey with the customers of all the products of Zinc, Lead and Silver in domestic & export regions. They have done this survey by various means such as in-person interactions, telephonic & web-based discussions to understand their satisfaction, and loyalty levels by assessing the parameters like product, packaging, delivery, contracting process, complaint handling, etc., to derive the performance score.

Value Chain Partners BRSR Core Disclosure

1. INTRODUCTION

As per SEBI Circular No. SEBI/HO/CFD/CFD SEC 2/P/CIR/2023/122 dated July 12, 2023, listed entities are required to provide value chain disclosures under BRSR Core, covering key upstream and downstream partners accounting for 75% of total purchases and sales (by value), respectively.

Accordingly, value chain ESG disclosures are voluntary for Hindustan Zinc Limited for FY2026 and shall cover FY2025 data of upstream and downstream partners individually contributing 2% or more of the our total purchases and sales (by value), respectively, cumulatively accounting for up to 75% of total purchases and sales (by value), as applicable.

2. APPROACH AND COVERAGE

HZL recognises that a significant portion of its environmental and social footprint lies within its value chain. In line with BRSR Core requirements, disclosures are extended to key upstream (suppliers) and downstream (customers/ distributors) value chain partners who collectively account for a substantial share of purchases and sales.

3. ENGAGEMENT WITH VALUE CHAIN PARTNERS ON ESG DISCLOSURES

Hindustan Zinc has initiated a Sustainable Supply Chain Programme to foster a responsible and resilient ecosystem across its supplier network. The programme is anchored on structured supplier engagement,

a. supplier ESG evaluations,

b. focused capacity building workshops,

c. targeted handholding support for priority suppliers,

d. systematic supplier engagement plan.

Together, these pillars enable consistent assessment of ESG performance, strengthen supplier capabilities, support progressive improvement, and ensure sustained engagement on environmental, social and governance priorities across the value chain.

Accordingly, 33 downstream customers contributing to 75% of sales were identified, of which 18 individually account for 2% or more. Data for 8 such customers has been collated from publicly available, third-party assured BRSR disclosures.

Wherever aggregation (sum/average) is applied, calculations are based on entities with available data. Variations in units across disclosures have been standardised to ensure consistency.

This assessment establishes a baseline and highlights opportunities to strengthen ESG maturity and collaboration across the value chain. Currently, only data from the 8 customers with assured BRSR disclosures is reported. HZL continues to actively engage with remaining suppliers and customers to enhance participation and progressively improve the completeness and robustness of disclosures, while also seeking further regulatory clarity from SEBI on data attribution methodologies.

4. BRSR CORE PARAMETERS COVERED

For identified value chain partners, we have disclosed performance against the following all nine BRSR Core parameters, aggregated separately for upstream and downstream partners, and consolidated at a total level:

1. GHG footprint: Scope 1 & 2 emissions and emission intensity.
2. Water footprint: consumption, discharge and intensity.
3. Energy footprint: total energy consumption, renewable energy share and intensity.
4. Circularity / Waste: waste generation, recovery and disposal (by category).
5. Employee Wellbeing & Safety – Permanent Disabilities, LTIFR, Fatalities.
6. Gener Diversity – Gross wages paid to female as % of wages paid, POSH complaints reported, complaints on POSH as a % of female employees, POSH complaints upheld.
7. Inclusive Development – MSME Sourcing (as % of total purchases), wages in smaller towns.
8. Fairness with Customers & Suppliers – Instances involving loss / breach of data of customers as % of total breaches, Number of days of accounts payable.
9. Openness of business – Share of RPTs (as respective %) in – Purchases, Sales, Loans & Advances, Investments.

HZL communicates its sustainability expectations to value chain partners through supplier codes and engagement programmes. As disclosures mature, we aim to progressively enhance data quality, coverage and comparability across the value chain, with a focus on high impact categories.

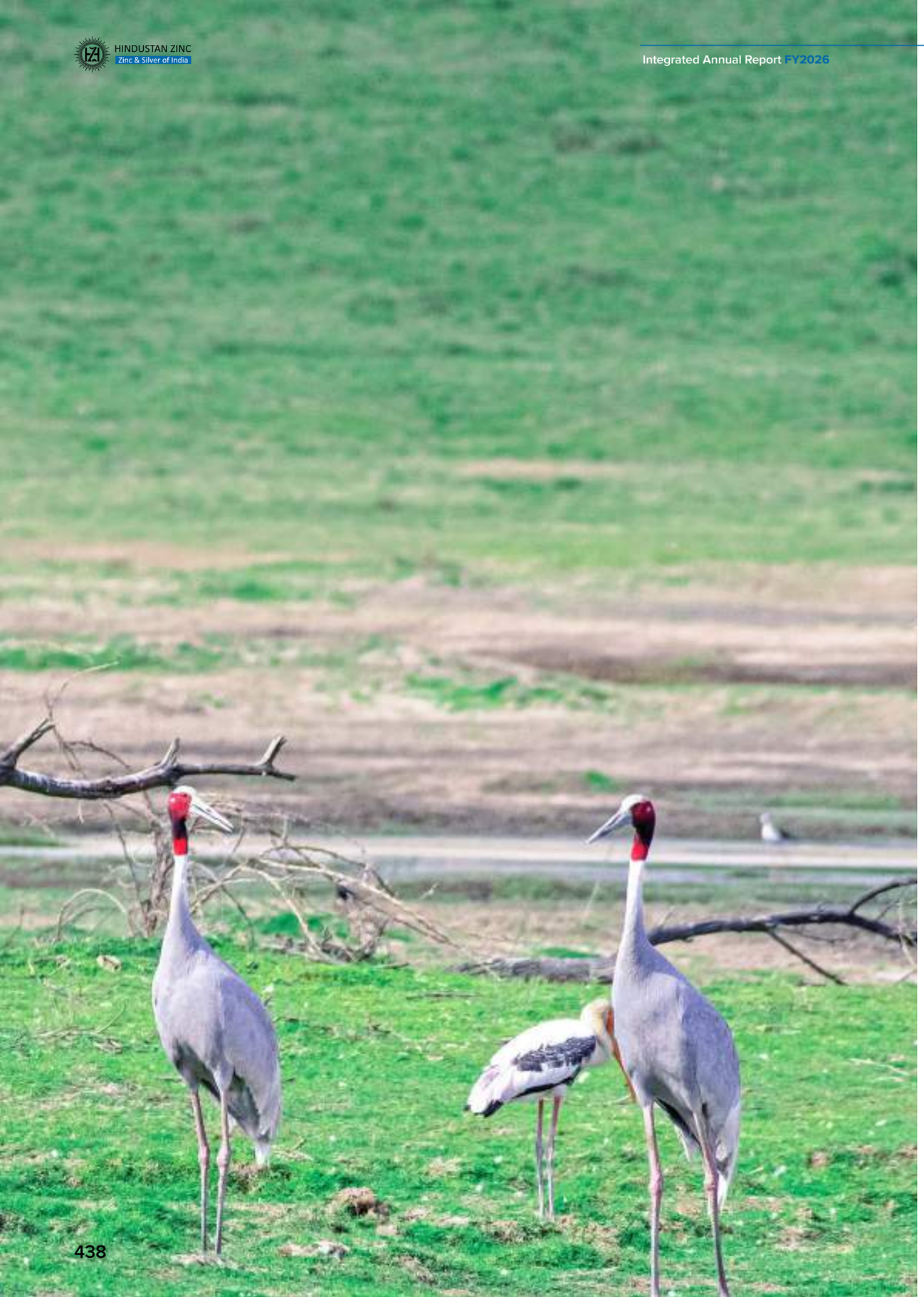
5. BRSR CORE DISCLOSURE FOR VALUE CHAIN REPORTING

The below table discloses the value chain ESG information in accordance with the principles and measurement approaches prescribed under BRSR Core based on publicly available data. Hindustan Zinc will continue to strengthen its value chain ESG disclosures in line with evolving regulatory expectations and internal maturity.

	BRSR Core Parameter	Measurement	Customer 1	Customer 2	Customer 3	Customer 4	Customer 5	Customer 6	Customer 7	Customer 8
1. Greenhouse gas (GHG) footprint	Total Scope 1 emissions	MT CO_2e	5,31,00,751.6	35,896	1,58,50,000	7,80,00,000	6,816	12.21	51,854	15,50,000
	Total Scope 2 emissions	MT CO_2e	16,53,056.65	3,50,643	12,90,000	60,00,000	2,30,765	789.87	38,496	1,20,000
	GHG Emission Intensity (Scope 1+2)	MT CO_2e/PPP*	0.00090008 tCO_2/US$	481.43 MT/CO_2/ US$ crore	-	0.001 (per Million US$ of turnover)	425.62 MT /₹ crore revenue	0.24 MT/10k $	0.00004013 tCO_2e/million turnover	2.34 tCO_2e per tcs (total)
2. Water footprint	Total Water consumption	Million KL	5,32,50,097.2	20,43,676	3,24,04,000	12,62,56,000	9,41,500	774.24	68,046	50,50,000
	Water consumption intensity	KL/PPP*	-	2,545.35 KL / US$ crore		0.000058 (Kilolitres/H)	1,736.51 KL//₹ crore revenue	0.23 ltr/10k $	0.0000003 KL/ million turnover	-
	Water Discharge by destination and levels of treatment	Million KL	0	305318	22,000	26,34,35,000	0	-	11,560	-
3. Energy footprint	Total energy consumed	GJ	52,92,09,357	27,98,349		830.81	15,68,625	4,087.49	7,61,567	2,26,82,000
	% Renewable energy	%								
	Energy intensity	GJ/PPP*	0.008699 GJ/US$	3,485.28 GJ / US$ crore	-	0.0079 (PJ/Million US$)	2,893.18 GJ/₹ crore revenue	1.23 GJ/10k $	0.0003382 GJ/ million turnover	
4. Circularity & Waste Management	Plastic waste (A)	MT	591.05	1319.4	-	3,359	1,987.09	-	1,494	-
	E-waste (B)	MT	155.02	34.23	-	435	4.06	-	2.74	-
	Bio-medical waste (C)	MT	0.1958	0.06	-	276	0.18	-	0.00377	-
	Construction & demolition waste (D)	MT	0	-	-	65,946	0	-	0	-
	Battery waste (E)	MT	158.57	-	-	695	3,680.38	-	0	-
	Radioactive waste (F)	MT	0	-	-	-	0	-	0	-
	Other hazardous waste (G)	MT	1,58,148.1810	47,822.31	40,135	13,52,807	16,526.4	-	4,624	-
	Other non-hazardous waste (H)	MT	1,89,50,286.33	14,145.32	72,56,614	1,76,47,983	5,375.15	-	30,336	-
	Total waste generated	MT	1,91,09,339.34	63,321.33	72,96,749	1,90,71,500	27,573.26	-	36,456	6,20,730
	Waste generation intensity	MT/PPP*	0.000314 MT/US$	79.74 MT/US$ crore	-	0.000018 t/US$	50.85 MT/₹ crore revenue	-	0.00000016 MT/ million turnover	-
	Waste recovered: Recycled/Reused/ Other recovery	MT	1,65,46,749.9	51,756.98	-	2,11,75,468	25,873.37	-	31,994	5,55,577
	Waste disposed: Incineration/Landfill / others	MT	3,375.855	11,564.29	-	72,763	1,699.73	-	4,418	2,104
5. Employee Wellbeing	Wellbeing Spending	%	0.0253	0.23	-	0.22	0.75	0.28	-	-
	Permanent Disabilities	Nos.	8	0	35	27	0	-	0	-
	LTIFR	Nos.	Employees- 0.25 Workers- 0.19	worker- 0.1	0.26	Employees-0.64 Worker-0.32	Employees- 0.20 Workers- 0.55	-	Employees- 0.24 Workers- 2.21	0.32
	Fatalities	Nos.	5	0	9	5	0	-	1	0
6. Gender Diversity	Gross wages paid to females as % of wages paid	%	5.15	0.89	-	9	9.7	25.6	1.33	-
	POSH complaints reported	Nos.	7	1	-	46	0	0	0	
	Complaints on POSH as a % of female employees / workers	%	0.53	0.89	-	0.3	0	0	0	
	POSH complaints upheld	Nos.	6	1	-	20	0	0	0	-
7. Inclusive Development	MSME sourcing (as % of total purchases)	%	5.58	16.09	-	10	11.95	-	2	-
	Wages in smaller towns- Rural (Wages paid to persons employed in smaller towns as % of total wage cost)	%	31.52	3.79	-	0.22	0	-	62	-
8. Fairness with Customers & Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	Nos.	0	0	-	0	0	0	0	-
	Number of days of accounts payable	Nos.	127	78	-	74	45.44	0	96	-
9. Openness of business	Purchases from trading houses as % of total purchases	%	20.65	0.0026	-	0	0.0035	0	0	-
	Sales to dealers / distributors as % of total sales	%	17.18	0.7506	-	23%	0.6465	0	0.093	-
	Share of RPTs (as respective %age) in -									
	· Purchases	%	30.03	45.59	-	5	10.75	68	0	-
	· Sales	%	34.76	7.59	-	5	0.38	1	0	-
	· Loans & advances	%	100	0	-	6	20.16	0	0	-
	· Investments	%	100	37.26	-	55	79.26	0	0	-

6. CONCLUSION

Hindustan Zinc's proactive integration of ESG considerations across its value chain reinforces and complements its existing sustainability and supplier engagement programmes. While value chain disclosures remain voluntary in the current year, the Company has undertaken this exercise to establish a robust baseline, strengthen supplier engagement, and enhance data readiness. This approach is expected to support more comprehensive, consistent and assured value chain ESG disclosures from the next reporting cycle.



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INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT AND LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN HINDUSTAN ZINC LIMITED's BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

To the Board of Directors of Hindustan Zinc Limited

1. We have undertaken to perform a reasonable assurance and limited assurance engagement, for "Hindustan Zinc Limited" ("the Company"), its subsidiaries and joint venture (together referred to as "the Group") vide our engagement agreement dated "February 02, 2026", in respect of the agreed Sustainability Information in accordance with the criteria listed in the "Identified Sustainability Information and Criteria" paragraph below. The identified Sustainability Information is included in the Business Responsibility and Sustainability Report ("BRSR") of the Group for the financial year ended March 31, 2026 pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India's ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations"). This engagement was conducted by a multidisciplinary team including assurance practitioners, engineers and specialists.

Identified Sustainability Information and Criteria

2. We have performed an assurance engagement on the Identified Sustainability Information (ISI) for the Reporting Boundary as disclosed under Question No. 13 of Section A: General Disclosures of the BRSR, on consolidated basis. Identified Sustainability Information (ISI) is detailed in the table below:

Identified Sustainability Information subject to assurance	Period subject to assurance	Level of assurance	Reporting criteria used by the Group to prepare Identified Sustainability Information
BRSR Core (Refer to Appendix 1)	From April 01, 2025 to March 31,2026	Reasonable	i. Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended; ii. Business Responsibility and Sustainability Reporting Requirements for listed entities per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 and Industry Standard on Reporting of BRSR Core per SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated December 20, 2024.
Other than BRSR Core	From April 01, 2025 to March 31,2026	Limited	

3. Our reasonable and limited assurance engagement was with respect to the year ended March 31, 2026 information only and we have not performed any reasonable assurance procedures with respect to any other elements included in the BRSR (i.e. non- BRSR Core attributes) and, therefore, do not express any opinion thereon.

Management's Responsibility

4. The Group's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information including the reporting boundary of BRSR, disclosing environmental information basis operational control approach, taking into account applicable laws and regulations including the SEBI circular, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing the Group's compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR.

Inherent limitations

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5. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

6. Measurement of certain amounts and BRSR attributes, some of which are estimates, is subject to inherent measurement uncertainty, for example, GHG footprint, water footprint, embracing circularity (waste management), energy footprint. Obtaining sufficient appropriate evidence to support our opinion/conclusion does not reduce the uncertainty in the amounts and attributes.

Our Independence and Quality Control

7. We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

8. We apply Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

9. Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information listed in Appendix 1 and limited assurance conclusion on the Identified Sustainability Information (Other than BRSR Core) based on the procedures we have performed and evidence we have obtained.

   We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", issued by the Sustainability Reporting Standards Board of the Institute of Chartered Accountants of India. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria and to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

   A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

   A limited assurance engagement involves assessing the suitability in the circumstances of the Group's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

10. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

    Below is the informative summary of the procedures performed by us for obtaining reasonable assurance:

    - Obtained an understanding of the Identified Sustainability Information and related disclosures.
    - Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information.
    - Made inquiries of Company's management, including those responsible for preparing the BRSR report, finance team, human resource team amongst others and those with the responsibility for managing the Group's BRSR.
    - Obtained an understanding and performed an evaluation of the design of the key processes and controls for recording, processing and reporting on the Identified Sustainability Information on sample basis of different sites. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures

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that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls.
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, we determined the nature, timing and extent of further procedures.
- At each site visited, performed substantive testing on a sample basis of the Identified Sustainability Information to verify that the data had been appropriately measured with the underlying documents recorded, collated and reported. This includes reconciling the Identified Sustainability Information with the underlying records and recalculation on a sample basis.
- Where applicable, for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited consolidated financial statements of the Group for the year ended March 31, 2026 and the underlying trial balance.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the management in the preparation of the Identified Sustainability Information.
- Obtained representations from Company's management.

We also performed such other procedures as we considered necessary in the circumstances.

Below is the informative summary of the procedures performed by us for obtaining limited assurance:
- assessed the suitability of the criteria used by the entity in preparing the information subject to limited assurance;
- interviewed relevant staff at corporate and selected sites, concerning policies on environmental and social aspects and the implementation of these across the business;
- through inquiries, obtained an understanding of the control environment, processes and information systems relevant to the preparation of the information subject to limited assurance, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness;
- inspected, at each site visited, a limited number of samples as appropriate to check the accuracy of the data
- applied analytical procedures, as appropriate; and made inquiries of management to obtain explanations for any differences we identified
- recalculated the information subject to limited assurance based on the criteria;
- evaluated the overall presentation of the information subject to limited assurance to determine whether it is consistent with the criteria and in line with our overall knowledge of, and experience with, the entity's operations.

We also performed such other procedures as we considered necessary in the circumstances.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Information have been prepared, in all material respects, in accordance with the Criteria.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion and limited assurance conclusion.

Exclusions

11. Our assurance scope excludes the following and therefore we do not express an opinion on the same:
    - Operations of the Group other than the Identified Sustainability Information;
    - Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
    - The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Group.

Other Information

12. The Company's management is responsible for the other information. The other information comprises the information included within the BRSR other than Identified Sustainability Information and our independent assurance report dated June 4, 2026 thereon.

13. Our opinion/conclusion on the Identified Sustainability Information does not cover the other information and we do not express any form of assurance thereon. In connection with our assurance engagement of

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the Identified Sustainability Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Reasonable assurance Opinion

14. Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information listed in Appendix 1 for the year ended March 31, 2026 are prepared in all material respects, in accordance with the criteria (as stated under "Identified Sustainability Information and Criteria").

Limited assurance Conclusion

15. Based on our procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Group's Identified Sustainability Information included in the BRSR for year ended March 31, 2026 are not prepared, in all material respects, in accordance with the criteria (as stated under "Identified Sustainability Information and Criteria").

Restriction on use

16. Our Reasonable and Limited Assurance report has been prepared and addressed to the Board of Directors of "Hindustan Zinc Limited" at the request of the Company solely, to assist the Group in reporting on its sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Group. Our Reasonable and Limited Assurance Report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
Firm's Registration No.: 301003E/E300005

Amit Chugh
Digitally signed by Amit Chugh
Date: 2026.06.04 11:08:14 +05'30'

Amit Chugh
Partner
Membership No.: 505224
UDIN: 26505224QMNUXW4895
Place of Signature: Gurugram
Date: 04 June 2026

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Appendix-1

BRSR Core KPIs			
S. No	**Attribute**	**Principle and indicator reference**	**Parameter**
1	Green-house gas (GHG) footprint	Principle 6, E-7	1. Total Scope 1 and scope 2 emissions 2. GHG Emission Intensity (Scope 1 +2) per rupee of turnover adjusted for Purchasing Power Parity (PPP) and in terms of physical output or services
2	Water footprint	Principle 6, E-3 and E-4	1. Total water consumption 2. Water consumption intensity per rupee of turnover adjusted for PPP and in terms of physical output or services 3. Water Discharge by destination and levels of Treatment
3	Energy footprint	Principle 6, E-1	1. Total energy consumed 2. Percentage of energy consumed from renewable sources 3. Energy intensity per rupee of turnover adjusted for PPP and in terms of physical output or services
4	Embracing Circularity (waste management)	Principle 6 – E9	1. Total waste generated 2. Waste intensity per rupee of turnover adjusted for PPP and in terms of physical output or services 3. Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations 4. For each category of waste generated, total waste disposed by nature of disposal method
5	Enhancing Employee Wellbeing and Safety	Principle 3 – E1(C) Principle 3- E11	1. Spending on measures towards well-being of employees and workers 2. Details of safety related incidents for employees and workers
6	Enabling Gender Diversity in Business	Principle 5 – E3(b) Principle 5 – E7	1. Gross wages paid to females as percentage of wages paid 2. Complaints on POSH
7	Enabling Inclusive Development	Principle 8 – E4 Principle 8 – E5	1. Input material sourced from following sources as percentage of total purchases – Directly sourced from MSMEs/ small producers and from within India 2. Job creation in smaller towns
8	Fairness in Engaging with Customers and Suppliers	Principle 9 – E7 Principle 1 – E8	1. Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events 2. Number of days of accounts payable
9	Open-ness of business	Principle 1 – E9	1. Concentration of purchases & sales done with trading houses, dealers, and related parties 2. Loans and advances & investments with related parties.

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- From inevitable damage → a preventable risk
- From awareness → action-led understanding

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Independent Auditor's Report

To the Members of Hindustan Zinc Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Hindustan Zinc Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information .

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2026, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

EMPHASIS OF MATTER

We draw attention to Note 43 to the standalone financial statements, regarding allegations made during the year by a short seller, and ongoing matters for which information has been sought by regulators/authorities, and Management's assessment thereof/responses thereto. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Claims and exposure relating to taxation and litigation *(as described in Note 3(I)(u), 3(III)(B)(i), 30 and 32(c)(ii) of the standalone financial statements)*	
The Company is subject to several legal and tax related claims and exposures which have been either disclosed or accounted for in the accompanying standalone financial statements. Taxation and litigation exposures have been identified as a key audit matter due to complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the standalone financial statements. Significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.	Our audit procedures included the following: • Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. For selected controls, we have performed test of controls. • Obtained the year end summary of Company's legal and tax cases and assessed management's position through discussions with the General Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss. • For selected cases, we have obtained independent external lawyer confirmations from Legal Counsels of the Company who are contesting the cases. • Inspected external legal opinions and/ or past judicial orders, wherever considered necessary, and other evidence to evaluate the management's assessment in respect of legal claims. • Engaged tax specialists to technically assess the management's assessment on certain tax disputes and positions. • Assessed the relevant disclosures made within the standalone financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures as per the requirements of relevant accounting standards.
Transactions with the Related parties *(as described in Note 37 of the standalone financial statements)*	
During the year, the Company has undertaken transactions with related parties including parent company, fellow subsidiaries and other related parties. Such transactions, includes transactions with related parties which are consolidated within Immediate Parent Group like payment of strategic services and brand fee and those which are outside of Immediate Parent Group Companies like power delivery agreements, residue treatment contract, sale of property, plant & equipment and IT service agreement. Accounting and disclosure of such related party transactions has been identified as a key audit matter due to a) Significance of such related party transactions; b) Risk of such transactions being executed without proper authorizations; c) Risk of such transactions being executed without adequate justification, inherent risk of management bias and not at arm's length pricing d) Risk of material information relating to aforesaid transactions not getting disclosed in the standalone financial statements. e) Increased focus of regulatory bodies on accounting and disclosure of related party transactions in compliance with applicable laws and accounting standards.	Our audit procedures included the following: • Obtained and read the Company's policies, processes and procedures in respect of identification of such related parties both within the Immediate Parent Group and Outside of Immediate Parent Group, in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls. • On sample basis tested some related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Company. • Examined, where applicable, the approvals of the board and audit committee of these transactions. • Obtained and read the reports including the half yearly report for review of related party transactions and benchmarking report issued by the experts engaged by the management for the payment towards strategic services and brand fees and Power delivery agreement. • Assessed the competence and objectivity of the external experts. • Held discussions and obtained representations from the management in relation to such transactions. • Engaged internal transfer pricing experts to evaluate the arm's length pricing of selected related party transactions. • Read the disclosures made in this regard in the standalone financial statements and assessed whether relevant and material information have been disclosed.

We have determined that there are no other key audit matters to communicate in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" 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 to the extent applicable, 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, also refer note(h)(vi) below;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

(h) 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, as amended 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 standalone financial statements – Refer Note 3(I)(u), 3(III)(B)(i), 30 and 32(c)(ii) to the standalone 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;

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividends declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

v. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software as described in Note 41 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in respective year, as stated in Note 41 to the standalone financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 26501160YQPREG2690

Place of Signature: Ahmedabad
Date: April 24, 2026

ANNEXURE 1

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Hindustan Zinc Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management except for inventories lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate. Inventories lying with third parties have been confirmed by such third parties as at March 31, 2026. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.

(b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies and others as follows:

(Amount in ₹ Crores)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	–	–	0	–
- Others	–	–	0	–
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	66	–	0	–
- Others	–	–	2	–

(b) During the year the investments made, loans granted and the terms and conditions of the grant of all investments and loans to companies and any other parties are not prejudicial to the Company's interest. The Company has not provided guarantees, given securities and given advances in the nature of loans to companies or any other parties during the year.

(c) The Company has granted loans during the year to companies and any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans granted to companies and any other parties which are overdue for more than ninety days.

(e) There were no loans granted to companies and any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment to companies and any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable hence the requirement to report on compliance with section 185 is not applicable for the Company. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of investments have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of products and generation of electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance are not applicable to the Company.

(b) The dues of goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of custom , duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(Amount in ₹ Crores)

Name of the statute	Nature of the dues	Amount *#	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income taxes	8	1998-99 to 2003-2004,2013-14 and 2014-15	Commissioner of Income tax (Appeals)
		7,801	1988-1989 to 1990-1991, 1992-1993, 1997-98, 1999-00 to 2001-02, 2004-05 to 2010-2011, 2012-13 to 2014-16 and 2021-22.	Income tax appellate Tribunal
		5,576	1989-90 to 2011-12, 2016-17 and 2017-18	High Court / Supreme Court
Customs Act, 1962	Custom Duty	4	2008-09 to 2019-20	CESTAT
		2	2015-16 to 2022-23	Commissioner and Commissioner Appeal
		46	2012-13	High Court
Central Excise Act, 1944	Excise Duty	47	1989-90 to 2017-18	CESTAT
		10	2000-01 to 2004-05 and 2008-09 to 2016-17	Commissioner and Commissioner Appeal
		251	1997 to 2013 and 2015-16	High Court
Finance Act, 1994	Service Tax	12	2004-05 to 2017-18	CESTAT
		7	2002-03 to 2004-05 and 2008-09 to 2014-15	Commissioner and Commissioner Appeal
		189	2004-05 and 2017-18	High Court
Rajasthan sales tax act, 1994	Sales Tax	24	2009 to 2011, 2012 to 2019 and 2020-21	Commissioner and Commissioner Appeal
		35	2007-2008	High Court
		0	1985-1986	Supreme Court
		6	1998 to 2000, 2001 to 2004 and 2009 to 2014	Tax Board
Goods and Service Tax Act, 2017	GST	39	2017-18 to 2019-20	GSTAT
		196	2017-18 to 2024-25	Commissioner and Commissioner Appeal
		605	2017-18 to 2020-21 and 2024-25	High Court
The Environment Protection Act, 1986	Environme-ntal and Health Cess	142	2007-08 to 2015-16	Supreme Court
The Rajasthan Electricity (Duty) Act, 1962	Electricity Duty	9	2008-09	Supreme Court
		32	2020-21 to 2025-26	High Court

* Net of amount paid under protest / adjusted against refunds
\# Includes interest where applicable

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associate or joint venture.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company. The Company does not have any associate or joint venture

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a),(b),(c) and (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year or immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 38 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 34 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 34 to the standalone financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 26501160YQPREG2690

Place of Signature: Ahmedabad
Date: April 24, 2026

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF Hindustan Zinc Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone financial statements of Hindustan Zinc Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Tridevlal Khandelwal**

Partner
Membership Number: 501160
UDIN: 26501160YQPREG2690

Place of Signature: Ahmedabad
Date: April 24, 2026

Standalone Balance Sheet

as at March 31, 2026

(₹ in Crore)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	19,708	18,358
b) Capital work-in-progress	4A	3,382	2,552
c) Intangible Assets			
i) Exploration intangible assets under development	5	51	73
ii) Other intangible assets	5	43	57
d) Financial assets			
i) Investments	9	1,115	823
ii) Loans	6	1	86
iii) Other financial assets	13	71	95
e) Income tax assets		135	140
f) Other non-current assets	7	1,103	591
Total Non-current assets		**25,609**	**22,775**
Current assets			
a) Inventories	8	2,051	1,882
b) Financial Assets			
i) Investments	9	13,325	9,148
ii) Trade receivables	10	399	112
iii) Cash and cash equivalents	11	292	94
iv) Other Bank balances	12	22	81
v) Loans	6	1	36
vi) Other financial assets	13	68	43
c) Income tax assets (net)	32	-	0
d) Other current assets	7	406	247
Total Current assets		**16,564**	**11,643**
TOTAL		**42,173**	**34,418**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14	845	845
b) Other equity		21,630	12,445
Total Equity		**22,475**	**13,290**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,614	5,990
ii) Lease Liabilities	33	292	177
iii) Other financial liabilities	16	129	342
b) Provisions	17	200	200
c) Deferred tax liabilities (net)	32	2,266	2,293
d) Other non-current liabilities	18	956	951
Total Non-current liabilities		**8,457**	**9,953**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	3,638	4,661
ii) Lease Liabilities	33	182	136
iii) Operational buyers' credit/ suppliers' credit	19	105	569
iv) Trade payables	20		
a) Total outstanding dues of Micro Enterprises and Small Enterprises		382	148
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,693	2,060
v) Other financial liabilities	16	2,800	1,698
b) Other current liabilities	18	1,023	1,572
c) Provisions	17	32	19
d) Current tax liabilities (net)		386	312
Total Current liabilities		**11,241**	**11,175**
TOTAL		**42,173**	**34,418**

See accompanying notes to standalone financial statements.

For and on behalf of the Board of Directors

CIN - L27204RJ1966PLC001208

As per our report on even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Sandeep Modi
Chief Financial Officer

Date: April 24, 2026
Place: Udaipur

Pallavi Joshi Bakhru
Director
DIN: 05126618

Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

(₹ in Crore)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations			
a. Revenue	21A	39,009	32,927
b. Other Operating revenue	21B	1,649	1,042
Total Revenue from operations (a+b)		40,658	33,969
Other income	22	1,093	996
Total Income		**41,751**	**34,965**
Expenses:			
Change in inventories of finished goods and work-in-progress	23	(197)	(62)
Employee benefits expense	24	761	878
Power and fuel		2,553	2,696
Mining Royalty		4,948	4,103
Finance costs	25	880	1,111
Depreciation and amortization expense	26	3,789	3,634
Other expenses	27	10,680	9,058
Total expenses		**23,414**	**21,418**
Profit before tax and exceptional items		**18,337**	**13,547**
Exceptional gain/ (loss) (Net)	28	25	(83)
Profit before tax		**18,362**	**13,464**
Tax expense :			
Current tax	32	4,573	3,217
Deferred tax charge/ (credit)	32	77	(32)
Total tax expenses		**4,650**	**3,185**
Profit for the year		**13,712**	**10,279**
Other comprehensive income/(loss)			
A) Items that will not be reclassified to profit or loss in subsequent period			
(a) Remeasurements gain of the defined benefit plans		11	8
(b) Tax (expense)		(1)	(4)
B) Items that will be reclassified to profit or loss in subsequent period			
(a) (Loss) on cash flow hedges recognised during the year		(319)	-
(b) Tax credit		80	-
(a) Net gain on FVTOCI debt investments		0	30
(b) Tax (expense)		(0)	(3)
Total other comprehensive (loss)/ gain for the year, net of tax		**(229)**	**31**
Total comprehensive income for the year, net of tax		**13,483**	**10,310**
Earnings per share attributable to the owners of the Company (nominal value of shares ₹2 (March 31, 2025: ₹2)			
- Basic earnings per share (₹)	29	32.45	24.33
- Diluted earnings per share (₹)	29	32.45	24.33

See accompanying notes to financial statements.

For and on behalf of the Board of Directors

CIN - L27204RJ1966PLC001208

As per our report on even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Sandeep Modi
Chief Financial Officer

Date: April 24, 2026
Place: Udaipur

Pallavi Joshi Bakhru
Director
DIN: 05126618

Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Standalone Statement of Cash Flow

for the year ended March 31, 2026

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	18,362	13,464
Adjustments to reconcile profit to net cash provided by operating activities:		
Exceptional item	(25)	56
Depreciation and amortization expense	3,789	3,634
Interest expense	880	1,111
Interest and dividend income	(800)	(719)
Foreign Exchange (gain)/ loss	17	9
Amortization of deferred revenue arising from government grant	(192)	(175)
Net Loss on investments measured at FVTPL (refer Note 27)	12	27
Net Loss on sale of property, plant and equipment	16	43
Net (Gain) on sale of financial asset investments	(33)	(62)
Operating profit before working capital changes	**22,026**	**17,388**
Working capital changes:		
(Increase)/Decrease in Inventories	(168)	42
(Increase)/Decrease in Trade receivables	(287)	48
(Increase)/ Decrease in Other assets (current)	(187)	230
Decrease/ (Increase) in Other assets (non-current)	19	(77)
Increase in Trade and Other payables	867	105
(Decrease)/ Increase in Operational buyers' credit /Suppliers' credit	(464)	170
(Decrease) in Other liabilities (current & non current)	(422)	(403)
Cash flows from operations	**21,384**	**17,503**
Income taxes (paid) (net of refund)	(4,527)	(3,376)
Net cash flows from operating activities	**16,857**	**14,127**
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of Property, plant and equipment (including intangibles, CWIP and Capital Advances)	(5,286)	(4,320)
Interest received	726	678
Deposits made during the year	(377)	(984)
Deposits matured during the year	431	1,022
Inter-corporate loans given to related party	0	(119)
Inter-corporate loans repaid by related party	120	466
Purchase of Non current investments	(278)	(230)
Purchase of current investments	(22,401)	(23,711)
Proceeds from sale of current investments	18,292	24,533
Proceeds from sale of Property, plant and equipment	13	7
Net cash flows (used) in investing activities	**(8,760)**	**(2,658)**
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and other finance charges paid	(978)	(1,225)
Proceeds from short term borrowings	-	9,965
Repayment of short term borrowings	(1,933)	(9,536)
Proceeds/ (Repayments) from working capital loan (net)	-	(8)
Proceeds from long term borrowings	3,165	4,547
Repayment of long term borrowings	(3,625)	(2,783)
Principal payment of lease liabilities	(160)	(105)
Interest payment of lease liabilities	(44)	(28)
Payment towards ESOS	(99)	-
Dividend paid	(4,225)	(12,253)
Net cash flows (used) in financing activities	**(7,899)**	**(11,426)**
Net Increase in Cash and cash equivalents	198	43
Cash and cash equivalents at the beginning of the year	94	51
Cash and cash equivalents at the end of the year (refer Note 11)	**292**	**94**

Note:
1. The figures in brackets indicate outflows.
2. The above cash flow has been prepared under ''Indirect method'' as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.
3. Non cash movement in financing activities to be referred in Note-15 and Note-33.

See accompanying notes to financial statements.

For and on behalf of the Board of Directors

As per our report on even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Pallavi Joshi Bakhru
Director
DIN: 05126618

Place: Delhi

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Sandeep Modi
Chief Financial Officer

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Ahmedabad

Date: April 24, 2026
Place: Udaipur

Date: April 24, 2026
Place: Udaipur

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Numbers of shares (in Crore)	(₹ in Crore)
As at March 31, 2024	**423**	**845**
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2025	**423**	**845**
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2026	**423**	**845**

B. OTHER EQUITY

(₹ in Crore)

Particulars	Reserve and surplus			Items of Other comprehensive income		Total
	Capital Reserve	Retained earnings	General reserve[2]	Hedging reserve	Debt instruments at FVTOCI	
Balance as at April 01, 2025	**1**	**12,445**	**-**	**-**	**(1)**	**12,445**
Profit for the year	-	13,712	-	-	-	13,712
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Payment towards ESOS	-	(99)	-	-	-	(99)
Tax effect on payment towards ESOS	-	25	-	-	-	25
Other comprehensive income/(loss)						
(a) Remeasurements gain of the defined benefit plans	-	11	-	-	-	11
Tax effect on above	-	(1)	-	-	-	(1)
(b) (Loss) on cash flow hedges recognised during the year	-	-	-	(319)	-	(319)
Tax effect on above	-	-	-	80	-	80
(c) Net gain on FVOCI investments	-	-	-	-	0	0
Tax effect on above	-	-	-	-	(0)	(0)
Total Other comprehensive income/(loss) for the year	**-**	**10**	**-**	**(239)**	**0**	**(229)**
Total comprehensive income/(loss) for the year	-	**13,649**	**-**	**(239)**	**0**	**13,410**
Dividend declared - Paid[1]	-	(4,225)	-	-	-	(4,225)
Balance as at March 31, 2026	**1**	**21,869**	**-**	**(239)**	**(1)**	**21,630**
Balance as at April 01, 2024	**1**	**4,032**	**10,383**	**-**	**(28)**	**14,388**
Profit for the year	-	10,279	-	-	-	10,279
Transferred to retained earnings on scheme of arrangement	-	10,383	(10,383)	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Other comprehensive income/(loss)						-
(a) Remeasurements gain of the defined benefit plans	-	8	-	-	-	8
Tax effect on above	-	(4)	-	-	-	(4)
(b) Gain on cash flow hedges recognised during the year	-	-	-	-	-	-
Tax effect on above	-	-	-	-	-	-
(c) Net gain on FVTOCI Investments	-	-	-	-	30	30
Tax effect on above	-	-	-	-	(3)	(3)
Total Other comprehensive income/(loss) for the year	**-**	**4**	**-**	**-**	**27**	**31**
Total comprehensive income/(loss) for the year	**-**	**20,666**	**(10,383)**	**-**	**27**	**10,310**
Dividend declared - Paid[1]	-	(12,253)	-	-	-	(12,253)
Balance as at March 31, 2025	**1**	**12,445**	**-**	**-**	**(1)**	**12,445**

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

(1) During the year, the company has declared and paid interim dividend of ₹ 4,225 Crore (₹ 10 per share) (March 31, 2025 : ₹ 12,253 Crore (₹ 29 per share))

(2) General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

During the year ended March 31, 2022, the Board of Directors of the Company, Audit & Risk Management Committee and Committee of Independent Directors of the Company, at its meeting held on January 21, 2022 had approved the Scheme of Arrangement ("Scheme") between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme inter alia provided for capital reorganization of the Company, whereby it is proposed to transfer amounts standing to the credit of the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date. During the year ended March 31, 2023 Securities and Exchange Board of India (through BSE Limited and National Stock Exchange of India Limited), BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") have approved the scheme. Further, the Hon'ble National Company Law Tribunal ('NCLT'), Jaipur Bench vide its order dated February 06, 2023, approved the scheme and directed to convene shareholders meeting for their approval. NCLT convened shareholders meeting was held on March 29, 2023, where in shareholders also approved the subject scheme. The Company had accordingly filed a petition with the Hon'ble NCLT for sanction of the Scheme. During the year ended March 31, 2025, the Hon'ble NCLT vide its order dated July 16, 2024 had sanctioned the Scheme and the certified true copy of the said Order was filed with the Registrar of Companies on July 22, 2024, and accordingly the Scheme came into effect. The Company will maintain minimum net worth of ₹ 5,000 Crore as per the undertaking given to NCLT and as mentioned in the order.

(3) During the year, pursuant to the acquisition of equity shares of Vedanta Limited by the Vedanta ESOS trust for allotment of shares under ESOS 2016 to employees of company, an incremental amount of ₹ 99 Crores, arising due to an increase in the market price of such shares, was reimbursed by the Company to Vedanta Limited. For other details on ESOS, refer Note 24 (employee benefit expense).

See accompanying notes to financial statements.

For and on behalf of the Board of Directors

CIN - L27204RJ1966PLC001208

As per our report on even date For **S. R. Batliboi & Co. LLP** Chartered Accountants ICAI Firm Registration No.: 301003E/E300005	**Arun Misra** CEO & Whole-time Director DIN: 01835605	**Pallavi Joshi Bakhru** Director DIN: 05126618 Place: Delhi
per **Tridevlal Khandelwal** Partner ICAI Membership No.: 501160	**Sandeep Modi** Chief Financial Officer	**Aashhima V Khanna** Company Secretary ICSI Membership No.: A34517
Date: April 24, 2026 Place: Ahmedabad	Date: April 24, 2026 Place: Udaipur	Date: April 24, 2026 Place: Udaipur

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

1. COMPANY OVERVIEW

Hindustan Zinc Limited ("HZL" or "the Company") (CIN: L27204RJ1966PLC001208) is a public limited company incorporated in India on January 10, 1966 and has its registered office at Yashad Bhawan, Udaipur (Rajasthan). HZL's shares are listed on National Stock Exchange and Bombay Stock Exchange. The Company is engaged in exploring, extracting and processing of minerals.

HZL's operations include five zinc-lead mines, four zinc smelters, one lead smelter, one zinc-lead smelter, eight sulphuric acid plants, one silver refinery plant, six captive thermal power plants and four captive solar plants in the state of Rajasthan. In addition, HZL also has a rock-phosphate mine in Matoon, 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, Tamil Nadu and Maharashtra and solar power plants in the state of Rajasthan.

The company is majorly owned by Vedanta Limited which is ultimately held by Vedanta Incorporated (formerly known as Volcan Investments Limited). Vedanta Limited holds 60.71% of the Company's equity as at March 31, 2026 (March 31, 2025: 63.42%).

The financial statements were approved for issue by the Board of Directors on April 24, 2026. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act, 2013.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable. The financial statements have been prepared on a going concern basis using historical cost convention and on the accrual basis except for financial instruments which are measured at fair values (refer Note 3(I)(a) below)

Accounting policies have been consistently applied in all material aspects except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Also refer Note 3 (II)

3.(I) MATERIAL ACCOUNTING POLICIES

a) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

b) Current and non-current classification

The assets and liabilities are classified as current/ non-current based on the operating cycle, which has been identified as 12 months.

c) Functional and presentation currency

The financial statements are prepared in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest Crore. Amounts less than ₹ 0.50 Crore have been presented as "0".

d) Revenue recognition

(i) Sale of goods (Products, Scrap and residual)

Revenue from contracts with customers is recognised when control (as defined in Ind AS 115) of the goods or services is transferred to the customer as per the terms of contract, which usually, is at the time of dispatch of goods to the customer or on the delivery of goods to a carrier responsible for transporting the goods to the customer, or on the date of bill of lading on delivery of the goods to the carriers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by-products are included in revenue. The Company has generally concluded that it is the principal in its revenue arrangements.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

Goods are often sold with volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 0-180 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as per the contractual terms as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Certain of the Company's sales contracts provide for provisional pricing based on the price on the London Metal Exchange (LME), as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments i.e., the consideration received post transfer of control are included in total revenue from operations on the face of the Statement of Profit and loss. Final settlement of the price is based on the applicable price for a specified future period. The Company's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Contract assets

Trade receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3(h) Financial instruments - Initial recognition and subsequent measurement

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) Income from wind energy

Revenue from sale of wind power is recognised when delivered i.e. at the point in time and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable. The Company has generally concluded that it is the principal in its revenue arrangements

(iii) Dividends

Dividend income is recognized in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(iv) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) Others

Revenue relating to insurance claims and interest on delayed or overdue payments from trade receivable is recognized when no significant uncertainty as to measurability or collection exists.

e) Property, plant and equipment

(i) Property, plant and equipment other than mining properties

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets if the recognition criteria are met. The present value of the expected cost for the decommissioning of an asset and mine restoration after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Major machinery spares and parts are capitalized when they meet the definition and recognition criteria of Property, Plant and Equipment. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria is met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in the Statement of Profit and Loss.

Government grant related to property, plant and equipment is capitalized along with the asset that it relates to and depreciated over the life of the primary asset.

(ii) Mining properties

The costs of mining properties, which include the costs of developing mining properties are capitalized as Property, Plant and Equipment under the heading "Mining properties" in the year, when a decision is taken that a Mining property is viable for commercial production (i.e. when the Company determines that the Mining Property will provide sufficient and sustainable return relative to the risks and the Company decided to proceed with the mine development). All further pre-production primary development expenditure other than land, buildings, plant and equipment is capitalized as developing asset until the mining property are capable of commercial production. Revenue derived during the project phase is adjusted from the cost incurred on the project from which such revenue is generated.

(iii) Capital work in progress (CWIP)

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized in CWIP until the period of commissioning has been completed and the asset is ready for its intended use.

Capital work in progress is carried at cost less accumulated impairment losses, if any.

(iv) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment other than mining properties has been provided on the straight-line method over the estimated useful life.

- Depreciation has been provided over remaining useful life or life of replaced part whichever is shorter of the respective property, plant and equipment 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.

- Mining properties are amortized, from the date on which they are first available for use, in proportion to the annual ore raised to the remaining commercial ore reserves (on a unit-of-production basis) over the total estimated remaining commercial reserves of each property or group of properties and are subject to impairment review. Commercial reserves are proved and probable reserves and any changes affecting unit of production calculations are dealt with prospectively over the revised remaining reserves. In the year of abandonment of mine, the residual balance in mining properties are written off. Costs used in the computation of unit of production comprises

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

the net book value of the capitalised costs plus the future estimated costs required to be incurred to access the commercial reserves.

- Based on technical evaluation, the management believes that the useful lives as given below best represent the period over which the management expects to use the asset. Management's assessment takes into account, inter alia, the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

Assets	Useful life in years (as per Sch II)
Buildings	
- Factory buildings	30 years
- Residential buildings	60 years
- Roads	5-10 years
Computers and data processing equipment (included in office equipments)	3-6 years
Plant and Equipment (Including captive power plant)	8-40 years
Railway sidings	15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, the company determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the company's buildings and office properties.

(v) Exploration & evaluation assets

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred. Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore, are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration and evaluation assets are assessed for impairment and impairment loss, if any, is recognised prior to reclassification. Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources.

(vi) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of the funds.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized over their estimated useful life. Amounts paid for securing mining rights are amortized over the period of mining lease of 20 years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

g) Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units (CGU).

Impairment tests are carried out annually for all assets when there is an indication of impairment. The company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognized impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognized impairment losses.

If any such indication exists then an impairment review is undertaken, the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the company's continued use and cannot take into account future development.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

h) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets – recognition and subsequent measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets except treasury investment that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset. Treasury investments are accounted for when the amount is settled in Bank account. Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115.

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

- Financial assets at fair value through other comprehensive income (FVTOCI)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

- Financial assets at fair value through Statement of Profit and Loss (FVTPL)

  FVTPL is a residual category for debt instruments and default category for equity instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI, is classified as at FVTPL.

  Debt instrument included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

  Further, the provisionally priced trade receivables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Financial assets - derecognition

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables

- Financial assets that are debt instruments and are measured as at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss (P&L). The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities – recognition and subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

- Financial liabilities at amortized cost (Loans, Borrowings and Trade and Other payables)

  After initial recognition, interest-bearing loans, borrowings and Trade and Other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

  Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Financial liabilities - derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through Profit or Loss.

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If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though Profit or Loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

i) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, and commodity price risks, the Company enters into forward currency contracts, commodity contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges
- Cash flow hedges

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss. When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in the Statement of Profit and Loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of Profit and Loss.

Amounts recognized as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

j) Government grants, subsidies and export incentives

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

k) Inventories

Inventories are valued at the lower of cost and net realizable value.

Costs comprise direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost of different categories of inventories are accounted for as follows:

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

(ii) Stores and spares are valued at lower of cost and net realizable value on weighted average basis.

(iii) By-products like sulphuric acid, aluminium scrap, chemical lead scrap, anode scrap and coke fines are valued at net realizable value.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Inventories of 'Fuel Stock' mainly consist of coal which is used for generating power. On consumption, the cost is charged off to 'Power and Fuel' in the statement of profit and loss.

Provisions are made to cover slow moving and obsolete items based on historical experience of utilization.

l) Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

  Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and,

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at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give to equal taxable and deductible taxable differences.

- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m) Retirement and other Employee benefit schemes

i. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

ii. Post-Employment Benefits

Gratuity

In accordance with the Payment of Gratuity Act of 1972, the Company contributes to a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed at least 5 years of service; at retirement, disability or termination of employment being an amount equal to 15 days' salary (based on the respective employee's last drawn salary) for every completed year of service.

Based on actuarial valuations conducted as at year end, a provision is recognized in full for the benefit obligation over and above the funds held in the Gratuity Plan.

In respect of defined benefit schemes, the assets are held in separately administered funds. In respect of defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation separately each year using the projected unit credit method by independent qualified actuary as at the year end.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Provident Fund

The Company offers retirement benefits to its employees, under provident fund scheme which is a defined benefit plan. The Company and employees contribute at predetermined rates to 'Hindustan Zinc Limited Employee's Contributory Provident Fund' ('Trust') accounted on accrual basis and 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. The contribution towards provident fund is recognized as an expense in the Statement of Profit and Loss.

Family Pension

The Company offers its employees benefits under defined contribution plans in the form of family pension scheme. Contributions are paid during the year into the fund under statutory arrangements. The contribution to family pension fund is made at predetermined rates by the Company based on prescribed rules of family pension scheme. The contribution towards family pension is recognized as an expense in the Statement of Profit and Loss. The Company has no further obligation other than the contribution made.

Superannuation

Certain employees of the Company, who have joined post disinvestment are members of the Superannuation plan. The Company has no further obligations to the Plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India. The contribution is recognized as an expense in the Statement of Profit and Loss.

With respect to defined contribution plans if the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

iii. Other Long-Term Employee Benefits

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service. Actuarial differences are recognised immediately in the Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

n) Provision

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

(i) Provision for Decommissioning

The Company recognizes a provision for decommissioning costs of smelting and refining facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at pre-tax rate that reflects the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(ii) Provision for Restoration, rehabilitation and environmental costs

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or on-going production of a mine. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalized at the start of each project as mining properties, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision (considered as finance cost). The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated

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prospectively over the lives of the assets to which they relate as per the depreciation policy .

Costs for the restoration of subsequent site damage, which is caused on an on-going basis during production, are charged to the Statement of Profit and Loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.

o) Foreign currency translation

The company's financial statements are prepared in INR which is its functional currency.

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

p) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker i.e. CEO. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

r) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (g) Impairment of non-financial assets.

Right-of-use assets are depreciated on a straight-line basis over lease term (ranging upto 20 years for underlying assets other than land) or the estimated useful lives of the assets in case the company has option and is reasonable to acquire the asset after the completion of lease term.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

s) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

t) Operational buyers' credit/suppliers' credit

The Company enters into arrangements where by banks and financial institutions make direct payments to suppliers for goods and services. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up to twelve months from the date of agreement . Where these arrangements are for goods used in the normal operations of the company with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/suppliers' credit and disclosed on the face of the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial instiutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as an cash outflow from operating activity reflecting the substance of the payment.

u) Provisions, contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in Statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Balance Sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as Contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet but disclosed in the financial statement.

v) Exceptional Items

Exceptional items are those items that management considers, by virtue of their size, nature or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's results and require separate disclosures in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in Note 28.

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3. (II) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2025. The company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025.

The amendments do not have any impact on the Company's financial statements.

(ii) Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 01,2025.

(iii) Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement.

Please refer to Note 19 and Note 35.

(iv) Ind AS 12 - International Tax Reform—Pillar Two Model Rules

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after April 01, 2025, but not for any interim periods ending on or before March 31, 2026. The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules."

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Standards notified but not yet effective

The amendments to the standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

(i) Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period

Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver-granted before the financial statements were approved for issue-of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event.

For annual reporting periods beginning on or after April 01, 2026, any breach of a Covenant whether material or immaterial occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The amendments are effective for annual reporting periods beginning on or after April 01, 2026 retrospectively in accordance with Ind AS 8.

3. (III) SIGNIFICANT ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates under different assumptions and conditions.

The management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as follows:

(A) Significant Estimates

(i) Mining property and Ore reserve

Ore reserves and mineral resource estimates are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body. As a consequence of such an assessment made at the end of the current year, the Company has added new reserves and there is no material impact on the depreciation charge for the year due to this change.

(ii) Restoration, rehabilitation and environmental costs:

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine fields. The costs are estimated on bi-annual basis on the basis of mine closure plans with the help of third party experts and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalized when incurred reflecting the Company's obligations at that time. The Company has not considered salvage value for the estimates of provision for decommissioning calculated as at March 31, 2026.

The provision for decommissioning liabilities (refer Note 17) is based on the current estimate of the costs for removing and decommissioning producing facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate.

(iii) Assessment of useful lives and consumption pattern of Property, Plant and Equipment:

The Company reviews the useful lives and consumption pattern of Property, Plant and Equipment at the end of each reporting period. (please refer Note 3(1)(e)(iv).

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(iv) Climate Change

The Company aims to achieve net-zero emissions by 2050 or sooner & committed to reduce its GHG emission (Scope-1 & 2) by 50% & Scope 3 by 25% by 2030 from 2020 baseline, reduce freshwater use by 50% from the 2020 baseline and secure 100% treated sewage water for smelting operations to enhance water availability in shared watersheds as part of their climate mitigation and adaptation efforts and sustainability strategy. The Company conducted climate risk assessment and outlined its risks and opportunities in climate report. Climate change may have various impacts on the Company in the medium to long term. These impacts include the risks and opportunities related to the demand of products, impact due to transition to a low-carbon economy, disruption to the supply chain, physical risk to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets, (c) review of estimates of useful lives of property, plant and equipment, (d) assets and liabilities carried at fair value, etc.

The Company's strategy consists of mitigation and adaptation measures and is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy (530 MW power delivery agreement ('PDA')) signed on a group captive basis, fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities. However, renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. The Company have also taken certain measures towards water management such as commissioning of effluent and water treatment plants, sewage treatment plant, filtered tailing plant, rainwater harvesting, thus reducing freshwater consumption. These initiatives are aligned with the Company's ESG strategy, and no material changes were identified to the financial statements as a result.

As the Company's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in the Company's climate change strategy, changes in environmental laws and regulations and global decarbonization measures may impact the Company's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Company believes that there is no material impact on carrying values of its assets or liabilities

(B) Significant Judgement

(i) Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A provision is recognised when the Company has a present obligation as a result of past events and it is probable that the Company will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific applicable law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in Note 30.

For other significant litigations where the possibility of an outflow of resources embodying economic benifits is remote, refer Note 30.

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4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Railway siding	Mining properties (refer note(5(2&3))	Right of use [2]	Total
At Cost										
As at April 1, 2024	**300**	**2,371**	**23,522**	**37**	**54**	**435**	**94**	**14,297**	**504**	**41,614**
Additions [1]	12	106	1,872	0	16	7	-	1,827	161	4,001
Disposals/ adjustments	0	3	250	2	4	35	-	-	28	322
Transfer/Reclassfication (from)/to	-	54	(50)	0	-	(0)	-	157	(4)	157
As at March 31, 2025	**312**	**2,527**	**25,094**	**35**	**66**	**407**	**94**	**16,281**	**633**	**45,450**
Additions [1]	37	264	2,503	1	5	15	10	1,836	328	4,999
Disposals/ adjustments	-	3	443	0	10	6	2	-	5	469
Transfer/Reclassfication (from)/to	-	-	-	-	-	-	-	155	-	155
As at March 31, 2026	**349**	**2,788**	**27,154**	**36**	**61**	**416**	**102**	**18,272**	**956**	**50,135**
Accumulated depreciation										
As at April 1, 2024	**-**	**809**	**11,997**	**29**	**34**	**323**	**53**	**10,399**	**95**	**23,739**
Depreciation charge for the year	-	71	1,340	2	5	35	6	2,034	125	3,619
Disposals/ adjustments	-	(0)	206	2	2	36	0	-	20	266
As at March 31, 2025	**-**	**880**	**13,131**	**29**	**37**	**322**	**59**	**12,433**	**200**	**27,092**
Depreciation charge for the year	-	77	1,464	1	7	26	5	2,017	177	3,774
Disposals/ adjustments	-	3	419	1	8	5	2	-	1	439
As at March 31, 2026	**-**	**954**	**14,176**	**29**	**36**	**343**	**62**	**14,450**	**376**	**30,427**
Net Book Value										
As at March 31, 2026	**349**	**1,834**	**12,978**	**7**	**25**	**73**	**40**	**3,822**	**580**	**19,708**
As at March 31, 2025	**312**	**1,647**	**11,963**	**7**	**29**	**85**	**35**	**3,848**	**433**	**18,358**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(1) Addition to property, plant & equipment includes finance cost capitalised of ₹ 130 Crore. (March 31, 2025: ₹84 Crore)

(2) Carrying amount of right-of-use assets recognised and the movements during the year is as below:

(₹ in Crore)

Particulars	Plant & machinery	Buildings	Leasehold Land	Total
Gross Block				
As at April 1, 2024	**287**	**3**	**214**	**504**
Additions	158	3	-	161
Disposal/Transfers	28	-	-	**28**
Transfer/Reclassfication (from)/to	-	-	(4)	**(4)**
As at March 31, 2025	**417**	**6**	**210**	**633**
Additions	326	-	2	328
Disposals/ adjustments	5	-	-	5
Transfer/Reclassfication (from)/to	-	-	-	-
As at March 31, 2026	**738**	**6**	**212**	**956**
Accumulated Depreciation				
As at April 1, 2024	**59**	**2**	**34**	**95**
Charge for the year	117	1	7	125
Disposal/Adjustments	19	-	1	20
As at March 31, 2025	**157**	**3**	**40**	**200**
Charge for the year	169	1	7	177
Disposal/Transfers	1	-	-	1
As at March 31, 2026	**325**	**4**	**47**	**376**
Net Book Value				
As at March 31, 2026	**413**	**2**	**165**	**580**
As at March 31, 2025	**260**	**3**	**170**	**433**

4(A) Capital work in progress

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of Capital work in progress [1]	3,382	2,552

Movement of Capital work in progress (CWIP) during the year:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**2,552**	**1,529**
Additions during the year	5,401	4,707
Capitalised in PPE during the year	(4,571)	(3,684)
Balance at the end of the year	**3,382**	**2,552**

CWIP Ageing Schedule

(₹ in Crore)

Amount in CWIP for a period of	As at March 31, 2026			As at March 31, 2025		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	2,365	-	**2,365**	2132	-	**2,132**
1-2 years	806	-	**806**	186	-	**186**
2-3 years	51	-	**51**	84	-	**84**
More than 3 years	160	-	**160**	150	-	**150**
Total	**3,382**	**-**	**3,382**	**2,552**	**-**	**2,552**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

CWIP completion schedule for projects whose completion is overdue compared to its original plan:

(₹ in Crore)

CWIP	As at March 31, 2026 — To be completed in				As at March 31, 2025 — To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress								
Cell house debottlenecking	37	-	-	-	-	-	-	-
Fertiliser Project	1,452	-	-	-	-	-	-	-
Others	85	-	-	-	61	-	-	-
Total	**1,574**	**-**	**-**	**-**	**61**	**-**	**-**	**-**

(1) During the year, the Company has capitalised the following expenses which are attributable to the construction activity and are included in the cost of CWIP. Consequently, expenses disclosed under the respective notes are net of such amounts.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Power and fuel charges	39	35
Repairs and Others	473	388
Consumption of stores and Spare parts	383	257
Employee Benefit Expenses	133	126
Finance Cost	153	128
Miscellaneous expenses	39	1
Total	**1,220**	**935**

5. INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Computer software	Mining rights	Right to use asset [1]	Exploration intangible assets under development [2],[3] & [4]	Total
At Cost					
As at April 1, 2024	**52**	**67**	**48**	**109**	**276**
Additions	1	-	-	121	122
Disposals/ adjustments	-	-	-	-	-
Transfer (from)/to	-	-	-	(157)	(157)
As at March 31, 2025	**53**	**67**	**48**	**73**	**241**
Additions	1	-	-	133	134
Disposals/ adjustments	-	-	-	-	-
Transfer from/(to)	-	-	-	(155)	(155)
As at March 31, 2026	**54**	**67**	**48**	**51**	**220**
Accumulated depreciation					
As at April 1, 2024	**49**	**41**	**6**	**-**	**96**
Charge for the year	1	4	10	-	15
Disposals/ adjustments	0	-	-	-	0
As at March 31, 2025	**50**	**45**	**16**	**-**	**111**
Charge for the year	1	4	10	-	15
Disposals/ adjustments	-	-	-	-	-
As at March 31, 2026	**51**	**49**	**26**	**-**	**126**
Net Book Value					
As at March 31, 2026	**3**	**18**	**22**	**51**	**94**
As at March 31, 2025	**3**	**22**	**32**	**73**	**130**

(1) includes cloud server on lease

(2) ₹ 155 Crore (March 31, 2025: ₹ 157 Crore) transferred from Exploration intangible assets under development to Mining properties (refer Note 3(I)(e)(v)).

(3) Additions to Exploration intangible assets under development includes finance cost capitalised ₹ 8 Crore (March 31, 2025: ₹ 13 Crore)

(4) There are no overdue balances as at March 31, 2026 (March 31, 2025: Nil).

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

Intangible assets under development ageing schedule

(₹ in Crore)

Amount in Intangible assets under development for a period of	As at March 31, 2026			As at March 31, 2025		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	33	-	33	55	-	55
1-2 years	-	-	-	1	-	1
2-3 years	1	-	1	2	-	2
More than 3 years	17	-	17	15	-	15
Total	**51**	**-**	**51**	**73**	**-**	**73**

6. LOANS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good		
Loan to related party (refer Note 37 & 39)	0	85
Loans to employees	1	1
Total	**1**	**86**
Current		
Unsecured, considered good		
Loan to related party (refer Note 37 & 39)	-	35
Loans to employees	1	1
Total	**1**	**36**

7. OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured, considered good		
Advances for supplies to related party (refer Note 37)	59	63
Unsecured, considered good		
Capital advances	814	306
Claims and other receivables[1]	179	171
Advances for supplies to related party (refer Note 37)	51	51
	1,103	**591**
Unsecured, credit impaired		
Claims and other receivables	7	7
Provision on doubtful deposits and claims	(7)	(7)
	-	**-**
Total	**1,103**	**591**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Secured, considered good		
Advances for supplies to related party (refer Note 37)	22	5
Unsecured, considered good		
Advance given to vendors for supply of goods and services	99	93
Advances for supplies to related party (refer Note 37)	5	7
Balance with government authorities	196	78
Claims and other receivables[2]	84	64
Total	**406**	**247**

(1) Includes indirect taxes and royalty deposited under dispute with respect to various matters currently litigated in court of law and at various levels of adjudication.

(2) Includes prepaid expenses and export benefit receivable.

8. INVENTORIES*[2]

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Work in progress		
Ore	100	74
Mined Metal	889	877
Others#	673	516
b. Finished goods[1]	11	9
c. Fuel Stock	96	155
[Including goods in transit ₹ 29 Crore (March 31, 2025: ₹ 64 Crore)]		
d. Stores and spare parts	282	251
[Including goods in transit ₹ 17 Crore (March 31, 2025: ₹ 21 Crore)]		
Total	**2,051**	**1,882**

* For method of valuation of inventories, refer Note 3(I)(k)

Others include semi finished items generated during smelting process.

(1) Inventory held at net realizable value amounted to ₹ 6 Crore (March 31,2025: ₹ 2 Crore). The write down on this inventory of Nil (March 31, 2025: Nil) has been recognized as an expense in Statement of Profit and Loss

(2) The Company follows suitable provisioning norms for writing down the value of inventories towards slow moving, non-moving and surplus inventory. An amount of ₹ 0.4 Crore (March 31, 2025: ₹ 12 Crore has been reversed on account of consumption of slow moving/ non-moving items of inventory) has been recognized in the Statement of Profit and Loss on account of respective slow moving/ non-moving inventories during the year.

9. INVESTMENTS

Non Current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at cost		
Investment in equity shares (fully paid up unless otherwise stated)		
Subsidiary company - Unquoted		
Hindustan Zinc Alloys Private Limited (1,00,000 equity shares (March 31, 2025 : 1,00,000) of ₹ 10 each)	0	0
Vedanta Zinc Football & Sports Foundation (1,000 equity shares (March 31, 2025 : 1,000) of ₹ 100 each)	0	0
Zinc India Foundation (1,000 equity shares (March 31, 2025 : 1,000) of ₹ 100 each)	0	0
Hindustan Zinc Fertilisers Private Limited (1,00,000 equity shares (March 31, 2025 : 1,00,000) of ₹ 10 each)	0	0
Hindmetal Exploration services Private Limited (1,000 equity shares (March 31, 2025 : Nil) of ₹ 100 each)	0	0

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

Particulars		As at March 31, 2026	As at March 31, 2025
	(A)	0	0
Joint Venture - Unquoted			
Madanpur South Coal Company Limited (1,14,391 equity shares(March 31, 2025: 1,14,391) of ₹ 10 each)		2	2
Less: Aggregate amount of impairment in the value of investment		(2)	(2)
	(B)	-	-

The Company had access of up to 31.5 million MT of coal as a partner in the joint venture 'Madanpur South Coal Company Limited' (Madanpur JV), a Company incorporated in India, where it holds 18.05% (March 31, 2025: 18.05%) of ownership interest. During the year ended March 31, 2014, Honourable Supreme Court had passed the judgment cancelling all the coal blocks including Madanpur JV allocated since 1993 with certain exceptions and consequently the Company does not have any business to pursue. Accordingly, the Company had created 100% provision against its investment in Madanpur JV amounting to ₹ 2 Crore.

Particulars		As at March 31, 2026	As at March 31, 2025
Measured at fair value through profit and loss			
Investment in preference shares - Unquoted			
Serentica Renewables India 4 Private Limited[1] (22,40,00,000 (March 31, 2025: 22,40,00,000) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)		224	224
Serentica Renewables India 5 Private Limited[2] (32,82,50,000 (March 31, 2025: 32,82,50,000) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)		328	328
Serentica Renewables India 14 Private Limited[3] (27,79,00,000 (March 31, 2025: Nil) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)		278	-
	(C)	830	552
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds - quoted		196	182
Investment in Equity shares - unquoted			
Serentica Renewables India 4 Private Limited[1] (5,60,00,000 (March 31, 2025: 5,60,00,000) Equity shares of class B of ₹ 10 each)		56	56
Serentica Renewables India 5 Private Limited[2] (3,30,00,000 (March 31, 2025: 3,30,00,000) Equity shares of class B of ₹ 10 each)		33	33
	(D)	285	271
Total	(A+B+C+D)	1,115	823

(1) During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA 1') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. During the current year, the Company has made an investment of Nil (March 31, 2025: Nil) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 70 Crore will be made basis fulfilment of conditions of the PDA 1. Out of the total investment, ₹ 56 Crore worth of OCPRS are converted into equity shares of Serentica 4 as per terms of the PDA 1 in previous year. All of the Company's investments in Serentica 4 have been pledged by Serentica Group for financing the project as per the terms of the PDA 1. As at March 31, 2026, the Company has invested ₹ 280 Crore (March 31, 2025 : ₹ 280 Crore).

(2) During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA 2') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA 2, the Company is expected to infuse equity of ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Company has made an investment of Nil (March 31, 2025: ₹ 230 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 77 Crore will be made basis fulfilment of conditions of the PDA 2. Out of the total investment, ₹ 33 Crore worth of OCPRS are converted into equity shares of Serentica 5 as per terms of the PDA 2 in previous year. As at March 31, 2026, the Company has invested ₹ 361 Crore (March 31, 2025 : ₹ 361 Crore).

(3) During the previous year, the Comapny has entered into Power delivery agreement ('PDA 3') with Serentica Renewables India 14 Private Limited ('Serentica 14'). With this, the Company will source upto 530 MW (contracted capacity including earlier PDAs and higher guaranteed availability) renewable power on Round The Clock (RTC) basis under group captive arrangement for 25 years. Under the terms of the PDA 3, the Company is expected to infuse equity of ₹ 327 Crore for a minimum of twenty six percent in Serentica 14. During the current year, the Company has made an investment of ₹ 278 Crore (March 31, 2025: Nil) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 49 Crore will be made basis fulfilment of conditions of the PDA 3. As at March 31, 2026, the Company has invested ₹ 278 Crore (March 31, 2025 : Nil).

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as at and for the year ended March 31, 2026

Current

(₹ in Crore)

Particulars		As at March 31, 2026	As at March 31, 2025
Measured at fair value through profit and loss			
Investment in bonds-quoted*		1,468	1,499
Investment in perpertual bonds- quoted		2,177	2,265
Investments in Commercial paper- quoted		2,605	-
Investment in mutual funds-unquoted		3,550	1,590
	(A)	**9,800**	**5,354**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds- quoted		1,427	1,692
Investment in perpetual bonds- quoted		2,098	2,102
	(B)	**3,525**	**3,794**
Total	(A+B)	**13,325**	**9,148**
Aggregate amount of quoted investment at market value thereof		9,775	7,558
Aggregate amount of unquoted investment		3,550	1,590

*Investments amounting to Nil (March 31, 2025: ₹ 949 Crore) are pledged as security for repurchase liability (refer Note 15(5)). The Company continues to record these investments as it retains rights to contractual cash flows on such investments and thus do not meet the criteria for derecognition or transfer of financial asset as per Ind AS 107.

10. TRADE RECEIVABLES[(1)(2)(3)(4)]

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good	399	112
Trade receivables- credit impaired	-	2
	399	**114**
Provision for doubtful trade receivables	-	(2)
Total	**399**	**112**

Trade receivables Ageing Schedule*

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed - considered good		
Not Due	17	23
Less than 6 months	377	85
6 months – 1 year	5	1
1-2 years	0	-
2-3 years	0	3
More than 3 years	0	-
Total	**399**	**112**
Disputed - considered good		
Not Due	-	-
Less than 6 months	-	-
6 months – 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**-**	**-**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed - Credit Impaired		
Not Due	-	-
Less than 6 months	-	-
6 months – 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	2
Total	**-**	**2**
Less: Provision for doubtful trade receivables	-	(2)
Total Trade receivables	**399**	**112**

*Outstanding for above mentioned periods from due date of receipt (except for not due).

(1) The average credit period given to customer ranges from zero to one hundred eighty days (March 31, 2025: zero to one hundred eighty days). Interest is charged on trade receivables for the credit period, from the date of the invoice at 6.7% to 10.55%. (March 31, 2025: 8% to 10.55%) per annum on the outstanding balance

(2) Unsecured considered good includes ₹ 17 Crore (March 31, 2025: ₹ 19 Crore) due from wind energy segment's trade receivables. Unsecured trade receivables of ₹ 1 Crore (March 31, 2025: ₹ 8 Crore) are covered against Letter of credit and Bank Guarantees

(3) Out of the total, ₹ 355 Crore (March 31, 2025 :₹ 25 Crore) pertains to related parties. This includes an amount of ₹ 342 Crore, which should be read together with Note 20 (trade payables), wherein an amount of ₹ 352 Crore pertains to the same related parties with whom the Company has entered into long-term agreements for sale of smelter residue and purchase of process outputs. Refer Note 37 for details of related party balances and terms & conditions.

(4) There are no outstanding receivables due from directors or other officers of the Company as at March 31, 2026 (March 31, 2025 : Nil). Refer Note 37 for details of related party balances and terms and conditions.

11. CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
On current accounts	292	94
Total	**292**	**94**

12. OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Bank deposits having original maturity of more than 3 months but not more than 12 months[(1)]	0	55
Earmarked unpaid dividend accounts	22	26
Total	**22**	**81**

(1) Includes margin money amounting to Nil (March 31, 2025 : ₹ 55 Crore).

13. OTHER FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good		
Security Deposits	65	89
Receivable from related party (refer Note 37)	-	0
Bank Deposits with remaining maturity more than 12 months	6	6

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, credit impaired		
Security Deposits	27	27
Provision for doubtful deposits	(27)	(27)
Total	**71**	**95**
Current		
Unsecured, Considered Good		
Interest accrued on deposits	4	6
Derivative assets (refer Note 35)	58	9
Receivable from related party (refer Note 37)	6	6
Other receivable*	-	22
Unsecured, credit impaired		
Receivable from related party (refer Note 37)	28	28
Provision for doubtful receivable	(28)	(28)
Total	**68**	**43**

* includes amount receivable from financial institutions on account of hedging transactions entered into by the company as per policy.

14. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars		As at March 31, 2026	As at March 31, 2025
A.	**Authorized equity share capital**		
	Equity shares of ₹ 2 (March 31, 2025: ₹ 2) each.	1,000	1,000
	No. of Shares (In Crore)	500	500
B.	**Issued, subscribed and paid up**		
	Equity shares of ₹ 2 (March 31, 2025: ₹ 2) each.	845	845
	No. of Shares (In Crore)	423	423
C.	**Equity shares held by Holding Company**		
	Vedanta Limited		
	No. of Shares (In Crore)	257	268
	% of Holding	60.71%	63.42%
D.	**No shares issued for consideration other than cash and no shares bought back during the period of five years immediately preceding the reporting date**		
E.	**Details of shareholders holding more than 5% shares in the Company**		
	Vedanta Limited		
	No. of Shares (In Crore)	257	268
	% of Holding	60.71%	63.42%
	Government of India - President of India		
	No. of Shares (In Crore)	118	118
	% of Holding	27.92%	27.92%

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
F. Details of shares held by promoters		
Vedanta Limited		
No. of shares at the beginning of the year (In Crore)	268	274
Change during the year (In Crore)	-11	-6
No. of shares at the end of the year (In Crore)	257	268
% of Total Shares*	60.71%	63.42%
% change during the year	-2.7%	-1.5%

*As at March 31, 2026, 5.73% (March 31, 2025: 9.19%) of total paid up share capital of the Company have been pledged by promoters for securing loan facilities from banks/financial institutions along with a non-disposal undertaking in respect of their holding in the Company to the extent of 50.1% of the paid up share capital of the Company.

G. Terms/Rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholders' 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.

15. BORROWINGS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured		
Non-convertible debentures[(1)(3)]	1,796	499
Term-loan from banks[(2)(3)]	6,456	8,213
Total Non-current borrowings	**8,252**	**8,712**
Less: Current maturities of long-term borrowings	(3,638)	(2,722)
Total (Net)	**4,614**	**5,990**

Current[#]

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured		
Commercial Paper[(4)]	-	1,036
Current maturities of long-term borrowing	3,638	2,722
	3,638	**3,758**
Secured		
Repurchase liability[(5)]	-	903
	-	**903**
Total	**3,638**	**4,661**

[#] Working Capital Loans from banks carry an interest rate linked with benchmark rates (MCLR / Repo) plus spread. During the year, average effective interest rate was 7.36% p.a. (March 31, 2025: 7.90% p.a). As at March 31, 2026, there is nil outstanding balance of WCDL.

(1) During the year ended March 31, 2025, the Company has issued 50,000 Unsecured, Rated, Non-convertible debentures (NCDs) of face value of ₹ 1,00,000 each at an effective interest rate of 7.75% p.a., aggregating upto ₹ 500 Crore. The NCDs are due for repayment in yearly installments of ₹ 100 Crore in March 2027 and ₹ 300 Crore in March 2028 (₹ 100 Crore repaid in March 2026).

During the year ended March 31, 2026, the Company has issued 140,000 Unsecured, Rated, Non-convertible debentures (NCDs) of face value of ₹ 1,00,000 each at an interest rate of 7.15% p.a., aggregating upto ₹ 1400 Crore. The NCDs are due for repayment in yearly installments of ₹ 420 Crore in February 2028 and ₹ 980 Crore in February 2029.

(2) Term loans from Banks carry an interest rate linked with benchmark rates (Repo / T- Bill / MCLR) plus agreed spread. During the year, average effective interest rate for current and non-current loans was 7.24% p.a. (March 31, 2025 : 8.29% p.a). Balance outstanding as at March 31, 2026 carries interest rate of 6.84% p.a. (March 31, 2025: 7.98% p.a).

(3) The company has complied with the financial covenants as per the terms of the borrowings and repayment schedule is tabulated below:

Notes Forming Part of the Standalone Financial Statements
as at and for the year ended March 31, 2026

As at March 31, 2026

Particulars*	< 1year	1-3 years	> 3 years
Non current term loan from banks	3542	2917	-
Non-convertible debentures	100	1700	-

As at March 31, 2025

Particulars*	< 1year	1-3 years	> 3 years
Non current term loan from banks	2625	5592	-
Non-convertible debentures	100	400	-

* the above maturity profile is based on total principal outstanding gross of issue expense

(4) Commercial paper as on March 31, 2026 is Nil. During the year average effective interest rate was 6.39% p.a. (March 31, 2025: 7.73% p.a).

(5) Repurchase liability as on March 31, 2026 is Nil (March 31, 2025 : ₹ 949 Crore, were secured by current investments and were repayable in 365 days from the date of borrowings through repurchase obligation). During the year average effective interest rate was 8.01% p.a. (March 31, 2025: 8.45% p.a). Balance outstanding as at March 31, 2025 for repurchase liability carried interest rate of 8.10% p.a.

Movement in borrowings during the year is provided below:

(₹ in Crore)

Particulars	Short term borrowings[#]	Long term borrowings*	Total
As at April 1, 2024	1,512	6,944	**8,456**
Net Cash inflow/(outflow)	421	1,764	2,185
Other non cash changes	6	4	10
As at March 31, 2025	**1,939**	**8,712**	**10,651**
Net Cash inflow/(outflow)	(1,933)	(460)	(2,393)
Other non cash changes	(6)	-	(6)
As at March 31, 2026	**-**	**8,252**	**8,252**

*Including current maturities of long-term borrowings & unamortized borrowing fees.

[#]Interest paid during the year of ₹ 6 Crore (March 31, 2025: Nil) on commercial paper outstanding as at the beginning of the year, is shown under interest and other finance charges paid in statement of cashflow. Interest accrued on commerical paper of Nil (March 31, 2025: ₹ 6 Crore) is part of short term borrowings.

16. OTHER FINANCIAL LIABILITIES

Non-current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits and other liabilities	0	0
Capital creditors[(2)]	129	342
Total	**129**	**342**
Current		
Derivatives - Liabilities (refer Note 35)	343	7
Capital creditors[(2)]	1,618	926
Due to related party (refer Note 37)	113	40
Deposits from vendors	292	249
Interest accrued but not due	38	62
Unclaimed dividend [(1)]	22	26
Other liabilities (Includes employee benefits, royalty etc.)	374	388
Total	**2,800**	**1,698**

(1) Represents the unclaimed dividend for a period less than 7 years.

(2) Includes acceptances of ₹ 1063 Crore (March 31, 2025 : ₹ 626 Crore) against current and non-current capital creditors. Acceptances are given for invoices payable upto 2 years against Letter of Credit. Amounts have been recorded at present value after accounting for the effect of the credit period.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

17. PROVISIONS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for mine restoration & decomissioning [(a)]	200	200
Total	**200**	**200**

(a)

(₹ in Crore)

Particulars	Provision for mine restoration[(1)]	Provision for decommissioning[(2)]	Total
As at April 1, 2024	**210**	**1**	**211**
Addition during the year/(revision during the year)	(16)	-	(16)
Unwinding of discount	17	-	17
Utilized	-	-	-
As at March 31, 2025	**211**	**1**	**212**
Addition during the year/(revision during the year)	(22)	-	(22)
Unwinding of discount	13	-	13
Utilized	-	-	-
As at March 31, 2026	**202**	**1**	**203**
Classification as at March 31, 2025			
Non-current	200	-	**200**
Current	11	1	**12**
Classification as at March 31, 2026			
Non-current	200	-	**200**
Current	2	1	**3**

(1) The provision for restoration, rehabilitation and environmental cost represents the Company's best estimate of the costs which will be incurred in the future to meet the obligations under the laws of the land and the terms Referred to in the Company's mining arrangements. The principal restoration, rehabilitation and environmental provisions are the costs, which are expected to be incurred in restoring at the end of life of these mines at Rampura Agucha, Rajpura Dariba, Zawar Mines, Sindesar Khurd and Kayad.

(2) Provision for decommissioning is created to meet the obligation at decommissioned smelting facility at Vizag location basis an independent technical evaluation.

Current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer Note 31)	22	1
Provision for compensated absenses	7	6
Provision for mine restoration & decomissioning (refer (a) above)	3	12
Total	**32**	**19**

18. OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Deferred government grant[(2)]	956	895
Statutory liabilities (refer Note 28)	-	56
Total	**956**	**951**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Advance from customers[(3)]	526	1,149
Statutory and other liabilities[(1)]	327	247
Deferred government grant[(2)]	170	176
Total	**1,023**	**1,572**

(1) Statutory and other liabilities mainly includes Goods and Service Tax (GST), contribution to Provident Fund (PF), and TDS.

(2) Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of plant and equipments accounted for as government grant and being amortised over the useful life of such assets.

(3) Advance from customers are contract liabilities and include amounts received under short term supply agreements. The advance payment plus a fixed rate of return/discount will be settled by supplying respective commodity over a period up to twelve months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are recognised as advance from customers and will be released to the income statement as respective commodity is delivered under the agreements. The amount of such balances as of April 01, 2024 was ₹ 1537 Crore. Changes in contract liabilities are either receipt of fresh advances or revenues recognised as detailed in Note 21A.

19. OPERATIONAL BUYERS' CREDIT/ SUPPLIERS' CREDIT

The Company enters into supplier finance arrangements that are made available to key suppliers. Trade payables for which payment have been made to suppliers under these arrangements are presented as 'operational buyer's credit/supplier's credit.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Operational buyers/suppliers credit from banks [(1)]	105	569
Total	**105**	**569**

Movement during the year as follows:

(₹ in Crore)

Particulars*	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	569	399
Add : New facility availed during the period	836	782
Less: Repayments to the bank during the period	(1,337)	(625)
Add/(Less): Adjustment due to foreign exchange during the period	37	13
Balance at the end of the year	**105**	**569**

* excluding rollover facilities availed during the year.

(1) Operational Buyers' Credit is availed in foreign currency from offshore branches of Indian banks or branches located in Gift city. During the year, average effective interest rate was 4.57% p.a. (March 31, 2025: 5.41% p.a). Balance outstanding as at March 31, 2026 carries weighted average interest rate of 4.10% p.a.(March 31, 2025: 4.66% p.a.) .The tenure of these trade credits ranges from 90 to 180 days from the date of draw down. This is backed by Standby Letter of Credit issued under unsecured working capital facilities sanctioned by domestic banks.

Operational Supplier's Credit is availed in local currency from Indian banks at an average effective interest rate of 6.55% p.a. during the year (March 31, 2025: 7.42% p.a.). Balance outstanding as at March 31, 2026 is Nil. The tenure of these trade credits ranges upto 180 days from the date of invoice.

20. TRADE PAYABLES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of Micro Enterprises and Small Enterprises	382	148
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises[(1)] [(2)]	2,693	2,060
Total	**3,075**	**2,208**

(1) Trade payables are majorly non-interest bearing and are normally settled upto 180 days (March 31, 2025: 180 days).

(2) Out of the total, ₹ 445 Crore (March 31, 2025 : ₹ 33 Crore) pertains to related parties. This includes an amount of ₹ 352 Crore, which should be read together with Note 10 (trade receivables), wherein an amount of ₹ 342 Crore pertains to the same related parties with whom the Company has entered into long-term agreements for sale of smelter residue and purchase of process outputs. Refer Note 37 for details of related party balances and terms & conditions.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

Trade payables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed dues- Micro Enterprises and Small Enterprises		
Unbilled dues	270	126
Less than 1 year	112	22
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total[(1)]	**382**	**148**
Undisputed dues- Other than Micro Enterprises and Small Enterprises		
Unbilled dues	1,544	1,622
Less than 1 year	1,147	365
1-2 years	-	68
2-3 years	-	4
More than 3 years	2	1
Total[(1)]	**2,693**	**2,060**

(1) Outstanding for above mentioned periods from date of transaction (except for unbilled dues).

The disclosures relating to Micro Enterprises and Small 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 Enterprises Development Act, 2006. There is no interest paid/payable as at March 31, 2026 (March 31,2025: Nil).

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
i) Principal amount due to micro and small enterprises	382	148
ii) Interest due on above	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

21. (A) REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	38,874	32,789
Income from wind energy	135	138
Total [(1)]	**39,009**	**32,927**

(1) Revenue is shown exclusive of GST and other indirect taxes, as these collections are not an inflow on entity's own account, rather it is collected on behalf of government authorities.

The above revenue from operations for the year ended March 31, 2026 comprises of revenue from contracts with customers of ₹ 41,889 Crore (March 31, 2025: ₹ 34,028 Crore), discount/rebate and a net loss on mark to market of ₹ 2,880 Crore

(March 31, 2025: ₹ 1,101 Crore) on account of gains/losses relating to sales that were provisionally priced as at the beginning of the year with the final price settled in the current year, gains/losses relating to sales fully priced during the year, and marked to market gains/losses relating to sales that were provisionally priced as at the end of the year. Entire revenue from contract with customers is recorded at a point in time and includes ₹ 1,149 Crore (March 31, 2025 : ₹ 1,537 Crore) for which contract liabilities existed at the beginning of the year. Contract liabilities as at March 31, 2026 are ₹ 526 Crore. Majority of the Company's sales are against advance or are against letters of credit/ cash against documents/ guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within six months.

Below table summarises the disaggregated revenue from contracts with customers:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Zinc	25,058	22,709
Lead[#]	4,009	4,359
Silver [#]	11,055	6,094
Wind Energy	136	138
Others*	1,632	728
Revenue from contracts with customers	**41,889**	**34,028**
(Loss)/gain on provisionally priced contracts & hedging (net)	(2,880)	(1,101)
Total Revenue	**39,009**	**32,927**

*others majorly include revenue from sale of sulphuric acid

[#]includes revenue from sale of concentrate amounting to ₹ 990 Crore (March 31, 2025: Nil). Revenue from sale of concentrate is included in respective product based on metal content.

(B) OTHER OPERATING INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of scrap and residuals	1,286	662
Export incentives	196	183
Others (liquidated damages, fines and penalties, unclaimed amount etc.)	167	197
Total	**1,649**	**1,042**

22. OTHER INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income on		
Bank deposits measured at amortized cost	20	2
Investments measured at FVTOCI	290	327
Investments measured at FVTPL	341	295
Other financial assets measured at amortised cost	149	95
Other non-operating income		
Net gain on sale of current investments	33	62
Net gain on foreign currency transactions	68	40
Amortization of deferred revenue arising from government grant	192	175
Total	**1,093**	**996**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Opening inventory			
Finished goods		9	18
Work in progress :-			
Ore		74	106
Mined metal		877	744
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		516	546
Total	**(A)**	**1,476**	**1,414**
Closing inventory			
Finished goods		11	9
Work in progress :-			
Ore		100	74
Mined metal		889	877
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		673	516
Total	**(B)**	**1,673**	**1,476**
Changes in Inventory	**(A- B)**	**(197)**	**(62)**

24. EMPLOYEE BENEFIT EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus [1]	514	656
Contribution to provident and other funds (refer Note 31)	75	63
Share based compensation[2]	18	14
Staff welfare expenses [1]	154	145
Total	**761**	**878**

On November 21,2025 , the Government of India notified four new Labour Codes (the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code,2020) consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed and accounted for the incremental impact of these changes, with the guidance provided by the Ministry of Labour & Employment and Institute of Chartered Accountants of India (Refer Note 28 for impact on account of new labour code).

(1) Includes ₹ 6 Crore (March 31, 2025: ₹ 6 Crore) towards salaries and wages of personnel specifically engaged for Company's CSR activities , and ₹ 29 Crore (March 31, 2025: ₹ 27 Crore) towards expenses relating to company run schools, hospitals and other related activities, incurred for the purpose of corporate social responsibility expenditure

(2) The immediate parent company had introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares. Options granted during the year ended March 31, 2026 and year ended March 31, 2025 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG and Carbon footprint or a combination of these for the respective business/SBU entities. The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

Further, in accordance with the terms of the arrangement between the immediate parent and the company, the cost recognised towards ESOS scheme is recovered by the Parent from the Company.

Notes Forming Part of the Standalone Financial Statements

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25. FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on financial liabilities at amortised cost[1] [2]	684	868
Other interest	78	128
Bill discounting charges	81	56
Bank charges	9	16
Other finance costs[3]	28	43
Total	**880**	**1,111**

(1) Interest expenses on lease liabilities is ₹ 44 Crore (March 31, 2025: ₹ 28 Crore).

(2) Interest rate of 7.26% p.a. was used to determine the amount of general borrowing costs eligible for capitalization in respect of qualifying asset for the year ended March 31, 2026 (March 31, 2025: 8.33% p.a.).

(3) Includes finance charge on unwinding of provisions and interest on credit instruments.

26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, Plant and Equipments (refer Note 4)	3,597	3,494
Depreciation on Right of Use assets (refer Note 4)	177	125
Amortization on intangible assets (refer Note 5)	5	5
Amortization on Right of Use assets (refer Note 5)	10	10
Total	**3,789**	**3,634**

27. OTHER EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spare parts	2,762	1,984
Repairs and Maintenance:		
- Plant and equipment[4]	2,762	2,556
- Building	128	125
- Others	-	0
Carriage inwards	149	143
Mine expenses	2,212	1,997
Other manufacturing and operating expenses	560	546
Strategic service & brand fees[2]	1,171	658
Rates and taxes	2	2
Conveyance and travelling expenses	32	28
Directors sitting fees and commission	-	2
Payment to auditors[1]	2	2
Carriage outwards	260	330
Grass root exploration expenses	23	22
Legal and professional expenses	50	40
Impairment allowance (allowance for bad and Doubtful debts)	-	0
Research and development expenditure	23	12
Corporate social responsibility (refer Note 34)	226	232
Loss on sale of property, plant and equipment (net)	16	43
Net loss on investments measured at FVTPL	12	28
Miscellaneous expenses[3]	290	308
Total	**10,680**	**9,058**

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(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(1) Remuneration to auditors:		
- Audit fees	2	2
- Other services	0	0
- Out of pocket exp	0	0
Total	**2**	**2**

(2) During the year ended March 31, 2023, the Audit & Risk Management Committee and Board of Directors of the Company had approved payment towards strategic services and brand fees to Vedanta Limited ("Immediate Holding Company") at 2% of the consolidated turnover of the Company effective from October 01, 2022. In previous year, based on updated benchmarking analysis conducted by independent experts, the brand license and strategic service fee has been re-negotiated at 3% of the consolidated turnover of the Company with effect from April 01, 2025. Basis the approval from Audit & Risk Management Committee and Board of Directors, the Company contractually pays the brand license and strategic service fees at the beginning of the year, based on its estimated consolidated annual turnover for the year as per the approved business plan by Board, which is subsequently adjusted against the audited accounts for the full year for which the payment has been made.

(3) Includes Nil (March 31, 2025: ₹ 40 Crore which includes donation of ₹ 30 Crore to Bharatiya Janata Party and ₹ 10 Crore to All India Congress Committee).

(4) includes operations and maintenance of plant.

28. EXCEPTIONAL ITEMS

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Environment and Health Cess[1]	56	(56)
Land tax[2]	-	(27)
Gratuity and Leave Encashment[3]	(31)	-
Total	**25**	**(83)**

(1) The State of Rajasthan imposed an Environment and Health Cess (EH cess) in 2008 on major minerals which was rescinded in 2017. During the year ended March 31, 2025, the Company had recognised a provision of ₹56 crore and disclosed the same as exceptional item. During the current year, management has reassessed this and based on its reassessment, supported by an independent legal opinion, the provision is not required and accordingly the same has been reversed (Refer Note 30).

(2) During the year ended March 31,2025, the company has opted to settle matters pertaining to land tax, for the period till February 2024, by availing the Amnesty Scheme 2024 as launched by State of Rajasthan. Pursuant to which, the company had taken a charge of ₹ 27 Crore. Furthermore, the State of Rajasthan vide the same notification exempted land tax payable on all classes of land with effect from February 8, 2024.

(3) On November 21,2025 , the Government of India notified four new Labour Codes (the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code,2020) consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed and accounted for the incremental impact of these changes, with the guidance provided by the Ministry of Labour & Employment and Institute of Chartered Accountants of India. Considering that the impact is non-recurring in nature and is driven by regulatory changes, the incremental impact of ₹ 31 Crore has been disclosed as "Exceptional items" in the statement of profit and loss for the year ended March 31,2026. The Company continues to monitor the finalization of Central/ State Rules and would provide appropriate accounting effect as and when such clarifications are issued/rules are notified.

29. EARNINGS PER SHARE

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (₹)	32.45	24.33
Diluted earnings per share (₹)	32.45	24.33
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
Profit after tax (in ₹ Crore)	13,712	10,279
Earnings used in the calculation of basic earnings for the year (in ₹Crore)	13,712	10,279
Weighted average number of equity shares outstanding (Number in Crore)	423	423
Nominal Value per share (in ₹)	2	2

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30. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Contingent liabilities[1]		
Claims against the Company not acknowledged as debts		
- Suppliers and contractors	15	16
- Ex-employees and others	2	3
- Land acquisition	3	3
- Government : Electricity Duty	9	9
: Road Tax	15	15
: Environmental Cess[2]	56	-
Guarantees issued by the banks	371	381
Sales tax demands	17	68
Income tax demands[4]	683	720
Excise Duty, Custom duty, Service tax and GST demand [3]	503	582

(1) Future cash out flows in respect of the above matters are determinable only on receipt of judgments or decisions pending at various forums. Accordingly interest and penalty where applicable will be additionally payable.

(2) The State of Rajasthan issued a notification in June 2008 notifying the Rajasthan Environment and Health Cess (EHS) Rules, 2008, imposing environment and health cess on major minerals including lead and zinc. HZL and other mine operators resisted this notification and the imposition thereunder before the High Court of Rajasthan on the ground that the imposition of such cess and all matters relating to the environment fall under the jurisdiction of the Central government as opposed to the State government. In October 2011, the High Court of Rajasthan disposed the writ petitions and held the Rajasthan Environment and Cess Rules, 2008 that impose a levy of cess on minerals, as being constitutionally valid. An amount of ₹150 per metric ton of ore produced would be attracted under the Statute if it is held to be valid. HZL challenged this order by a special leave petition in December 2011 before the Supreme Court of India. The Supreme Court of India issued a notice for stay. Further direction was issued by the Supreme Court on March 23, 2012 not to take any coercive action against HZL for recovery of cess. The aforementioned notification was rescinded via notification dated January 6, 2017, and hence no further obligation exists after that date. The matter is pending for final hearing. As a subsequent development, the Hon'ble Supreme Court's judgement in the matter of Mineral Area Development Authority (MADA) vs. Steel Authority of India Ltd, in July 2024, held that royalty is not a tax, and that the state government has the competence to tax mineral rights including mineral bearing land. Accordingly, as per the management assessment, the company had recognized a provision of ₹ 56 Crore relating to liability towards EHS during the year ended March 31, 2025.During the current year, Management has reassessed and based on its reassessment, supported by an independent legal opinion, the provision is not required, accordingly the same has been reversed and the matter has been disclosed as contingent liability (refer Note 28).

(3) Various demands raised on the Company towards CENVAT, service tax , excise, customs, GST and sales tax for FY 1985-86 to 2024-25. The Company has paid an amount of ₹ 28 Crore (March 31, 2025:₹ 20 Crore) against these demands under protest and is confident of the liability not devolving on the Company

(4) Tax demands have been raised mainly on account of depreciation disallowances, withholding taxes and interest thereon. Although, the Company has paid certain amounts in relation to these demands, which are pending at various levels of appeals, management considers these disallowances as not tenable against the Company, and therefore no provision for tax has been created. Also, refer Note 32(c)(ii).

b. The Department of Mines and Geology (DMG) of the State of Rajasthan had initiated a royalty assessment process from January 2008 to 2019 and had in this regard, issued a show cause notice vide an office order dated January 31, 2020 amounting to ₹ 1,925 Crore. Further an additional demand was issued vide an office order dated December 14, 2020 for ₹ 311 Crore. The Company has challenged the computation mechanism of royalty on the ground that the state has not complied with the previous orders of Rajasthan High court where a similar computation mechanism was challenged and court had directed DMG to reassess basis the judicial precedents and mining concession rules. Pending compliance of previous orders, the High Court had granted a stay on the notice and directed DMG not to take any coercive action. State Government had also been directed to not take any coercive action in order to recover such miscomputed dues.

Despite of the High court stay order, the State Government raised a demand of ₹ 1,925 Crore vide order dated March 16, 2022 for the same period. The Company challenged this notice before the Revisionary Authority ("RA") and also separately moved an application in RA against the earlier demand raised by DMG for recovery of ₹ 311 Crore. RA had granted a stay on the recovery of ₹ 1,925 Crore vide its order dated June 15, 2022, and on the recovery of ₹ 311 Crore, vide its order dated September 07, 2022 respectively.

On July 25, 2024 RA decided the case against the Company for demand raised of ₹ 311 Crore and order was challenged by the Company before the Hon'ble High Court of Rajasthan. The High Court, vide an order dated July 26, 2024, issued a stay on the RA's order and also directed for HZL to deposit ₹ 100 Crore under protest. The Company ensured compliance with the High Court's directions and deposited the directed amount under protest on July 30, 2024. The matter before the High Court is pending for final hearing. Based on the opinion of external counsel, the Company believes that it has strong grounds of a successful appeal against the demand of ₹ 311 Crore. On October 30, 2024 the Company received an order from RA against the demand of ₹ 1925 Crore directing the State Government to await the guidance, clarification or direction from Central Government in this matter of determination of royalties, upon which the

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State Government, if necessary, may recalculate the fiduciary obligations of the Revisionist towards payment of royalty, DMF, NMET and interests thereon and issue a fresh demand order. The referred revision application was disposed off accordingly. In October 2025, the clarification was received by the State Government. As a proactive measure, HZL has challenged certain aspects of the clarification, before the High Court of Rajasthan. There is no further development in this regard. Therefore, as on date, (i) there is no fresh demand pertaining to ₹ 1925 Crore and (ii) there is a separate litigation before the Hon'ble High Court, in challenge to the adverse order as was received from RA with respect to the demand of ₹ 311 Crore.

During the year ended March 31, 2025, the Company received provisional assessment orders/ show cause notices amounting to ₹ 324 Crore pertaining for the period FY 2013-14 to FY 2024-25 on similar grounds as mentioned above and the Company has challenged the same in High Court.

c. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 7,692 Crore (March 31, 2025:₹ 4,011 Crore).

d. Other Commitments

(i) During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA 1') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on Round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA 1, Company is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. During the current year, the Company has made an investment of ₹ Nil Crore (March 31, 2025: Nil) and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA 1 (see Note 9). As at March 31, 2026, the Company has invested ₹ 280 Crore (March 31, 2025 : ₹ 280 Crore).

During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA 2') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on Round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA 2, Company is expected to infuse equity of ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Company has made an investment of Nil (March 31, 2025: ₹ 230 Crore) and pending committed investment of ₹ 77 Crore is to be made basis fulfilment of conditions of the PDA 2 (see Note 9). As at March 31, 2026, the Company has invested ₹ 361 Crore (March 31, 2025 : ₹ 361 Crore).

During the year ended March 31, 2025, the company has entered into Power delivery agreement ('PDA 3') with Serentica Renewables India 14 Private Limited ('Serentica 14'). With this, the company will source upto 530 MW (contracted capacity including earlier PDAs and higher guaranteed availability) renewable power on Round The Clock (RTC) basis under group captive arrangement for 25 years. Under the terms of the PDA 3, the Company is expected to infuse equity of ₹ 327 Crore for a minimum of twenty six percent in Serentica 14. During the current year, the Company has made an investment of ₹ 278 Crore (March 31, 2025: Nil) and pending committed investment of ₹ 49 Crore is to be made basis fulfilment of conditions of the PDA 3 (see Note 9). As at March 31, 2026, the Company has invested ₹ 278 Crore (March 31, 2025 : Nil).

(ii) The company has given Letter of Comfort and also assigned its bank limits to its wholly owned subsidiary Hindustan Zinc Alloys Private Limited ("HZAPL") primarily in respect of certain working capital needs and short-term borrowings amounting to ₹ 66 Crore as at end of March, 2026. (March 31, 2025: ₹ 66 Crore)

(iii) During the year ended March 31, 2026, the Company under its Corporate Social Responsibilities ('CSR') initiative had signed a Memorandum of Understanding('MOU') with Rajasthan Heritage Authority, Jaipur ('RHA') for the development of work at Puchari Ka Lota at Goverdhan Parikrama Marg. As per the terms of MOU, the Company has committed to contribute ₹ 85 Crore as at March 31, 2026.

(iv) Export obligations

The Company has Nil export obligations (March 31, 2025: Nil) 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 required to be fulfilled over the period of six years from the date of purchase). The Company has given bonds of ₹ 593 Crore (March 31, 2025: ₹ 254 Crore) to custom authorities against export obligations which will be released subject to verification of EODC (Export obligation discharge certificate) by the Customs department.

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31. RETIREMENT AND OTHER EMPLOYEE BENEFIT SCHEMES

a. Defined contribution schemes

Family Pension Scheme

The contributions are based on a fixed percentage of the employee's salary, subject to a ceiling, as prescribed in the scheme. A sum of ₹ 3 Crore (March 31, 2025: ₹ 4 Crore) has been charged to the Statement of Profit and Loss during the year. There are no further obligations on the Company.

Superannuation fund

A sum of ₹ 2 Crore (March 31,2025: ₹ 3 Crore) has been charged to the Statement of Profit and Loss in respect to contributions made to the superannuation fund. The Company has no further obligations to the plan beyond the monthly contributions.

b. Defined benefit plans

For defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation each year for the plan using the projected unit credit method by independent qualified actuaries as at the year end. Remeasurements in the year are recognized in full in other comprehensive income for the year.

Provident fund

The Company offers its employees, benefits under defined benefit plans in the form of provident fund scheme which covers all employees. 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 ₹ 49 Crore (March 31, 2025: ₹ 44 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. The Company has made provision of ₹ 24 Crore in this regard in the current year (forming part of ₹ 49 Crore mentioned above). The Company has made good the deficiency in current year, of ₹ 5 Crore pertaining to year ended March 31, 2025. Having regard to the assets of the Trust and the return on the investments, the Company does not expect any deficiency in the foreseeable future, except for investments in debt securities of IL&FS Limited and IL&FS Financial Services Ltd. for which necessary provisions exists.

The details of fund and plan asset position are given below:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Plan assets fair valued	1,729	1,686
Present value of benefit obligation at period end	1,753	1,696
Net Plan Assets/(Liability)	**(24)**	**(10)**
% allocation of plan assets by category		
Central government securities	5%	4%
State government securities(including PSU Bond)	55%	60%
Private Sector Bonds, Mutual funds	40%	36%
Principal actuarial assumptions		
Financial Assumptions		
Discount rate	7.26%	7.03%
Expected statutory interest rate on the ledger balance	8.25%	8.25%
Expected short fall in interest earnings on the fund	0.05%	0.05%

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(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Demographic Assumptions		
i) Retirement Age (Years)	58	58
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012- 14)
iii) Withdrawal rates		
Up to 30 Years	3% - 17%	3% - 18%
From 31 to 44 years	2% - 9%	2% - 11%
Above 44 years	1%-9%	1%-7%

Gratuity plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Code of social security, 2020 (part of new labour code introduced from November 21, 2025). Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The company's defined benefit plans are funded with Life Insurance Corporation of India (LIC) and HDFC Life Insurance Company Limited (HDFC Life). The Company does not have any liberty to manage the fund provided to LIC and HDFC Life.

The following tables set out the details of the gratuity plans and the amounts recognized in the financial statements.

Principal actuarial assumptions

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:		
Financial Assumptions		
Discount rate	7.26%	7.03%
Expected rate of increase in compensation level of covered employees	6% - 10.5%	6% - 10.5%
Demographic Assumptions		
i) Retirement Age (Years)	58	58
ii) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)
iii) Withdrawal rates		
Up to 30 Years	3% - 17%	3% - 18%
From 31 to 44 years	2% - 9%	2% - 11%
Above 44 years	1%-9%	1%-7%
Amount recognized in the balance sheet consists of:		
Fair value of planned assets	208	222
Present value of defined benefit obligations	(230)	(223)
Net assets/(Net unfunded liability)	**(22)**	**(1)**
% allocation of plan assets by category		
Qualified Policy from Life Insurance Corporation of India (LIC) and HDFC Life	100%	100%

The movement during the year of the present value of the defined benefit obligation was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance	223	241
Service cost	16	9
Past Service Cost (refer Note 28)	22	-
Benefits paid	(36)	(36)
Interest cost	16	17
Acturial (Gain)/Loss on obligation	(11)	(8)
Closing Balance	**230**	**223**

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The movement during the year in the fair value of plan assets was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance	222	241
Employer Contributions	5	0
Benefits paid	(36)	(36)
Interest Income	16	17
Remeasurement gain/(loss) arising from return on plan assets	1	-
Closing Balance	**208**	**222**

Amounts recognized in Statement of Profit and loss in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	16	9
Past Service Cost (refer Note 28)	22	-
Net Interest cost	0	-
Total charge to Statement of Profit and Loss	**38**	**9**

Amounts recognized in Other Comprehensive Income in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement (Gain) / Loss arising from Change in Demographic Assumption	0	(4)
Remeasurement (Gain) / Loss arising from Change in Financial Assumption	(3)	1
Remeasurement (Gain) / Loss arising from Experience Adjustment	(7)	(5)
Remeasurement (Gain)/ Loss arising from return on plan assets	(1)	-
Components of defined benefit costs recognised in other comprehensive income	**(11)**	**(8)**

Expected contribution for the next annual reporting period:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service Cost	16	14
Net Interest Cost	2	0
Expected contribution for the next annual reporting period	**18**	**14**

Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Impact of change in discount rate		
Increase by 0.50%	(6)	(6)
Decrease by 0.50%	7	6
Impact of change in salary increase rate		
Increase by 0.50%	7	6
Decrease by 0.50%	(6)	(6)

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The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

Maturity Profile of Defined Benefit Obligation

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Year:		
0 to 1 Year	42	37
1 to 2 Year	35	16
2 to 3 Year	28	39
3 to 4 Year	20	27
4 to 5 Year	18	21
5 to 6 Year	12	15
6 Year onwards	75	68

Risk analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment risk

The Company's defined benefit plans are funded with Life Insurance Corporation of India (LIC) and HDFC Life Insurance Company Limited (HDFC Life). The Company does not have any liberty to manage the fund provided to LIC and HDFC Life. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds for the Company's operations. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability, however this will be partially offset by increase in the return on plan debt investment.

Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

32. INCOME TAX EXPENSES

The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are indicated below:

(₹ in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
a.	**Tax charge recognised in Profit and Loss**		
	Current tax:		
	Current tax on profit for the year	4,635	3,459
	Adjustment in respect of earlier years*	(62)	(242)
	Total Current tax	**4,573**	**3,217**

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(₹ in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
	Deferred tax:		
	Reversal and origination of temporary differences	22	(48)
	Adjustment in respect of earlier years	55	16
	Total Deferred tax	**77**	**(32)**
	Tax expense for the year	**4,650**	**3,185**
	Effective income tax rate (%)	**25.32%**	**23.66%**
b.	**Statement of other comprehensive income**		
	Deferred tax (credit) / charge on:		
	Cash flow hedges recognised during the year	(80)	-
	Net Gain/(Loss) on FVTOCI investments	0	3
	Remeasurement of defined benefit obligation	1	4
	Total	**(79)**	**7**

(c) A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognized income tax expense for the year is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit before tax (after exceptional item)	18,362	13,464
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	4,621	3,389
Disallowable expenses	74	73
Non-taxable income & capital gains	(28)	(28)
Effect of changes in tax laws (refer (i) below)	-	9
Impact of tax rate differences on capital gains	(10)	(32)
Adjustments in respect of prior years*	(7)	(226)
Total	**4,650**	**3,185**

*true up of tax provisions in line with routine assessment orders amounting to ₹ 218 Crore in previous year.

(i) Impact on account of changes in capital gain tax rates as per finance act, 2025.

(ii) The tax department had issued demands on account of remeasurement of certain tax incentives, under section 80IA and 80 IC of the Income-tax Act, 1961. During the year ended 31 March 2020, based on the favorable orders from Income Tax Appellate Tribunal relating to AY 09-10 to AY 12-13, the Commissioner of Income Tax (Appeals) has allowed these claims for AY 2014-15 to AY 2016-17, which were earlier disallowed and has granted refund of amounts deposited under protest. For AY 2013-14 to AY 2016-17, the department has filed appeals before the Tribunal, which are pending for disposal. The Tribunal allowed these claims in AYs 2017-18, 2018-19 & 2020-21 in line with past years' orders. The department had filed appeals before the Hon'ble Rajasthan High Court in FY 17-18 (for AY 2009-10 to AY 2012-13) and in FY 2023-24 (for AY 2017-18 and AY 2018-19) against the Tribunal orders, which are yet to be admitted. The department is yet to file an appeal before the High Court against the tribunal order of AY 2020-21. During the current year, the company has received Final Assessment Order for AY 2022-23 with identical additions, against which appeal has been filed before the Tribunal. As per the view of external legal counsel, Department's appeal seeks re-examination of facts rather than raising any substantial question of law and hence it is unlikely that appeal will be admitted by the High Court. Accordingly, there is a high probability that the case will go in favour of the Company. The amount involved in this dispute as of March 31, 2026 is ₹ 12,387 Crore (31st Mar 2025: ₹ 12,411 Crore) plus applicable interest upto the date of settlement of the dispute.

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(d) Significant components of deferred tax assets and (liabilities) recognized in the balance sheet are as follows:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment, Exploration and evaluation and intangible assets	(2,464)	(2,382)
Fair valuation of financial assets/liabilities	27	(39)
Voluntary retirement scheme	3	1
Other temporary differences (43B disallowances, inventory valuation reserves, share based payment reserve etc.)	168	127
Deferred Tax (Liabilities) (net)	**(2,266)**	**(2,293)**

Deferred tax income of ₹ 27 Crore (March 2025 : ₹ 25 Crore) is recorded as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Through Other Comprehensive Income		
Loss on cash flow hedges recognised during the year	(80)	-
Net Gain/(Loss) on FVTOCI debt investments	0	3
Remeasurements of defined benefit obligations	1	4
	(79)	**7**
Through Profit and Loss		
Property, plant and equipment, exploration and evaluation and intangible assets	82	(18)
Fair valuation of financial assets/liabilities	(66)	(21)
Voluntary retirement scheme	(2)	8
Other temporary differences (43B disallowances, inventory valuation reserves etc.)	63	(1)
	77	**(32)**
Through Equity	(25)	-
Payment towards ESOS	**(25)**	**-**
Total	**(27)**	**(25)**

(e) Reconciliation of Net Deferred tax liabilities:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(2,293)	(2,318)
Tax (expense)/income recognised in profit or loss during the period	(77)	32
Tax (expense)/income recognised in other comprehensive income during the period	79	(7)
Tax (expense)/income recognised in other equity during the period	25	-
Closing Balance	**(2,266)**	**(2,293)**

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33. LEASE LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability against ROU assets:		
Non current	292	177
Current	182	136
Total	**474**	**313**

(a) Following are the amounts recognised in Statement of Profit & Loss account:

(₹ in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Depreciation expense for right-of-use assets (refer Note 4 & 5)	187	135
b)	Interest expense on lease liabilities (refer Note 25)	44	28
c)	Expense relating to short-term leases	0	0
Total amount recognised		**231**	**163**

(b) The movement in lease liabilities is as follows:

(₹ in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Opening balance	313	266
b)	Additions (refer Note 4 & 5)	328	161
c)	Reversal/ Adjustments	(7)	(9)
d)	Interest accrued	44	28
e)	Repayments (Principal & interest)*	(204)	(133)
Closing balance		**474**	**313**

* Interest paid on lease liabilities during the year is ₹ 44 Crore (March 31, 2025 : ₹ 28 Crore)

(c) Lease liabilities carry an effective interest rate of 5.03% p.a to 17.55% p.a (March 31, 2025: 5.03% p.a to 17.55% p.a)

(d) The maturity analysis of lease liabilities is disclosed in Note 35.

(e) Movement in lease liabilities during the year is provided below:

(₹ in Crore)

Particulars	Total
As at April 1, 2024	**266**
Non-cash changes	180
Cash changes	(133)
As at March 31, 2025	**313**
Non-cash changes	365
Cash changes	(204)
As at March 31, 2026	**474**

(i) Non cash changes includes additions/deletions in ROU assets and interest accrual on lease liabitlies.

(ii) Cash changes includes contractual lease payments.

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34. CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(a) The Company is required to spend a gross amount of ₹ 261 Crore and ₹ 265 Crore for the year ended March 31, 2026 and March 31, 2025 respectively.

(₹ in Crore)

Particulars		For the year ended March 31, 2026		
		In Cash	Yet to be paid in Cash	Total
i)	Amount required to be spent by the company during the year	261	-	261
ii)	Amount approved by the Board to be spent during the year	327	-	327
iii)	Amount spent during the year on:			
	- Construction/acquisition of any assets	-	-	-
	- On purposes other than (i) above[1][2]	204	74	278
iv)	Nature of CSR activities	Community upliftment through Education, Sustainable Livelihoods, Women Empowerment, Health & Water, Sports & Culture, Environment and Community Assets Creation.		
v)	Details of related party transactions, e.g.,contribution to a section 8 company controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	24	-	24
vi)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.	NA	NA	NA

(₹ in Crore)

Particulars		For the year ended March 31, 2025		
		In Cash	Yet to be paid in Cash	Total
i)	Amount required to be spent by the company during the year	265	-	265
ii)	Amount approved by the Board to be spent during the year	286	-	286
iii)	Amount spent during the year on:			
	- Construction/acquisition of any assets	-	-	-
	- On purposes other than (i) above[1]	195	78	273
iv)	Nature of CSR activities	Community upliftment through Education, Sustainable Livelihoods, Women Empowerment, Health & Water, Sports & Culture, Environment and Community Assets Creation.		
iv)	Details of related party transactions, e.g.,contribution to a section 8 company controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	28	-	28
v)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.	NA	NA	NA

(1) Includes employee benefit expenses of ₹ 34 Crore (March 31, 2025 ₹ 33 Crore).

(2) Amount spent during the year includes ₹ 9 Crore prepaid CSR spend relating to previous year.

(b) The Company has an excess CSR spent of ₹ 17 Crore (March 31, 2025: ₹ 9 Crore) which it proposes to offset against future obligations and has recognised the same as an asset in the balance sheet

(₹ in Crore)

In case of Section 135(5) of Companies Act, 2013				
Particulars	CSR spent during the year			
	Opening Balance	Required to be spent	Actual spent (Net of opening excess spent and other adjustments)	Closing balance
For the year ended March 31, 2026	9	261	269	17
For the year ended March 31, 2025	4	265	270	9

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35. FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 and Note 3.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

(₹ in Crore)

Particulars	Fair Value through profit and loss	Fair Value through other comprehensive income	Amortized Cost	Total carrying value	Total fair value
As at March 31, 2026					
Financial assets					
Cash and cash equivalents	-	-	292	292	292
Other bank balances	-	-	22	22	22
Investments	10,630	3,810	-	14,440	14,440
Trade receivables	-	-	399	399	399
Other Current financial assets and loans	58	-	11	69	69
Other Non-current financial assets and loans	-	-	72	72	72
Total	**10,688**	**3,810**	**796**	**15,294**	**15,294**
Financial liabilities					
Borrowings	-	-	8,252	8,252	8,222
Lease Liabilities	-	-	474	474	474
Trade payables	-	-	3,075	3,075	3,075
Operational buyers' credit/ suppliers' credit	-	-	105	105	105
Other Current financial liabilities	24	319	2,457	2,800	2,800
Other Non-current financial liabilities	-	-	129	129	129
Total	**24**	**319**	**14,492**	**14,835**	**14,805**
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	-	-	94	94	94
Other bank balances	-	-	81	81	81
Investments	5,906	4,065	-	9,971	9,971
Trade receivables	44	-	68	112	112
Other Current financial assets and loans	9	-	70	79	79
Other Non-current financial assets and loans	-	-	181	181	181
Total	**5,959**	**4,065**	**494**	**10,518**	**10,518**
Financial liabilities					
Borrowings	-	-	10,651	10,651	10,652
Lease Liabilities	-	-	313	313	313
Trade payables	-	-	2,208	2,208	2,208
Operational buyers' credit/ suppliers' credit	-	-	569	569	569
Other Current financial liabilities	7	-	1,691	1,698	1,698
Other Non-current financial liabilities	-	-	342	342	342
Total	**7**	**-**	**15,774**	**15,781**	**15,782**

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Fair value of the current instrument in bonds, perpetual bonds and zero coupon bonds are based on the price quotations at the reporting date. Fair value of current investments that are in the nature of 'close ended' mutual funds are based on market observable inputs i.e. NAV provided by mutual fund houses. [a level 2 technique].

Fair value of current investments that are in the nature of 'open ended' mutual funds are derived from quoted market prices in active markets [a level 1 technique].

Fair value of non current investments that are in the nature of 'Investment in OCRPS and Equity shares' are derived from Back Solve Option Pricing Method (BSOP) in current year and Net asset value method [a level 3 technique] in previous year.

The Fair value of other non current financial assets and liabilities are estimated by discounting the expected future cash flows using a discount rate equivalent to the risk free rate of return adjusted for the appropriate credit spread.

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are valued using valuation technique with market observable inputs. The most frequently applied valuation techniques for such derivatives include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency (a level 2 technique). Commodity contracts are valued using the forward LME/ LBMA rates of commodities actively traded on the listed metal exchange i.e. London Metal Exchange & London Bullion Metal Association, United Kingdom (U.K.) [a level 2 technique].The changes in counterparty risk had no material effect on the hedge effectiveness assessment for the derivatives designated in hedge relationship and the value of the other financial instrument recognised at fair value.

Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by measurement hierarchy. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures on fair value measurement hierarchy:

(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2026			
Financial Assets			
At fair value through profit and loss			
Investments	3,550	6,250	830
Derivatives financial Assets*			
Forward foreign currency contracts	-	50	-
Commodity contracts	-	8	-
Trade receivables	-	-	-
At fair value through other comprehensive income			
Investments	-	3,721	89
Total	**3,550**	**10,029**	**919**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial Liabilities*			
Forward foreign currency contracts	-	22	-
Commodity contracts	-	2	-
Derivatives designated as hedging instruments			
Derivatives financial Liabilities*			
Commodity contracts	-	319	-
Total	**-**	**343**	**-**

Notes Forming Part of the Standalone Financial Statements

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(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2025			
Financial Assets			
At fair value through profit and loss			
Investments	1,590	3,764	552
Derivatives financial Assets*			
Forward foreign currency contracts	-	5	-
Commodity contracts	-	4	-
Trade receivables	-	44	-
At fair value through Other Comprehensive Income			
Investments		3,976	89
Total	**1,590**	**7,793**	**641**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial Liabilities*	-	-	-
Forward foreign currency contracts	-	7	-
Commodity contracts	-	-	-
Derivatives designated as hedging instruments			
Derivatives financial Liabilities*			
Commodity contracts	-	-	-
Total	**-**	**7**	**-**

* Refer section - "Derivative financial instruments"

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2026 and March 31, 2025:

(₹ in Crore)

Financial Liabilities	Level-1	Level-2	Level-3
As at March 31, 2026			
Borrowings	-	8,222	-
Total	**-**	**8,222**	**-**
As at March 31, 2025			
Borrowings	-	10,652	-
Total	**-**	**10,652**	**-**

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Reconciliation of Level 3 fair value measurement is as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	FVTPL	FVTOCI	FVTPL	FVTOCI
Balance at the beginning of the year	**552**	**89**	**322**	**89**
Additions during the year	278	-	230	-
Fair value changes recognised during the year	-	-	-	-
Sale/reductions during the year#	-	-	-	-
Reclassification during the year	-	-	-	-
Balance at the end of the year	**830**	**89**	**552**	**89**

#represents investment in optinally convertible preference shares converted into equity shares as per the terms of conversion during the year.

Valuation process for instruments categorised in level 3:

The management of the company engaged a qualified third party valuer to perform the valuation. Team from the finance department of the company works closely with valuer to establish appropriate valuation technique and inputs required for the valuation.

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Valuation technique used for valuation of financial instruments in level 3:

Valuation of preference and equity shares in level 3 are done using Back Solve Option Pricing Method [a level 3 technique] and Net asset value method [a level 3 technique] in previous year, making assumptions about unobservable market data.

Risk management framework

Risk management

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit & Risk Management Committee. The Audit & Risk Management Committee is aided by the other committees of the board, which meets regularly to review risks as well as the progress against the planned actions. Key business decisions are discussed at the periodic meetings of the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit & Risk Management Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Executive Committee meetings. Day-to-day treasury operations of the Company are managed by the finance team within the framework of the overall Company's treasury policies. A monthly reporting system exists to inform senior management about investments, currency and, commodity derivatives. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies. The internal control measures are effectively supplemented by regular internal audits.

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forwards and these are subject to the Company's guidelines and policies.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

The sensitivity analyses in the following sections relate to the position as at March 31, 2026 and March 31, 2025. The sensitivity analyses have been prepared on the basis that the amount of net investment, the ratio of fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions, and the non-financial assets and liabilities of foreign operations.

Commodity price risk

The Company is exposed to the movement of base metal/ precious metal commodity prices on the London Metal Exchange and London Bullion Market Association. Any decline in the prices of the base metals/precious metals that the Company produces/generates and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Company aims to achieve the monthly average of the commodity prices for sales realization. In exceptional circumstances, the Company may enter into strategic hedging. Hedging is used primarily as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and to a strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level and with clearly laid down guidelines for their implementation by the Company.

Whilst the Company aims to achieve average LME/LBMA prices for a month or a year, average realized prices may not necessarily reflect the LME/LBMA price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realized on commodity contracts.
- cash flow hedging on account of forecasted highly probable transactions.

The sales prices of zinc, lead and silver are linked to the LME and LBMA prices. The Company also enters into hedging arrangements for its Zinc, Lead and silver sales to realize month of sale LME and LBMA prices.

Total exposure on provisionally priced Zinc, Lead & Silver contracts as at March 31, 2026 was ₹ 44 Crore (March 31, 2025: ₹ 189 Crore), Nil (March 31, 2025: ₹ 74 Crore) and Nil (March 31, 2025: Nil) respectively. Based on average price fluctuations, the impact on net profit before tax, for a 10% movement in LME prices of zinc, 5% movement in LME price of lead and 5% movement in LBMA price of silver that were provisionally priced as at March 31, 2026 is ₹ 4 Crore, Nil and Nil respectively and as at March 31, 2025 is ₹ 19 Crore, ₹ 4 Crore and Nil respectively.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest and commodity pricing through proven financial instruments.

a. Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term investment programme mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company has been rated as 'AAA' / Stable for long term and A1+ for short term by CRISIL Limited during the current and previous financial years.

The Company remains committed to maintaining a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

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(₹ in Crore)

Payment due by years	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
As at March 31, 2026					
Trade and other payables#	5,612	130	-	-	5,743
Lease Liabilities#	182	234	68	133	617
Derivative financial liabilities	343	-	-	-	343
Borrowings*	4,146	4,922	-	-	9,068
Total	**10,283**	**5,286**	**68**	**133**	**15,771**
As at March 31, 2025					
Trade and other payables#	4,415	342	-	-	4,757
Lease Liabilities#	136	170	22	84	412
Derivative financial liabilities	7	-	-	-	7
Borrowings*	5,371	6,439	-	-	11,810
Total	**9,929**	**6,951**	**22**	**84**	**16,987**

*Includes Non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

#Includes committed interest payments.

The Company had access to following funding facilities.

(₹ in Crore)

Funding facility	Total facility	Drawn	Undrawn
As at March 31, 2026			
Less than 1 year	10,931	8,398	2,533
More than 1 year	-	-	-
Total	**10,931**	**8,398**	**2,533**
As at March 31, 2025			
Less than 1 year	14,127	12,024	2,103
More than 1 year	-	-	-
Total	**14,127**	**12,024**	**2,103**

b. Foreign exchange risk

Fluctuations in foreign currency exchange rates may have an impact on the Statement of Profit and Loss, where any transaction references more than one currency other than the functional currency of the Company.

The Company uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies denominated in foreign currency. The Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk on financing transactions are to be hedged through forward exchange contracts and other instruments. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns. Longer term exposures, are normally unhedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the Statement of Profit and Loss. The below table summarises the foreign currency risk from financial instrument and is partly mitigated by some of the derivative contracts entered into by the Company as disclosed under the section on "Derivative financial instruments."

The carrying amount of the Company's financial assets and liabilities in different currencies is as follows:

(₹ in Crore)

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

Particulars	As at March 31, 2026		As at March 31, 2025	
Currency exposure	**Financial Asset**	**Financial Liability**	**Financial Asset**	**Financial Liability**
US Dollar	81	545	68	540
Euro	-	837	-	479
Australian Dollar	-	14	-	0
Others	-	2	-	0

The Company's exposure to foreign currency arises where a Company holds monetary assets and liabilities denominated in a currency different to the functional currency of the Company, with US dollar and Euro being the major non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

The results of Company operations may be affected largely by fluctuations in the exchange rates between the Indian Rupee, against the US dollar and Euro. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rate shift in the currencies by 10% against the functional currency of the respective entities.

Set out below is the impact of a 10% strengthening/weakening in the INR on pre-tax profit/(loss) arising as a result of the revaluation of the Company's foreign currency financial assets/liabilities:

(₹ in Crore)

Particulars	Total exposure		Effect of 10% strengthening/weakening of INR on pre-tax profit/(loss)	
	For the year ended March 31, 2026	**For the year ended March 31, 2025**	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
US Dollar	464	472	46	47
Euro	837	479	84	48
Australian Dollar	14	0	1	0
Others	2	0	0	0

c. Interest rate risk

The Company is exposed to interest rate risk on short-term and long-term borrowings. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are denominated in Indian Rupees with mix of fixed and floating rates of interest. The floating rate is linked to Bank's base rate. These exposures are reviewed by appropriate levels of management on frequent basis. The Company invests cash and liquid investments in short-term deposits and debt mutual funds, some of which generate a tax-free return, to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns. Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of the Company's financial assets to interest rate risk is as follows:

(₹ in Crore)

Particulars	Total	Floating rate	Fixed rate	Non-interest bearing
As at March 31, 2026				
Financials assets	15,294	3,551	10,044	1,699
Financial liabilities	14,835	6,456	2,880	5,499
As at March 31, 2025				
Financials assets	10,517	1,599	8,011	907
Financial liabilities	15,781	8,213	3,662	3,906

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Interest Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rate. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term obligations.

Considering the debt position as at March 31, 2026 and the investment in bonds and debt mutual funds, any increase in interest rates would result in a net decrease in profits and any decrease in interest rates would result in a net increase in profits. The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date.

The below analysis gives the impact of a 0.5% to 2.0% change in interest rates on floating rate financial assets/ liabilities (net) on profit/(loss) before tax and represents management's assessment of the possible change in interest rates.

The impact of change (increase/(decrease)) in interest rate of 0.5%, 1.0% and 2.0% on profits for the period ended March 31, 2026 is ₹ 15 Crore, ₹ 29 Crore and ₹ 58 Crore and for year ended March 31, 2025 is ₹ 33 Crore, ₹ 66 Crore and ₹ 132 Crore respectively.

d. Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents, short-term investments and derivative financial instruments. Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of good financial repute.

Moreover, given the nature of the Company's business, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue on a % basis in current year (Previous year : None). The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds.

The carrying value of the financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk as at March 31, 2026 and March 31, 2025 are ₹ 15,294 Crore and ₹ 10,517 Crore respectively.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade and other receivables, and other non-current assets, there were no indications as at March 31, 2026 and March 31, 2025, that defaults in payment obligations will occur.

Of the year end trade receivables, loans and other financial assets (excluding derivatives), following balances were past due but not impaired as at March 31, 2026 and March 31, 2025:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Neither impaired nor past due	100	274
Past due but not impaired		
Less than 1 month	158	64
Between 1-3 months	220	9
Between 3-12 months	4	13
Greater than 12 months	0	3
Total	**482**	**363**

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Receivables are deemed to be past due or impaired with Reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Company's customers is monitored on an on-going basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

Derivative financial instruments

The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the Company guidelines and policies.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value based on quotations obtained from financial institutions or brokers. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current assets and liabilities/ reserves. Derivatives that are designated as hedges are classified as current depending on the maturity of the derivative.

The use of derivatives can give rise to credit and market risk. The Company tries to manage credit risk by entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Embedded derivatives

Derivatives embedded in other financial instruments or other contracts are treated as separate derivative contracts and marked-to-market when their risks and characteristics are not clearly and closely related to those of their host contracts and the host contracts are not fair valued.

Qualifying Hedges

Cash flow hedges

The Company also enters into commodity price contracts for hedging highly probable future forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity through OCI until the hedged transaction occurs, at which time, the respective gains or losses are reclassified to the Statement of Profit and Loss. Cash flow hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

There is an economic relationship between the hedged items and the hedging instruments. The Company has established a hedge ratio of 1:1 for the hedging relationships. To test the hedge effectiveness, the Company uses the hypothetical derivative method and Dollar offset method.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments.
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments.
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items.
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments.

These hedges had been effective for the year ended March 31, 2026 and March 31, 2025.

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as at and for the year ended March 31, 2026

Fair value hedges

The fair value hedges relate to commodity price risks and foreign currency exposure. The Company's sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer's facility. The Company enters into forward contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales.There were no fair value hedges for the period ended March 31, 2026.

Non-qualifying/economic hedges

Non-qualifying hedges related to commodity price risks and foreign currency exposure. The Company enters into forward foreign currency contracts and commodity contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Fair value changes on such forward contracts are recognized in the Statement of Profit and Loss.

The fair value of the Company's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows:

(₹ in Crore)

Derivative financial instruments	As at March 31, 2026		As at March 31, 2025	
	Assets	Liabilities	Assets	Liabilities
Current				
Qualifying hedges				
Cash flow hedges*				
Commodity contracts	-	319	-	-
Fair value hedge				
Forward foreign currency contracts	-	-	-	-
Non - qualifying hedges				
Commodity contracts	8	2	4	-
Forward foreign currency contracts	50	22	5	7
Total	**58**	**343**	**9**	**7**

Disclosures of effects of Cash Flow Hedge Accounting:

Hedging instruments

The Company is holding the following commodity forward contracts:

	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
At March 31, 2026						
Zinc						
Notional qty (in tonnes)	7,500	15,250	22,750	20,500	4,750	70,750
Notional amount (in ₹ Crore)#	215	441	664	615	146	2,081
Average hedged rate (in $ per tonne)	3,054	3,078	3,109	3,197	3,269	3,133
At March 31, 2025						
Zinc						
Notional qty (in tonnes)	-	-	-	-	-	-
Notional amount (in ₹ Crore)#	-	-	-	-	-	-
Average hedged rate (in $ per tonne)	-	-	-	-	-	-

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
At March 31, 2026						
Silver						
Notional qty (in tonnes)	2,57,204	5,46,556	8,19,835	2,73,275	-	18,96,870
Notional amount (in ₹ Crore)#	129	297	472	174	-	1,072
Average hedged rate (in $ per tonne)	53.31	57.83	61.29	67.86	-	60.16
At March 31, 2025						
Silver						
Notional qty (in tonnes)	-	-	-	-	-	-
Notional amount (in ₹ Crore)#	-	-	-	-	-	-
Average hedged rate (in $ per tonne)	-	-	-	-	-	

Amounts are calculated using the exchange rate of USD to INR as on March 31, 2026.

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Commodity forward contracts		
Notional amount (in ₹ Crore)	3,153	-
Carrying amount (in ₹ Crore)	319	-
Line item in the Balance Sheet that's includes Hedging Instruments	Other Current financial liabilities	NA
Change in fair value used for measuring ineffectiveness for the period - Gain/(Loss)	(319)	-

Hedge Items

The impact of the Hedged Items on the Balance Sheet is as follows:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Highly probable forecast sales		
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	(239)	-
Change in value of the hedged items used for measuring ineffectiveness for the period	(319)	-

The effect of the cash flow hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Commodity forward contracts		
Cash flow Hedge Reserve at the beginning of the year	-	-
Total hedging gain/(loss) recognised in OCI	(1,898)	124
Income tax on above	478	(31)
Line item in the statement of profit or loss that includes the recognised ineffectiveness	NA	NA
Amount reclassified from OCI to profit or loss	1,579	(124)
Income tax on above	(398)	31
Cash flow Hedge Reserve at the end of the year	(239)	-
Line item in the statement of profit or loss that includes the reclassification adjustments	NA	NA

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

Disclosures of Non qualifying Hedge:

A. The following are the outstanding forward exchange contracts entered into by the Company and outstanding as at year end

(In Crore)

Currency	Foreign currency	Indian Rupees	Buy / Sell	Cross Currency
As at March 31, 2026				
USD	0	36	Buy	INR
EUR	0	16	Buy	INR
AUD	13	733	Buy	INR
EUR	10	1,106	Buy	USD
SEK	1	5	Buy	USD
JPY	19	11	Buy	USD
AUD	1	59	Buy	USD
GBP	0	7	Buy	USD

(In Crore)

Currency	Foreign currency	Indian Rupees	Buy / Sell	Cross Currency
As at March 31, 2025				
USD	10	872	Buy	INR
EUR	0	5	Buy	INR
AUD	1	46	Buy	INR
EUR	9	828	Buy	USD
SEK	-	-	Buy	USD
JPY	14	8	Buy	USD
AUD	0	9	Buy	USD
GBP	0	11	Buy	USD

B. The following are the outstanding position of commodity hedging open contracts as at March 31, 2026 :-

Zinc forwards/futures (sale)/buy for 8,236 MT (2025: (3,330) MT)

Lead forwards/futures (sale)/buy for 365 MT (2025: (3,634) MT)

Silver forwards/futures (sale)/buy for (16,397) Oz (2025: Nil Oz)

C. All derivative and financial instruments acquired by the Company are for hedging purposes.

D. Unhedged foreign currency exposure

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Debtors	81	68
Creditors	545	546

36. CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of internal accruals, equity and short term borrowings. The Company monitors capital on the basis of gearing ratio, which is net debt divided by total capital (equity + net debt). Net debt are non-current and current debt as reduced by cash and cash equivalents, other bank balances, current investments and certain non current investments. Equity comprises all components including other components of equity.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents (see Note 11)	292	94
Other Bank balances[1] (see Note 12)	-	-
Current investments (see Note 9)	13,325	9,148
Non Current investments[2] (see Note 9)	196	182
Total cash (a)	**13,813**	**9,424**
Non Current borrowings (see Note 15)	4,614	5,990
Current borrowings (see Note 15)	3,638	4,661
Total debt (b)	**8,252**	**10,651**
Net debt (c = (b-a))	**-**	**1,227**
Equity (d) (See Statement of changes in Equity)	**22,475**	**13,290**
Total Capital (e = equity + net debt)	**22,475**	**14,517**
Gearing ratio(times) (c/e)	**-**	**0.08**

(1) The Company has included other bank balances as part of total cash. The same are excluding balances pertaining to earmarked unpaid dividend accounts and margin money deposited.

(2) excluding investment in subsidiaries, JV, preference and equity shares

37. RELATED PARTY

a. List of related parties:

Particulars

(i) Holding Companies:

Vedanta Limited (Immediate Holding Company)

Vedanta Resources Limited (Intermediate Holding Company)

Vedanta Incorporated (Erstwhile known as Volcan Investments Limited) (Ultimate Holding Company)

(ii) Wholly owned subsidiaries :

Hindustan Zinc Alloys Private Limited

Vedanta Zinc Football & Sports Foundation (Section 8 company)

Zinc India Foundation (Section 8 company)

Hindustan Zinc Fertilisers Private limited

Hindmetal Exploration Services Private Limited

(iii) Fellow Subsidiaries (with whom transactions have taken place):

Bharat Aluminium Company Limited

Sterlite Power Transmission Limited

Talwandi Sabo Power Limited

ESL Steel Limited

Malco Energy Limited

Meenakshi Energy Private Limited

Fujairah Gold FZC

Black Mountain Mining (Pty) Limited

Vizag General Cargo Berth Private Limited

Ferro Alloys Corporation Limited

Sterlite Technologies Limited

STL Digital Limited

V-Spark Deeptech Ventures Private Limited

(iv) Asscociate of ultimate parent (with whom transactions have taken place):

Serentica Renewables India 4 Private Limited

Serentica Renewables India 5 Private Limited

Serentica Renewables India 14 Private Limited

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(v) Related Party having a Significant Influence

Government of India - President of India

(vi) Other related party

Anil Agarwal Foundation
Vedanta Foundation
Minova Runaya Private Limited
Runaya Greentech Private Limited
Runaya Green Sustainable Solutions Private Limited
Grant Thorton Bharat LLP
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust
Hindustan Zinc Limited Employee's Group Gratuity Trust
Hindustan Zinc Limited Superannuation Trust

b. Transactions with Key management Personnel:

Compensation of key management personnel of the Company recognised as expense during the reporting period

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term employee benefits [1]	13	15
Post employment benefits	1	1
Share-based payment	5	3
Total compensation paid to key management personnel	**19**	**19**

(1) Excludes gratuity and compensated absences as these are recorded in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

There are no outstanding debts or loans due from directors or other officers (as defined under Section 2(59) of the Companies Act, 2013) of the Company.

c. Transactions with Government having significant influence:

Central government of India holds 27.92% shares in HZL (March 31, 2025 : 27.92%). During the year, Company has availed incentives in the form of export incentive under Export promotion and credit guarantee scheme announced by the Government of India. Also, HZL has transactions with other government related entities (Public sector undertakings) including but not limited to sales and purchase of goods and ancillary materials, rendering and receiving services and use of public utilities.

d. Transactions with Related Parties:

The details of the related party transactions entered into by the Company, for the period ended March 31, 2026 and March 31, 2025 are as follows:

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Goods & Services		
Fujairah Gold FZC	90	71
Vedanta Limited	-	1
Malco Energy Limited	2	4
Runaya Greentech Private Limited	545	185
Runaya Green Sustainable Solutions Private Limited	254	-
Ferro Alloys Corporation Limited	0	-
Hindustan Zinc Alloys Private Limited	225	166
Total	**1,116**	**427**

Notes Forming Part of the Standalone Financial Statements
as at and for the year ended March 31, 2026

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of Goods		
Vedanta Limited	2	12
Bharat Aluminium Company Limited	68	63
Minova Runaya Private Limited	217	225
Malco Energy Limited	1	98
Runaya Greentech Private Limited	578	223
Runaya Green Sustainable Solutions Private Limited	257	-
Hindustan Zinc Alloys Private Limited	10	6
Serentica Renewables India 4 Private Limited (Power)	105	108
Serentica Renewables India 5 Private Limited (Power)	88	-
Total	**1,326**	**735**
Purchase of services		
STL Digital limited (IT Service)	57	43
Sterlite Technologies Limited (IT Service)	3	7
Runaya Greentech Private Limited (O&M JW Service)	43	48
Runaya Green Sustainable Solutions Private Limited (O&M JW Service)	5	-
V-Spark Deeptech Ventures Private Limited	14	-
Grant Thorton Bharat LLP	0	-
Hindmetal Exploration Services Private Limited (Exploration service)	92	62
Total	**214**	**160**
Purchase of property, plant and equipment		
Vedanta Limited	0	0
Ferro Alloys Corporation Limited	0	0
Vizag General Cargo Berth Private Limited	0	-
Total	**0**	**0**
Transfer of Asset to subsidiary		
Hindustan Zinc Fertlisers Private Limited	-	71
Total	**-**	**71**
Transfer of Asset from subsidiary		
Hindustan Zinc Fertlisers Private Limited	-	418
Total	**-**	**418**
Sale of property, plant and equipment		
Vedanta Limited	1	0
Runaya Greentech Private Limited	-	17
Ferro Alloys Corporation Limited	0	0
STL Digital limited	-	0
Runaya Green Sustainable Solutions Private Limited	16	-
Malco Energy Limited	0	-
Total	**17**	**17**
Strategic services and Brand fees		
Vedanta Limited	1,171	658
Total	**1,171**	**658**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on Loan given		
Hindustan Zinc Alloys Private Limited	5	14
Hindustan Zinc Fertilisers Private limited	0	14
Hindmetal Exploration Services Private Limited	0	0
Total	**5**	**28**
Interest on Business Advance & Asset Sale		
Runaya Greentech Private Limited	12	10
Runaya Green Sustainable Solutions Private Limited	1	-
Total	**13**	**10**
Other recoveries#		
Vedanta Limited	7	13
ESL Steel Limited	0	0
Bharat Aluminium Company Limited	0	0
Malco Energy Limited	0	-
Talwandi Sabo Power Limited	0	0
Ferro Alloys Corporation Limited	0	0
Black Mountain Mining (Pty) Limited	2	2
Sterlite Technologies Limited	0	0
STL Digital Limited	0	0
Vizag General Cargo Berth Private Limited	-	0
Runaya Greentech Private Limited	2	1
Runaya Green Sustainable Solutions Private Limited	0	-
Minova Runaya Private Limited	0	1
Hindustan Zinc Alloys Private Limited	4	3
Vedanta Zinc Football & Sports Foundation	0	0
Zinc India Foundation	0	0
Hindustan Zinc Fertilisers Private limited	0	0
Hindmetal Exploration Services Private Limited	7	5
Total	**22**	**26**
Other Reimbursements		
Vedanta Limited*	122	28
ESL Steel Limited	-	0
Bharat Aluminium Company Limited	0	0
Malco Energy Limited	0	-
Talwandi Sabo Power Limited	0	0
Ferro Alloys Corporation Limited	0	0
Sterlite Technologies Limited	0	-
Vizag General Cargo Berth Private Limited	0	-
Meenakshi Energy Private Limited	0	0
Fujairah Gold FZC	0	-
Total	**122**	**28**

* Includes payment towards ESOS

#In earlier periods, the Company disclosed recoveries and reimbursement on a net basis. From current period onwards, recovery and recimbursement are presented separately.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Sitting fee and commission to directors		
Sitting fee and commission to directors	2	2
Total	**2**	**2**
Dividend Paid		
Vedanta Limited	2,680	7,834
Government of India	1,180	3,619
Total	**3,860**	**11,453**
Donations		
Anil Agarwal Foundation	104	50
Vedanta Foundation	1	-
Vedanta Zinc Football & Sports Foundation	9	11
Zinc India Foundation	14	17
Total	**128**	**78**
Investments made		
Serentica Renewables India 5 Private Limited	-	230
Serentica Renewables India 14 Private Limited	278	-
Total	**278**	**230**
Business advance given during the year		
Runaya Greentech Private Limited	5	55
Total	**5**	**55**
Loan Given		
Hindustan Zinc Alloys Private Limited	-	2
Hindustan Zinc Fertilisers Private limited	0	116
Hindmetal Exploration Services Private Limited	-	1
Total	**0**	**119**
Contribution to :		
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	36	42
Hindustan Zinc Limited Employee's Group Gratuity Trust	4	3
Hindustan Zinc Limited Superannuation Trust	2	3
Total	**42**	**48**

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

e. The balances receivable/payable as at year end#:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Receivable From		
Vedanta Limited*	0	3
ESL Steels limited	0	-
Malco Energy Limited	0	-
Talwandi Sabo Power Limited	-	0
Black Mountain Mining (PTY) Limited	1	2
Fujairah Gold FZC	12	6
Runaya Greentech Private Limited (advance secured)	62	69
Runaya Greentech Private Limited (advance unsecured)	56	58
Runaya Greentech Private Limited (trade receivable)	200	18
Runaya Green Sustainable Solutions Private Limited (advance secured)	18	-
Runaya Green Sustainable Solutions Private Limited (trade receivable)	142	-
Sterlite Power Transmission Limited	0	0
Ferro Alloys Corporation Limited	-	0
Vizag General Cargo Berth Private Limited	-	0
Zinc India Foundation	0	0
Vedanta Zinc Football & Sports Foundation	0	0
Hindustan Zinc Alloys Private Limited - loans receivable	-	118
Hindustan Zinc Alloys Private Limited - interest receivable	-	1
Hindustan Zinc Alloys Private Limited - Trade receivable	0	3
Hindustan Zinc Alloys Private Limited - Others receivable	1	0
Hindustan Zinc Fertilisers Private Limited - loans receivable	0	1
Hindustan Zinc Fertilisers Private Limited - interest receivable	0	0
Hindustan Zinc Fertilisers Private Limited - Other receivable	0	0
Hindmetal Exploration Services Private Limited - loans receivable	-	0
Hindmetal Exploration Services Private Limited - interest receivable	-	0
Hindmetal Exploration Services Private Limited - Other receivable	4	1
Total	**497**	**281**

*Target plus scheme("TPS") as a part of foreign trade policy was announced on August 31, 2004 w.e.f. April 01, 2004, with an objective of accelerating growth in exports. Pursuant to this scheme, Vedanta Limited ("erstwhile Sterlite Industries Ltd.")(Immediate Holding Company) had applied for TPS scrips of value of ₹ 306 Crore. However, certain retrospective amendments in this scheme were made by Directorate General of Foreign Trade ('DGFT') resulting in reduction in these scrips value by ₹ 216 Crore in which HZL had a share of ₹ 48 Crore. This was challenged by the Immediate Holding Company in the Hon'ble Supreme Court. Basis the favourable judgements from the Hon'ble Supreme Court, HZL had recognised an income of ₹ 48 Crore as an export incentive recoverable in December 2015 . However, during FY 2020-21, the TPS scrips of value of ₹ 216 Crore were issued by Directorate General of Foreign Trade ('DGFT') in the name of Vedanta Limited("Immediate Holding Company") basis which, the export incentive recoverable was reclassified to recoverable from Vedanta Limited. The Company has realised ₹ 20 Crore from Vedanta Limited on the basis of proportionate scrips utilization by Vedanta Limited and has created a provision of remaining ₹ 28 Crore considering the expiry of the utilization timeline for these scrips till February 24, 2023 and no favorable outcome of the petition filed by the Immediate Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable To		
Vedanta Limited	112	23
ESL Steels limited	-	0
Bharat Aluminium Company Limited	7	3
Ferro Alloys Corporation Limited	0	-
Malco Energy Limited	6	12
Talwandi Sabo Power Limited	0	-
Minova Runaya Private Limited	5	11
STL Digital	6	1
Sterlite Technologies Limited	1	1
Serentica Renewables India 4 Private Limited	18	5

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Serentica Renewables India 5 Private Limited	7	-
Sterlite Power Transmission Limited	-	0
V-Spark Deeptech Ventures Private Limited	12	-
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	8	9
Hindustan Zinc Limited Employee's Group Gratuity Trust	22	1
Runaya Greentech Private Limited	216	19
Runaya Green Sustainable Solutions Private Limited	136	-
Anil Agarwal Foundation	4	-
Vedanta Zinc Football & Sports Foundation	2	1
Zinc India Foundation	3	3
Hindustan Zinc Alloys Private Limited	1	0
Hindmetal Exploration Services Private Limited	23	12
Total	**589**	**101**

#In earlier periods, the Company disclosed Related Party balances on a net basis. From current year onwards, receivable and payable balances are presented separately.

f. Non- Current Investments at year end:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Serentica Renewables India 4 Private Limited (FVTOCI)	56	56
Serentica Renewables India 4 Private Limited (FVTPL)	224	224
Serentica Renewables India 5 Private Limited (FVTOCI)	33	33
Serentica Renewables India 5 Private Limited (FVTPL)	328	328
Serentica Renewables India 14 Private Limited (FVTPL)	278	-
Total	**919**	**641**

g. Commitments:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Letter of Comfort/Bank Limits assigned		
Hindustan Zinc Alloys Private Limited (Refer Note 30(d)(ii))	66	66
Total	**66**	**66**
Other commitments		
Serentica Renewables India 4 Private Limited (Refer Note 30(d)(i))	70	70
Serentica Renewables India 5 Private Limited (Refer Note 30(d)(i))	77	77
Serentica Renewables India 14 Private Limited (Refer Note 30(d)(i))	49	327
Total	**196**	**474**

h. Terms and conditions of related party transactions:

Transactions during the year are reported excluding GST and other applicable taxes, if any.

Sales made to/purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties.

Trade receivables and Trade payables outstanding balances are unsecured, require settlement in cash and no guarantee or other security has been received/ given against these receivables/ payables (except for balances in Note 7).

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

38. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance*
Current ratio	Current Assets	Current Liabilities (excluding current maturities of long term borrowings)	2.18	1.38	58%
Debt- Equity Ratio	Debt [Debt is long term borrowing (current & non current portion) and Short Term Borrowing]	Shareholder's Equity	0.37	0.80	(54%)
Debt Service Coverage ratio	Earning before Interest, Tax, Depreciation & Amortisation (EBITDA) and exceptional items	Interest expense on long term and short term borrowing during the period + Scheduled principal repayment of long term borrowing during the year	4.92	4.58	7%
Return on Equity ratio	Net Profit after tax (PAT) before exceptional items(net of tax)	Average Shareholder's Equity	77%	72%	7%
Inventory Turnover ratio	Revenue from operations - Earning before Interest, Tax, Depreciation & Amortisation (EBITDA) and exceptional items	Average Inventory	9.48	8.72	9%
Trade Receivable Turnover Ratio	Revenue from operations (including Other operating income)	Average Trade Receivable	159.13	248.86	(36%)
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	7.12	7.68	(7%)
Net Capital Turnover Ratio	Revenue from operations (including Other operating income)	Working capital = Current assets – Current liabilities excluding current maturities of long term borrowing	4.54	10.65	(57%)
Net Profit ratio	Net Profit after tax (PAT) before exceptional items(net of tax)	Revenue from operations (including Other operating income)	34%	30%	12%
Return on Capital Employed	Earnings before interest and taxes (EBIT)	Average Capital Employed Capital Employed= Net Worth + Total Debt [Debt is long term borrowing (current & non current portion) and Short Term Borrowing]	67%	58%	16%
Return on Investment	Income on investments(including interest income on Bank deposits with original maturity of more than 12 months)	Average Investments(including Bank deposits with original maturity of more than 12 months)	7%	8%	(10%)

*Reason for Variance more than 25%

1. **Current Ratio:** Current ratio is higher mainly on increase in current investments.
2. **Debt Equity ratio:** Debt Equity ratio is lower on account of decrease in borrowings during the year and higher shareholder's equity.
3. **Trade receivable turnover ratio:** Trade receivable turnover ratio is lower on account of increase in outstanding trade receivables as at year end.
4. **Net capital turnover ratio:** Net capital turnover ratio is lower on account of increase in current assets and sales.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

39. (I) LOANS AND ADVANCE(S) IN THE NATURE OF LOAN (REGULATIONS 34 (3) AND 53 (F) READ TOGETHER WITH PARA A OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS, 2015)

a) Subsidiaries

Name of the company	Relationship	Rate of Interest	Due date of payment	Purpose	Maximum Amount Outstanding during the year	As at March 31, 2026	As at March 31, 2025
Hindustan Zinc Alloys Private Limited	Wholly owned subsidiary	Interest rate based on comparitive quotes taken from bank linked with Repo rate plus spread ranging from 2% to 3%	The loan shall be repaid within a period of 1 to 3 years	The loan has been granted to subsidiaries for business/ project/ working capital requirements.	118	-	118
Hindustan Zinc Fertilizers Private Limited	Wholly owned subsidiary				1	0	1
Hindmetal Exploration Services Private Limited	Wholly owned subsidiary				0	-	0

All the above loan amount have been given for business purpose

39. (II) INFORMATION OF INVESTMENTS MADE IN SUBSIDIARY AND JOINT VENTURE

Following is the key information of investee entities :

Name of the Investee	Relationship	Principal place of business	March 31, 2026	March 31, 2025
Hindustan Zinc Alloys Private Limited	Wholly owned subsidiary	India	100%	100%
Hindustan Zinc Fertilizers Private Limited	Wholly owned subsidiary	India	100%	100%
Hindmetal Exploration Services Private Limited	Wholly owned subsidiary	India	100%	100%
Zinc India Foundation	Wholly owned subsidiary	India	100%	100%
Vedanta Zinc Football & Sports Foundation	Wholly owned subsidiary	India	100%	100%
Madanpur South Coal Company Limited	Joint venture	India	18.05%	18.05%

The Company has accounted for investments in the above entities at cost less impairment loss, if any.

40. SUBSEQUENT EVENTS

There are no material events which requires adjustment.

41. AUDIT TRIAL NOTE

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software both at the application as well as at the database level. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective years.

42. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

Notes Forming Part of the Standalone Financial Statements

as at and for the year ended March 31, 2026

(iii) The Company does not have any transactions with companies struck off.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) The Company has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

43. OTHER INFORMATION

During the year, a short seller had published reports alleging certain matters against some of the Vedanta Group entities including Hindustan Zinc Limited. Based on its assessment, management of the Company continues to believe that these allegations are baseless and that the transactions stated in the allegations have appropriate commercial substance and that the said transactions have been duly approved through necessary processes and the Company remains compliant with contractual obligations and applicable laws and regulations, and basis management's assessment, no adjustments are required in standalone financial statements of the Company.

During the period, information sought by regulators/authorities have been duly provided by the company. No further communication has been received by the company as of date. Accordingly, management believes that no adjustments are required to these standalone financial statements of the company for the year ended March 31, 2026 or any prior periods.

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

As per our report on even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Sandeep Modi
Chief Financial Officer

Date: April 24, 2026
Place: Udaipur

Pallavi Joshi Bakhru
Director
DIN: 05126618
Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Independent Auditor's Report

To the Members of Hindustan Zinc Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Hindustan Zinc Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Cash Flow and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

EMPHASIS OF MATTER

We draw attention to Note 43 to the consolidated financial statements, regarding allegations made during the year by a short seller, and ongoing matters for which information has been sought by regulators/authorities, and Management's assessment thereof/responses thereto. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Claims and exposure relating to taxation and litigation *(as described in Note 3(I)(v), Note 3(III)(B)(i), 30 and 32(c)(ii) of the consolidated financial statements)*	
The Holding Company is subject to several legal and tax related claims and exposures which have been either disclosed or accounted for in the accompanying consolidated financial statements. Taxation and litigation exposures have been identified as a key audit matter due to complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the consolidated financial statements. Significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed.	Our audit procedures included the following: • Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. For selected controls, we have performed test of controls. • Obtained the year end summary of Holding Company's legal and tax cases and assessed management's position through discussions with the General Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss. • For selected cases, we have obtained independent external lawyer confirmations from Legal Counsels of the Holding Company who are contesting the cases. • Inspected external legal opinions and/ or past judicial orders, wherever considered necessary, and other evidence to evaluate the management's assessment in respect of legal claims. • Engaged tax specialists to technically assess the management's assessment on certain tax disputes and positions. • Assessed the relevant disclosures made within the consolidated financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures as per the requirements of relevant accounting standards.
Transactions with the Related parties *(as described in Note 37 of the consolidated financial statements)*	
During the year, the Holding Company has undertaken transactions with related parties including parent company, fellow subsidiaries and other related parties. Such transactions, includes transactions with related parties which are consolidated within Immediate Parent Group like the payment of strategic services and brand fee and those which are outside of Immediate Parent Group Companies like power delivery agreements, residue treatment contract, sale of property, plant & equipment and IT service agreement. Accounting and disclosure of such related party transactions has been identified as a key audit matter due to a) Significance of such related party transactions; b) Risk of such transactions being executed without proper authorizations; c) Risk of such transactions being executed without adequate justification, inherent risk of management bias and not at arm's length pricing d) Risk of material information relating to aforesaid transactions not getting disclosed in the consolidated financial statements. e) Increased focus of regulatory bodies on accounting and disclosure of related party transactions in compliance with applicable laws and accounting standards.	Our audit procedures included the following: • Obtained and read the Holding Company's policies, processes and procedures in respect of identification of such related parties both within the Immediate Parent Group and Outside of Immediate Parent Group, in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls. • On sample basis tested some related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Holding Company. • Examined, where applicable, the approvals of the board and audit committee of these transactions. • Obtained and read the reports including the half yearly report for review of related party transactions and benchmarking report issued by the experts engaged by the management for the payment towards strategic services and brand fees and Power delivery agreement. • Assessed the competence and objectivity of the external experts. • Held discussions and obtained representations from the management in relation to such transactions. • Engaged internal transfer pricing experts to evaluate the arm's length pricing of selected related party transactions. • Read the disclosures made in this regard in the consolidated financial statements and assessed whether relevant and material information have been disclosed.

We have determined that there are no other key audit matters to communicate in our report.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies) 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective company(ies) to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective company(ies).

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements and other financial information, in respect of 4 subsidiaries whose financial statements include total assets of ₹ 3,708 lakhs as at March 31, 2026, and total revenues of ₹ 11,606 lakhs and net cash inflows of ₹ 135 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors, also refer note(h)(vi) below;

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary companies incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 3(I)(v), 3(III)(B)(i), 30 and 32(c)(ii) to the consolidated financial statements;

      ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2026. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries incorporated in India during the year ended March 31, 2026.

iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the Note 42 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in the Note 42 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The interim dividend declared and paid during the year by the Holding Company until the date of the audit report of such Holding Company is in accordance with section 123 of the Act. Further, no dividends has been declared or paid during the year by the subsidiaries incorporated in India during the year ended March 31, 2026.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and as described in Note 41, the Holding Company and its subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in respect of other accounting software. Additionally, the audit trail of relevant prior year(s) has been preserved by the Holding Company and the above referred subsidiaries as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective year, as stated in Note 41 to the consolidated financial statements.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

_____
per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 26501160PCAMOW1195

Place of Signature: Ahmedabad
Date: April 24, 2026

Annexure '1'

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: **Hindustan Zinc Limited ("the Company")**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

_____
per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 26501160PCAMOW1195

Place of Signature: Ahmedabad
Date: April 24, 2026

Annexure 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN ZINC LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Hindustan Zinc Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to 4 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

_____
per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 26501160PCAMOW1195

Place of Signature: Ahmedabad
Date: April 24, 2026

Consolidated Balance Sheet

as at March 31, 2026

(₹ in Crore)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	19,846	18,485
b) Capital work-in-progress	4A	3,409	2,606
c) Intangible assets	5		
(i) Exploration intangible assets under development		48	65
(ii) Other intangible assets		43	58
d) Investments in joint venture	9	-	-
e) Financial assets			
i) Investments	9	1,114	823
ii) Loans	6	1	1
iii) Other financial assets	13	71	95
f) Income tax assets	32	135	140
g) Other non-current assets	7	1,103	591
Total Non-current assets		**25,770**	**22,864**
Current assets			
a) Inventories	8	2,054	1,889
b) Financial Assets			
i) Investments	9	13,354	9,149
ii) Trade receivables	10	399	117
iii) Cash and cash equivalents	11	297	96
iv) Other Bank balances	12	22	81
v) Loans	6	1	1
vi) Other financial assets	13	64	41
c) Income tax assets	32	-	1
d) Other current assets	7	409	251
Total Current assets		**16,600**	**11,626**
TOTAL ASSETS		**42,370**	**34,490**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14	845	845
b) Other equity		21,784	12,481
Total Equity		**22,629**	**13,326**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,614	5,990
ii) Lease Liabilities	33	292	178
iii) Other financial liabilities	16	129	342
b) Provisions	17	200	200
c) Deferred tax liabilities (net)	32	2,265	2,292
d) Other non-current liabilities	18	967	963
Total Non-current liabilities		**8,467**	**9,965**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	3,638	4,661
ii) Lease Liabilities	33	184	138
iii) Operational buyers' credit/ suppliers' credit	19	105	569
iv) Trade payables	20	3,073	2,204
v) Other financial liabilities	16	2,817	1,717
b) Other current liabilities	18	1,039	1,579
c) Provisions	17	32	19
d) Current tax liabilities (net)	32	386	312
Total Current liabilities		**11,274**	**11,199**
TOTAL EQUITY AND LIABILITIES		**42,370**	**34,490**

See accompanying notes to consolidated financial statements.

As per our report on even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN: L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Sandeep Modi
Chief Financial Officer

Date: April 24, 2026
Place: Udaipur

Pallavi Bakhru
Director
DIN: 01526618
Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

(₹ in Crore unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
a. Revenue	21A	39,192	33,041
b. Other operating revenue	21B	1,652	1,042
Total Revenue from operations (a+b)		**40,844**	**34,083**
Other income	22	1,090	983
Total Income		**41,934**	**35,066**
Expenses:			
Change in inventories of finished goods and work-in-progress	23	(195)	(64)
Employee benefits expense	24	771	886
Power and fuel		2,553	2,702
Mining Royalty		4,948	4,103
Finance costs	25	881	1,095
Depreciation and amortization expense	26	3,790	3,640
Other expenses	27	10,703	9,068
Total expenses		**23,451**	**21,430**
Profit before exceptional items and tax		**18,483**	**13,636**
Exceptional gain/(loss) (net)	28	25	(83)
Profit before tax		**18,508**	**13,553**
Tax expense :			
Current tax	32	4,599	3,226
Deferred tax charge/(credit)	32	77	(26)
Total tax expenses		**4,676**	**3,200**
Profit for the year		**13,832**	**10,353**
Other comprehensive income/(loss)			
A) Items that will not be reclassified to profit or loss in subsequent period			
(a) Remeasurement gain/(loss) of the defined benefit plans		11	8
(b) Tax (expense)		(1)	(4)
B) Items that will be reclassified to profit or loss in subsequent period			
(a) (Loss) on cash flow hedges recognised during the year		(319)	-
(b) Tax credit		80	-
(a) Net gain on FVTOCI debt investments		0	30
(b) Tax (expense)		(0)	(3)
Total other comprehensive (loss)/income for the year, net of tax		**(229)**	**31**
Total comprehensive income for the year, net of tax		**13,603**	**10,384**
Earnings per share attributable to the owners of the Company (nominal value of shares ₹ 2 (March 31, 2025: ₹ 2)			
- Basic earnings per share (₹)	29	32.74	24.50
- Diluted earnings per share (₹)	29	32.74	24.50

See accompanying notes to consolidated financial statements.

As per our report on even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN: L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Sandeep Modi
Chief Financial Officer

Date: April 24, 2026
Place: Udaipur

Pallavi Bakhru
Director
DIN: 01526618
Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Consolidated Statement of Cash Flow

for the year ended March 31, 2026

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	18,508	13,553
Adjustments to reconcile profit to net cash provided by operating activities:		
Exceptional item	(25)	56
Depreciation and amortization expense	3,790	3,640
Finance Cost	881	1,095
Interest and dividend income	(795)	(705)
Amortization of deferred revenue arising from government grant	(193)	(176)
Net Loss on investments measured at FVTPL [refer Note 27]	12	28
Net Loss on foreign exchange	17	9
Net Loss on sale of property, plant and equipment	16	43
Net (Gain) on sale of current investments	(33)	(63)
Operating profit before working capital changes	**22,178**	**17,480**
Working capital changes		
(Increase)/Decrease in Inventories	(165)	37
(Increase)/Decrease in Trade receivables	(282)	38
(Increase)/Decrease in Other assets (current)	(182)	212
Decrease/(Increase) in Other assets (non current)	20	(91)
Increase in Trade payables	869	99
(Decrease)/Increase in Operational buyers' credit/ suppliers' credit	(464)	170
(Decrease) in Other liabilities (current & non current)	(414)	(400)
Cash flows from operations	**21,560**	**17,545**
Income taxes paid (net of refund)	(4,552)	(3,385)
Net cash flows from operating activities	**17,008**	**14,160**
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of Property, plant and equipment (including intangibles, CWIP and capital advances)	(5,275)	(4,006)
Interest received	718	663
Deposits made during the year	(377)	(984)
Deposits matured during the year	431	1,022
Purchase of Non current investments	(278)	(230)
Purchase of current investments	(22,663)	(23,902)
Proceeds from sale of current investments	18,525	24,724
Proceeds from sale of Property, plant and equipment	13	7
Net cash flows (used in) investing activities	**(8,906)**	**(2,706)**
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and other finance charges paid	(978)	(1,209)
Proceeds from short term borrowings	-	9,965
Repayment of short term borrowings	(1,933)	(9,536)
(Repayments) of working capital loan (net)	-	(8)
Proceeds from long term borrowings	3,165	4,547
Repayment of long term borrowings	(3,625)	(2,783)
Payment towards ESOS	(99)	-
Principal payment of lease liabilities	(161)	(106)
Interest payment of lease liabilities	(45)	(28)
Dividend paid	(4,225)	(12,253)
Net cash flows (used in) financing activities	**(7,901)**	**(11,411)**
Net Increase in Cash and cash equivalents	201	43
Cash and cash equivalents at the beginning of the year	96	53
Cash and cash equivalents at the end of the year (refer Note 11)	**297**	**96**

Note:-

1. The figures in brackets indicate outflows.
2. The above cash flow has been prepared under "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows.
3. Non cash movement in financing activities to be referred in Note 15 and Note 33

See accompanying notes to consolidated financial statements.

As per our report on even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN: L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Sandeep Modi
Chief Financial Officer

Date: April 24, 2026
Place: Udaipur

Pallavi Bakhru
Director
DIN: 01526618
Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Numbers of shares (in Crore)	₹ in Crore
As at March 31, 2024	**423**	**845**
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2025	**423**	**845**
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2026	**423**	**845**

B. OTHER EQUITY

₹ in Crore

Particulars	Reserve and surplus		Items of Other comprehensive income			Total
	Capital Reserve	Retained earnings[1]	General reserve[1]	Hedging reserve	Debt instruments at FVTOCI	
Balance as at April 01, 2025	**1**	**12,481**	**-**	**-**	**(1)**	**12,481**
Profit for the year	-	13,832	-	-	-	13,832
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Payment towards ESOS		(99)				(99)
Tax effect on payment towards ESOS		25				25
Other comprehensive income/(loss)						
(a.) Remeasurement gain of the defined benefit plans	-	11	-	-	-	11
Tax effect on above	-	(1)	-	-	-	(1)
(b.) (Loss) on cash flow hedges recognised during the year	-	-	-	(319)	-	(319)
Tax effect on above	-	-	-	80	-	80
(c.) Net gain on FVTOCI investments	-	-	-	-	0	0
Tax effect on above	-	-	-	-	(0)	(0)
Total Other comprehensive income/(loss) for the year	**-**	**10**	**-**	**(239)**	**0**	**(229)**
Total comprehensive income/(loss) for the year	**-**	**13,767**	**-**	**(239)**	**0**	**13,528**
Dividend declared - Paid	-	(4,225)	-	-	-	(4,225)
Balance as at March 31, 2026	**1**	**22,023**	**-**	**(239)**	**(1)**	**21,784**
Balance as at April 01, 2024	**1**	**3,994**	**10,383**	**-**	**(28)**	**14,350**
Profit for the year	-	10,353	-	-	-	10,353
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Transferred to retained earnings on scheme of arrangement [1]	-	10,383	(10,383)	-	-	-
Other comprehensive income/(loss)						
(a.) Remeasurement gain of the defined benefit plans	-	8	-	-	-	8
Tax effect on above	-	(4)	-	-	-	(4)
(b.) Gain on cash flow hedges recognised during the year	-	-	-	-	-	-
Tax effect on above	-	-	-	-	-	-
(c.) Net gain on FVTOCI investments	-	-	-	-	30	30
Tax effect on above	-	-	-	-	(3)	(3)
Total Other comprehensive income/(loss) for the year	**-**	**4**	**-**	**-**	**27**	**31**
Total comprehensive income/(loss) for the year	**-**	**20,740**	**(10,383)**	**-**	**27**	**10,384**
Dividend declared - Paid	-	(12,253)	-	-	-	(12,253)
Balance as at March 31, 2025	**1**	**12,481**	**-**	**-**	**(1)**	**12,481**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

(1) General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

During the year ended March 31, 2022 the Board of Directors of the Company, Audit & Risk Management Committee and Committee of Independent Directors of the Company, at its meeting held on January 21, 2022 had approved the Scheme of Arrangement ("Scheme") between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme inter alia provided for capital reorganization of the Company, whereby it is proposed to transfer amounts standing to the credit of the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date. During the year ended March 31, 2023, Securities and Exchange Board of India (through BSE Limited and National Stock Exchange of India Limited), BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") have approved the scheme. Further, the Hon'ble National Company Law Tribunal ('NCLT'), Jaipur Bench vide its order dated February 06, 2023, approved the scheme and directed to convene shareholders meeting for their approval. NCLT convened shareholders meeting was held on March 29, 2023, where in shareholders also approved the subject scheme. The Company had accordingly filed a petition with the Hon'ble NCLT for sanction of the Scheme. During the previous year, the Hon'ble NCLT vide its order dated July 16, 2024 has sanctioned the Scheme and the certified true copy of the said Order was filed with the Registrar of Companies on July 22, 2024, and accordingly the Scheme came into effect. The Company will maintain minimum net worth of ₹ 5,000 Crore as per the undertaking given to NCLT and as mentioned in the order.

(2) During the year, pursuant to the acquisition of equity shares of Vedanta Limited by the Vedanta ESOS trust for allotment of shares under ESOS 2016 to employees of the Group, an incremental amount of ₹ 99 Crore, arising due to an increase in the market price of such shares, was reimbursed by the Group to Vedanta Limited. For other details on ESOS, refer Note 24 (employee benefit expense).

See accompanying notes to consolidated financial statements.

As per our report on even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

For and on behalf of the Board of Directors
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Director
DIN: 01526618
Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

1. GROUP OVERVIEW

Hindustan Zinc Limited ("HZL" or "the Company") (CIN: L27204RJ1966PLC001208) and its consolidated subsidiaries (collectively, the "Group") is engaged in exploring, extracting, processing of minerals and manufacturing of metals and its alloys. The Company is a public limited company incorporated in India on January 10, 1966 and has its registered office at Yashad Bhawan, Udaipur (Rajasthan). HZL's shares are listed on National Stock Exchange and Bombay Stock Exchange.

The company is majorly owned by Vedanta Limited which is ultimately held by Vedanta Incorporated (formerly known as Volcan Investments Limited). Vedanta Limited holds 60.71% of the Company's equity as at March 31, 2026 (March 31, 2025: 63.42%).

Details of Group's various businesses are as follows. The Group's percentage holdings in each of the below businesses are disclosed in Note 38.

1. HZL's operations include five zinc-lead mines, four zinc smelters, one lead smelter, one zinc-lead smelter, eight sulphuric acid plants, one silver refinery plant, six captive thermal power plants and four captive solar plants in the state of Rajasthan. In addition, HZL also has a rock-phosphate mine in Matoon, near Udaipur in Rajasthan and zinc, lead, silver processing and refining facilities in the state of Uttarakhand. The Group also has wind power plants in the states of Rajasthan, Gujarat, Karnataka, Tamil Nadu and Maharashtra and solar power plants in the state of Rajasthan.
2. Hindustan Zinc Alloys Private Limited ("HZAPL") is engaged in manufacturing of metals and its alloys.
3. Vedanta Zinc Football & Sports Foundation ("VZFSF") is a section 8 company engaged in CSR activities for HZL pertaining to sports.
4. Zinc India foundation ("ZIF") is a section 8 company engaged in CSR activities for HZL.
5. Hindustan Zinc Fertilisers Private limited ("HZFPL") is engaged in Fertiliser Business.
6. Hindmetal Exploration Services Private Limited ("HESPL") is engaged in Exploration activities.

The consolidated financial statements are approved for issue by the Board of Directors on April 24, 2026. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Companies Act, 2013.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time) and presentation requirement of Division II of schedule III to the Companies Act 2013 (Ind AS compliant Schedule III), as applicable. These consolidated financial statements have been prepared on a going concern basis using historical cost convention and on the accrual basis except for financial instruments which are measured at fair values (refer Note 3(I)(b) below).

Accounting policies have been consistently applied in all material aspects except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Also refer Note 3(II).

3. (I) MATERIAL ACCOUNTING POLICIES

a) Basis of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the results of the Company and all its subsidiaries (the ""Group""), being the entities that it controls.

The financial statements of subsidiaries are prepared for the same reporting year as the parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. Intra-Group balances and transactions, and any unrealized profit arising from intra-Group transactions, are eliminated. Unrealized losses are eliminated unless costs cannot be recovered.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated statement of Profit and Loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

(ii) Joint Venture

The group holds an interest in a joint venture, Madanpur South Coal Company Limited, A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint venture is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Currently, the Group does not consolidate the joint venture as there are no activities carried out in the joint venture, and it is not material to the Group.

(iii) Equity method of accounting

Under the equity method of accounting applicable for investments in joint ventures, investments are initially recorded at the cost to the Group and then, in subsequent periods, the carrying value is adjusted to reflect the Group's share of the post-acquisition profits or losses of the investee, and the Group's share of other comprehensive income of the investee, other changes to the investee's net assets and is further adjusted for impairment losses, if any. Dividend received or receivable from joint-ventures are recognised as a reduction in carrying amount of the investment.

If the Group's share of losses in a joint venture equals or exceeds its interests in the associate or joint venture, the Group discontinues the recognition of further losses. Additional losses are provided for, only to the extent that the Group has incurred legal or constructive obligations.

b) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

c) Current and non-current classification

The assets and liabilities are classified as current/ non-current based on the operating cycle, which has been identified as 12 months.

d) Functional and presentation currency

The consolidated financial statements are prepared in Indian Rupees (₹), which is the Group's functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest Crore. Amounts less than ₹ 0.50 Crore have been presented as "0".

e) Revenue recognition

(i) Sale of goods (Products, Scrap and residual)

Revenue from contracts with customers is recognised when control (as defined in Ind AS 115) of the goods or services is transferred to the customer as per the terms of contract, which usually, is at the time of dispatch of goods to the customer or on the delivery of goods to a carrier responsible for transporting the goods to the customer, or on the date of bill of lading on delivery of the goods to the carriers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by-products are included in revenue. The Group has generally concluded that it is the principal in its revenue arrangements.

Goods are often sold with volume discounts based on aggregate sales over a 12-month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 0-180 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as per the contractual terms as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Certain of the Group's sales contracts provide for provisional pricing based on the price on the London Metal Exchange (LME), as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments i.e., the consideration received post transfer of control are included in total revenue from operations on the face of the Statement of Profit and loss. Final settlement of the price is based on the applicable price for a specified future period. The Group's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Contract Assets

Trade Receivable

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3(i) Financial instruments - Initial recognition and subsequent measurement.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(ii) Income from wind energy

Revenue from sale of wind power is recognised when delivered i.e., at a point in time and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable. The Group has generally concluded that it is the principal in its revenue arrangements.

(iii) Dividends

Dividend income is recognized in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(iv) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) Others

Revenue relating to insurance claims and interest on delayed or overdue payments from trade receivable is recognized when no significant uncertainty as to measurability or collection exists.

f) Property, plant and equipment

(i) Property, plant and equipment other than mining properties

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use.

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

cost of replacing part of the plant and equipment and borrowing costs for qualifying assets if the recognition criteria are met. The present value of the expected cost for the decommissioning of an asset and mine restoration after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Major machinery spares and parts are capitalized when they meet the definition and recognition criteria of Property, Plant and Equipment. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if recognition criteria is met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in the Statement of Profit and Loss.

Government grant related to property, plant and equipment is capitalized along with the asset that it relates to and depreciated over the life of the primary asset.

(ii) Mining properties

The costs of mining properties, which include the costs of developing mining properties are capitalized as Property, Plant and Equipment under the heading “Mining properties” in the year, when a decision is taken that a Mining property is viable for commercial production (i.e. when the Group determines that the Mining Property will provide sufficient and sustainable return relative to the risks and the Group decided to proceed with the mine development), All further pre-production primary development expenditure other than land, buildings, plant and equipment is capitalized as developing asset until the mining property are capable of commercial production. Revenue derived during the project phase is adjusted from the cost incurred on the project from which such revenue is generated.

(iii) Capital work in progress (CWIP)

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized in CWIP until the period of commissioning has been completed and the asset is ready for its intended use.

Capital work in progress is carried at cost less accumulated impairment losses, if any.

(iv) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment and other than mining properties has been provided on the straight-line method over their estimated useful life.

- Depreciation has been provided over remaining useful life or life of replaced part whichever is shorter of the respective property, plant and equipment 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.
- Mining properties are amortized, from the date on which they are first available for use, in proportion to the annual ore raised to the remaining commercial ore reserves (on a unit-of-production basis) over the total estimated remaining commercial reserves of each property or group of properties and are subject to impairment review. Commercial reserves are proved and probable reserves and any changes affecting unit of production calculations are dealt with prospectively over the revised remaining reserves. In the year of abandonment of mine, the residual balance in mining properties is written off. Costs used in the computation of unit of production comprises the net book value of the capitalised costs plus the future estimated costs required to be incurred to access the commercial reserves.
- Based on technical evaluation, the management believes that the useful lives as given below best represent the period over which the management expects to use the asset. Management's assessment takes into account, inter alia, the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

Assets	Useful life in years (as per Sch II)
Buildings	
Factory	30 years
Residential	60 years
Roads	5-10 years
Computers and data processing equipment (included in office equipment’s)	3-6 years
Plant and Equipment (Including captive power plant)	8-40 years
Railway sidings	15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, the Group determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Group’s fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Group’s buildings and office properties.

(v) Exploration & evaluation assets:

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred.

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore, are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration and evaluation assets are assessed for impairment and impairment loss, if any, is recognised prior to reclassification.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources.

vi) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of the funds.

g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets are amortized over their estimated useful life. Amounts paid for securing mining rights are amortized over the period of mining lease of 20 years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

h) Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units.

Impairment tests are carried out annually for all assets when there is an indication of impairment. The group assesses at each reporting date, whether there is an indication that an asset may be impaired. The Group conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognized impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognized impairment losses.

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If any such indication exists then an impairment review is undertaken, the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Group's continued use and cannot take into account future development.

The carrying amount of the Cash Generating Unit ('CGU') is determined on a basis consistent with the way the recoverable amount of the CGU is determined.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets – recognition and subsequent measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets except treasury investment that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset. Treasury investments are accounted for when the amount is settled in Bank account. Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115. For purposes of subsequent measurement, financial assets are classified in three categories:

- **Financial assets at amortized cost**

  A 'financial asset' is measured at the amortized cost if both the following conditions are met:

  a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

  A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

  a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

  b) The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income,

  impairment losses and reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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For equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. The Group has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

- **Financial assets at fair value through Statement of Profit and Loss (FVTPL)**

  FVTPL is a residual category for debt instruments and default category for equity instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI, is classified as at FVTPL.

  Debt instrument included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

  Further, the provisionally priced trade receivables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Financial assets - derecognition

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables
- Financial assets that are debt instruments and are measured as at FVTOCI

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss (P&L). The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities – recognition and subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

- Financial Liabilities at amortized cost (Loans, Borrowings and Trade and Other payables)

  After initial recognition, interest-bearing loans, borrowings and Trade and Other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

  Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Financial liabilities - derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through Profit or Loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though Profit or Loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

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Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, and commodity price risks, the Group enters into forward currency contracts, commodity contracts and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges
- Cash flow hedges

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss. When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in the Statement of Profit and Loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of Profit and Loss.

Amounts recognized as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

k) Government grants, subsidies and export incentives

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

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When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

l) Inventories

Inventories are valued at the lower of cost and net realizable value.

Costs comprise direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost of different categories of inventories are accounted for as follows:

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

(ii) Stores and spares are valued at lower of cost and net realizable value on weighted average basis.

(iii) By-products like Sulphuric acid, aluminium scrap, chemical lead scrap, anode scrap and coke fines are valued at net realizable value.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

Inventories of 'Fuel Stock' mainly consist of coal which is used for generating power. On consumption, the cost is charged off to 'Power and Fuel' charges in the statement of profit and loss.

Provisions are made to cover slow moving and obsolete items based on historical experience of utilization.

m) Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
- Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give to equal taxable and deductible taxable differences.
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

n) Retirement and other Employee benefit schemes

i. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

ii. Post-Employment Benefits

Gratuity

In accordance with the Payment of Gratuity Act of 1972, the Group contributes to a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed at least 5 years of service; at retirement, disability or termination of employment being an amount equal to 15 days' salary (based on the respective employee's last drawn salary) for every completed year of service.

Based on actuarial valuations conducted as at year end, a provision is recognized in full for the benefit obligation over and above the funds held in the Gratuity Plan.

In respect of defined benefit schemes, the assets are held in separately administered funds. In respect of defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation separately each year using the projected unit credit method by independent qualified actuary as at the year end.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The Group recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Provident Fund

The Group offers retirement benefits to its employees, under provident fund scheme which is a defined benefit plan. The Group and employees contribute at predetermined rates to 'Hindustan Zinc Limited Employee's Contributory Provident Fund' ('Trust') accounted on accrual basis and 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. The contribution towards provident fund is recognized as an expense in the Statement of Profit and Loss.

Family Pension

The Group offers its employees benefits under defined contribution plans in the form of family pension scheme. Contributions are paid during the year into the fund under statutory arrangements. The contribution to family pension fund is made at predetermined rates by the Group based on prescribed rules of family pension scheme. The contribution towards family pension is recognized as an expense in the Statement of Profit and Loss. The Group has no further obligation other than the contribution made.

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Superannuation

Certain employees of the Group, who have joined post disinvestment are members of the Superannuation plan. The Group has no further obligations to the Plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India. The contribution is recognized as an expense in the Statement of Profit and Loss.

With respect to defined contribution plans if the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

iii. Other Long-Term Employee Benefits

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

Actuarial differences are recognised immediately in the Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

o) Provision

Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

(i) Provision for Decommissioning

The Group recognizes a provision for decommissioning costs of smelting and refining facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at pre-tax rate that reflects the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(ii) Provision for Restoration, rehabilitation and environmental costs

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or on-going production of a mine. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalized at the start of each project as mining properties, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision (considered as finance cost). The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate as per the depreciation policy.

Costs for the restoration of subsequent site damage, which is caused on an on-going basis during production, are charged to the Statement of Profit and Loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.

p) Foreign currency translation

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

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In the financial statements of the Group, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

q) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker i.e., CEO. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/ expenses/ assets/ liabilities".

s) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (h) Impairment of non-financial assets.

Right-of-use assets are depreciated on a straight-line basis over lease term (ranging upto 20 years for underlying assets other than land) or the estimated useful lives of the assets in case the Group has option and is reasonable to acquire the asset after the completion of lease term.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

t) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and

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which are subject to an insignificant risk of change in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

u) Operational buyers' credit/suppliers' credit

The Group enters into arrangements where by banks and financial institutions make direct payments to suppliers for goods and services. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled up to twelve months from the date of agreement. Where these arrangements are for goods used in the normal operations of the Group with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/suppliers' credit and disclosed on the face of the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Group is treated as a cash outflow from operating activity reflecting the substance of the payment.

v) Provisions, contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in Statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Balance Sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as Contingent liabilities and disclosed in the notes but are not reflected as liabilities in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the consolidated financial statements when an inflow of economic benefit is probable.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet but disclosed in the financial statement.

w) Exceptional Items

Exceptional items are those items that management considers, by virtue of their size, nature or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's results and require separate disclosures in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in Note 28.

3. (II) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025.

The amendments do not have any impact on the Group's financial statements.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement. Please refer to Note 19 and Note 35.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments do not have an impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules.

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Standards issued but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group will adopt these new and amended standards, when they become effective.

(i) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants and Ind AS 10 Events after the Reporting Period

Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver—granted before the financial statements were approved for issue—of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event.

For annual reporting periods beginning on or after 1 April 2026, any breach of a covenant—whether material or immaterial—occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The amendments are effective for annual reporting periods beginning on or after 1 April 2026 retrospectively in accordance with Ind AS 8.

3 (III) SIGNIFICANT ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates under different assumptions and conditions.

The management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as follows:

(A) Significant Estimates

(i) Mining property and Ore reserve

Ore reserves and mineral resource estimates are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body. As a consequence of such an assessment made at the end of the current year, the Group has added new reserves and there is no material impact on the depreciation charge for the year due to this change.

(ii) Restoration, rehabilitation and environmental costs:

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine fields. The costs are estimated on bi-annual basis on the basis of mine closure plans with the help of third party experts and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalized when incurred reflecting the Group's obligations at that time. The Group has not considered salvage value for the estimates of provision for decommissioning calculated as at March 31, 2026.

The provision for decommissioning liabilities (refer Note 17) is based on the current estimate of the costs for removing and decommissioning producing facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate.

(iii) Assessment of useful lives and consumption pattern of Property, Plant and Equipment:

The Group reviews the useful lives and consumption pattern of Property, Plant and Equipment at the end of each reporting period.

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(iv) Climate Change

The Group aims to achieve net-zero emissions by 2050 or sooner & committed to reduce its GHG emission (Scope-1 & 2) by 50% & Scope 3 by 25% by 2030 from 2020 baseline, reduce freshwater use by 50% from the 2020 baseline and secure 100% treated sewage water for smelting operations to enhance water availability in shared watersheds as part of their climate mitigation and adaptation efforts and sustainability strategy. The Group conducted climate risk assessment and outlined its risks and opportunities in climate report. Climate change may have various impacts on the Group in the medium to long term. These impacts include the risks and opportunities related to the demand of products, impact due to transition to a low-carbon economy, disruption to the supply chain, physical risk to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term.

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets, (c) review of estimates of useful lives of property, plant and equipment, (d) assets and liabilities carried at fair value, etc.

The Group's strategy consists of mitigation and adaptation measures and is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy (530 MW power delivery agreement ('PDA')) signed on a group captive basis, fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities. However, renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. The Group have also taken certain measures towards water management such as commissioning of effluent and water treatment plants, sewage treatment plant, filtered tailing plant, rainwater harvesting, thus reducing freshwater consumption. These initiatives are aligned with the Group's ESG strategy and no material changes were identified to the financial statements as a result.

As the Group's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in the Group's climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Group's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Group believes that there is no material impact on carrying values of its assets or liabilities.

(B) Significant Judgement

(i) Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Group. A provision is recognised when the Group has a present obligation as a result of past events and it is probable that the Group will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific applicable law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group's financial position or profitability. These are set out in Note 30.

For other significant litigations where the possibility of an outflow of resources embodying economic benefits is remote, refer Note 30.

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4. PROPERTY, PLANT AND EQUIPMENT

₹ in Crore

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Railway siding	Mining properties (refer note 5(2&3))	Right of use[2]	Total
At Cost										
As at April 1, 2024	**302**	**2,396**	**23,589**	**37**	**54**	**438**	**94**	**14,298**	**504**	**41,712**
Additions[1]	11	108	1,907	-	16	7	-	1,827	165	4,041
Disposals/ adjustments	-	6	250	2	4	35	-	-	28	325
Transfer/Reclassfication (from)/to	-	54	(50)	-	-	-	-	157	(4)	157
As at March 31, 2025	**313**	**2,552**	**25,196**	**35**	**66**	**410**	**94**	**16,282**	**637**	**45,585**
Additions[1]	37	267	2,531	1	5	15	10	1,820	328	5,014
Disposals/ adjustments	-	3	444	-	10	6	2	-	5	470
Transfer/Reclassfication (from)/to	-	-	-	-	-	-	-	155	-	155
As at March 31, 2026	**350**	**2,816**	**27,283**	**36**	**61**	**419**	**102**	**18,257**	**960**	**50,284**
Accumulated depreciation										
As at April 1, 2024	**-**	**809**	**11,999**	**29**	**34**	**323**	**53**	**10,399**	**95**	**23,741**
Depreciation charge for the year	-	73	1,344	2	7	36	5	2,033	125	3,625
Disposals/ adjustments	-	-	208	2	3	33	-	-	20	266
As at March 31, 2025	**-**	**882**	**13,135**	**29**	**38**	**326**	**58**	**12,432**	**200**	**27,100**
Depreciation charge for the year	-	78	1,470	1	7	26	5	2,011	177	3,775
Disposals/ adjustments	-	3	416	1	9	6	1	-	1	437
As at March 31, 2026	**-**	**957**	**14,189**	**29**	**36**	**346**	**62**	**14,443**	**376**	**30,438**
Net Book Value										
As at March 31, 2026	**350**	**1,859**	**13,095**	**7**	**25**	**73**	**40**	**3,814**	**584**	**19,846**
As at March 31, 2025	**313**	**1,670**	**12,061**	**6**	**28**	**84**	**36**	**3,850**	**437**	**18,485**

(1) Addition to property, plant & equipment includes finance cost capitalised of ₹ 130 Crore. (March 31, 2025: ₹ 84 Crore).

(2) Carrying amount of right-of-use assets recognised and the movements during the year is as below:

₹ in Crore

Particulars	Plant & machinery	Buildings	Leasehold Land	Total
Gross Block				
As at April 1, 2024	**287**	**3**	**214**	**504**
Additions	162	3	-	165
Disposal/Transfers	28	-	-	28
Transfer/Reclassfication (from)/to	-	-	(4)	(4)
As at March 31, 2025	**421**	**6**	**210**	**637**
Additions	326	-	2	328
Disposals/ adjustments	5	-	-	5
Transfer/Reclassfication (from)/to	-	-	-	-
As at March 31, 2026	**742**	**6**	**212**	**960**
Accumulated Depreciation				
As at April 1, 2024	**59**	**2**	**34**	**95**
Charge for the year	117	1	7	125
Disposal/Adjustments	19	-	1	20
As at March 31, 2025	**157**	**3**	**40**	**200**
Charge for the year	169	1	7	177
Disposal/Transfers	1	-	-	1
As at March 31, 2026	**325**	**4**	**47**	**376**
Net Book Value				
As at March 31, 2026	**417**	**2**	**165**	**584**
As at March 31, 2025	**264**	**3**	**170**	**437**

4(A) Capital work in progress

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of Capital work in progress[1]	3,409	2,606

Movement of Capital work in progress (CWIP) during the year:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**2,606**	**1,696**
Additions during the year	5,411	4,630
Capitalised in PPE during the year	(4,608)	(3,720)
Balance at the end of the year	**3,409**	**2,606**

CWIP Ageing Schedule

(₹ in Crore)

Amount in CWIP for a period of	As at March 31, 2026			As at March 31, 2025		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	2,363	-	2,363	2,130	-	2,130
1-2 years	806	-	806	187	-	187
2-3 years	51	-	51	139	-	139
More than 3 years	189	-	189	150	-	150
Total	**3,409**	**-**	**3,409**	**2,606**	**-**	**2,606**

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CWIP completion schedule for projects whose completion is overdue compared to its original plan:

(₹ in Crore)

CWIP	As at March 31, 2026				As at March 31, 2025			
	To be completed in				To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress								
Fertiliser Project	1,452	-	-	-	-	-	-	-
Cell house Debottlenecking	37	-	-	-	-	-	-	-
Zinc Dust plant	28	-	-	-	56	-	-	-
Others	85	-	-	-	61	-	-	-
Total	**1,602**	**-**	**-**	**-**	**117**	**-**	**-**	**-**

(1) During the year, the Group has capitalised the following expenses which are attributable to the construction activity and are included in the cost of CWIP. Consequently, expenses disclosed under the respective notes are net of such amounts.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Power and fuel charges	39	35
Repairs and Others	473	388
Consumption of stores and Spare parts	383	257
Employee Benefit Expenses	133	126
Finance Cost	153	128
Miscellaneous expenses	39	1
Total	**1,220**	**935**

5. INTANGIBLE ASSETS

₹ in Crore

Particulars	Computer software	Mining rights	Right of use asset[1]	Exploration intangible assets under development[2][3][4]	Total
At Cost					
As at April 1, 2024	**52**	**67**	**48**	**109**	**276**
Additions	2	-	-	113	115
Disposals/adjustments	-	-	-	-	-
Transfer (from)/to	-	-	-	(157)	(157)
As at March 31, 2025	**54**	**67**	**48**	**65**	**234**
Additions	-	-	-	138	138
Disposals/adjustments	-	-	-		
Transfer (from)/to	-	-	-	(155)	(155)
As at March 31, 2026	**54**	**67**	**48**	**48**	**217**
Accumulated depreciation					
As at April 1, 2024	**49**	**41**	**6**	**-**	**96**
Charge for the year	1	4	10	-	15
Disposals/adjustments	-	-	-	-	-
As at March 31, 2025	**50**	**45**	**16**	**-**	**111**
Charge for the year	1	4	10	-	15
Disposals/adjustments	-	-	-	-	-
As at March 31, 2026	**51**	**49**	**26**	**-**	**126**
Net Book Value					
As at March 31, 2026	**3**	**18**	**22**	**48**	**91**
As at March 31, 2025	**4**	**22**	**32**	**65**	**123**

(1) Includes cloud server on lease.

(2) ₹ 155 Crore Crore (March 31, 2025: ₹ 157 Crore) transferred from Exploration intangible assets under development to Mining properties (refer Note 3(I)(f)(v)).

(3) Additions to Exploration intangible assets under development includes finance cost capitalised ₹ 8 Crore (March 31, 2025: ₹ 13 Crore).

(4) There are no overdue balances as at March 31, 2026 (March 31, 2025: nil).

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Intangible assets under development ageing schedule

(₹ in Crore)

Amount in Intangible assets under development for a period of	As at March 31, 2026			As at March 31, 2025		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	30	-	30	47	-	47
1-2 years	-	-	-	1	-	1
2-3 years	1	-	1	2	-	2
More than 3 years	17	-	17	15	-	15
Total	**48**	**-**	**48**	**65**	**-**	**65**

6. LOANS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good		
Loans to employees	1	1
Total	**1**	**1**
Current		
Unsecured, considered good		
Loans to employees	1	1
Total	**1**	**1**

7. OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured, considered good		
Advances for supplies to related party (refer Note 37)	59	63
Unsecured, considered good		
Capital advances	814	306
Claims and other receivables[1]	179	171
Advances for supplies to related party (refer Note 37)	51	51
	1,103	**591**
Unsecured, credit impaired		
Claims and other receivables	7	7
Provision on doubtful deposits and claims	(7)	(7)
Total	**1,103**	**591**
Current		
Secured, considered good		
Advances for supplies to related party (refer Note 37)	22	5
Unsecured, considered good		
Advance given to vendors for supply of goods and services	100	95
Advances for supplies to related party (refer Note 37)	5	7
Balance with government authorities	197	80
Claims and other receivables[2]	85	64
Total	**409**	**251**

(1) includes indirect taxes and royalty deposited under dispute with respect to various matters currently litigated in court of law and at various levels of adjudication.

(2) Includes prepaid expenses, export benefit receivable.

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8. INVENTORIES*(2)

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Work in progress		
Ore	100	74
Mined Metal	889	877
Others#	674	519
b. Finished goods(1)	11	9
c. Fuel Stock	96	155
[Including goods in transit ₹ 29 Crore (March 31, 2025: ₹ 64 Crore)]		
d. Stores and spare parts	284	255
[Including goods in transit ₹ 17 Crore (March 31, 2025: ₹ 21 Crore)]		
Total	**2,054**	**1,889**

* For method of valuation of inventories, refer Note 3(I)(l).

Others include semi finished items generated during smelting process.

(1) Inventory held at net realizable value amounted to ₹ 6 Crore (March 31,2025: ₹ 2 Crore). The write down on this inventory of Nil (March 31, 2025: Nil) has been recognized as an expense in Statement of Profit and Loss.

(2) The Group follows suitable provisioning norms for writing down the value of inventories towards slow moving, non-moving and surplus inventory. An amount of ₹ 0.4 Crore (March 31, 2025: ₹ 13 Crore had been reversed on account of consumption of slow moving/ non-moving items of inventory) has been recongnised in the Statement of Profit and Loss on account of slow moving/ non-moving inventories during the year.

9. INVESTMENTS

Non Current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity shares (fully paid up)		
Joint Venture - Unquoted		
Madanpur South Coal Company Limited (1,14,391 equity shares (March 31, 2025: 1,14,391) of ₹ 10 each)	2	2
Less: Aggregate amount of impairment in the value of investment	(2)	(2)
(A)	**-**	**-**

The Group had access of up to 31.5 million MT of coal as a partner in the joint venture 'Madanpur South Coal Company Limited' (Madanpur JV), a Company incorporated in India, where it holds 18.05% (March 31, 2025: 18.05%) of ownership interest. During the year ended March 31, 2014, Honourable Supreme Court had passed the judgment cancelling all the coal blocks including Madanpur JV allocated since 1993 with certain exceptions and consequently the Group does not have any business to pursue. Accordingly, the Group had created 100% provision against its investment in Madanpur JV amounting to ₹ 2 Crore.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at fair value through profit and loss		
Investment in preference shares - Unquoted		
Serentica Renewables India 4 Private Limited (22,40,00,000 (March 31, 2025: 22,40,00,000) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)	224	224
Serentica Renewables India 5 Private Limited (32,82,50,000 (March 31, 2025: 32,82,50,000) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)	328	328
Serentica Renewables India 14 Private Limited (27,79,00,000 (March 31, 2025: Nil) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)	278	-
(B)	**830**	**552**

Notes Forming Part of the Consolidated Financial Statements

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(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at fair value through other comprehensive income		
Investment in zero coupon bonds- quoted	195	182
Investment in Equity shares - Unquoted		
Serentica Renewables India 4 Private Limited (5,60,00,000 (March 31, 2025: 5,60,00,000) Equity shares of class B of ₹ 10 each)	56	56
Serentica Renewables India 5 Private Limited (3,30,00,000 (March 31, 2025: 3,30,00,000) Equity shares of class B of ₹ 10 each)	33	33
(C)	**284**	**271**
Total Non Current Investments (A+B+C)	**1,114**	**823**

During the year ended March 31, 2023, the Group had entered into Power delivery agreement ('PDA 1') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA 1, the Group is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. As at March 31, 2026, the Group has invested ₹ 280 Crore (March 31, 2025: ₹ 280 Crore) and pending committed investment of ₹ 70 Crore will be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 56 Crore worth of OCPRS are converted into equity shares of Serentica 4 as per terms of the PDA 1 in previous year. All of the Group's investments in Serentica 4 have been pledged by Serentica Group for financing the project as per the terms of the PDA 1.

During the year ended March 31, 2023, the Group had entered into Power delivery agreement ('PDA 2') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA 2, the Group is expected to infuse equity of ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. As at March 31, 2026, the group has invested ₹ 361 Crore (March 31, 2025: ₹ 361 Crore) and pending committed investment of ₹ 77 Crore will be made basis fulfilment of conditions of the PDA 2. Out of the total investment, ₹ 33 Crore worth of OCPRS are converted into equity shares of Serentica 5 as per terms of the PDA 2 in previous year.

During the previous year, the Group has entered into Power delivery agreement ('PDA 3') with Serentica Renewables India 14 Private Limited ('Serentica 14'). With this, the Group will source upto 530 MW (contracted capacity including earlier PDAs and higher guaranteed availability) renewable power on Round The Clock (RTC) basis under group captive arrangement for 25 years. Under the terms of the PDA 3, the Group is expected to infuse equity of ₹ 327 Crore for a minimum of twenty six percent in Serentica 14. As at March 31, 2026, the Group has invested ₹ 278 Crore (March 31, 2025: Nil) and pending committed investment of ₹ 49 Crore will be made basis fulfilment of conditions of the PDA 3.

Current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Measured at fair value through profit and loss		
Investment in bonds-quoted*	1,468	1,499
Investment in perpertual bonds-quoted	2,177	2,266
Investments in Commercial paper- quoted	2,605	-
Investment in mutual funds-unquoted	3,579	1,590
(A)	**9,829**	**5,355**
Measured at fair value through other comprehensive income		
Investment in zero coupon bonds-quoted	1,427	1,692
Investment in perpertual bonds-quoted	2,098	2,102
Total (B)	**3,525**	**3,794**
Total Current Investments (A+B)	**13,354**	**9,149**
Aggregate amount of quoted investment at market value thereof	9,775	7,559
Aggregate amount of unquoted investment	3,579	1,590

*Investments amounting to Nil (March 31, 2025: ₹ 949 Crore) are pledged as security for repurchase liability [refer Note 15(5)]. The Group continues to record these investments as it retains rights to contractual cash flows on such investments and thus do not meet the criteria for derecognition or transfer of financial asset as per Ind AS 107.

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

10. TRADE RECEIVABLES[1][2][3][4]

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good	399	99
Trade receivables-credit impaired	-	2
	399	**119**
Impairment allowance (allowance for bad and Doubtful debts)	-	(2)
Total	**399**	**117**

Trade receivables Ageing Schedule*

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed - considered good		
Not Due	17	27
Less than 6 months	377	86
6 months-1 year	5	1
1-2 years	0	-
2-3 years	0	3
More than 3 years	0	-
Total	**399**	**117**
Disputed - considered good		
Not Due	-	-
Less than 6 months	-	-
6 months-1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**-**	**-**
Undisputed - Credit Impaired		
Not Due	-	-
Less than 6 months	-	-
6 months – 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	2
Total	**-**	**2**
Less: Provision for doubtful trade receivables	-	(2)
Total Trade receivables	**399**	**117**

*Outstanding for above mentioned periods from due date of receipt (except for not due).

(1) The average credit period given to customer ranges from zero to one hundred eighty days (March 31, 2025: zero to one hundred eighty days). Interest is charged on trade receivables for the credit period, from the date of the invoice at 6.7% to 10.55%. (March 31, 2025: 8% to 10.55%) per annum on the outstanding balance.

(2) Unsecured considered good includes ₹ 17 Crore (March 31, 2025: ₹ 18 Crore) due from wind energy segment's trade receivables. Unsecured trade receivable of ₹ 1 Crore (March 31,2025: ₹ 16 Crore) are covered against Letter of credit and Bank Guarantees.

(3) Out of the total, ₹ 355 Crore (March 31, 2025: ₹ 25 Crore) pertains to related parties. This includes an amount of ₹ 342 Crore, which should be read together with Note 20 (trade payables), wherein an amount of ₹ 352 Crore pertains to the same related parties with whom the Group has entered into long-term agreements for sale of smelter residue and purchase of process outputs. Refer Note 37 for details of related party balances and terms & conditions.

(4) There are no outstanding receivables due from directors or other officers of the Group as at March 31, 2026 (March 31, 2025: Nil).

Notes Forming Part of the Consolidated Financial Statements
as at and for the year ended March 31, 2026

11. CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
On current accounts	297	96
Total	**297**	**96**

12. OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Bank deposits having original maturity of more than 3 months but not more than 12 months[1]	0	55
Earmarked unpaid dividend accounts	22	26
Total	**22**	**81**

(1) includes margin money amounting to ₹ 0.13 Crore (March 31, 2025: ₹ 55 Crore).

13. OTHER FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Unsecured, considered good		
Security Deposits	65	89
Bank Deposits with remaining maturity more than 12 months	6	6
Unsecured, credit impaired		
Security Deposits	27	27
Provision for doubtful deposits	(27)	(27)
Total	**71**	**95**
Current		
Unsecured, Considered Good		
Interest accrued on deposits	4	6
Derivative assets (refer Note 35)	58	9
Receivable from related party (refer Note 37)	2	4
Other receivable*	0	22
Unsecured, credit impaired		
Receivable from related party (refer Note 37)	28	28
Provision for doubtful receivable	(28)	(28)
Total	**64**	**41**

* includes amount receivable from financial institutions on account of hedging transactions entered into by the Group as per the policy.

Notes Forming Part of the Consolidated Financial Statements

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14. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
A. Authorized equity share capital		
Equity shares of ₹ 2 (March 31, 2025: ₹ 2) each.	1,000	1,000
No. of Shares (In Crore)	500	500
B. Issued, subscribed and paid up		
Equity shares of ₹ 2 (March 31, 2025: ₹ 2) each.	845	845
No. of Shares (In Crore)	423	423
C. Equity shares held by Holding Company		
Vedanta Limited		
No. of Shares (In Crore)	257	268
% of Holding	60.71%	63.42%
D. No shares issued for consideration other than cash and no shares bought back during the period of five years immediately preceding the reporting date		
E. Details of shareholders holding more than 5% shares in the Company		
Vedanta Limited		
No. of Shares (In Crore)	257	268
% of Holding	60.71%	63.42%
Government of India - President of India		
No. of Shares (In Crore)	118	118
% of Holding	27.92%	27.92%
F. Details of shares held by promoters		
Vedanta Limited		
No. of shares at the beginning of the year (In Crore)	268	274
Change during the year (In Crore)	-11	-6
No. of shares at the end of the year (In Crore)	257	268
% of Total Shares*	60.71%	63.42%
% change during the year	-2.71%	-1.50%

*As at March 31, 2026, 5.73% (March 31, 2025: 9.19%) of total paid up share capital of the Company have been pledged by promoters for securing loan facilities from banks/financial institutions along with a non-disposal undertaking in respect of their holding in the Company to the extent of 50.1% of the paid up share capital of the Company.

G. Terms/Rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholders' 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.

15. BORROWINGS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured		
Non-convertible debentures[1][3]	1,796	499
Term-loan from banks[2][3]	6,456	8,213
Total Non-current borrowings	**8,252**	**8,712**
Less: Current maturities of long-term borrowings	(3,638)	(2,722)
Total (Net)	**4,614**	**5,990**

Current*

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
At amortised cost		
Unsecured		
Commercial Paper[4]	-	1,036
Current maturities of long-term borrowing	3,638	2,722
	3,638	**3,758**
Secured		
Repurchase liability[5]	-	903
	-	**903**
Total	**3,638**	**4,661**

(1) During the year ended March 31, 2025, the Group had issued 50,000 Unsecured, Rated, Non-convertible debentures (NCDs) of face value of ₹ 1,00,000 each at an interest rate of 7.75% p.a., aggregating to ₹ 500 Crore. The NCDs are due for repayment in yearly installments of ₹ 100 Crore in March 2027 and ₹ 300 Crore in March 2028 (₹ 100 Crore repaid in March 2026).

During the year ended March 31, 2026, the Company has issued 140,000 Unsecured, Rated, Non-convertible debentures (NCDs) of face value of ₹ 1,00,000 each at an interest rate of 7.15% p.a., aggregating upto ₹ 1,400 Crore. The NCDs are due for repayment in yearly installments of ₹ 420 Crore in February 2028 and ₹ 980 Crore in March 2029.

(2) Term loans from Banks carry an interest rate linked with benchmark rates (Repo / T- Bill / MCLR) plus agreed spread. During the year average effective interest rate for term loans is 7.24% p.a., (March 31, 2025 : 8.29% p.a). Closing rate for term loans as on March 31, 2026 is 6.84% p.a. (March 31, 2025: 7.98% p.a.).

(3) The Group has complied with the financial covenants as per the terms of the borrowings and repayment schedule is tabulated below:

As at March 31, 2026

Particulars#	< 1 year	1 -3 years	> 3 years
Non current term loan from banks	3,542	2,917	-
Non-convertible debentures	100	1,700	-

As at March 31, 2025

Particulars#	< 1 year	1 -3 years	> 3 years
Non current term loan from banks	2,625	5,592	-
Non-convertible debentures	100	400	-

the above maturity profile is based on total principal outstanding gross of issue expense.

(4) Commercial Papers as on March 31, 2026 is Nil. During the year average effective interest rate was 6.39% p.a. (March 31, 2025: 7.73% p.a).

(5) Repurchase liability as on March 31, 2026 is Nil. During the year, average effective interest rate was 8.01% p.a. (March 31, 2025 8.45% p.a.).

* Working Capital Loans from banks carry an interest rate linked with benchmark rates (MCLR / Repo) plus spread. During the year, average effective interest rate was 7.36% p.a. (March 31, 2025: 7.9% p.a). As on March 31, 2026, there is nil outstanding balance of WCDL.

Movement in borrowings during the year is provided below:

(₹ in Crore)

Particulars	Short term borrowings#	Long term borrowings*	Total
As at April 1, 2024	**1,512**	**6,944**	**8,456**
Net Cash inflow/(outflow)	421	1,764	2,185
Other non cash changes	6	4	10
As at March 31, 2025	**1,939**	**8,712**	**10,651**
Net Cash inflow/(outflow)	(1,933)	(460)	(2,393)
Other non cash changes	(6)	-	(6)
As at March 31, 2026	**-**	**8,252**	**8,252**

*Including current maturities of long-term borrowings & unamortized borrowing fees.

#Interest paid during the year of ₹ 6 Crore (March 31, 2025: ₹ Nil) on commercial paper outstanding as at the beginning of the year, is shown under interest and other finance charges paid in statement of cashflow. Interest accrued on commerical paper of Nil (March 31, 2025: ₹ 6 Crore) is part of short term borrowings.

Notes Forming Part of the Consolidated Financial Statements

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16. OTHER FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits and other liabilities	0	0
Capital creditors[2]	129	342
Total	**129**	**342**
Current		
Derivatives - Liabilities (refer Note 35)	343	7
Capital Creditors[2]	1,634	944
Due to related party (refer Note 37)	113	40
Deposits from vendors	293	250
Interest accrued but not due	38	62
Unclaimed dividend[1]	22	26
Other liabilities (Includes employee benefits, royalty etc.)	374	388
Total	**2,817**	**1,717**

(1) Represents the unclaimed dividend for a period less than 7 years.

(2) Includes acceptances of ₹ 1,063 Crores (March 31, 2025 : ₹ 626 Crores) against current and non-current capital creditors. Acceptances are given for invoices payable upto 2 years against letter of credit. Amounts have been recorded at present value after accounting for the effect of the credit period.

17. PROVISIONS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for mine restoration & decomissioning [a]	200	200
Total	**200**	**200**

(a) (₹ in Crore)

Particulars	Provision for mine restoration[1]	Provision for decommissioning[2]	Total
As at April 1, 2024	**210**	**1**	**211**
Addition during the year/(revision during the year)	(16)	-	(16)
Unwinding of discount	17	-	17
Utilized	-	-	-
As at March 31, 2025	**211**	**1**	**212**
Addition during the year/(revision during the year)	(22)	-	(22)
Unwinding of discount	13	-	13
Utilized	-	-	-
As at March 31, 2026	**202**	**1**	**203**
Classification as at March 31, 2025			
Non-current	200	-	**200**
Current	11	1	**12**
Classification as at March 31, 2026			
Non-current	200	-	**200**
Current	2	1	**3**

(1) The provision for restoration, rehabilitation and environmental cost represents the Group's best estimate of the costs which will be incurred in the future to meet the obligations under the laws of the land and the terms referred to in the Group's mining arrangements. The principal restoration, rehabilitation and environmental provisions are the costs, which are expected to be incurred in restoring at the end of life of these mines at Rampura Agucha, Rajpura Dariba, Zawar Mines, Sindesar Khurd and Kayad.

(2) Provision for decommissioning is created to meet the obligation at decommissioned smelting facility at Vizag location basis an independent technical evaluation.

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Current

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for gratuity (refer Note 31)	22	1
Provision for compensated absenses	7	6
Provision for mine restoration & decomissioning (refer (a) above)	3	12
Total	**32**	**19**

18. OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Deferred government grant[2]	967	907
Statutory and other liabilities (refer Note 28)	-	56
Total	**967**	**963**
Current		
Advance from customers[3]	536	1,155
Statutory and other liabilities[1]	332	248
Deferred government grant[2]	171	176
Total	**1,039**	**1,579**

(1) Statutory and other liabilities mainly includes Goods and Service Tax (GST), contribution to Provident Fund (PF), Tax Deducted at Source (TDS).

(2) Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of Plant and Equipments accounted for as government grant and being amortised over the useful life of such assets.

(3) Advance from customers are contract liabilities and include amounts received under short term supply agreements. The advance payment plus a fixed rate of return/discount will be settled by supplying respective commodity over a period up to twelve months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Group expects, and has the ability, to fulfil through delivery of a non-financial item, these are recognised as advance from customers and will be released to the income statement as respective commodity is delivered under the agreements. The amount of such balances as of April 01, 2024 was ₹ 1,538 Crore. Changes in contract liabilities are either receipt of fresh advances or revenues recognised as detailed in Note 21A.

19. OPERATIONAL BUYERS' CREDIT/ SUPPLIERS' CREDIT

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Operational buyers/suppliers credit from banks [1]	105	569
Total	**105**	**569**

Movement during the year as follows:

(₹ in Crore)

Particulars*	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	**569**	**399**
Add: New facility availed during the period	836	782
Less: Repayments to the bank during the period	(1,337)	(625)
Add/(Less): Adjustment due to foreign exchange during the year	37	13
Balance at the close of the year	**105**	**569**

* excluding rollover facilities availed during the year.

The Group enters into supplier finance arrangements that are made available to key suppliers. Trade payables for which payment have been made to suppliers under these arrangements are presented as 'operational buyer's credit/supplier's credit.

(1) Operational Buyers' Credit is availed in foreign currency from offshore branches of Indian banks or branches located in Gift City. During the year average effective interest rate was 4.57% p.a. (March 31, 2025: 5.41% p.a). Balance outstanding as at March 31, 2026 carries weighted average interest rate of 4.10% p.a. (March 31, 2025: 4.66% p.a.). The tenure of these trade credits ranges from 90 to 180 days from the date of draw down. This is backed by Standby Letter of Credit issued under unsecured working capital facilities sanctioned by domestic banks.

Operational Supplier's Credit is availed in local currency from Indian banks at an average effective interest rate of 6.55% p.a. during the year (March 31, 2025: 7.42% p.a.). Balance outstanding as at March 31, 2026 is Nil. The tenure of these trade credits ranges upto 180 days from the date of invoice.

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20. TRADE PAYABLES

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables[1][2]	3,073	2,204
Total	**3,073**	**2,204**

(1) Trade payables are majorly non-interest bearing and are normally settled upto 180 days (March 31, 2025: 180 days).

(2) Out of the total, ₹ 416 Crore (March 31, 2025: ₹ 16 Crore) pertains to related parties. This includes an amount of ₹ 352 Crore, which should be read together with Note 10 (trade receivables), wherein an amount of ₹ 342 Crore pertains to the same related parties with whom the Group has entered into long-term agreements for sale of smelter residue and purchase of process outputs. Refer Note 37 for details of related party balances and terms & conditions.

Trade payables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed dues		
Unbilled Dues	1,826	1,753
Less than 1 year	1,245	378
1-2 years	-	68
2-3 years	-	4
More than 3 years	2	1
Total[1]	**3,073**	**2,204**

(1) Outstanding for above mentioned periods from date of transaction (except for unbilled dues).

21. (A) REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products	39,057	32,904
Income from wind energy	135	137
Total [1] (also refer Note 34)	**39,192**	**33,041**

(1) Revenue is shown exclusive of GST and other indirect taxes, as these collections are not an inflow on entity's own account, rather it is collected on behalf of government authorities.

The above revenue from operations for the year ended March 31, 2026 comprises of revenue from contracts with customers of ₹ 42,085 Crore (March 31, 2025: ₹ 34,158 Crore), discount/rebate and net loss on mark to market of ₹ 2,893 Crore (March 31, 2025: ₹ 1,117 Crore) on account of gains/losses relating to sales that were provisionally priced as at the beginning of the year with the final price settled in the current year, gains/losses relating to sales fully priced during the year, and marked to market gains/losses relating to sales that were provisionally priced as at the end of the year. Entire revenue from contract with customers is recorded at a point in time and includes ₹ 1,155 Crore for which contract liabilities existed at the beginning of the year (March 31, 2025: ₹ 1,538 Crore). Contract liabilities as at March 31, 2026: ₹ 536 Crore. Majority of the Group's sales are against advance or are against letters of credit/cash against documents/guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within six months.

(B) OTHER OPERATING INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of scrap and residuals	1,286	662
Export incentives	199	183
Others (liquidated damages, fines and penalties, unclaimed amount etc.)	167	197
Total	**1,652**	**1,042**

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22. OTHER INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income on		
Bank deposits measured at amortized cost	20	2
Investments measured at FVTOCI	290	327
Investments measured at FVTPL	341	295
Other financial assets measured at amortised cost	144	81
Other non-operating income:		
Net gain on sale of current investments	33	63
Net gain on foreign currency transactions	69	40
Amortization of deferred revenue arising from government grant	193	175
Total	**1,090**	**983**

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Opening inventory			
Finished goods		9	18
Work in progress :-			
Ore		74	106
Mined metal		877	744
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		519	547
Total	**(A)**	**1,479**	**1,415**
Closing inventory			
Finished goods		11	9
Work in progress :-			
Ore		100	74
Mined metal		889	877
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		674	519
Total	**(B)**	**1,674**	**1,479**
Changes in Inventory	**(A- B)**	**(195)**	**(64)**

24. EMPLOYEE BENEFIT EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus[1]	524	664
Contribution to provident and other funds (refer Note 31)	75	63
Share based compensation[2]	18	14
Staff welfare expenses[1]	154	145
Total	**771**	**886**

On November 21,2025, the Government of India notified four new Labour Codes (the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code,2020) consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has considered restructured compensation of its employees with effect from April 1, 2026, and assessed and accounted for the incremental impact of these changes, with the guidance provided by the Ministry of Labour & Employment and Institute of Chartered Accountants of India (Refer Note 28 for impact on account of new labour code).

(1) Includes ₹6 Crore (March 31, 2025: ₹6 Crore) towards salaries and wages of personnel specifically engaged for Group's CSR activities , and ₹29 Crore (March 31, 2025: ₹27 Crore) towards expenses relating to Group run schools, hospitals and other related activities, incurred for the purpose of corporate social responsibility expenditure.

(2) The immediate parent company ('Vedanta limited') introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Vedanta Limited including subsidiary companies. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares. Options granted during the year ended March 31, 2026 and year ended March 31, 2025 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG and Carbon footprint or a combination of these for the respective business/SBU entities. The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

Further, in accordance with the terms of the arrangement between the immediate parent and the Group, the cost recognised towards ESOS scheme is recovered by the immediate parent from the Group.

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25. FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on financial liabilities at amortised cost[1] [2]	684	868
Other interest[3]	78	112
Bill discounting charges	81	56
Bank charges	10	16
Other finance costs[4]	28	43
Total	**881**	**1,095**

(1) Interest expenses on lease liabilities is ₹ 45 Crore (March 31, 2025: ₹ 29 Crore)

(2) Interest rate of 7.26% p.a. was used to determine the amount of general borrowing costs eligible for capitalization in respect of qualifying asset for the year ended March 31, 2026 (March 31, 2025: 8.33% p.a.).

(3) mainly includes interest on advances and interest on income tax.

(4) Includes finance charge on unwinding of provisions and interest on credit instruments.

26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, Plant and Equipments (refer Note 4)	3,598	3,500
Depreciation on Right of Use Assets (refer Note 4)	177	125
Amortization on intangible assets (refer Note 5)	5	5
Amortization on Right of Use Assets (refer Note 5)	10	10
Total	**3,790**	**3,640**

27. OTHER EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spare parts	2,778	1,994
Repairs and Maintenance:		
- Plant and equipment [3]	2,768	2,562
- Building	128	125
Carriage inwards	149	143
Mine expenses	2,212	1,997
Other manufacturing and operating expenses	564	546
Strategic services & brand fees[1]	1,171	658
Rates and taxes	2	2
Conveyance and travelling expenses	32	28
Directors sitting fees and commission	-	2
Payment to auditors	2	2
Carriage outwards	264	333
Grass root exploration expenses	22	20
Legal and professional expenses	51	40
Allowance for doubtful debts/receivables	-	(0)
Research and development expenditure	23	12
Corporate social responsibility	227	229
Loss on sale of property, plant and equipment (net)	16	43
Net loss on investments measured at FVTPL	12	28
Miscellaneous expenses[2]	282	304
Total	**10,703**	**9,068**

(1) During the year ended March 31, 2023, the Audit & Risk Management Committee and Board of Directors of the Company had approved payment towards strategic services and brand fees to Vedanta Limited ("Immediate Holding company") at 2% of the consolidated turnover of the Company effective from October 01, 2022. In previous year, based on updated benchmarking analysis conducted by independent experts, the brand license and strategic service fee has been re-negotiated at 3% of the consolidated turnover of the Group with effect from April 01, 2025. Basis the approval from Audit & Risk Management Committee and Board of Directors, the Company contractually pays the brand license and strategic service fees at the beginning of the year, based on its estimated consolidated annual turnover for the year as per the approved business plan by the Board, which is subsequently adjusted against the audited accounts for the full year for which the payment has been made.

(2) Includes Nil (March 31, 2025: ₹ 40 Crore which includes donation of ₹ 30 Crore to Bharatiya Janata Party and ₹ 10 Crore to All India Congress Committee).

(3) includes operations and maintenance of plant.

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28. EXCEPTIONAL ITEMS

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Environment and Health Cess[1]	56	(56)
Land tax[2]	-	(27)
Impact on Gratuity and Leave encashment[3]	(31)	-
Total	**25**	**(83)**

(1) The State of Rajasthan imposed an Environment and Health Cess (EH cess) in 2008 on major minerals which was rescinded in 2017. During the year ended March 31, 2025, the Group had recognised a provision of ₹56 crore and disclosed the same as exceptional item. During the current year, management has reassessed this and based on its reassessment, supported by an independent legal opinion, the provision is not required and accordingly the same has been reversed (refer Note 30).

(2) During the year ended March 31, 2025, the Group had opted to settle matters pertaining to land tax, for the period till February 2024, by availing the Amnesty Scheme 2024 as launched by State of Rajasthan. Pursuant to which, the Group had taken a charge of ₹ 27 Crore. Furthermore, the State of Rajasthan vide the same notification exempted land tax payable on all classes of land with effect from February 8, 2024.

(3) On November 21, 2025, the Government of India notified four new Labour Codes (the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020 and the Occupational Safety, Health and Working Conditions Code,2020) consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has considered restructured compensation of its employees with effect from April 1, 2026, and assessed and accounted for the incremental impact of these changes, with the guidance provided by the Ministry of Labour & Employment and Institute of Chartered Accountants of India. Considering that the impact is non-recurring in nature and is driven by regulatory changes, the incremental impact of ₹ 31 Crore has been disclosed as "Exceptional items" in the statement of profit and loss for the year ended March 31,2026. The Group continues to monitor the finalization of Central/ State Rules and would provide appropriate accounting effect as and when such clarifications are issued/rules are notified.

29. EARNINGS PER SHARE

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (₹)	32.74	24.50
Diluted earnings per share (₹)	32.74	24.50
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
Profit after tax attributable to owners of the Company (in ₹ Crore)	13,832	10,353
Earnings used in the calculation of basic earnings for the year (in ₹ Crore)	13,832	10,353
Weighted average number of equity shares outstanding (Number in Crore)	423	423
Nominal Value per share (in ₹)	2	2

30. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
a. **Contingent liabilities[1]**		
Claims against the Company not acknowledged as debts		
- Suppliers and contractors	15	16
- Ex-employees and others	2	3
- Land acquisition	3	3
- Government : Electricity Duty	9	9
: Road Tax	15	15
: Environmental Cess[2]	56	-
Guarantees issued by the banks	383	394
Sales tax demands	17	68
Income tax demands[4]	683	720
Excise Duty, Custom duty, Service tax and GST demand[3]	503	582

(1) Future cash out flows in respect of the above matters are determinable only on receipt of judgments or decisions pending at various forums. Accordingly interest and penalty where applicable will be additionally payable.

(2) The State of Rajasthan issued a notification in June 2008 notifying the Rajasthan Environment and Health Cess ('EHS') Rules, 2008, imposing environment and health cess on major minerals including lead and zinc. HZL and other mine operators resisted this notification and the imposition thereunder before the High Court of Rajasthan on the ground that the imposition of such cess and all matters relating to the environment fall under the jurisdiction of the Central government as opposed to the State government. In October 2011, the High Court of Rajasthan disposed the writ

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petitions and held the Rajasthan Environment and Cess Rules, 2008 that impose a levy of cess on minerals, as being constitutionally valid. An amount of ₹150 per metric ton of ore produced would be attracted under the Statute if it is held to be valid. HZL challenged this order by a special leave petition in December 2011 before the Supreme Court of India. The Supreme Court of India issued a notice for stay. Further direction was issued by the Supreme Court on March 23, 2012 not to take any coercive action against HZL for recovery of cess. The aforementioned notification was rescinded via notification dated January 6, 2017, and hence no further obligation exists after that date. The matter is pending for final hearing. As a subsequent development, the Hon'ble Supreme Court's judgement in the matter of Mineral Area Development Authority ('MADA') vs. Steel Authority of India Ltd, in July 2024, held that royalty is not a tax, and that the state government has the competence to tax mineral rights including mineral bearing land. Accordingly, as per the management assessment, the Group had recognised a provision of ₹ 56 Crore relating to liability towards EHS in the year ended March 31, 2025. During the current year, Management has reassessed and based on its reassessment, supported by an indendpendet legal opinion, the provision is not required accordingly the same has been reversed and disclosed as a contingent liability (refer Note 28).

(3) Various demands raised on the Group towards CENVAT, service tax, excise, Customs and Sales tax for FY 1985-86 to 2024-25. The Group has paid an amount of ₹ 28 Crore (March 31, 2025: ₹ 20 Crore) against these demands under protest and is confident of the liability not devolving on the Group.

(4) Tax demands have been raised mainly on account of depreciation disallowances, withholding taxes and interest thereon. Although, the Group has paid certain amounts in relation to these demands, which are pending at various levels of appeals, management considers these disallowances as not tenable against the Group, and therefore no provision for tax has been created. Also, refer Note 32(c)(ii).

b. The Department of Mines and Geology (DMG) of the State of Rajasthan had initiated a royalty assessment process from January 2008 to 2019 and had in this regard, issued a show cause notice vide an office order dated January 31, 2020 amounting to ₹ 1,925 Crore. Further an additional demand was issued vide an office order dated December 14, 2020 for ₹ 311 Crore. The Group has challenged the computation mechanism of royalty on the ground that the state has not complied with the previous orders of Rajasthan High court where a similar computation mechanism was challenged and court had directed DMG to reassess basis the judicial precedents and mining concession rules. Pending compliance of previous orders, the High Court had granted a stay on the notice and directed DMG not to take any coercive action. State Government had also been directed to not take any coercive action in order to recover such miscomputed dues.

Despite the High court stay order, the State Government raised a demand of ₹ 1,925 Crore vide order dated March 16, 2022 for the same period. The Group challenged this notice before the Revisionary Authority (""RA"") and also separately moved an application in RA against the earlier demand raised by DMG for recovery of ₹ 311 Crore. RA had granted a stay on the recovery of ₹ 1,925 Crore vide its order dated June 15, 2022 and also on the recovery of ₹ 311 Crore, vide its order dated September 07, 2022 respectively.

On July 25, 2024 RA decided the case against the Group for demand raised of ₹ 311 Crore and order was challenged by the Group before the Hon'ble High Court of Rajasthan. The High Court, vide an order dated July 26, 2024, issued a stay on the RA's order and also directed for HZL to deposit ₹ 100 Crore under protest. The Group ensured compliance with the High Court's directions and deposited the directed amount under protest on July 30, 2024. The matter before the High Court is pending for final hearing. Based on the opinion of external counsel, the Group believes that it has strong grounds of a successful appeal against the demand of ₹ 311 Crore. On October 30, 2024 the Group received an order from RA against the demand of ₹ 1,925 Crore directing the State Government to await the guidance, clarification or direction from Central Government in this matter of determination of royalties, upon which the State Government, if necessary, may recalculate the fiduciary obligations of the Revisionist towards payment of royalty, DMF, NMET and interests thereon and issue a fresh demand order. The referred revision application was disposed off accordingly. In October 2025, the clarification was received by the State Government. As a proactive measure, the Group has challenged certain aspects of the clarification, before the High Court of Rajasthan. There is no further development in this regard. Therefore, as on date, (i) there is no fresh demand pertaining to ₹ 1,925 Crore and (ii) there is a separate litigation before the Hon'ble High Court, in challenge to the adverse order as was received from RA with respect to the demand of ₹ 311 Crore.

During the year ended March 31, 2025, the Group received provisional assessment orders/ show cause notices amounting to ₹ 324 Crore pertaining for the period FY 2013-14 to FY 2024-25 on similar grounds as mentioned above and the Group has challenged the same in High Court.

c. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 7,718 Crore (March 31, 2025: ₹ 4,026 Crore).

d. Other Commitments

(i) During the year ended March 31, 2023, the Group had entered into Power delivery agreement ('PDA 1') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on Round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA 1, the Group is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. During the current year, the Group has made an investment of Nil (March 31, 2025: ₹ Nil) and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA 1. As at March 31, 2026, the Group has invested ₹ 280 Crore (March 31, 2025: ₹ 280 Crore) (see Note 9).

Further during the year ended March 31, 2023, the Group had entered into Power delivery agreement ('PDA 2') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on Round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA 2, the Group is expected to infuse equity of ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Group has made an investment of Nil (March 31, 2025: ₹ 230 Crore) and pending committed investment of ₹ 77 Crore is to be made basis fulfilment of conditions of the PDA 2. As at March 31, 2026, the Group has invested ₹ 361 Crore (March 31, 2025 : ₹ 361 Crore) (see Note 9).

(ii) During the previous year, the Group had entered into Power delivery agreement ('PDA 3') with Serentica Renewables India 14 Private Limited ('Serentica 14'). With this, the Group will source upto 530 MW (contracted capacity including earlier PDAs and higher guaranteed availability) renewable power on Round The Clock (RTC) basis under group captive arrangement for 25 years. Under the terms of the PDA 3, the Group is expected to infuse equity of approximately ₹ 327 Crore for a minimum of twenty six percent in Serentica 14. During the current year, the Group has made an investment of ₹ 278 Crore (March 31, 2025: Nil) and pending committed investment of ₹ 49 Crore is to be made basis fulfilment of conditions of the PDA 3. As at March 31, 2026, the Group has invested ₹ 278 Crore (March 31, 2025: Nil) (see Note 9).

(iii) The Group had given Letter of Comfort and also assigned its bank limits to its wholly owned subsidiary Hindustan Zinc Alloys Private Limited ("HZAPL") primarily in respect of certain working capital needs and short-term borrowings amounting to ₹ 66 Crore as at end of March, 2026. (March 31, 2025: ₹ 66 Crore).

(iv) During the year ended March 31, 2026, the Group under its Corporate Social Responsibilities ('CSR') initiative had signed a Memorandum of Understanding('MOU') with Rajasthan Heritage Authority, Jaipur ('RHA') for the development of work at Puchari Ka Lota at Goverdhan Parikrama Marg. As per the terms of MOU, the Group has committed to contribute ₹ 85 Crore as at March 2026.

(v) Export obligations

The Group has Nil export obligations (March 31, 2025: ₹ 70 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 required to be fulfilled over a period of six years from the date of purchase). If the Group is unable to meet these obligations, its liabilities would be Nil (March 31, 2025: ₹ 13 Crore) reduced in proportion to actual export. The Group has given bonds/Bank guarantees of ₹ 608 Crore (March 31, 2025: ₹ 206 Crore) to custom authorities against export obligations which will be released subject to verification of EODC (Export obligation discharge certificate) by the Customs department.

31. RETIREMENT AND OTHER EMPLOYEE BENEFIT SCHEMES

a. Defined contribution schemes

Family Pension Scheme

The contributions are based on a fixed percentage of the employee's salary, subject to a ceiling, as prescribed in the scheme. A sum of ₹ 3 Crore (March 31, 2025: ₹ 4 Crore) has been charged to the Statement of Profit and Loss during the year. There are no further obligations on the Group.

Superannuation fund

A sum of ₹ 2 Crore (March 31, 2025: ₹ 4 Crore) has been charged to the Statement of Profit and Loss in respect to contributions made to the superannuation fund. The Group has no further obligations to the plan beyond the monthly contributions.

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b. Defined benefit plans

For defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation each year for the plan using the projected unit credit method by independent qualified actuaries as at the year end. Remeasurements in the year are recognized in full in other comprehensive income for the year.

Provident fund

The Group offers its employees, benefits under defined benefit plans in the form of provident fund scheme which covers all employees. Contributions are paid during the year into 'Hindustan Zinc Limited Employee's Contributory Provident Fund' ('Trust'). Both the employees and the Group pay predetermined contributions into the Trust. A sum of ₹ 49 Crore (March 31, 2025: ₹ 44 Crore) has been charged to the Statement of Profit and Loss in this respect during the year.

The Group'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. The Group has made provision of ₹ 24 Crore (forming part of ₹ 49 Crore mentioned above) in this regard in the current year. During the year, the Group has made good the deficiency in current year, of ₹ 5 Crore pertaining to year ended March 31, 2025. Having regard to the assets of the Trust and the return on the investments, the Group does not expect any deficiency in the foreseeable future, except for investments in debt securities of IL&FS Limited and IL&FS Financial Services Ltd. for which necessary provisions exists.

The details of fund and plan asset position are given below:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Plan assets fair valued	1,729	1,686
Present value of benefit obligation at period end	1,753	1,696
Net Plan Assets/(Liability)	**(24)**	**(10)**
% allocation of plan assets by category		
Central government securities	5%	4%
State government securities (including PSU Bond)	55%	60%
Private Sector Bonds, Mutual funds	40%	36%
Principal actuarial assumptions		
Financial Assumptions		
Discount rate	7.26%	7.03%
Expected statutory interest rate on the ledger balance	8.25%	8.25%
Expected short fall in interest earnings on the fund	0.05%	0.05%
Demographic Assumptions		
i) Retirement Age (Years)	58	58
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
iii) Withdrawal rates		
Up to 30 Years	3% - 17%	3% - 18%
From 31 to 44 years	2% - 9%	2% - 11%
Above 44 years	1%-9%	1%-7%

Gratuity plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Code of social security, 2020 (part of new labour code introduced from November 21, 2025). Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Group's defined benefit plans are funded with Life Insurance Corporation of India (LIC) and HDFC Life Insurance Company Limited (HDFC Life). The Group does not have any liberty to manage the fund provided to LIC and HDFC Life.

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The following tables set out the details of the gratuity plans and the amounts recognized in the financial statements.

Principal actuarial assumptions

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:		
Financial Assumptions		
Discount rate	7.26%	7.03%
Expected rate of increase in compensation level of covered employees	6% - 10.5%	6% - 10.5%
Demographic Assumptions		
i) Retirement Age (Years)	58	58
ii) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)
iii) Withdrawal rates		
Up to 30 Years	3% - 17%	3% - 18%
From 31 to 44 years	2% - 9%	2% - 11%
Above 44 years	1%-9%	1%-7%
Amount recognized in the balance sheet consists of:		
Fair value of planned assets	208	222
Present value of defined benefit obligations	230	(223)
Net assets/(Net unfunded liability)	**(22)**	**(1)**
% allocation of plan assets by category		
Qualified Policy from Life Insurance Corporation of India (LIC) & HDFC Life	100%	100%

The movement during the year of the present value of the defined benefit obligation was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance	223	241
Service cost	16	9
Past Service Cost (refer Note 28)	22	-
Benefits paid	(36)	(36)
Interest cost	16	17
Acturial (Gain)/Loss on obligation	(11)	(8)
Closing Balance	**230**	**223**

The movement during the year in the fair value of plan assets was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance	222	241
Employer Contributions	5	0
Benefits paid	(36)	(36)
Interest Income	16	17
Remeasurement gain/(loss) arising from return on plan assets	1	(0)
Closing Balance	**208**	**222**

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Amounts recognized in Statement of Profit and loss in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	16	9
Past Service Cost (refer Note 28)	22	-
Net Interest cost	0	-
Total charge to Statement of Profit and Loss	**38**	**9**

Amounts recognized in Other Comprehensive Income in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement (Gain) / Loss arising from Change in Demographic Assumption	0	(4)
Remeasurement (Gain) / Loss arising from Change in Financial Assumption	(3)	1
Remeasurement (Gain) / Loss arising from Experience Adjustment	(7)	(5)
Remeasurement (Gain)/loss arising from return on plan assets	(1)	0
Components of defined benefit costs recognised in other comprehensive income	**(11)**	**(8)**

Expected contribution for the next annual reporting period:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Service Cost	16	14
Net Interest Cost	2	0
Expected contribution for the next annual reporting period	**18**	**14**

Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Impact of change in discount rate		
Increase by 0.50%	(6)	(6)
Decrease by 0.50%	7	6
Impact of change in salary increase rate		
Increase by 0.50%	7	6
Decrease by 0.50%	(6)	(6)

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

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Maturity Profile of Defined Benefit Obligation

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Year:		
0 to 1 Year	42	37
1 to 2 Year	35	16
2 to 3 Year	28	39
3 to 4 Year	20	27
4 to 5 Year	18	21
5 to 6 Year	12	15
6 Year onwards	75	68

Risk analysis

The Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment risk

The Group's defined benefit plans are funded with Life Insurance Corporation of India (LIC) and HDFC Life Insurance Company Limited (HDFC Life). The Group does not have any liberty to manage the fund provided to LIC and HDFC Life. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds for the Group's operations. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability, however this will be partially offset by increase in the return on plan debt investment.

Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

32. INCOME TAX EXPENSES

The major components of income tax expense for the year ended March 31, 2026 and year ended March 31, 2025 are indicated below:

(₹ in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
a.	**Tax charge recognised in Profit and Loss**		
	Current tax:		
	Current tax on profit for the year	4,661	3,468
	Adjustment in respect of earlier years*	(62)	(242)
	Total Current tax	**4,599**	**3,226**
	Deferred tax:		
	Reversal and origination of temporary differences	22	(42)
	Adjustment in respect of earlier years	55	16
	Total Deferred tax	**77**	**(26)**

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(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax expense for the year	**4,676**	**3,200**
Effective income tax rate (%)	25.26%	23.61%
b. Statement of other comprehensive income		
Deferred tax (credit) / charge on:		
Loss on cash flow hedges recognised during the year	(80)	-
Net gain/(loss) on FVTOCI debt investments	0	3
Remeasurement of defined benefit obligation	1	4
Total	**(79)**	**7**

(c) A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognized income tax expense for the year is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit before tax (after exceptional item)	18,508	13,553
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	4,658	3,411
Disallowable expenses	75	73
Non-taxable income and capital gains	(28)	(28)
Effect of tax rate differences of subsidiaries operating at other tax rates	(12)	(8)
Effect of changes in tax laws (refer (i) below)	-	9
Impact of tax rate differences on capital gains	(10)	(31)
Adjustments in respect of prior years*	(7)	(226)
Total	**4,676**	**3,200**

* true up of tax provisions in line with routine assessment orders amounting to ₹ 218 Crore in previous year.

(i) Impact on account of changes in capital gain tax rates as per finance act, 2025 in the previous year.

(ii) The tax department had issued demands on account of remeasurement of certain tax incentives, under section 80IA and 80 IC of the Income-tax Act, 1961. During the year ended 31 March 2020, based on the favorable orders from Income Tax Appellate Tribunal relating to AY 09-10 to AY 12-13, the Commissioner of Income Tax (Appeals) had allowed these claims for AY 2014-15 to AY 2016-17, which were earlier disallowed and has granted refund of amounts deposited under protest. For AY 2013-14 to AY 2016-17, the department had filed appeals before the Tribunal, which are pending for disposal.

The Tribunal allowed these claims in AYs 2017-18, 2018-19 & 2020-21 in line with past years' orders. The department had filed appeals before the Hon'ble Rajasthan High Court in FY 17-18 (for AY 2009-10 to AY 2012-13) and in FY 2023-24 (for AY 2017-18 and AY 2018-19) against the Tribunal orders, which are yet to be admitted. The department is yet to file an appeal before the High Court against the tribunal order of AY 2020-21. During the current year, the company has received final assessment order for AY 2022-23 with identical additions, against which appeal has been filed before the Tribunal. As per the view of external legal counsel, Department's appeal seeks re-examination of facts rather than raising any substantial question of law and hence it is unlikely that appeal will be admitted by the High Court. Accordingly, there is a high probability that the case will go in favour of the Group. The amount involved in this dispute as of March 31, 2026 is ₹ 12,387 Crore (31st Mar 2025: ₹ 12,411 Crore) plus applicable interest upto the date of settlement of the dispute.

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(d) Significant components of deferred tax assets and (liabilities) recognized in the balance sheet are as follows:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Property, plant and equipment, Exploration and evaluation and intangible assets	(2,463)	(2,381)
Fair valuation of financial assets/liabilities	26	(39)
Voluntary retirement scheme	3	1
Other temporary differences (43B disallowances, inventory valuation reserve, etc.)	169	127
Deferred Tax (Liabilities) (net)	**(2,265)**	**(2,292)**

Deferred tax income of ₹ 27 Crore (March 2025: ₹ 19 Crore) is recorded as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Through Other Comprehensive Income		
Loss on cash flow hedges recognised during the year	(80)	-
Net gain/(loss) on FVTOCI investments	0	3
Remeasurements of defined benefit obligations	1	4
	(79)	**7**
Through Profit and Loss		
Property, plant and equipment, Exploration and evaluation and intangible assets	82	(16)
Fair valuation of financial assets/liabilities	(65)	(21)
Voluntary retirement scheme	(2)	8
Other temporary differences (43B disallowances, inventory valuation reserve, etc.)	62	3
	77	**(26)**
Through other Equity		
Payment towards ESOS	(25)	-
Total	**(27)**	**(19)**

(e) Reconciliation of Net Deferred tax liabilities:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	(2,291)	(2,310)
Tax (expense)/income recognised in profit or loss during the period	(77)	26
Tax (expense)/income recognised in other comprehensive income during the period	79	(7)
Tax (expense)/income recognised in other equity during the period	25	-
Closing Balance	**(2,264)**	**(2,291)**

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33. LEASES LIABILITIES

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lease liability against ROU assets:		
Non current	292	178
Current	184	138
Total	**476**	**316**

(a) Following are the amounts recognised in Statement of Profit & Loss account:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Depreciation & amortization expense for right-of-use assets (refer Note 4 & 5)	187	135
b) Interest expense on lease liabilities (refer Note 25)	45	29
c) Expense relating to short-term leases	0	0
Total amount recognised	**232**	**164**

(b) The movement in lease liabilities is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Opening balance	316	266
b) Additions (refer Note 4 & 5)	328	165
c) Reversal/Adjustments	(7)	(10)
d) Interest accrued	45	29
e) Repayments (Principal & interest)*	(206)	(134)
Closing balance	**476**	**316**

* Interest paid on lease liabilities during the year is ₹ 45 Crore (March 31, 2025 : ₹ 29 Crore).

(c) Lease liabilities carry an effective interest rate of 5.03 % p.a. to 17.55 % p.a. (March 31, 2025: 5.03 % p.a. to 17.55 % p.a.).

(d) The maturity analysis of lease liabilities is disclosed in Note 35.

(e) Movement in lease liabilities during the year is provided below:

(₹ in Crore)

Particulars	Total
As at April 1, 2024	**266**
Non cash changes	184
Cash changes	(134)
As at March 31, 2025	**316**
Non cash changes	366
Cash changes	(206)
As at March 31, 2026	**476**

(i) Non cash changes includes additions/deletions in ROU assets and interest accrual on lease liabitlies.

(ii) Cash changes includes contractual lease payments.

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34. SEGMENT REPORTING

a. Basis of Segmentation

The Group is engaged in exploring, extracting and processing minerals. The Group produces zinc, lead, silver,commercial power and alloys. The Group has two reportable segments: i) Zinc, Lead, Silver & others and ii) Wind energy. The management of the Group is organized by its main products: Zinc, Lead and Silver and Wind energy. Each of the reportable segments derives its revenues from these main products and hence these have been identified as reportable segments by the Group's Chief Operating Decision Maker ("CODM"). Segment profit amounts are evaluated regularly by the CEO, who has been identified as the CODM, in deciding how to allocate resources and in assessing performance.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. The operating segments reported are the segments of the Group for which separate financial information is available. Segment profit (Earnings before interest, depreciation and amortization, and tax) amounts are evaluated regularly by the CEO in deciding how to allocate resources and in assessing performance. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of appropriate cost drivers of the segment. Segment results for silver have been determined based on attributing manufacturing costs for generating the related WIPs and other expenses.

Asset and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

The following table presents revenue and profit information and certain assets information regarding the Group's business segments.

b. Information about reportable segments

I. Information about primary segment

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue		
Zinc, Lead, Silver & others		
(i) Zinc, Lead and others	29,216	26,774
(ii) Silver	9,841	6,130
Wind Energy	135	137
Segment revenue	**39,192**	**33,041**
Segment Results		
Zinc, Lead, Silver & others		
(i) Zinc, Lead and others	10,127	8,617
(ii) Silver *	8,377	5,322
Wind Energy	61	62
Segment Results	**18,565**	**14,001**
Less: Finance costs	881	1,095
Add: Interest income	795	705
Add: Other unallocable income net of unallocable (expenditure)	4	25
Profit before tax and exceptional items	**18,483**	**13,636**
Exceptional item (for Zinc, Lead, Silver & others)	25	(83)
Profit before tax	**18,508**	**13,553**
Tax expenses	4,676	3,200
Profit for the year	**13,832**	**10,353**
Depreciation & amortisation Expense		
Zinc, Lead, Silver and others	3,762	3,612
Wind Energy	28	28
Total	**3,790**	**3,640**

Note: All material expenses are pertaining to "Zinc, Lead, Silver & others".

* Segment results for silver have been determined based on attributing manufacturing costs for generating the related WIPs and other expenses.

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Below table summarises the disaggregated revenue from contracts with customers:

(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Zinc	25,259	22,839
Lead#	4,009	4,359
Silver#	11,055	6,094
Wind Energy	136	137
Others*	1,626	729
Revenue from contracts with customers	**42,085**	**34,158**
Gains/(losses) on provisionally priced contracts and hedging (net) (refer Note 21 A)	(2,893)	(1,117)
Total Revenue	**39,192**	**33,041**

*others majorly include revenue from sale of sulphuric acid.

#includes revenue from sale of concentrate amounting to ₹ 990 Crore (March 31, 2025: Nil). Revenue from sale of concentrate is included in respective product based on metal content.

(₹ in Crore)

Particulars	Zinc, Lead, Silver & others	Wind energy	Unallocated	Total
As at March 31, 2026				
Assets and liabilities				
Assets				
Segment assets	26,963	407	-	27,370
Financial assets investments	-	-	14,468	14,468
Cash and cash equivalent	-	-	297	297
Other bank balances	-	-	22	22
Income Tax Assets	-	-	135	135
Others			78	78
Total assets	**26,963**	**407**	**15,000**	**42,370**
Liabilities				
Segment liability	8,765	12	-	8,777
Borrowings	-	-	8,252	8,252
Deferred tax liabilities (Net)	-	-	2,265	2,265
Income Tax liabilities	-	-	386	386
Others			61	78
Total liabilities	**8,765**	**12**	**10,964**	**19,741**
As at March 31, 2025				
Assets and liabilities				
Assets				
Segment assets	23,741	426	-	24,167
Financial assets investments	-	-	9,972	9,972
Cash and cash equivalent	-	-	96	96
Other bank balances	-	-	81	81
Income Tax Assets	-	-	141	141
Others			33	78
Total assets	**23,741**	**426**	**10,323**	**34,490**
Liabilities				
Segment liability	7,803	16	-	7,819
Borrowings	-	-	10,651	10,651
Deferred tax liabilities (Net)	-	-	2,292	2,292
Income Tax liabilities	-	-	312	312
Others			90	90
Total liabilities	**7,803**	**16**	**13,345**	**21,164**

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Other Segment Information

Segment capital expenditure

The below expenditure includes additions to property, plant and equipment, intangible assets, capital work in progress and capital advances:

(₹ in Crore)

Particulars	Zinc, Lead and Silver	Wind energy	Total
For the year ended March 31, 2026	6,454	9	**6,463**
For the year ended March 31, 2025	4,948	-	**4,948**

II. Information based on Geography

(₹ in Crore)

Geographical Segments	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue by geographical segment		
India	30,554	26,383
Asia (excluding India) (Export sales)	7,979	6,372
Rest of the World (Export sales)	659	286
Total	**39,192**	**33,041**

(₹ in Crore)

Non current assets(1)	As at March 31, 2026	As at March 31, 2025
India	24,584	21,945
Total	**24,584**	**21,945**

(1) Excluding financial assets.

Hindustan Zinc is subject to tax jurisdiction in India only. The primary activities viz. production, manufacturing, sales, marketing of Hindustan Zinc are based in India and global sales are managed through sales/marketing offices based in India only. Hindustan Zinc earns all its profits from operations in India as there are no operations, sales or marketing offices outside India.

(₹ in Crore)

Segment capital expenditure	For the year ended March 31, 2026	For the year ended March 31, 2025
India	6,463	4,948
Total	**6,463**	**4,948**

Information about major customer

No customer accounted for more than 10% revenue during the year. (March 31, 2025: None)

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35. FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Group and provides additional information on the balance sheet. Details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 and Note 3.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

(₹ in Crore)

Particulars	Fair Value through profit and loss	Fair Value through other comprehensive income	Amortized Cost	Total carrying value	Total fair value
As at March 31, 2026					
Financial assets					
Cash and cash equivalents	-	-	297	297	297
Other bank balances	-	-	22	22	22
Investments	10,659	3,809	-	14,468	14,468
Trade receivables	-	-	399	399	399
Other Current financial assets and loans	58	-	7	65	65
Other Non-current financial assets and loans	-	-	72	72	72
Total	**10,717**	**3,809**	**797**	**15,323**	**15,323**
Financial liabilities					
Borrowings	-	-	8,252	8,252	8,222
Lease Liabilities	-	-	476	476	476
Trade payables	-	-	3,073	3,073	3,073
Operational buyers' credit/ suppliers' credit	-	-	105	105	105
Other Current financial liabilities	24	319	2,474	2,817	2,817
Other Non-current financial liabilities	-	-	129	129	129
Total	**24**	**319**	**14,509**	**14,852**	**14,822**
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	-	-	96	96	96
Other bank balances	-	-	81	81	81
Investments	5,907	4,065	-	9,972	9,972
Trade receivables	44	-	73	117	117
Other Current financial assets and loans	9	-	33	42	42
Other Non-current financial assets and loans	-	-	96	96	96
Total	**5,960**	**4,065**	**379**	**10,404**	**10,404**
Financial liabilities					
Borrowings	-	-	10,651	10,651	10,652
Lease Liabilities	-	-	316	316	316
Trade payables	-	-	2,204	2,204	2,204
Operational buyers' credit/ suppliers' credit	-	-	569	569	569
Other financial liabilities	7	-	1,710	1,717	1,717
Other Non-current financial liabilities	-	-	342	342	342
Total	**7**	**-**	**15,792**	**15,799**	**15,800**

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Fair value of the current instrument in bonds, perpetual bonds and zero coupon bonds are based on the price quotations at the reporting date. Fair value of current investments that are in the nature of 'close ended' mutual funds are based on market observable inputs i.e., NAV provided by mutual fund houses [a level 2 technique].

Fair value of current investments that are in the nature of 'open ended' mutual funds are derived from quoted market prices in active markets [a level 1 technique].

Fair value of non current investments that are in the nature of 'Investment in OCRPS and Equity shares' are derived from Back Solve Option Pricing Method (BSOP) in the current year and previous year [a level 3 technique].

The Fair value of other non current financial assets and liabilities are estimated by discounting the expected future cash flows using a discount rate equivalent to the risk free rate of return adjusted for the appropriate credit spread.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are valued using valuation technique with market observable inputs. The most frequently applied valuation techniques for such derivatives include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency (a level 2 technique). Commodity contracts are valued using the forward LME/LBMA rates of commodities actively traded on the listed metal exchange i.e., London Metal Exchange/London Bullion Market Association, United Kingdom (U.K.) [a level 2 technique]. The changes in counterparty risk had no material effect on the hedge effectiveness assessment for the derivatives designated in hedge relationship and the value of the other financial instrument recognised at fair value.

Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by measurement hierarchy. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures on fair value measurement hierarchy:

(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2026			
Financial Assets			
At fair value through profit and loss			
Investments	3,579	6,250	830
Derivatives financial Assets*			
Forward foreign currency contracts	-	50	-
Commodity contracts	-	8	-
Trade receivables	-	-	-
At fair value through other comprehensive income			
Investments	-	3,720	89
Total	**3,579**	**10,028**	**919**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial Liabilities*			
Forward foreign currency contracts	-	22	-
Commodity contracts	-	2	-
Derivatives designated as hedging instruments			
Derivatives financial Liabilities*			
Commodity contracts	-	319	-
Total	**-**	**343**	**-**

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(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2025			
Financial Assets			
At fair value through profit and loss			
Investments	1,590	3,765	552
Derivatives financial Assets*			
Forward foreign currency contracts	-	5	-
Commodity contracts	-	4	-
Trade receivables	-	44	-
At fair value through other comprehensive income			
Investments	-	3,976	89
Total	**1,590**	**7,794**	**641**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial Liabilities*			
Forward foreign currency contracts	-	7	-
Total	**-**	**7**	**-**

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2026 and March 31, 2025:

(₹ in Crore)

Financial Liabilities	Level-1	Level-2	Level-3
As at March 31, 2026			
Borrowings	-	8,222	-
Total	**-**	**8,222**	**-**
As at March 31, 2025			
Borrowings	-	10,652	-
Total	**-**	**10,652**	**-**

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Reconciliation of Level 3 fair value measurement is as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	FVTPL	FVTOCI	FVTPL	FVTOCI
Balance at the beginning of the year	**552**	**89**	**322**	**89**
Additions during the year	278	-	230	-
Fair value changes recognised during the year	-	-	-	-
Sale/reductions during the year#	-	-	-	-
Reclassification during the year	-	-	-	-
Balance at the end of the year	**830**	**89**	**552**	**89**

#represents investment in optionally convertible preference shares converted into equity shares as per the terms of conversion during the year.

Valuation process for instruments categorised in level 3:

The management of the Group engaged a qualified third party valuer to perform the valuation. Team from the finance department of the Group works closely with valuer to establish appropriate valuation technique and inputs required for the valuation.

Valuation technique used for valuation of financial instruments in level 3:

Valuation of preference and equity shares in level 3 are done using Back Solve Option Pricing Method in current year and in previous year [a level 3 technique], making assumptions about unobservable market data.

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Risk management framework

Risk management

The Group's businesses are subject to several risks and uncertainties including financial risks. The Group's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. Each significant risk has a designated 'owner' within the Group at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Group's Audit & Risk Management Committee. The Audit & Risk Management Committee is aided by the other Committees of the board, which meets regularly to review risks as well as the progress against the planned actions. Key business decisions are discussed at the periodic meetings of the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit & Risk Management Committee on behalf of the Board.

The risk management framework aims to:

improve financial risk awareness and risk transparency

identify, control and monitor key risks

identify risk accumulations

provide management with reliable information on the Group's risk situation

improve financial returns

Treasury management

The Group's treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Executive Committee meetings. Day-to-day treasury operations of the Group are managed by the finance team within the framework of the overall Group's treasury policies. A monthly reporting system exists to inform senior management about investments, currency and, commodity derivatives. The Group has a strong system of internal control which enables effective monitoring of adherence to Group's policies. The internal control measures are effectively supplemented by regular internal audits.

The Group uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forwards and these are subject to the Group's guidelines and policies.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2026 and March 31, 2025. The sensitivity analyses have been prepared on the basis that the amount of net investment, the ratio of fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions, and the non-financial assets and liabilities of foreign operations.

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Commodity price risk

The Group is exposed to the movement of base metal/precious metal commodity prices on the London Metal Exchange and London Bullion Market Association. Any decline in the prices of the base metals/precious metal that the Group produces/ generates and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Group aims to achieve the monthly average of the commodity prices for sales realization. In exceptional circumstances, the Group may enter into strategic hedging. Hedging is used primarily as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and to a strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level and with clearly laid down guidelines for their implementation by the Group.

Whilst the Group aims to achieve average LME/LBMA prices for a month or a year, average realized prices may not necessarily reflect the LME/LBMA price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realized on commodity contracts.
- cash flow hedging on account of forecasted highly probable transactions.

The sales prices of zinc and lead are linked to the LME prices and sale price of silver is linked to the LBMA price. The Group also enters into hedging arrangements for its zinc, lead and silver sales to realize month of sale LME/LBMA prices.

Total exposure on provisionally priced Zinc, Lead & Silver contracts as at March 31, 2026 was ₹ 44 Crore (March 31, 2025: ₹ 189 Crore), Nil (March 31, 2025: ₹ 74 Crore) and Nil (March 31, 2025: Nil) respectively. Based on average price fluctuations, the impact on net profit before tax for a 10% movement in LME prices of zinc, 5% movement in LME price of lead and 5% movement in LBMA price of silver that were provisionally priced as at March 31, 2026 is ₹ 4 Crore, Nil and Nil respectively and as at March 31, 2025 is ₹ 19 Crore, ₹ 4 Crore and Nil respectively.

Financial risk

The Group's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Group does not engage in speculative treasury activity but seeks to manage risk and optimize interest and commodity pricing through proven financial instruments.

a. Liquidity risk

The Group requires funds both for short-term operational needs as well as for long-term investment programme mainly in growth projects. The Group generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

HZL has been rated as 'AAA' / Stable for long term and A1+ for short term by CRISIL Limited during the current and previous financial years.

The Group remains committed to maintaining a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Group.

(₹ in Crore)

Payment due by years	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
As at March 31, 2026					
Trade and other payables#	5,628	130	-	-	5,758
Lease Liabilities#	184	234	68	133	619
Derivative financial liabilities	343	-	-	-	343
Borrowings*	4,146	4,922	-	-	9,068
Total	**10,301**	**5,286**	**68**	**133**	**15,788**

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(₹ in Crore)

Payment due by years	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
As at March 31, 2025					
Trade and other payables#	4,430	342	-	-	4,773
Lease Liabilities#	138	172	22	84	416
Derivative financial liabilities	7	-	-	-	7
Borrowings*	5,371	6,439	-	-	11,810
Total	**9,947**	**6,953**	**22**	**84**	**17,006**

*Includes non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

#Includes, committed interest payments.

The Group had access to following funding facilities.

(₹ in Crore)

Funding facility	Total facility	Drawn	Undrawn
As at March 31, 2026			
Less than 1 year	11,011	8,411	2,600
More than 1 year	-	-	-
Total	**11,011**	**8,411**	**2,600**
As at March 31, 2025			
Less than 1 year	14,187	12,037	2,150
More than 1 year	-	-	-
Total	**14,187**	**12,037**	**2,150**

b. Foreign exchange risk

Fluctuations in foreign currency exchange rates may have an impact on the Statement of Profit and Loss, where any transaction references more than one currency other than the functional currency of the Group.

The Group uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies denominated in foreign currency. The Group is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars. The policy of the Group is to determine on a regular basis what portion of the foreign exchange risk on financing transactions are to be hedged through forward exchange contracts and other instruments. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns. Longer term exposures, are normally unhedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the Statement of Profit and Loss. The below table summarises the foreign currency risk from financial instrument and is partly mitigated by some of the derivative contracts entered into by the Group as disclosed under the section on "Derivative financial instruments".

The carrying amount of the Group's financial assets and liabilities in different currencies is as follows:

(₹ in Crore)

Particulars	As at March 31, 2026		As at March 31, 2025	
Currency exposure	**Financial Asset**	**Financial Liability**	**Financial Asset**	**Financial Liability**
US Dollar	82	555	68	549
Euro	-	837	-	479
Australian Dollar	-	14	-	0
Others	-	2	-	0

The Group's exposure to foreign currency arises where a Group holds monetary assets and liabilities denominated in a currency different to the functional currency of the Group, with US dollar and Euro being the major non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

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The results of Group operations may be affected largely by fluctuations in the exchange rates between the Indian Rupee, against the US dollar and Euro. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rate shift in the currencies by 10% against the functional currency of the respective entities.

Set out below is the impact of a 10% strengthening/weakening in the INR on pre-tax profit/(loss) arising as a result of the revaluation of the Group's foreign currency financial assets/liabilities:

(₹ in Crore)

Particulars	Total exposure		Effect of 10% strengthening/weakening of INR on pre-tax profit/(loss)	
	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2026	For the year ended March 31, 2025
US Dollar	473	481	47	48
Euro	837	479	84	48
Australian Dollar	14	0	1	0
Others	2	0	0	0

c. Interest rate risk

The Group is exposed to interest rate risk on short-term and long-term borrowings. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are denominated in Indian Rupees with mix of fixed and floating rates of interest. The floating rate is linked to Bank's base rate. These exposures are reviewed by appropriate levels of management on frequent basis. The Group invests cash and liquid investments in short-term deposits and debt mutual funds, some of which generate a tax-free return, to achieve the Group's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns. Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of the Group's financial assets to interest rate risk is as follows:

(₹ in Crore)

Particulars	Total	Floating rate	Fixed rate	Non-interest bearing
As at March 31, 2026				
Financials assets	15,323	3,580	10,043	1,700
Financial liabilities	14,852	6,456	2,882	5,514
As at March 31, 2025				
Financials assets	10,404	1,606	7,893	905
Financial liabilities	15,799	8,213	3,665	3,921

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rate. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations.

Considering the debt position as at March 31, 2026 and the investment in bonds and debt mutual funds, any increase in interest rates would result in a net decrease in profits and any decrease in interest rates would result in a net increase in profits. The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date.

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The below analysis gives the impact of a 0.5% to 2.0% change in interest rates on floating rate financial assets/liabilities (net) on profit/(loss) before tax and represents management's assessment of the possible change in interest rates.

The impact of change (increase/(decrease)) in interest rate of 0.5%, 1.0% and 2.0% on profits for the period ended March 31, 2026 is ₹ 14 Crore, ₹ 29 Crore and ₹ 58 Crore and for year ended March 31, 2025 is ₹ 33 Crore, ₹ 66 Crore and ₹ 132 Crore respectively.

d. Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group is exposed to credit risk for receivables, cash and cash equivalents, short-term investments and derivative financial instruments. Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of good financial repute.

Moreover, given the nature of the Group's business, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue on a % basis in current year (Previous year : None). The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds.

The carrying value of the financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk as at March 31, 2026 and March 31, 2025 are ₹ 15,323 Crore and ₹ 10,404 Crore respectively.

None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade and other receivables, and other non-current assets, there were no indications as at March 31, 2026 and as at March 31, 2025, that defaults in payment obligations will occur.

Of the year end trade receivables, loans and other financial assets(excluding derivatives), following balances were past due but not impaired as at March 31, 2026 and March 31, 2025:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Neither impaired nor past due	96	156
Past due but not impaired		
Less than 1 month	158	65
Between 1-3 months	220	9
Between 3-12 months	4	13
Greater than 12 months	0	3
Total	**478**	**246**

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Group's customers is monitored on an on-going basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

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Derivative financial instruments

The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the Group guidelines and policies.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value based on quotations obtained from financial institutions or brokers. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current assets and liabilities/ reserves. Derivatives that are designated as hedges are classified as current depending on the maturity of the derivative.

The use of derivatives can give rise to credit and market risk. The Group tries to manage credit risk by entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Embedded derivatives

Derivatives embedded in other financial instruments or other contracts are treated as separate derivative contracts and marked-to-market when their risks and characteristics are not clearly and closely related to those of their host contracts and the host contracts are not fair valued.

Qualifying Hedges

Cash flow hedges

The Group also enters into commodity price contracts for hedging highly probable future forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity through OCI until the hedged transaction occurs, at which time, the respective gains or losses are reclassified to the Statement of Profit and Loss. Cash flow hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

There is an economic relationship between the hedged items and the hedging instruments. The Group has established a hedge ratio of 1:1 for the hedging relationships. To test the hedge effectiveness, the Group uses the hypothetical derivative method and Dollar offset method.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments.
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments.
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items.
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments.

These hedges had been effective for the year ended March 31, 2026 and March 31, 2025.

Fair value hedges

The fair value hedges relate to commodity price risks and foreign currency exposure. The Group's sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer's facility. The Group enters into forward contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales.There were no fair value hedges for the period ended March 31, 2026.

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Non-qualifying/economic hedges

Non-qualifying hedges related to commodity price risks and foreign currency exposure. The Group enters into forward foreign currency contracts and commodity contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Fair value changes on such forward contracts are recognized in the Statement of Profit and Loss.

The fair value of the Group's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows:

(₹ in Crore)

Derivative financial instruments	As at March 31, 2026		As at March 31, 2025	
	Assets	Liabilities	Assets	Liabilities
Current				
Qualifying hedges				
Cash flow hedges*				
Commodity contracts	-	319	-	-
Non - qualifying hedges				
Commodity contracts	8	2	4	-
Forward foreign currency contracts	50	22	5	7
Total	**58**	**343**	**9**	**7**

*Refer Statement of Profit and Loss and Statement of Changes in Equity for the change in the fair value of cash flow hedges.

Disclosures of effects of Cash Flow Hedge Accounting:

Hedging instruments

The Group is holding the following commodity forward contracts:

	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
At March 31, 2026						
Zinc						
Notional qty (in tonnes)	7,500	15,250	22,750	20,500	4,750	70,750
Notional amount (in ₹ Crore)#	215	441	664	615	146	2,081
Average hedged rate (in $ per tonne)	3,054	3,078	3,109	3,197	3,269	3,133
At March 31, 2026						
Silver						
Notional qty (in Ounce)	2,57,204	5,46,556	8,19,835	2,73,275	-	18,96,870
Notional amount (in ₹ Crore)#	129	297	472	174	-	1,072
Average hedged rate (in $ per Ounce)	53.31	57.83	61.29	67.86	-	60.16
At March 31, 2025						
Zinc						
Notional qty (in tonnes)	-	-	-	-	-	-
Notional amount (in ₹ Crore)	-	-	-	-	-	-
Average hedged rate (in $ per tonne)	-	-	-	-	-	
At March 31, 2025						
Silver						
Notional qty (in Ounce)	-	-	-	-	-	-
Notional amount (in ₹ Crore)	-	-	-	-	-	-
Average hedged rate (in $ per Ounce)	-	-	-	-	-	

#Amounts are calculated using the exchange rate of USD to ₹ as of March 31, 2026.

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The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Commodity forward contracts		
Notional amount	3,153	-
Carrying amount	319	-
Line item in the Balance Sheet that includes Hedging Instruments	Other Current financial liabilities	NA
Change in fair value used for measuring ineffectiveness for the period - Gain/(Loss)	(319)	-

Hedge Items

The impact of the Hedged Items on the Balance Sheet is as follows:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Highly probable forecast sales		
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	(239)	-
Change in value of the hedged items used for measuring ineffectiveness for the period	(319)	-

The effect of the cash flow hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Commodity forward contracts		
Cash flow Hedge Reserve at the beginning of the year	-	-
Total hedging gain/(loss) recognised in OCI	(1,898)	124
Income tax on above	478	(31)
Line item in the statement of profit or loss that includes the recognised ineffectiveness	NA	NA
Amount reclassified from OCI to profit or loss	1,579	(124)
Income tax on above	398	31
Cash flow Hedge Reserve at the end of the year	(239)	-
Line item in the statement of profit or loss that includes the reclassification adjustments	Revenue from Operations	Revenue from Operations

Disclosures of Non qualifying Hedge:

A. The following are the outstanding forward exchange contracts entered into by the Group and outstanding as at year end

(In Crore)

Currency	Foreign currency	Indian Rupees	Buy / Sell	Cross Currency
As at March 31, 2026				
USD	1	46	Buy	INR
EUR	0	16	Buy	INR
AUD	13	733	Buy	INR
EUR	10	1,106	Buy	USD
SEK	1	5	Buy	USD
JPY	19	11	Buy	USD
AUD	1	59	Buy	USD
GBP	0	7	Buy	USD

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(In Crore)

Currency	Foreign currency	Indian Rupees	Buy / Sell	Cross Currency
As at March 31, 2025				
USD	10	872	Buy	INR
EUR	0	5	Buy	INR
AUD	1	46	Buy	INR
EUR	9	828	Buy	USD
JPY	14	8	Buy	USD
AUD	0	9	Buy	USD
GBP	0	11	Buy	USD

B. The following are the outstanding position of commodity hedging open contracts as at March 31, 2026 (other than Cashflow hedge position):-

Zinc forwards/futures (sale)/buy for 8,266 MT (2025: 3,730 MT)

Lead forwards/futures (sale)/buy for 365 MT (2025: (3,634) MT)

Silver forwards/futures (sale)/buy for (16,397) Oz (2025: Nil)

C. All derivative and financial instruments acquired by the Group are for hedging purposes.

D. Unhedged foreign currency exposure

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Debtors	82	68
Creditors	545	546

36. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to safeguard, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year. The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of internal accruals, equity and short term borrowings. The Group monitors capital on the basis of gearing ratio, which is net debt divided by total capital (equity + net debt). Net debt are non-current and current debt as reduced by cash and cash equivalents, other bank balances, current investments and certain non current investments. Equity comprises all components including other components of equity.

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents (See Note 11)	297	96
Other Bank balances[1] (See Note 12)	0	-
Current investments (See Note 9)	13,354	9,149
Non Current investments[2] (See Note 9)	195	182
Total cash (a)	**13,846**	**9,427**
Non Current borrowings (See Note 15)	4,614	5,990
Current borrowings (See Note 15)	3,638	4,661
Total debt (b)	**8,252**	**10,651**
Net debt (c = (b-a))	**-**	**1,224**
Equity (d) (See Statement of changes in Equity)	**22,629**	**13,326**
Total Capital (e = equity + net debt)	**22,629**	**14,550**
Gearing ratio(times) (c/e)	**-**	**0.08**

(1) The Group has included other bank balances as part of total cash. The same are excluding balances pertaining to earmarked unpaid dividend accounts and margin money deposited.

(2) excluding investment in JV, preference shares and equity shares.

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37. RELATED PARTY

a. List of related parties:

Particulars

(i) Holding Companies:

Vedanta Limited (Immediate Holding Company)

Vedanta Resources Limited (Intermediate Holding Company)

Vedanta Incorporated (formerly known as Volcan Investments Limited) (Ultimate Holding Company)

(ii) Fellow Subsidiaries (with whom transactions have taken place):

Bharat Aluminium Company Limited

Sterlite Power Transmission Limited

Talwandi Sabo Power Limited

ESL Steel Limited

Malco Energy Limited

Meenakshi Energy Private Limited

Fujairah Gold FZC

Black Mountain Mining (Pty) Limited

Vizag General Cargo Berth Private Limited

Ferro Alloys Corporation Limited

Sterlite Technologies Limited

STL Digital Limited

V-Spark Deeptech Ventures Private Limited

(iii) Associate of ultimate controlling party (with whom transactions have taken place)

Serentica Renewables India 4 Private Limited

Serentica Renewables India 5 Private Limited

Serentica Renewables India 14 Private Limited

(iv) Related Party having a Significant Influence

Government of India - President of India

(v) Other related party

Anil Agarwal Foundation

Vedanta Foundation

Grant Thorton Bharat LLP

Minova Runaya Private Limited

Runaya Greentech Private Limited

Runaya Green Sustainable Solutions Private Limited

Hindustan Zinc Limited Employee's Contributory Provident Fund Trust

Hindustan Zinc Limited Employee's Group Gratuity Trust

Hindustan Zinc Limited Superannuation Trust

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b. Transactions with Key management Personnel:

Compensation of key management personnel of the Group recognised as expense during the reporting period:

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term employee benefits [1]	13	15
Post-employment benefits	1	1
Share-based payment	5	3
Total compensation paid to key management personnel	**19**	**19**

(1) Excludes gratuity and compensated absences as these are recorded in the books of accounts on the basis of actuarial valuation for the Group as a whole and hence individual amount cannot be determined.

There are no outstanding debts or loans due from directors or other officers (as defined under Section 2(59) of the Companies Act, 2013) of the Group.

c. Transactions with Government having significant influence:

Central government of India holds 27.92% (March 31, 2025: 27.92%) shares in HZL. During the year, the Group has availed incentives in the form of export incentive under Export promotion and credit guarantee scheme announced by the Government of India. Also, the Group has transactions with other government related entities (Public sector undertakings) including but not limited to sales and purchase of goods and ancillary materials, rendering and receiving services and use of public utilities.

d. Transactions with Related Parties:

The details of the related party transactions entered into by the Group, for the year ended March 31, 2026 and March 31, 2025 are as follows:

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Goods & Services		
Fujairah Gold FZC	90	71
Vedanta Limited	-	1
Malco Energy Limited	2	4
Runaya Greentech Private Limited	545	185
Runaya Green Sustainable Solutions Private Limited	254	-
Ferro Alloys Corporation Limited	0	-
Total	**891**	**261**
Purchase of Goods		
Vedanta Limited	13	23
Bharat Aluminium Company Limited	68	63
Minova Runaya Private Limited	217	225
Malco Energy Limited	1	98
Runaya Greentech Private Limited	578	223
Runaya Green Sustainable Solutions Private Limited	257	-
Serentica Renewables India 4 Private Limited	105	108
Serentica Renewables India 5 Private Limited	88	-
Total	**1,327**	**740**
Purchase of services		
STL Digital limited (IT Service)	57	43
Sterlite Technologies Limited (IT Service)	3	7
Runaya Greentech Private Limited (O&M JW Service)	43	48
Runaya Green Sustainable Solutions Private Limited (O&M JW Service)	5	-
V-Spark Deeptech Ventures Private Limited	14	-
Grant Thorton Bharat LLP	0	-
Total	**122**	**98**

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(₹ in Crore)

Nature of transactions	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of property, plant and equipment		
Vedanta Limited	0	0
Ferro Alloys Corporation Limited	0	0
Vizag General Cargo Berth Private Limited	0	-
Total	**0**	**0**
Sale of property, plant and equipment		
Vedanta Limited	1	0
Runaya Greentech Private Limited	-	17
Ferro Alloys Corporation Limited	0	0
STL Digital limited	-	0
Runaya Green Sustainable Solutions Private Limited	16	-
Malco Energy Limited	0	-
Total	**17**	**17**
Strategic services and Brand fees		
Vedanta Limited	1,171	658
Total	**1,171**	**658**
Interest on Business Advance & Asset Sale		
Runaya Greentech Private Limited	12	10
Runaya Green Sustainable Solutions Private Limited	1	-
Total	**13**	**10**
Other Recoveries#		
Vedanta Limited	7	13
ESL Steel Limited	0	0
Bharat Aluminium Company Limited	0	0
Malco Energy Limited	0	-
Talwandi Sabo Power Limited	0	0
Ferro Alloys Corporation Limited	0	0
Black Mountain Mining (Pty) Limited	2	2
Sterlite Technologies Limited	0	0
STL Digital Limited	0	0
Vizag General Cargo Berth Private Limited	-	0
Runaya Greentech Private Limited	2	1
Runaya Green Sustainable Solutions Private Limited	0	-
Minova Runaya Private Limited	0	1
Total	**12**	**17**
Other reimbursements#		
Vedanta Limited*	122	28
ESL Steel Limited	-	0
Bharat Aluminium Company Limited	0	0
Malco Energy Limited	0	-
Talwandi Sabo Power Limited	0	0
Ferro Alloys Corporation Limited	0	0
Sterlite Technologies Limited	0	-
Vizag General Cargo Berth Private Limited	0	-
Meenakshi Energy Private Limited	0	0
Fujairah Gold FZC	0	-
Total	**123**	**29**

*includes payment towards ESOS

#in earlier periods, the Group disclosed recoveries and reimbursement on a net basis. From current year onwards, recoveries and reimbursements are presented separately.

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(₹ in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sitting fee and commission to directors		
Sitting fee and commission to directors	2	2
Total	**2**	**2**
Dividend Paid		
Vedanta Limited	2,680	7,834
Government of India	1,180	3,619
Total	**3,860**	**11,453**
Donations		
Anil Agarwal Foundation	104	50
Vedanta Foundation	1	-
Total	**105**	**50**
Investments made		
Serentica Renewables India 5 Private Limited	-	230
Serentica Renewables India 14 Private Limited	278	-
Total	**278**	**230**
Contribution to :		
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	36	42
Hindustan Zinc Limited Employee's Group Gratuity Trust	4	3
Hindustan Zinc Limited Superannuation Trust	2	3
Total	**42**	**48**
Business advance given during the year		
Runaya Greentech Private Limited	5	55
Total	**5**	**55**

e. The balances receivable/payable as at year end:#

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Receivable From		
Vedanta Limited*	1	3
ESL Steels limited	0	-
Ferro Alloys Corporation Limited	-	0
Black Mountain Mining (Pty) Limited	1	2
Talwandi Sabo Power Limited	-	0
Malco Energy Limited	0	-
Fujairah Gold FZC	12	6
Vizag General Cargo Berth Private Limited	-	0
Runaya Greentech Private Limited (advance secured)	62	69
Runaya Greentech Private Limited (advance unsecured)	56	58
Runaya Greentech Private Limited (trade receivable)	200	18
Runaya Green Sustainable Solutions Private Limited (advance secured)	18	-
Runaya Green Sustainable Solutions Private Limited (trade receivable)	142	-
Total	**492**	**156**

*Target plus scheme("TPS") as a part of foreign trade policy was announced on August 31, 2004 w.e.f. April 01, 2004, with an objective of accelerating growth in exports. Pursuant to this scheme, Vedanta Limited ("erstwhile Sterlite Industries Ltd.") (Immediate Holding Company) had applied for TPS scrips of value of ₹ 306 Crore. However, certain retrospective amendments in this scheme were made by Directorate General of Foreign Trade ('DGFT') resulting in reduction in these scrips value by ₹ 216 Crore in which HZL had a share of ₹ 48 Crore. This was challenged by the Holding Company in the Hon'ble Supreme Court. Basis the favourable judgements from the Hon'ble Supreme Court, HZL had recognised an income of ₹ 48 Crore as an export incentive recoverable in December 2015. However, during FY 2020-21, the TPS scrips of value of ₹ 216 Crore were issued by Directorate General of Foreign Trade ('DGFT') in the name of Vedanta Limited("Holding Company") basis which, the export incentive recoverable was reclassified to recoverable from Vedanta Limited. HZL had realised ₹ 20 Crore from Vedanta Limited on the basis of proportionate scrips utilization by Vedanta Limited and had created a provision of remaining ₹ 28 Crore considering the expiry of the utilization timeline for these scrips till February 24, 2023 and no favorable outcome of the petition filed by the Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline.

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

(₹ in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable To		
Vedanta Limited	113	23
ESL Steels limited	-	0
Ferro Alloys Corporation Limited	0	-
Talwandi Sabo Power Limited	0	-
Bharat Aluminium Company Limited	7	3
Malco Energy Limited	6	12
Minova Runaya Private Limited	5	11
STL Digital	6	1
Sterlite Technologies Limited	1	1
Serentica Renewables India 4 Private Limited	18	5
Serentica Renewables India 5 Private Limited	7	-
Sterlite Power Transmission Limited	-	0
V-Spark Deeptech Ventures Private Limited	12	-
Runaya Greentech Private Limited (trade payable)	216	19
Runaya Green Sustainable Solutions Private Limited (trade payable)	136	-
Anil Agarwal Foundation	4	-
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	8	9
Hindustan Zinc Limited Employee's Group Gratuity Trust	22	1
Total	**561**	**85**

#In earlier periods, the Group disclosed Related Party balances on a net receivable/payable basis. From current year onwards, receivable and payable balances are presented separately.

Letter of Comfort/Bank Limits assigned		
Hindustan Zinc Alloys Private Limited (Refer Note 30(d)(iii))	66	66
Total	**66**	**66**
Non-Current Investments		
Serentica Renewables India 4 Private Limited (FVTOCI)	56	56
Serentica Renewables India 4 Private Limited (FVTPL)	224	224
Serentica Renewables India 5 Private Limited (FVTOCI)	33	33
Serentica Renewables India 5 Private Limited (FVTPL)	328	328
Serentica Renewables India 14 Private Limited (FVTPL)	278	-
Total	**919**	**641**
Other commitments		
Serentica Renewables India 4 Private Limited (Refer Note 30(d)(i))	70	70
Serentica Renewables India 5 Private Limited (Refer Note 30(d)(i))	77	77
Serentica Renewables India 14 Private Limited (Refer Note 30(d)(ii))	49	327
Total	**196**	**474**

f. Terms and conditions of related party transactions:

Transactions during the year are reported excluding GST and other applicable taxes, if any.

Sales made to/purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties.

Trade receivables and Trade payables outstanding balances are unsecured, require settlement in cash and no guarantee or other security has been received/ given against these receivables/ payables (except for balances in Note 7).

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

38. INTEREST IN OTHER ENTITIES

The Group consists of a parent company, Hindustan Zinc Limited, incorporated in India and its subsidiaries and joint venture as below:

Name of the entity	Principal Activity	Type of interest	Country of Incorporation	The company's holding (in %)	
				As at March 31, 2026	As at March 31, 2025
Hindustan Zinc Alloys Private Limited	Manufacturing of metals and its alloys	Wholly Owned Subsidiary	India	100	100
Vedanta Zinc Football & Sports Foundation	Sports activities	Wholly Owned Subsidiary	India	100	100
Zinc India Foundation	CSR activities	Wholly Owned Subsidiary	India	100	100
Hindustan Zinc Fertilisers Private Limited	Fertiliser Business	Wholly Owned Subsidiary	India	100	100
Hindmetal Exploration Services Private Limited	Exploration activities	Wholly Owned Subsidiary	India	100	100
Madanpur South Coal Company Limited	Coal mining	Joint Venture	India	18.05	18.05

39. SUBSEQUENT EVENTS

There are no material events which requires adjustment.

40. FINANCIAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the entity	Net Assets (Total assets less total liabilities)		Share in profit and loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As at March 31, 2026		For the year ended March 31, 2026		For the year ended March 31, 2026		For the year ended March 31, 2026	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
Parent								
Hindustan Zinc Limited	99.32%	22,475	99.13%	13,712	100.00%	(229)	99.12%	13,483
Subsidiaries incorporated in India								
Hindustan Zinc Alloys Private Limited	0.78%	176	0.88%	122	-	-	0.89%	122
Vedanta Zinc Football & Sports Foundation	0.00%	0	0.00%	-	-	-	0.00%	-
Zinc India Foundation	0.00%	0	0.00%	-	-	-	0.00%	-
Hindustan Zinc Fertilisers Private Limited	(0.00%)	(0)	(0.00%)	(0)	-	-	(0.00%)	(0)
Hindmetal Exploration Services Private Limited	0.04%	9	0.04%	5	-	-	0.04%	5
Joint Venture								
Madanpur South Coal Company Limited	0.00%	-	0.00%	-	-	-	0.00%	-
Consolidation Adjustments/ Eliminations	(0.14%)	(31)	(0.05%)	(7)	-	-	(0.05%)	(7)
Total	**100.00%**	**22,629**	**100.00%**	**13,832**	**100.00%**	**(229)**	**100.00%**	**13,603**

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

Name of the entity	Net Assets (Total assets less total liabilities)		Share in profit and loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As at March 31, 2025		For the year ended March 31, 2025		For the year ended March 31, 2025		For the year ended March 31, 2025	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
Parent								
Hindustan Zinc Limited	99.72%	13,288	99.28%	10,278	100.00%	31	99.28%	10,309
Subsidiaries incorporated in India								
Hindustan Zinc Alloys Private Limited	0.41%	55	0.62%	64	-	-	0.62%	64
Vedanta Zinc Football & Sports Foundation	0.00%	0	0.01%	1	-	-	0.01%	1
Zinc India Foundation	0.00%	0	0.02%	2	-	-	0.02%	2
Hindustan Zinc Fertilisers Private Limited	(0.00%)	(0)	(0.00%)	(0)	-	-	(0.00%)	(0)
Hindustan Zinc Exploration Services Private Limited	0.02%	3	0.03%	3	-	-	0.03%	3
Joint Venture								
Madanpur South Coal Company Limited	0.00%	-	0.00%	-	-	-	0.00%	-
Consolidation Adjustments/ Eliminations	(0.17%)	(20)	0.05%	5	-	-	0.05%	5
Total	**100.00%**	**13,326**	**100.00%**	**10,353**	**100.00%**	**31**	**100.00%**	**10,384**

41. AUDIT TRIAL NOTE

The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software both at the application as well as at the database level. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved as per the statutory requirements for record retention, to the extent it was enabled and recorded in the respective years.

42. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group has not been declared wilful defaulter by any bank or financial Institution or other lender.

(iii) The Group does not have any transactions with companies struck off.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes Forming Part of the Consolidated Financial Statements

as at and for the year ended March 31, 2026

(vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(viii) The Group has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

43. OTHER INFORMATION

During the year, a short seller had published reports alleging certain matters against some of the Vedanta Group entities including Hindustan Zinc Limited. Based on its assessment, management of the Group continues to believe that these allegations are baseless and that the transactions stated in the allegations have appropriate commercial substance and that the said transactions have been duly approved through necessary processes and the Group remains compliant with contractual obligations and applicable laws and regulations, and basis management's assessment, no adjustments are required in consolidated financial statements of the Group. During the period, information sought by regulators/authorities have been duly provided by the Group. No further communication has been received by the group as of date.

Accordingly, management believes that no adjustments are required to these consolidated financial statements of the Group for the year ended March 31, 2026 or any prior periods.

As per our report on even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160

Date: April 24, 2026
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN: L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Sandeep Modi
Chief Financial Officer

Date: April 24, 2026
Place: Udaipur

Pallavi Bakhru
Director
DIN: 01526618
Place: Delhi

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

FORM AOC-1

Salient features of Subsidiaries pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

(₹ in Crore)

S. No	Name of subsidiary	Reporting period	Reporting currency	Date of becoming subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding Investment in Subsidiary)	Revenue	Profit/ (Loss) Before Tax	Tax expense/ (credit)	Profit/ (Loss) After Tax	Proposed Dividend - Proposed Final Dividend	% of shareholding
1	Hindustan Zinc Alloys Private Limited	April -March	INR	November 17, 2021	0	176	230	54	22	417	147	25	122	-	100%
2	Vedanta Zinc Football & Sports Foundation	April -March	INR	December 21, 2021	0	(0)	2	2	-	-	-	-	-	-	100%
3	Zinc India Foundation	April -March	INR	August 05, 2022	0	0	3	3	-	-	-	-	-	-	100%
4	Hindustan Zinc Fertilisers Private Limited	April -March	INR	September 07, 2022	0	(0)	0	0	-	-	(0)	-	(0)	-	100%
5	Hindmetal Exploration Services Private Limited	April -March	INR	February 26, 2024	0	9	32	23	7	92	7	2	5	-	100%

S. No	Name of Joint venture	Madanpur South Coal Company Limited
1	Latest audited Balance sheet date	March 31, 2025
	Date of acquisition	5/23/2006
	Shares of Joint Ventures held by the Company at the year end	
	- Number	114,391
	- Amount of investment (₹ Crore)	2
	- % of holding	18.05%
	Description of how there is significant influence	N.A
	Networth attributable to shareholding as per latest audited Balance sheet (₹ Crore)	1
	Profit/(Loss) for the year (₹ Crore)	
	- Considered in Consolidation	-
	- Not Considered in Consolidation	0

For and on behalf of the Board of Directors
CIN: L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Pallavi Bakhru
Director
DIN: 01526618
Place: Delhi

Sandeep Modi
Chief Financial Officer

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 24, 2026
Place: Udaipur

Date: April 24, 2026
Place: Udaipur

Glossary

Short form	Name
AGM	Annual General Meeting
AIFF	All India Football Federation
APCD	Air Pollution Control Devices
ARM	Audit and Risk Management Committee
ASCEND	Aspire. Strengthen. Connect. Evolve. Navigate. Deliver.
BEV	Battery-Electric Vehicle
BP	Business Partner
BRSR	Business Responsibility & Sustainability Report
BU	Business Unit
Capex	Capital Expenditure
CAR	Climate Action Report
CARO	Companies (Auditors Report) Order
CBAM	Carbon Border Adjustment Mechanism
CENVAT	Central Value Added Tax
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFSAs	Contractor Field Safety Audits
CG	Corporate Governance
CGG	Continuous Galvanising Grade
CGU	Cash Generating Unit
CHRO	Chief Human Resource Officer
Chief HSE&S	Chief Head of Sustainability, Environment and Safety
CII	Confederation of Indian Industry
CNC	Computer Numerical Control
COBIT	Control Objectives For Information and Related Technology
CODM	Chief Operating Decision Maker
COO	Chief Operating Officer
COP	Cost of Production
COSO	Committee of Sponsoring Organisations
CPCB	Central Pollution Control Board
CRISIL	Credit Rating Information Services of India Limited
CRM	Critical Risk Management
CRRI	Central Road Research Institute
CSA	Corporate Sustainability Assessment
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CTC	Cost-to-Company
CWIP	Capital Work in Progress
CY	Current Year
DAP/NPK	Di Ammonium Phosphate/Nitrogen, Phosphorus, and Potassium
DC	Designated Consumers
DCS	Distributed Control System
DGFT	Directorate General of Foreign Trade
DGMS	Directorate General of Mine Safety
DIN	Directors Identification Number
DJBIC	Dow Jones Best-In-Class
DJSI	Dow Jones Sustainability Indices
DLP	Data Leakage Prevention
DLP	Data Loss Prevention
DMG	Department of Mines and Geology
DPDPA	Digital Personal Data Protection Act
DR & BCP	Disaster Recovery & Business Continuity Plan
EBITDA	Earnings Before Interest, Tax, Depreciation And Amortization
ECL	Expected Credit Loss
EDR	Endpoint Detection and Response
EIR	Effective Interest Rate
ELCB	Earth-Leakage Circuit Breaker
EOI	Expression of Interest
EPC	Engineering, Procurement, and Construction
EPCG	Export Promotion Capital Goods
EPD	Environmental Product Declaration
EPR	Extended Producer Responsibility
ERM	Enterprise Risk Management
ESIA	Environmental and Social Impact Assessment
ESG	Environmental, Social and Governance
ESOP	Employee Stock Ownership Plan
ESOS	Employee Stock Option Scheme
ETF	Exchange Traded Funds
ETP	Effluent Treatment Plant
EWAP	Employee Well-Being and Assistance Programmes
EXCO	Executive Committee
FCF	Free Cash Flow
FPIC	Free-Prior Informed Consent
F&O	Futures and Options
FSIPP	Fatality and Serious Injury Prevention Plan
FTSE	Financial Times Stock Exchange
FVTOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value through Statement of Profit & Loss
FY	Financial Year
g/MT	Grams Per Tonne
GCMP	Ground Control Management Plan
GDP	Gross Domestic Product
GEMI	Global Environmental Management Initiative
GHG	Greenhouse Gas
GISTM	Global Industry Standard on Tailings Management
GJ	Giga Joules
GOI-MOM	Government of India, Ministry of Mines
GRC	Governance, Risk and Compliance
GRI	Global Reporting Initiative
GW	Gigawatt
HEMM	Heavy Earth Moving Machinery
HIRA	Hazard Identification & Risk Assessment
HR	Human Resources
HRMS	HR Management System
HSE	Health, Safety and Environment

Glossary

Short form	Name
HSES	Health, Safety, Environment & Social
HZDA	Hindustan Zinc Diecasting Alloy
HZWF	Hindustan Zinc Workers' Federation
IALM	International Academy of Legal Medicine
IBAT	Integrated Biodiversity Assessment Tool
IBM	Indian Bureau of Mines
IBU	Independent Business Unit
ICAI	Institute of Chartered Accountants of India
ICC	Internal Complaints Committee
IEPF	Investor Education and Protection Fund
IFC	International Finance Corporation
IFC EHS	International Finance Coalition - Environmental, Health, and Safety
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ILO	International Labour Organisation
IMS	Integrated Management System
InSAR	Interferometric Synthetic Aperture Radar
INTUC	Indian National Trade Union Congress
IR	Integrated Report
IRR	Internal Rate of Return
ISC-FICCI	Indian Sanitation Coalition - Federation of Indian Chambers of Commerce and Industry
ISSB	International Sustainability Standards Board
ISO/IEC	International Organization for Standardization/ International Electrotechnical Commission
ITGC	Information Technology General Control
ITMC	Insider Trading Monitoring Committee
IUCN	International Union for Conservation of Nature
IZA	International Zinc Association
JORC Code	Joint Ore Reserve Committee
kA	kiloampere
KL	Kilo Litre
KLD	Kilo Litres Per Day
KM	Kilo Meter
KMP	Key Managerial Personnel
KPIs	Key Performance Indicators
KRI	Key Risk Indicator
kt	Kilotonnes
ktpa	Kilotonnes Per Annum
LBMA	London Bullion Market Association
LCA	Lifecycle Assessment
LCOE	Lower Levellised Cost of Energy
LGBTQIA+	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual
LiDAR	Light Detection and Ranging
LIMS	Laboratory Information Management System
LME	London Metal Exchange
LODR	Listing Obligations and Disclosure Requirements
LSR	Life Saving Rules
LoRaWAN	Long Range Wide Area Network

Short form	Name
LTIFR	Lost Time Injury Frequency Rate
LTS	Long Term Settlement
ManCom	Management Committee
MAS	Management Assurance Services
MCLR	Marginal Cost of Lending Rate
MEE	Multiple Effect Evaporator
MGJ	Mega Joule
MIC	Metal in Concentrate
MIP	Management in Place
Mnt	Million Tonne
MOC	Material of Construction
MoEF&CC	Ministry of Environment, Forest and Climate Change
MoU	Memorandum of Understanding
Moz	Million Ounces
mRL	Metres Relative Level
MSA	Modern Slavery Act
MSME	Micro, Small & Medium Enterprises
MT	Metric Tonne
Mtpa	Million Tonnes Per Annum
MU	Million Units
MVA	MegaVolt Ampere
MVR	Mechanical Vapour Recompression
MW	Mega Watt
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAV	Net Asset Value
NCCBM	National Council for Cement & Building Materials
NCDs	Non-Convertible Debentures
NCLT	National Company Law Tribal
NDRF	National Disaster Response Force
NEERI	National Environmental Engineering Research Institute
NGO	Non-profit Organisation
NGRBC	National Guidelines on Responsible Business Conduct
NMET	National Mineral Exploration Trust
NOPAT	Net Operating Profit After Tax
NRC	Nomination and Remuneration Committee
NSE	National Stock Exchange
OCI	Other Comprehensive Income
ODR Portal	Online Dispute Resolution Portal
OECD	Organisation for Economic Cooperation and Development
OEM	Original Equipment Manufacturer
OGT	Outlet Gas Temperature
OHSAS	Occupational Health and Safety Assessment Series
OHSAS 18001	Occupational Health and Safety Assessment Series
ONDC	Open Network for Digital Commerce
PAPR	Powered Air Purifying Respirators

Glossary

Short form	Name
PAT	Profit After Tax
Pb	Lead
PBDIT	Profit Before Depreciation, Interest and Tax
PGEs	Platinum Group Elements
PHA	Process Hazard Analysis
PII	Personally Identifiable Information
PIMS	Privacy Information Management System
PIT	Prohibition of Insider Trading
PMI	Purchasing Managers' Index
POSH	Prevention of Sexual Harassment
PPE	Property Plant Equipment
PPP	Purchasing Power Parity
PSM	Process Safety Management
PTS	Plant Technical System
PW	Prime Western
QCI	Quality Council of India
QRA	Quantitative Risk Assessment
R&D	Research & Development
R&R	Resources & Reserves
RA	Revisionary Authority
RCA	Rajasthan Cricket Association
RADAR	Radio Detection and Ranging
RE Power	Renewable Energy
REE	Rare Earth Elements
RE-RTC	Renewable Energy Round the Clock
RFID	Radio Frequency Identification
RFQ	Requests for Quotation
RO	Reverse Osmosis
RO ATM	Reverse Osmosis Automated Teller Machine
RPM	Revolutions Per Minute
SA	Social Accountability
SaaS	Software as a Service
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets Initiative
SBU	Strategic Business Unit
SDGs	Sustainable Development Goals
SEBI	Securities Exchange Board of India
SHFE	Shanghai Futures Exchange
SHG	Special High Grade
SHGs	Self Help Groups
SIA	Social Impact Assessment
SIEM	Security Information and Event Management
SKS	Shuikoushan
SLF	Secure Landfills
SLP	Supplier Lifecycle and Performance
SMETA	Sedex Members Ethical Trade Audit
SMP	Senior Management Personnel
SOA	Statement of Applicability
SOC	Security Operations Centre
SOPs	Standard Operating Procedures
SPPI	Solely Payments of Principal and Interest

Short form	Name
SPSCs	Social Performance Steering Committees
SRC	Stakeholders Relationship Committee
SSR	Structural Stability Report
STEM	Science, Technology, Engineering, Mathematics
STP	Sewage Treatment Plant
TERI	The Energy and Resources Institute
TCFD	Task Force on Climate-Related Financial Disclosures Report
TDS	Total Dissolved Solids
TGT	Tail Gas Treatment
TNFD	Task Force on Nature-Related Financial Disclosures
TPA	Tonne Per Annum
tpd	Tonnes Per Day
TPH	Tonnes Per Hour
TPS	Target Plus Scheme
TQM	Total Quality Management
TRC	Talent Review Council
TRIFR	Total Recordable Injury Frequency Rate
TS	Technical Standard
TSFs	Tailings Storage Facilities
TSS	Total Suspended Solids
TTR	Tax Transparency Report
TTV	Time to Value
UIT	Urban Improvement Trust
UMC	Udaipur Municipal Corporation
UN SDGs	United Nations Sustainable Development Goals
UNEP	United Nations Environment Programme
UNGC	United Nations Global Compact
VAPT	Vulnerability Assessment and Penetrating Testing
VESOS	Vedanta Employee Stock Option Scheme
VPI	Vehicle Pedestrian Interaction
VSAP	Vedanta Sustainability Assurance Programme
VSF	Vedanta Sustainability Framework
WBCSD	World Business Council for Sustainable Development
WCDL	Working Capital Demand Loan
XRD	X-Ray Diffraction
XRF	X-Ray Fluorescence
ZIF	Zinc India Foundation
ZLD	Zero Liquid Discharge

HINDUSTAN ZINC
Zinc & Silver of India

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