HZL/2025-26/SECY/64

August 01, 2025

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Kind Attn: General Manager – Department of Corporate Services

Scrip Code: 500188

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor Plot No., C/l, G Block
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051

Kind Attn: Head Listing & Corporate Communication

Trading Symbol: "HINDZINC"

Dear Sir/Madam,

Sub: Notice of the 59th Annual General Meeting ("AGM") and Integrated Annual Report for the Financial Year 2024-25

In continuation to our letter no. HZL/2025-26/SECY/47 dated July 15, 2025, we wish to reconfirm that the 59th AGM of the Company is scheduled to be held on Monday, August 25, 2025 at 12:00 Noon IST through Video Conferencing ("**VC**") / Other Audio-Visual Means ("**OAVM**"), in compliance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ("**SEBI**"), to transact the businesses as set forth in the Notice convening the AGM ("**Notice**").

The other details of the AGM at glance are as below:

Particulars	Details
Day, date and time of AGM	Monday, August 25, 2025, at 12:00 Noon IST
Mode of AGM	VC/OAVM
Helpline number for participation through VC/OAVM	022-4886 7000
Cut Off Date for e-voting	Monday, August 18, 2025
Remote e-Voting Start Date	From 9:00 A.M. (IST) on Wednesday, August 20, 2025
Remote e-Voting End Date	Upto 5:00 P.M. (IST) on Sunday, August 24, 2025
E-voting website of NSDL	https://www.evoting.nsdl.com/

Pursuant to Regulation 34(1) and 53(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, please find enclosed herewith the Integrated Report including the Annual Accounts and the Business Responsibility and Sustainability Report ("**BRSR**") for the Financial Year 2024 -25 ("**Integrated Annual Report**") along with the Notice of AGM being sent to all Members through electronic mode whose e-mail IDs are registered with the Company/Depository Participant(s) ('DPs').

Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, the Company will be sending a physical letter to the Members whose e-mail IDs are not registered with the Company/DPs. This letter will include a QR code and a direct web link, along with the exact navigation path to access the complete Integrated Annual Report on the Company's website.

The aforementioned reports and the Notice have been made available on the website of the Company at https://www.hzlindia.com/investors/reports-press-releases/ and the website of National Securities Depository Limited at www.evoting.nsdl.com.

Further, the Company has published its Taskforce on Nature-related Financial Disclosures ("TNFD") Report for the FY 2024-25, which can be accessed through the link as provided below:

https://www.hzlindia.com/wp-content/uploads/Final-TNFD-Report-2024-25.pdf

We request you to please take the above on record.

Thanking You,

Yours faithfully,

For **Hindustan Zinc Limited**

AASHHIMA V KHANNA Digitally signed by AASHHIMA V KHANNA Date: 2025.08.01 17:50:46 +05'30'

Aashhima V Khanna
Company Secretary & Compliance Officer

Enclosed: As above

Copy to:

1. **National Securities Depository Limited**, Trade World, A Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013
2. **Central Depository Services (India) Limited**, Marathon Futurex, A Wing, 25th Floor, Mafatlal Mills Compounds, N M Joshi Marg, Lower Parel, Mumbai – 400 013
3. **Debenture Trustee -** M/s Axis Trustee Services Limited, The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028
4. **Registrar & Transfer Agent -** KFin Technologies Limited, Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India – 500 032

HINDUSTAN ZINC
Zinc & Silver of India

HINDUSTAN ZINC LIMITED

CIN: L27204RJ1966PLC001208
Registered Office: Yashad Bhawan, Yashadgarh, Udaipur, Rajasthan -313004 IN
E-mail ID: hzl.secretarial@vedanta.co.in, Website: www.hzlindia.com
Tel.: +91 0294-6604083

NOTICE OF THE 59th ANNUAL GENERAL MEETING

Notice is hereby given that the 59th Annual General Meeting ("AGM/Meeting") of the Members of Hindustan Zinc Limited ("Company") will be held on **Monday, August 25, 2025, at 12:00 Noon (IST)** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To consider, review and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, prepared on Standalone and Consolidated basis and the reports of the Auditors thereon; and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, and the reports of the Auditors thereon laid before this meeting be and are hereby considered and adopted."

2. To confirm the interim dividend (s) for the financial year ended March 31, 2025, and, in this regard, pass the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** the first interim dividend of ₹ 10 per equity share i.e. 500%; second interim dividend of ₹ 19 per equity share i.e. 950 %, aggregating to a sum of ₹ 29 per equity share on face value of ₹ 2/- each fully paid up for the Financial Year 2024-25 approved by the Board of Directors of the Company respectively and already paid, be and is hereby confirmed."

3. To consider and re-appoint Ms. Priya Agarwal (DIN: 05162177), who retires by rotation and being eligible, seeks re-appointment, as per Article 70 of the Articles of Association of the Company; and in this regard, pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152, and other applicable provisions of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 70 of the Articles of Association of the Company, Ms. Priya Agarwal (DIN: 05162177), who retires by rotation at this meeting and being eligible seeks re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.

   RESOLVED FURTHER THAT any of the Board of Directors of the Company and Ms. Aashhima V Khanna, Company Secretary & Compliance Officer be and are hereby severally authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this Resolution."

4. To ratify the appointment of M/s S.R. Batliboi & Co. LLP as Statutory Auditors of the Company and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the appointment on the basis of recommendations of the Audit and Risk Management Committee and by the Board of Directors and pursuant to the resolution passed by the shareholders at the 55th Annual General Meeting of the Company held on August 09, 2021, the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) as the Statutory Auditors of the Company be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration and the reimbursement of out of pocket expenses, if any, as may be fixed by the Board of Directors on the recommendation of the Audit & Risk Management Committee."

SPECIAL BUSINESS:

5. To consider and approve the appointment of M/s Sanjay Grover & Associates as Secretarial Auditors of the Company and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 204(1) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules and provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the recommendation of Audit & Risk Management Committee and the Board of Directors, M/s Sanjay Grover & Associates, Practicing

Company Secretaries, New Delhi, (Firm Registration No.: P2001DE052900) be and is hereby appointed as the Secretarial Auditors to carry out the Secretarial Audit of the Company for the first term of 5 years from the conclusion of this Annual General Meeting, at a remuneration of ₹ 4,50,000/- per annum besides applicable taxes and reimbursement of travel and other out of pocket expenses incurred by them for the purposes of Secretarial Audit with the remuneration being subjective to revision as may be approved by the Board of Directors from time to time."

6. To consider and ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2026, and in this regard, pass the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s K.G. Goyal & Company, Cost Accountants (Firm Registration No. 000017) appointed by the Board of Directors of the Company on the recommendation of the Audit and Risk Management Committee as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2025-26, be paid a remuneration of ₹ 2.90 lacs (Two lacs ninety thousand only) excluding applicable taxes and out of pocket expenses, if any as incurred in connection with the aforesaid audit be and is hereby confirmed, ratified and approved."

7. 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, and in this regard, pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other rules, regulations, guidelines, statutory notifications made by any statutory authorities (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of the members be and is hereby accorded for the reappointment of Mr. Arun Misra as the Whole-time Director and Chief Executive Officer on the board of the Company for a further period of 1 year w.e.f. June 01, 2025 to May 31, 2026, subject to the following terms and conditions:

   a. **Period of Appointment:**

      The appointment is valid for a period of 1 year, w.e.f. June 01, 2025, to May 31, 2026.

   b. **Remuneration:**

Name	C1 (Fixed Pay) INR lakhs	Total C4 (Expected) INR lakhs
Mr. Arun Misra	436	1065

   The above remuneration also includes (a) Annual Bonus i.e. Target Bonus - 125% of Fixed Pay (b) Benefits as per Company Policy (c) Incentives & Retention Bonus of INR 1 cr. paid during the year and (d) Valuation of ESOPs. Total C4 is the summation of all the remuneration elements put together.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any of the financial year, the company shall pay remuneration by way of salary including perquisites and allowances as specified under Section 197 and Section II of Part II of Schedule V of Companies Act, 2013 or in accordance with any statutory modification(s) thereof.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the re-appointment and / or remuneration based on the recommendation of the Nomination and Remuneration Committee, subject to the limit as specified under Section 197 read with Schedule V of the Act and rules made thereunder or any statutory modification(s) or re-enactment(s) thereof.

   RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorized to do all such acts and to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

8. 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, and in this regard, pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Anoop Kumar Mittal (DIN: 05177010), who was appointed as an Additional Director (Independent and Non-Executive) by the Board of Directors of the Company, with effect from August 01, 2025 and who qualifies for being appointed as an Non-Executive Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160(1) of the Act, proposing his candidature for the office of Director of the Company, being so eligible, be appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 2 (two) years commencing from August 01, 2025 to July 31, 2027 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this Resolution."

9. 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, and in this regard, pass the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification or reenactment(s) thereof for the time being in force), and on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Ms. Pallavi Joshi Bakhru (DIN: 01526618), whose tenure expires on August 09, 2025 and who has submitted a declaration of independence as provided under Section 149(6) of the Act and applicable rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and is eligible for reappointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a second and final term of two (2) years effective from August 10, 2025, to August 09, 2027, on such remuneration as may be decided by the Board.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this Resolution."

10. To consider and approve the appointment of Mr. Ashish Chatterjee (DIN: 07688473), as a Non-Executive Nominee Director on the Board of the Company, and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment & Qualification of Directors) Rules, 2014, Articles of Association of the Company, and Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ashish Chatterjee (DIN: 07688473), whose appointment was communicated by the Ministry of Mines, Government of India vide order dated July 25, 2025, and who was appointed by the Board of Directors as a Non-Executive Nominee Director on the Board of the Company with effect from July 25, 2025 on the recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as Non-Executive Nominee Director of the Company and he shall be liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution, including but not limited to delegating all or any of the powers conferred by this resolution, to any officer(s)/ authorised representative(s)."

Registered Office:
Yashad Bhawan, Yashadgarh, Udaipur,
Rajasthan -313004
CIN: L27204RJ1966PLC001208
E-mail ID: hzl.secretarial@vedanta.co.in
Website: www.hzlindia.com
Tel.: +91 0294-6604083

By Order of the Board

Aashhima V Khanna
Company Secretary & Compliance Officer
Membership No: ACS 34517

Place: Udaipur
Date: 30.07.2025

NOTES

S. No.	Particulars	Details
1	Date, day and time of AGM	Monday, August 25, 2025, at 12 Noon
2	Mode	Video Conferencing (VC)/ other Audio Visual Means (OAVM)
3	Link for attending live webcast of the Annual General Meeting ("AGM") through Video Conferencing ("VC") and for e-voting [remote/at the AGM	https://eservices.nsdl.com/ (follow the steps mentioned in the notice)
4	Helpline numbers for VC participation	https://eservices.nsdl.com/ and 022 - 4886 7000
5	Registrar and Share Transfer Agent	KFin Technologies Limited Unit: Hindustan Zinc Limited E-mail: einward.ris@kfintech.com; Contact No.: 040 - 6716 2222, 1800 309 4001
6	Cut-off date for e-voting	Monday, August 18, 2025
7	Corporate/Institutional Members to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the authorized representative (s)	On or before Friday, August 22, 2025 at cs.vmanda@gmail.com or hzl.secretarial@vedanta.co.in
8	Speaker registration and period for submission of questions, if any, in advance and e-mail address	**Registration is open till:** Wednesday, August 20, 2025, 5:00 PM Speakers may may send their request mentioning their name, demat account number/folio number, email id, mobile number at hzl.secretarial@vedanta.co.in
9	Remote e-voting period	**Commencement of Remote e-Voting:** Wednesday, August 20, 2025, 9:00 AM **End of Remote e-Voting:** Sunday, August 24, 2025, 5:00 PM
10	**Other Important links** Integrated Report and Annual Accounts FY 2024-25 Notice of the AGM	https://www.hzlindia.com/

1. Pursuant to the MCA (Ministry of Corporate Affairs) circular nos. 14/2020 dated April 08, 2020, circular No.17/2020 dated April 13, 2020, and circular no. 09/2024 dated September 19, 2024, companies are permitted to hold their AGM through Video Conferencing (VC') or Other Audio Visual Means('OAVM') without the physical presence of the members at a common venue. Hence, in compliance with the said circulars and provisions of the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC/OAVM.

2. The Explanatory Statement pursuant to Section 102(1) of the Act, read with rules made thereunder setting out material facts concerning the Special Business(es) under Item No. 5 & 6 of the Notice is annexed hereto due to its unavoidable nature. The relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at the AGM are provided as an annexure to the Notice.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip, and route map of AGM are not annexed to this Notice.

4. The Body Corporates/Institutional members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Corporate /Institutional members are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization, etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or at AGM pursuant to Section 113 of the Act at E-mail id cs.vmanda@gmail.com and hzl.secretarial@vedanta.co.in not later than 48 hours before the scheduled time of the commencement of the Meeting. Institutional shareholders (i.e., other than individuals, HUF, NRI, etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on **"Upload Board Resolution/Authority Letter"** displayed under **"e-Voting"** tab in their login.

5. Participation of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE AND REGISTRATION OF E-MAIL ID

7. In terms of the MCA Circulars and SEBI Circulars, the Company is sending this AGM Notice along with the Integrated Annual Report FY 2024-25 in electronic form only to those Members whose email IDs are registered with the Company/Depository Participants **("DPs")**. The Company shall send the physical copy of the Integrated Annual Report FY 2024-25 only to those Members who specifically request for the same at hzl.secretarial@vedanta.co.in mentioning their Folio No/DP ID and Client ID.

8. The Members may note that the Notice calling the AGM along with Integrated Annual Report FY 2024-25 has been uploaded on the website of the Company at www.hzlindia.com. The Notice and Integrated Annual Report FY 2024-25 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

9. Members whose E-mail ID is not registered and who wish to receive the Notice of the AGM, Integrated Annual Report 2024-25 and all other communications by the Company, from time to time, may get their E-mail ID registered by submitting Form ISR-1 to KFintech at einward.ris@kfintech.com or to the Company at hzl.secretarial@vedanta.co.in. However, for the shares held in demat form, Members are requested to write to their respective DPs.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM

10. The Company has engaged the services of NSDL. Members will be able to attend the AGM through VC/OAVM or view the live webcast of the AGM provided by NSDL by following the instructions provided in the notes to the Notice of the AGM.

11. The facility to join the AGM in the VC/OAVM mode shall be opened 30 minutes before the scheduled time of the commencement of the Meeting and shall be kept open throughout the proceedings of the Meeting.

12. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit & Risk Management Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

13. Members requiring any assistance/support for participation before or during the AGM, can contact NSDL on evoting@nsdl.com or can call at 022 -4886 7000 or can contact Ms. Pallavi Mhatre, Senior Manager, at the designated E-mail ID at evoting@nsdl.com.

PROCEDURE FOR SPEAKER REGISTRATION OR TO RAISE QUESTIONS / QUERIES

14. Members who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at hzl.secretarial@vedanta.co.in.

15. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker shareholder on or before Wednesday, August 20, 2025, 5:00 P.M. (IST), may send their request mentioning their name, demat account number/folio number, email id, mobile number at hzl.secretarial@vedanta.co.in.

16. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting. Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

PROCEDURE FOR INSPECTION OF DOCUMENTS

17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act shall be made available for inspection by the Members during the AGM.

18. All documents referred to in the accompanying Notice and the Explanatory Statement will also be available for inspection through electronic mode during business hours except on holidays, up to and including the date of the Annual General Meeting. Members seeking to inspect such documents can send an e-mail to hzl.secretarial@vedanta.co.in.

INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

19. Pursuant to Section 124(6) and Section 125 of the Act read with Investor Education and Protection Fund **("IEPF")** Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto **("IEPF Rules")**, the amount of unpaid/unclaimed dividend for a

period of seven (7) years from the date of transfer to the Unpaid Dividend account is required to be transferred to IEPF established by the Central Government. The Company has transferred the unpaid or unclaimed dividends declared up to the financial year 2017-18 from time to time on the respective due dates, to IEPF. Additionally, all the shares in respect of which dividend has not been paid/claimed for a period of seven (7) consecutive years or more shall be transferred to IEPF.

20. Members whose shares and unclaimed dividend has been transferred to IEPF, may claim the same by applying to the IEPF Authority through submission of an online Form IEPF-5 on the website of IEPF Authority at www.iepf.gov.in. The details of such unclaimed dividend/shares transferred to IEPF has been uploaded on the website of the Company at www.hzlindia.com and www.iepf.gov.in.

GENERAL

21. Members who hold shares in physical form are requested to address all correspondence concerning transmissions, sub-division, consolidation of shares or any other share-related matters and/or change in address or updation thereof with KFintech, Company's RTA. Members whose shareholding is in electronic mode are requested to intimate the change of address, registration of E-mail address and updation of bank account details to their respective DPs.

22. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTABM/P/CIR/2022/8 dated 25 January 2022 has mandated the listed companies to issue securities in demat only while processing service request i.e. issue of duplicate certificates, claim from unclaimed suspense account, renewal/exchange of securities certificates, sub-division/split and consolidation of securities certificate/folio, transmission, and transposition. Accordingly, Members are requested to make the mentioned service requests by submitting duly filled Form ISR-4 which is also available on the website of the Company at www.hzlindia.com.

SCRUTINIZER AND VOTING RESULTS

23. The Board of Directors have appointed CS Manoj Maheshwari, partner of M/s. V.M. & Associates, Company Secretaries (M. No.: FCS 3355; CP No.: 1971) as the Scrutinizer and failing him CS Priyanka Agarwal, partner of M/s. V.M. & Associates Company Secretaries (M. No.: FCS 11138; CP No.: 15021), as the Alternative Scrutinizer to scrutinize the voting process in a fair and transparent manner.

24. The Scrutinizer will, after conclusion of e-Voting at the Meeting, scrutinise the votes cast at the Meeting through e-Voting and Remote e-Voting and make a consolidated Scrutinizer's report of the votes cast in favour or against, if any, and submit the same to the Chairperson of the Meeting or a person authorized by him in writing who shall countersign the same. The Chairperson or any other person authorized by the Chairperson, shall declare the results within the prescribed timelines under applicable laws. The said results along with the report of the Scrutinizer will also be placed on the website of the Company www.hzlindia.com, the website of KFintech at https://evoting.kfintech.com / and NSDL https://www.evoting.nsdl.com and shall also be displayed at the registered and corporate office of the Company. The results shall simultaneously be submitted to the Stock Exchange(s) and available at www.bseindia.com and www.nseindia.com. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT AGM

25. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as during the AGM proceedings will be provided by NSDL. Members attending the Meeting who have not cast their vote(s) by Remote e-Voting will be able to vote at the Meeting.

26. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. August 18, 2025, only shall be entitled to avail the facility of remote e-voting/e-voting at the AGM.

27. The Remote e-Voting facility will be available during the following period:

Commencement of Remote e-Voting	**Wednesday, August 20, 2025**
End of Remote e-Voting	Sunday, August 24, 2025

a) A Member can opt for only single mode of voting, i.e. through Remote e-Voting or during the Meeting;

b) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again;

c) The Members may please note that the Remote e-Voting shall not be allowed beyond the abovementioned date and time;

d) Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and become a Member of the Company after the Notice is sent through E-mail and holding shares as of the cut-off date i.e. Monday, August 18, 2025 may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if you are already registered with NSDL for Remote e-Voting, then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you could reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com. In case of Individual Shareholders holding securities in demat mode, who acquire shares of the Company and become a Member of the Company after the Notice is sent through E-mail and holding shares as of the cut-off date i.e. Monday, August 18, 2025, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system";

e) A person who is not a Member as on the cut-off date should treat this Notice for information purpose only;

f) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-Voting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote during the Meeting;

g) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. closure of Monday, August 18, 2025;

h) The e-voting facility at the Meeting shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the Members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through Remote e-Voting;

i) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password;

j) To attend to any queries, you may refer the Frequently Asked Questions ("FAQs") and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or send a request at evoting@nsdl.com or contact Ms. Pallavi Mhatre, Senior Manager, at the designated E-mail ID - evoting@nsdl.com at National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013, who will also address the grievances connected with the voting by electronic means;

k) The details of the process and manner for Remote e-Voting are explained below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon **"Login"** which is available under **'Shareholder/Member'** section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon **"Login"** which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is _______ then user ID is ______***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your **'User ID'** and your **'initial password'**.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the **"Initial password"** or have forgotten your password:

   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on **"Login"** button.

9. After you click on the **"Login"** button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies **"EVEN"** in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select **"EVEN"** of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on **"VC/OAVM"** link placed under **"Join Meeting"**.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on **"Submit"** and also **"Confirm"** when prompted.

5. Upon confirmation, the message **"Vote cast successfully"** will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.vmanda@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com

Process for those shareholders whose email IDs are not registered with the depositories for procuring user ID and password and registration of email IDs for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to hzl.secretarial@vedanta.co.in.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to hzl.secretarial@vedanta.co.in. If you are an Individual shareholder, holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobileh number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 5: To consider and approve the appointment of M/s Sanjay Grover & Associates as Secretarial Auditors of the Company

In accordance with the provisions of Section 204 (1) of the Act and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable rules and provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company is required to have the Secretarial Audit conducted by a Secretarial Auditor in practice.

The Board, on the recommendation of the Audit & Risk Management Committee, has approved the appointment of M/s Sanjay Grover & Associates, Practicing Company Secretaries, New Delhi, (Firm Registration No.: P2001DE052900), as the Secretarial Auditor to carry out the Secretarial Audit of the Company for the first term of 5 years from the conclusion of this Annual General Meeting at a remuneration of ₹ 4.50 Lacs (Four Lacs fifty thousand only) excluding applicable taxes and out of pocket expenses, if any payable to the Secretarial Auditors which has to be approved by the shareholders of the Company.

M/s Sanjay Grover & Associates have conveyed their consent to be appointed as the Secretarial Auditors of the Company along with a confirmation that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Pursuant to SEBI (LODR) (Third Amendment) Regulations 2024 dated December 12, 2024, approval by the Members is required for the appointment of the Secretarial Auditors of the Company. Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at **Item No. 5** of the Notice for the appointment of M/s Sanjay Grover & Associates as Secretarial Auditors of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members of the Company.

Item No. 6: To consider and ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2026

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a cost accountant in practice and the remuneration of ₹ 2.90 Lacs (Two lacs ninety thousand only) payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board, on the recommendation of the Audit & Risk Management Committee, has approved the re-appointment and remuneration of M/s K.G. Goyal & Company (Firm Registration No. 000017), Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2026 at a remuneration of ₹ 2.90 Lacs (Two Lacs ninety thousand only) excluding applicable taxes and out of pocket expenses, if any payable to the Cost Auditors which has to be ratified by the shareholders of the Company.

In making the decision on the appointment and remuneration of the Cost Auditors, the Audit & Risk Management Committee considered the Cost Auditors' performance during the previous year(s) in examining and verifying the accuracy of the cost accounting records maintained by the Company.

M/s K.G. Goyal & Company have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

Pursuant to Section 148(3) of the Act, approval by the Members is required for the payment of above remuneration to the cost auditor. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at **Item No. 6** of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2026.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for ratification by the Members of the Company.

Item No. 7: 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:

Mr. Arun Misra joined the Company as Deputy CEO on November 20, 2019, and was subsequently designated as CEO & Whole-Time Director (WTD) effective August 01, 2020, for a period of 2 years and 10 months, which concluded on May 31, 2023. Mr. Misra's term was further extended for an additional period of 2 years, effective June 01, 2023, with the current term scheduled to end on May 31, 2025. Based on the recommendation of the Nomination and Remuneration Committee (NRC) and pursuant to the performance evaluation of Mr. Arun Misra and considering his background, experience and contributions to the Company, the Board, at its meeting held on April 25, 2025, approved his re-appointment as CEO & Whole-time Director of the Company, for a further period of 1 year, i.e. w.e.f. June 01, 2025 to May 31, 2026, subject to the approval of the Members. The Company has received from Mr. Arun Misra inter-alia his consent to act as Director of the Company and the disclosure in Form DIR-8 to the effect that he is not disqualified from being appointed as Director of the Company in terms of section 164 of the Companies Act, 2013. The Company has, in terms of Section 160(1) of the Act, also received in writing a notice from a Member proposing his candidature for the office of Director.

The Board of Directors, on the recommendation of the NRC, approved the following terms and conditions of Mr. Arun Misra's re-appointment:

Name	C1 (Fixed Pay)	Total C4 (Expected)
Mr. Arun Misra	436	1065

The above remuneration also includes (a) Annual Bonus i.e. Target Bonus - 125% of Fixed Pay (b) Benefits as per Company Policy (c) Retention Bonus of INR 1 cr. payable annually and (d) Valuation of ESOPs.

I. Other Benefits:

i. The Company shall provide him with car, expenses relating to fuel, maintenance and driver will be reimbursed on actuals. Further the Company shall also provide telephones and other communication facility (for official business).

ii. Such other benefits as may be decided by the Board or its Committee from time to time.

II. Minimum Remuneration:

In the event of any loss or inadequacy of profits in any financial year during his tenure, the Company shall remunerate by way of salary, perquisites or any other allowance as specified above. Apart from the remuneration aforesaid, he shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

III. Other Terms and Conditions:

i. The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors of the Company or its Committee as it may, at its discretion deem fit, so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) or any amendments made thereto.

ii. He shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.

iii. He shall not so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or children in any selling agency of the Company in future without prior approval of the Central Government.

iv. The agreement may be terminated by giving not less than 90 days prior notice in writing in that behalf to the other party or 90 days salary in lieu thereof and on the expiry of the period of such notice, this Agreement shall stand terminated.

Mr. Arun Misra satisfies all the conditions set out in Sub-section (3) of Section 196 of the Act and Part-I of Schedule V to the Act for being eligible and not disqualified from being reappointed as Whole-time Director designated as Chief Executive Officer in terms of Section 164 of the Act, nor debarred from holding the office by virtue of any SEBI Order or any other competent authority. Brief resume of the Director and additional information pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and secretarial standard on general meetings (SS-2) is enclosed as **Annexure I**.

Save and except Mr. Arun Misra and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution set out at **Item No. 7** of the Notice.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

Item No. 8: To consider and approve appointment of Mr. Anoop Kumar Mittal as a Non-Executive Independent Director with effect from August 01, 2025

The Board of Directors of the Company on July 24, 2025, on the recommendation of the Nomination and Remuneration Committee (NRC), approved the appointment of Mr. Anoop Kumar Mittal (DIN: 05177010), as an Additional Director (Non-Executive Independent) of the Company for a period of 2 years with effect from August 01, 2025, to July 31, 2027, not liable to retire by rotation.

Mr. Mittal has more than 40 years of experience in the Construction Sector, Civil Engineering, Consultancy Real Estate Development, Merger & Acquisitions and Project Management. He has served as Chairman & Managing Director of NBCC (India) Limited from 2013 to 2019. Under his leadership, the Company achieved the prestigious Navratna status in 2014. Born at Bharatpur, Rajasthan, he has done bachelor's in civil engineering from Thapar Institute of Engineering & Tech., Punjab University. He is also Conferred "Doctor of Philosophy" (Honoris Causa) - Chancellor, Singhania University, by virtue of his attaining eminence in the field of Civil & Construction Engineering. He has been awarded the SCOPE Excellence Award in the Individual Leadership category and also the Life-Time achievement award by Construction Times Magazine.

As per Listing Regulation 25 (2A), Mr. Mittal's appointment as an Independent Director requires shareholders' approval at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier by way of special resolution. Accordingly, the approval of the shareholders' is sought for his appointment as an Independent Director.

Mr. Anoop Kumar Mittal is not disqualified from being appointed as an Independent Director in accordance with sub-section (1) & (2) of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent to act as an Independent Director of the Company.

The Company has received necessary declaration(s) from Mr. Anoop Kumar Mittal confirming that he meets the criteria as prescribed under the Companies Act, 2013 **("the Act")** and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 **("Listing Regulations")**.

In the opinion of the NRC and the Board of Directors, Mr. Anoop Kumar Mittal fulfils the conditions of independence specified in the Act, the Listing Regulations and is independent of the management.

Accordingly, it is proposed to seek the approval of the shareholders of the Company by way of a Special Resolution for appointment of Mr. Anoop Kumar Mittal. as an Independent Director on the Board of Directors of the Company to hold office for a period of 2 years from August 01, 2025, to July 31, 2027, not liable to retire by rotation.

Except Mr. Anoop Kumar Mittal none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at **Item No. 8** of the Notice.

Disclosures as required under Regulation 36(3) of the Listing Regulations is part of this notice.

Item No. 9: 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, to August 09, 2027:

Ms. Pallavi Joshi Bakhru was appointed as a Non-Executive Independent Director on the Board of the Company for a term of two years with effect from August 10, 2023. Her term as an Independent Director is upto August 09, 2025. The Board of Directors of the Company on July 24, 2025, approved the re-appointment of Ms. Bakhru for another term of two (2) years with effect from August 10, 2025, till August 09, 2027.

Ms. Pallavi Joshi Bakhru is a fellow Member of the Institute of Chartered Accountants of India and Indian Institute of Corporate Affairs. Ms. Pallavi Joshi Bakhru has over 30 years of experience spanning solutions and clients in different sectors. She was the head of tax at a large $ 15 Billion natural resources group for five years and assisted with growth strategies. Currently, she leads the Private Client Service offering at Grant Thornton Bharat and heads the India - UK Corridor for the Firm. In 2015, Ms. Pallavi Joshi Bakhru was recognized as one of the Top 10 Women in Tax in India by the International Tax Review. Her specialties include corporate tax, litigation, including being a part of a team that ran an international arbitration under Bilateral Investment Treaty (BIT), tax structuring and regulatory matters pertaining to FEMA. Over the years, she has simplified the global structure of some large groups, institutionalized a royalty payment system, resolved some high-pitched tax litigation and done Advocacy and has experience in Owners & Private Clients, Natural resources, consumer and retail, aviation, manufacturing, and education.

The Company has received from Ms. Pallavi Joshi Bakhru inter-alia her consent to act as an Independent Director of the Company, disclosure in Form DIR-8 to the effect that she is not disqualified from being appointed as a Director of the Company in terms of section 164 of the Companies Act, 2013 and declaration of meeting the criteria of independence nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given her consent to act as an Independent Director of the Company.

The Board of Directors had, carried out performance evaluation of all the Directors including Ms. Pallavi Joshi Bakhru and her re-appointment as an independent director is recommended by the Board on the basis of performance evaluation, in terms of Schedule IV of the Companies Act, 2013.

Except Ms. Pallavi Joshi Bakhru, none of the Directors of the Company or the Key Managerial Personnel or their relatives are financially or otherwise interested in the above Resolution set out at Item No.9. The Directors recommend the Resolution set out at Item No. 9 to be passed as a Special Resolution.

Item No. 10: To consider and approve the appointment of Mr. Ashish Chatterjee (DIN: 07688473), as a Non-Executive Nominee Director on the Board of the Company

Mr. Ashish Chatterjee (DIN: 07688473), was appointed as a Government Nominee Director by the Ministry of Mines, Government of India, vide order dated July 25, 2025. Subsequently, on the recommendation of the Nomination and Remuneration Committee, the Board of

Directors of the Company appointed Mr. Ashish Chatterjee as a Non-Executive Nominee Director of the Company w.e.f. July 25, 2025.

The Company has received necessary declaration(s) from Mr. Ashish Chatterjee confirming that he meets the criteria as prescribed under the Companies Act, 2013 **("the Act")** and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 **("Listing Regulations")**.

Further it is confirmed that Mr. Ashish Chatterjee is not debarred from holding office of Director by virtue of any order passed by SEBI or any other authority.

Mr. Ashish Chatterjee (DIN: 07688473), is a senior civil servant belonging to the 1999 batch of the Indian Administrative Service (IAS), Tamil Nadu cadre. An alumnus of the Indian Institute of Technology with a bachelor's degree in chemical engineering, Mr. Chatterjee brings over 25 years of extensive administrative experience spanning both state and central government roles.

In the State of Tamil Nadu, Mr. Chatterjee has held key leadership positions, including serving as District Collector of Viluppuram, Kanchipuram, and Tiruvallur districts, where he was instrumental in driving governance and developmental initiatives at the grassroots level. Further, he has also worked in the field of Urban Development and City Governance in Corporation of Chennai.

At the Central level, Mr. Chatterjee served in the Ministry of Commerce & Industries and as Joint Secretary in the Ministry of Petroleum & Natural Gas, he played a pivotal role in policy formulation and sectoral oversight. He also served as Government Nominee Director on the Boards of GAIL (India) Ltd. contributing to strategic decision-making in the energy sector.

In April 2025, Mr. Chatterjee assumed the position of Additional Secretary & Financial Advisor in the Ministry of Steel, Government of India. Mr. Chatterjee is presently serving as Government Nominee Director on the Boards of SAIL and NMDC.

Accordingly, it is proposed to seek the approval of the shareholders of the Company by way of an Ordinary Resolution for the appointment of Mr. Ashish Chatterjee (DIN: 07688473), as a Non-Executive Nominee Director on the board of the Company.

Except Mr. Ashish Chatterjee none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at **Item No. 10** of the Notice.

Disclosures as required under Regulation 36(3) of the Listing Regulations is part of this notice.

Registered Office:
Yashad Bhawan, Yashadgarh, Udaipur,
Rajasthan -313004
CIN: L27204RJ1966PLC001208
E-mail ID: hzl.secretarial@vedanta.co.in
Website: www.hzlindia.com
Tel.: +91 0294-6604083

By Order of the Board

Aashhima V Khanna
Company Secretary & Compliance Officer
Membership No: ACS 34517

Place: Udaipur
Date: 30.07.2025

ANNEXURE- I TO THE NOTICE OF AGM

Information of Director(s) seeking re-appointment at the 59th Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, and in terms of the Companies Act, 2013 and Secretarial Standard – 2 on the General Meetings issued by the Institute of Company Secretaries of India.

1.

Name	**Mr. Arun Misra**
DIN No.	01835605
Designation/ Category of Directorship	CEO & Whole-time Director
Date of birth (Age)	08-05-1965
Qualification	Bachelor's in electrical engineering from IIT, Kharagpur, Diploma in Mining and Beneficiation from University of New South Wales, Sydney and Diploma in General Management from CEDEP, France
Brief resume/ Experience (including expertise in specific functional area)	Mr. Arun Misra has held the position of CEO & Whole time Director (KMP) since August 1, 2020, and also became an Executive Director at Vedanta Limited in August 2023. With a strong leadership track record, Mr. Misra has been the Chairman of CII Rajasthan State Council and the first Indian-origin Chairperson of the International Zinc Association. He is also the Vice President of the Indian Institute of Mineral Engineers. Under his leadership, Hindustan Zinc was recognized for innovation and sustainability and got ranked 1st consequently for 2 years in S&P Global rating. Mr. Misra's academic background includes a bachelor's degree in electrical engineering from IIT Kharagpur, a Diploma in Mining and Beneficiation from the University of New South Wales, and a Diploma in General Management from CEDEP, France. Before joining Hindustan Zinc, Mr. Misra had a distinguished 33-year career at Tata Steel, holding various leadership roles in plant operations, mining, safety, and project management. He was last the Vice President of the Raw Materials Division at Tata Steel.
Shareholding in the Company as on March 31, 2025 (including shareholding as Beneficial Owner)	Nil
Directorship in other Companies as on March 31, 2025	**Public Companies** 1. Vedanta Limited (Listed) 2. Ferro Alloys Corporation Limited 3. ESL Steel Limited 4. Federation of India Mineral Industries **Private Companies** 1. Hindustan Zinc Fertilisers Private Limited 2. Hindustan Zinc Alloys Private Limited 3. Zinc India Foundation 4. Vedanta Zinc Football & Sports Foundation 5. Hindmetal Exploration Services Private Limited **Foreign Companies:** 1. International Zinc Association
Listed Entities from which resigned in past three years	None

Membership / Chairmanship of Committees of the other Companies as on March 31, 2025

Name of Company	**Type of Committees**	**Position held Chairman / Member**
Ferro Alloys Corporation Limited	Nomination & Remuneration Committee	Member
Ferro Alloys Corporation Limited	Corporate Social Responsibility Committee	Member
Vedanta Limited	Stakeholders' Relationship Committee	Member
ESL Steel Limited	Audit Committee	Member
ESL Steel Limited	Nomination & Remuneration Committee	Member

Name	Mr. Arun Misra
Inter se relationship with other Directors / Key Managerial Personnel/ Managers	Nil
Date of first appointment on the Board	August 01, 2020
Terms and Conditions of re-appointment	Re-appointment as CEO & WTD for a further period of 1 year from June 01, 2025 to May 31, 2026. Other terms and conditions including remuneration of re-appointment form part of the Explanatory Statement
Remuneration last drawn (including sitting fees, if any)	Please refer to the Report on Corporate Governance forming part of the Integrated Annual Report FY 2024-25
Remuneration proposed to be paid	Remuneration as approved by the Board.
No. of meetings of the Board attended during the FY 2024-25	Seven (7)

2.

Name	Ms. Priya Agarwal
DIN No.	05162177
Designation/Category of Directorship	Chairperson, Non-Executive Director
Date of birth (Age)	10-08-1989
Qualification	B.Sc Psychology with Business Management from University of Warwick of UK
Brief resume/ Experience (including expertise in specific functional area)	As detailed in Item No. 1 of the Explanatory Statement of Postal Ballot Notice dated January 19, 2023
Shareholding in the Company as on March 31, 2025 (including shareholding as Beneficial Owner)	Nil
Directorship in other Companies as on March 31, 2025	**Public Companies** 1. Vedanta Limited (Listed) 2. Anil Agarwal Foundation **Foreign Companies:** 1. Global Transition Resources Inc.
Listed Entities from which resigned in past three years	None
Membership / Chairmanship of Committees of the other Companies as on March 31, 2025	Nil
Inter se relationship with other Directors / Key Managerial Personnel/ Managers	Nil
Date of first appointment on the Board	19-01-2023

Name	Ms. Priya Agarwal
Terms and Conditions of re-appointment	Ms. Priya Agarwal has been appointed as a Chairperson Non-Executive Director of the Company and is liable to retire by rotation
Remuneration last drawn (including sitting fees, if any)	Please refer to the Report on Corporate Governance forming part of the Integrated Annual Report FY 2024-25
Remuneration proposed to be paid	Remuneration as approved by the Board.
No. of meetings of the Board attended during the FY 2024-25	Seven (7)

3.

Name	Mr. Anoop Kumar Mittal
DIN No.	05177010
Designation/ Category of Directorship	Non - Executive Independent Director
Date of birth (Age)	05-01-1960
Qualification	Bachelor's in civil engineering
Brief resume/ Experience (including expertise in specific functional area)	Mr. Mittal has more than 40 years of experience in the Construction Sector: Civil Engineering, Consultancy Real Estate Development, Merger & Acquisitions and Project Management. He has served as Chairman & Managing Director of NBCC (India) Limited from 2013 to 2019. Under his leadership, the Company achieved the prestigious Navratna status in 2014. Born at Bharatpur, Rajasthan, he has done bachelor's in civil engineering from Thapar Institute of Engineering & Tech., Punjab University. He is also Conferred "Doctor of Philosophy" (Honoris Causa) - Chancellor, Singhania University, by virtue of his attaining eminence in the field of Civil & Construction Engineering. He has been awarded the SCOPE Excellence Award in the Individual Leadership category and also the Life-Time achievement award by Construction Times Magazine.
Shareholding in the Company as on March 31, 2025 (including shareholding as Beneficial Owner)	Nil
Directorship in other Companies as on March 31, 2025	**Public Companies** 1. Sikkim Urja Limited 2. BPTP Limited 3. South West Port Limited 4. JSW Jaigarh Port Limited 5. Bharat Aluminum Co Ltd 6. JSW Infrastructure Limited 7. Dalmia Cement (North East) Limited 8 Embassy Office Parks Management Services Private Limited 9. Vinay Cement Limited 10. Welspun Enterprises Limited **Private Companies** 1. Holistic Senior Care Private Limited 2. Hippostores Technology Private Limited 3. Embassy Office Parks Management Services Private Limited 4. Cherry Blossom Urban Infrastructure Private Limited
Listed Entities from which resigned in past three years	None

Name	Mr. Anoop Kumar Mittal		
Membership / Chairmanship of Committees of other Companies as on March 31, 2025	**Name of Company**	**Type of Committees**	**Position held Chairman/ Member**
	Berger Paints India Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Member
		CSR Committee	Member
	Welspun Enterprises Limited	Risk Management and Project Monitoring Committee	Member
		Nomination and Remuneration Committee	Member
	Dalmia Cement (North East) ltd.	Audit Committee	Member
		Nomination and Remuneration Committee	Chairperson
	Vinay Cement Ltd	Audit Committee	Member
		Nomination and Remuneration Committee	Member
	Bharat Aluminium Co ltd	CSR Committee	Member
	South West Port ltd	Audit Committee	Member
		Nomination and Remuneration Committee	Chairperson
		CSR Committee	Member
	BPTP limited	Nomination and Remuneration Committee	Member
		Audit Committee	Member
		CSR Committee	Member
	Embassy Office Parks Management Services Private Limited	Audit Committee	Member
		Risk Management Committee	Member
		Nomination and Remuneration Committee	Member
	Sikkim Urja Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Member
Inter se relationship with other Directors / Key Managerial Personnel/ Managers	Nil		
Date of first appointment on the Board	01-08-2025		
Terms and Conditions of re-appointment	Independent Director, not liable to retire by rotation, to hold office for a period of 2 years, with effect from August 01, 2025, to July 31, 2027.		
Remuneration last drawn (including sitting fees, if any)	NA		
Remuneration proposed to be paid	As decided by the Board from time to time		
No. of meetings of the Board attended during the FY 2024-25	NA		

4

<table>
<tr><th>Name</th><th>Ms. Pallavi Joshi Bakhru</th></tr>
<tr><td>DIN No.</td><td>01526618</td></tr>
<tr><td>Designation/ Category of Directorship</td><td>Non - Executive Independent Director</td></tr>
<tr><td>Date of birth (Age)</td><td>16-09-1967</td></tr>
<tr><td>Qualification</td><td>Ms. Pallavi Joshi Bakhru is a fellow Member of the Institute of Chartered Accountants of India and Indian Institute of Corporate Affairs.</td></tr>
<tr><td>Brief resume/ Experience (including expertise in specific functional area)</td><td>Ms. Pallavi Joshi Bakhru has over 30 years of experience spanning solutions and clients in different sectors. She was the head of tax at a large $ 15 Billion natural resources group for five years and assisted with growth strategies. Currently, she leads the Private Client Service offering at Grant Thornton Bharat and also heads the India - UK Corridor for the Firm.

In 2015, Ms. Pallavi Joshi Bakhru was recognized as one of the Top 10 Women in Tax in India by the International Tax Review.

Her specialties include corporate tax, litigation, including being a part of a team that ran an international arbitration under Bilateral Investment Treaty (BIT), tax structuring and regulatory matters pertaining to FEMA. Over the years, she has simplified the global structure of some large groups, institutionalized a royalty payment system, resolved some high-pitched tax litigation and done Advocacy and has experience in Owners & Private Clients, Natural resources, consumer and retail, aviation, manufacturing, and education.</td></tr>
<tr><td>Shareholding in the Company as on March 31, 2025 (including shareholding as Beneficial Owner)</td><td>Nil</td></tr>
<tr><td>Directorship in other Companies as on March 31, 2025</td><td>Public Companies
1. Vedanta Limited
2. Gabriel India Limited
3. Ferro Alloys Corporation Limited
4. Neuland Laboratories Limited

Private Companies
1. Grant Thornton Advisory Private Ltd
2. Tenon facility Management Services Private Limited</td></tr>
<tr><td>Listed Entities from which resigned in past three years</td><td>None</td></tr>
<tr><td>Membership / Chairmanship of Committees of other Companies as on March 31, 2025</td><td>
<table>
<tr><th>Name of Company</th><th>Type of Committees</th><th>Position held Chairman/ Member</th></tr>
<tr><td>Vedanta Limited</td><td>Audit & Risk Management Committee</td><td>Member</td></tr>
<tr><td></td><td>CSR Committee</td><td>Member</td></tr>
<tr><td></td><td>Stakeholders' Relationship Committee</td><td>Chairperson</td></tr>
<tr><td>Gabriel India Limited</td><td>Audit Committee</td><td>Chairperson</td></tr>
<tr><td></td><td>CSR Committee</td><td>Member</td></tr>
<tr><td></td><td>Risk Management Committee</td><td>Chairperson</td></tr>
<tr><td>Ferro Alloys Corporation Limited</td><td>Audit Committee</td><td>Member</td></tr>
<tr><td>Neuland Laboratories Limited</td><td>Audit Committee</td><td>Member</td></tr>
<tr><td></td><td>Stakeholders' Relationship Committee</td><td>Chairperson</td></tr>
<tr><td></td><td>Nomination & Remuneration Committee</td><td>Member</td></tr>
<tr><td></td><td>Corporate Social Responsibility Committee</td><td>Member</td></tr>
</table>
</td></tr>
<tr><td>Inter se relationship with other Directors / Key Managerial Personnel/ Managers</td><td>Nil</td></tr>
<tr><td>Date of first appointment on the Board</td><td>10-08-2023</td></tr>
</table>

Name	Ms. Pallavi Joshi Bakhru
Terms and Conditions of re-appointment	Independent Director, not liable to retire by rotation, to hold office for a period of 2 years, with effect from August 10, 2025, to August 09, 2027.
Remuneration last drawn (including sitting fees, if any)	Please refer to the Report on Corporate Governance forming part of the Integrated Annual Report FY 2024-25
Remuneration proposed to be paid	Nil
No. of meetings of the Board attended during the FY 2024-25	Seven (7)

5 .

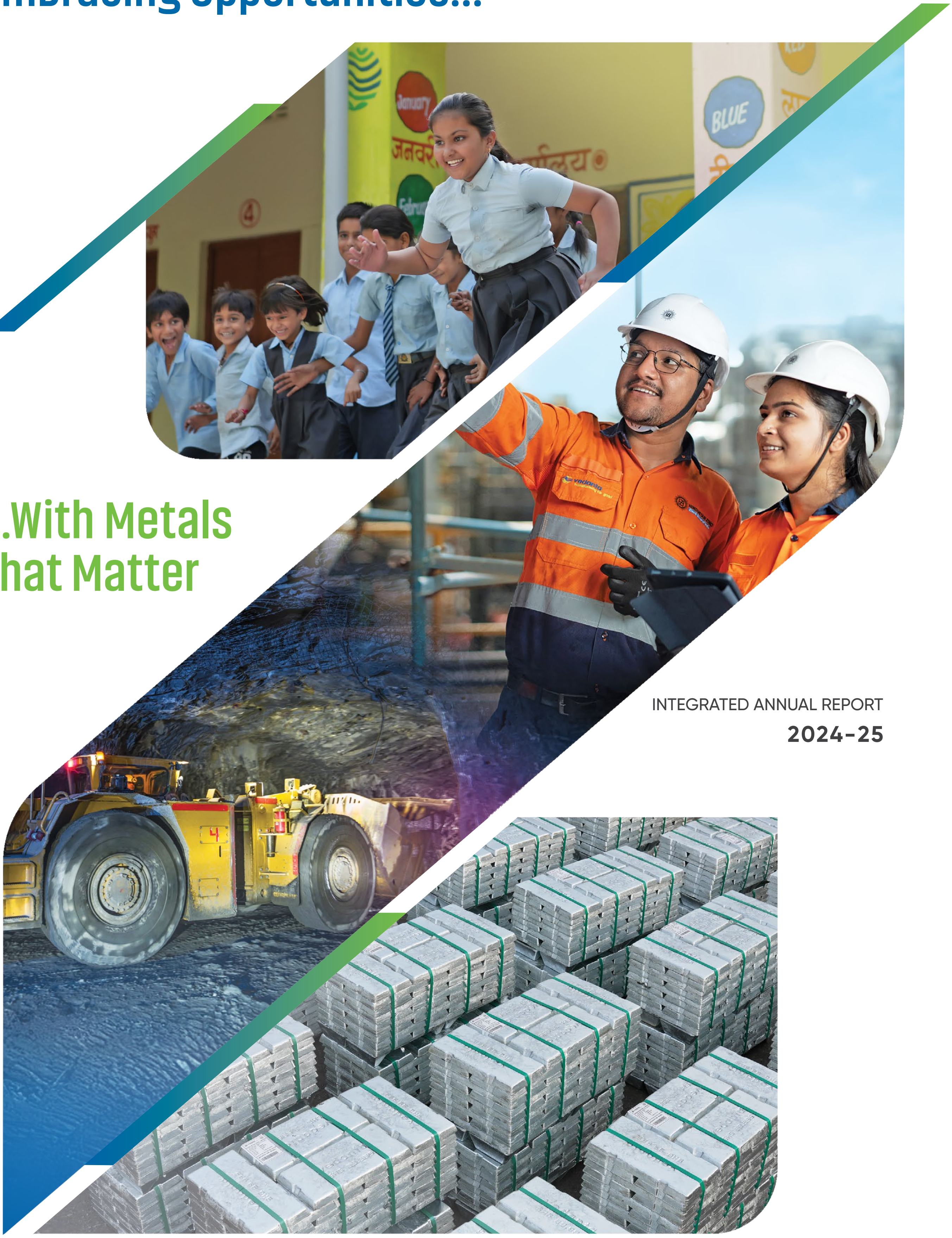
Name	Mr. Ashish Chatterjee
DIN No.	07688473
Designation/ Category of Directorship	Non - Executive Nominee Director
Date of birth (Age)	21-02-1973
Qualification	Bachelor's degree in chemical engineering
Brief resume/ Experience (including expertise in specific functional area)	Mr. Ashish Chatterjee (DIN: 07688473), is a senior civil servant belonging to the 1999 batch of the Indian Administrative Service (IAS), Tamil Nadu cadre. An alumnus of the Indian Institute of Technology with a bachelor's degree in chemical engineering, Mr. Chatterjee brings over 25 years of extensive administrative experience spanning both state and central government roles. In the State of Tamil Nadu, Mr. Chatterjee has held key leadership positions, including serving as District Collector of Viluppuram, Kanchipuram, and Tiruvallur districts, where he was instrumental in driving governance and developmental initiatives at the grassroots level. Further, he has also worked in the field of Urban Development and City Governance in Corporation of Chennai. At the Central level, Mr. Chatterjee served in the Ministry of Commerce & Industries and as Joint Secretary in the Ministry of Petroleum & Natural Gas, he played a pivotal role in policy formulation and sectoral oversight. He also served as Government Nominee Director on the Boards of GAIL (India) Ltd. contributing to strategic decision-making in the energy sector. In April 2025, Mr. Chatterjee assumed the position of Additional Secretary & Financial Advisor in the Ministry of Steel, Government of India. Shri Chatterjee is presently serving as Government Nominee Director on the Boards of SAIL and NMDC.
Shareholding in the Company as on March 31, 2025 (including shareholding as Beneficial Owner)	Nil
Directorship in other Companies as on March 31, 2025	Nil
Listed Entities from which resigned in past three years	None
Membership / Chairmanship of Committees of other Companies as on March 31, 2025	Nil
Inter se relationship with other Directors / Key Managerial Personnel/ Managers	Nil
Date of first appointment on the Board	25-07-2025

Name	Mr. Ashish Chatterjee
Terms and Conditions of re-appointment	Mr. Ashish Chatterjee has been appointed as a Non-Executive Nominee Director of the Company and is liable to retire by rotation
Remuneration last drawn (including sitting fees, if any)	NA
Remuneration proposed to be paid	NA
No. of meetings of the Board attended during the FY 2024-25	NA

vedanta
transforming for good

HINDUSTAN ZINC
Zinc & Silver of India

Accelerating Momentum Embracing Opportunities...



...With Metals That Matter

INTEGRATED ANNUAL REPORT
2024-25

Energy transition and critical metals are in the spotlight

The world is racing towards a cleaner, smarter future, and the demand for critical metals like zinc, silver, and others has never been greater. They are the metals of future, key to supporting a low-carbon, high-technology economy.

For India, which has tapped a fraction of its vast mineral resources, this is a tectonic opportunity. The government's decisive step to launch the critical-mineral mission and start auctioning blocks signals a clear mandate in this direction.

Hindustan Zinc leading ahead with metals that matter

As an integrated zinc, lead, and silver producer with global leadership positions, we are uniquely positioned to play a pivotal role.

In FY2025, we stepped up our commitment to transition-critical minerals, energy, and technology:

We accelerated momentum by adding capacities, strengthening our global cost leadership, and advancing innovation, digitalisation and automation efforts to consolidate our market-leading position

We amplified our sustainability efforts to emerge as a world leader in responsible metals & mining and ensure that the global energy transition happens most sustainably

We embraced newer opportunities by diversifying into emerging critical minerals and exploring next-generation technologies

At Hindustan Zinc, we are

Accelerating momentum and embracing opportunities with metals that matter,

and in doing so – contributing to the nation's growth and self-reliance in minerals and metals, and creating immense value for all our stakeholders.

THIS IS HOW WE ACCELERATED MOMENTUM IN FY2025

Record production

1,095 kt
Mined metal
1%

1,052 kt
Refined metal
2%

4-year low zinc cost of production

US$ 1,052 per tonne
6%

Crossed 13 Mnt metal reserves

For the first time since underground transition

29.6 Mnt
Overall metal reserves and resources

Launched Asia's 1st Green Zinc "EcoZen"

75%
lower carbon footprint vs industry average

2nd best financial performance

₹ 34,083 crore
Revenue
18%

₹ 17,465 crore
EBITDA
28%

₹ 10,353 crore
Profit after tax
33%

World leader in sustainability

#1
in Metals and Mining sector at S&P Global Corporate Sustainability Assessment (CSA) 2024 for the 2nd consecutive year

c.13% in FY2025
Overall renewable power usage

Delivered superior return to shareholders

₹ 198.60 per share
delivered total shareholder returns; 13x of NIFTY 50 returns and 7x of use Nifty Metal index returns

#3
under Nifty Metal Index based on market capitalisation of ₹ 1.95 lakh crore

Among the highest dividend yield companies in the country at c.5.6%

Among the top 10 wealth creators in the Nifty 200 Index

WHY CRITICAL METALS MATTER AND HOW WE ARE UNIQUELY POSITIONED?

Globally, the rising deployment of clean energy technologies is accelerating the demand for critical minerals. Zinc and silver stand out as among the most essential, making them metals of the future.

Zinc is critical to building a greener future

Plays a critical role in enabling green technologies – it protects solar panels and wind turbines and prevents rust

Its inherent sustainability brings value across automotive, consumer products, energy, food security and infrastructure sectors

Zinc batteries are the future of energy storage

- Flexible, long cycle life and long duration storage
- Operates across wide temperatures with minimal upkeep
- Lowest cost per kilowatt hour
- Non-toxic and recyclable, making it sustainable

Zinc applications

Traditional
Galvanising steel, supporting clean energy infrastructure, and enabling automotive sector and infrastructure development, etc.

Emerging
Zinc-based batteries, 3D-printed automotive parts, UV-resistant coatings for modern buildings, zinc oxide nanoparticles for purifying water and creating germ-resistant cleaners for hospitals

Silver is enabling the energy transition needs

Serves as both industrial metal and a financial asset

Its unique properties make substitution nearly impossible

Its high conductivity and reflectivity make it highly effective in low-carbon, high-tech sectors

Its demand will rise as we transition to a high-tech, low-carbon economy

Silver applications

Low carbon
Solar energy

Electronic
Used in nearly every electronic system, from telecommunications to infrastructure, electric vehicles, advanced semiconductors and 5G networks

WE ARE A LEADER IN THE CRITICAL MINERALS AND ENERGY TRANSITION SPACE

We are leading ahead with scale, cost leadership, market share and a solid financial foundation.

World's largest
underground zinc mining operations at Rampura Agucha

Among Top 5 silver producer globally
and India's only listed integrated precious metal company

World's largest
integrated zinc producer

Among lowest cost Zinc producers globally
placed in the first decile of the global zinc mines cost curve

India's largest and only integrated
producer of zinc, lead and silver

Among Top 5 silver producing mines
at Sindesar Khurd

2nd Largest globally
zinc Resources & Reserves base of 453.2 Mnt and 25+ years of mine life

India's only
primary zinc alloy producer

Ranked 1st
for the 2nd consecutive year in the S&P Global Corporate Sustainability Assessment in the metals and mining sector

c.77%
market share in India's primary zinc market, consistent c.51% EBITDA margin

Consistently AAA rated
by CRISIL Ratings Limited

This is how we are accelerating momentum and embracing opportunity for a better tomorrow

ACCELERATING MOMENTUM

Capacity expansion

We ramped up underground mining capacity to 1.2 Mtpa and smelting capacity to 1.123 Mtpa. In June 2025, the Board of Directors approved the further expansion of 250 ktpa metal capacity, taking the overall metal capacity to 1,379 ktpa and mining capacity to 1,510 ktpa to match the smelting requirements with an overall investment of c.₹ 12,000 crore. We are committed to nearly doubling our metal production capacity to 2 Mtpa by 2030.

Innovation and technology investments

We continue to make investments in advanced digital and automation solutions, including tele-remote operations, predictive maintenance and advanced analytics, etc., to boost efficiency and cost competitiveness.

Reducing the cost of production

We achieved a 4-year low zinc cost of production of US$ 1,052 per tonne, and remain on track to reach a target of US$ 1,000 per tonne through increasing scale of production, automation and digitalisation, increasing use of renewable energy and continued operational efficiencies.

EMBRACING OPPORTUNITIES

Diversification into new critical minerals

We are actively participating in auctions of new mineral blocks to broaden our portfolio, having secured three composite licenses for minerals like tungsten, potash and rare-earth elements.

Making a bold foray into energy storage

We have entered into strategic agreements, including to supply zinc for innovative zinc-nickel battery development, and to undertake research and development of next-gen zinc-based batteries.

Expanding value added portfolio (VAP)

We enhanced VAP share to c.22%, and remain on track to enhance it to 50% by FY2030 through ramping up alloy plant, and developing new products like Zinc Aluminium Magnesium products, toning alloys, and special CGG products.

WHAT THIS MEANS?

Value Creation for the Nation

- Strengthening of India's resource security through self-reliance in critical minerals
- Contributing to economic growth and technology development domestically
- Large-scale job creation

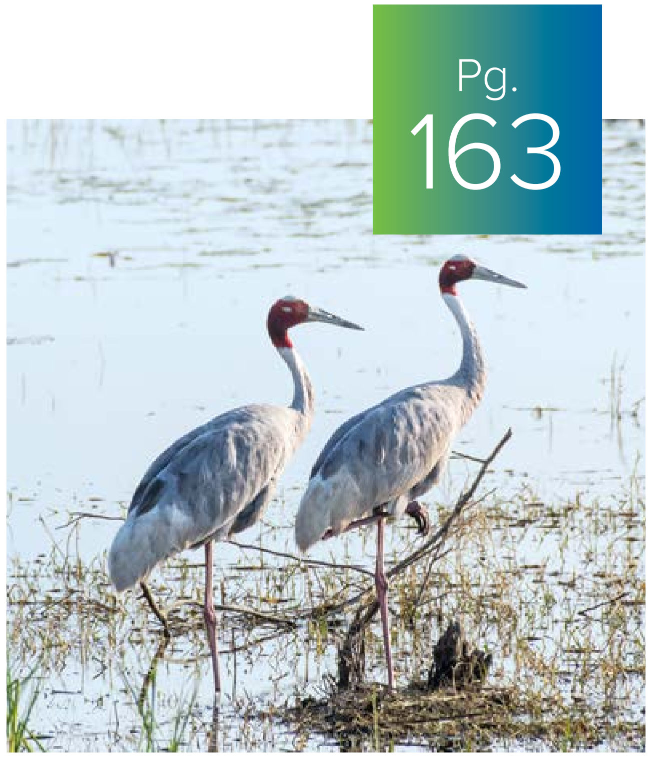
Value Creation for our Shareholders

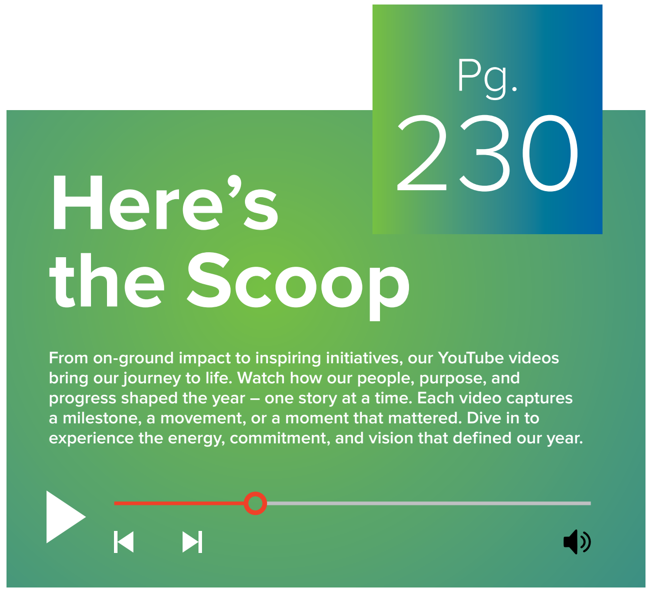
- Future readiness by expanding core production and capturing emerging opportunities in energy storage and new minerals
- Superior returns to shareholders across cycles

Value Creation for Communities and the Planet

- Creating local employment and promoting sustainable community growth by developing critical resources
- Make mining minimally invasive through our ambitious ESG goals, including net-zero emissions, net water positive, and zero waste and zero harm operation

In the report





The year as it was

Notable progress in commitment to transition-critical minerals, energy, and technology

STRATEGIC & GLOBAL LEADERSHIP HIGHLIGHTS

- Launched Asia's first low-carbon 'green' zinc, EcoZen, with 75% lower carbon footprint as compared to the global average
- Industry-leading return on equity of 73% and return on capital employed of 58%, the highest ever since the underground transition
- Hindmetal Exploration Services Pvt Ltd secured Category-A Exploration Agency accreditation from the National Accreditation Board for Education and Training (NABET) under the QCI-NABET Scheme for Accreditation of Exploration Agencies in the Mineral Sector
- Memorandum of Understanding (MoU) with VEXL Environ Projects to establish a pilot plant for utilising waste streams from smelting operations to recover saleable products
- Partnership with AEsir Technologies as the preferred supplier of zinc to innovate battery storage space through nickel-zinc batteries

BUSINESS/OPERATIONAL HIGHLIGHTS

- Highest-ever annual mined metal and refined metal production of 1,095 kt and 1,052 kt, respectively
- Silver production of 687 tonnes - 20x growth in the last two decades
- 4-year lowest zinc cost of production at US$ 1,052 per tonne - 6% better YoY
- Crossed 13 Mnt of metal reserves for the first time since underground transition - 3x growth compared to FY2020 on a net of production basis
- Highest-ever domestic zinc sales of 603 kt with a market share of c.77%
- Highest-ever share of value-added product portfolio of c.22%, including 10 kt production from the zinc alloy plant
- Attained average MSME payment cycle of 20 days - 56% better than the statutory requirement

FINANCIAL HIGHLIGHTS

- Second best-ever financial performance:
  - Revenue ₹ 34,083 crore - ^ 18%
  - EBITDA ₹ 17,465 crore - up 28% with industry-leading EBITDA margin of c.51%, ^ 400 bps
  - Profit after tax ₹ 10,353 crore - ^ 33%
- Generated strong free cash flow from operations (pre-growth capex) of ₹ 10,857 crore
- Dividend payout of ₹ 12,253 crore, and contribution to exchequer of ₹ 18,963 crore - ^ 44%
- Increased free float by 3.13% on the back of two offers for sale by the Group and the Government of India
- Ranked 3rd in the Nifty Metal Index based on a market capitalisation of ₹ 1.95 lakh crore
- Delivered total shareholder returns of c.68% (₹ 198.50 per share) during the year - 13x of Nifty 50 returns and 7x of Nifty Metal returns
- Included in Futures & Options segment on National Stock Exchange effective from March 28, 2025

SUSTAINABILITY HIGHLIGHTS

- Signed a round-the-clock power delivery agreement (PDA III) with Serentica, taking the renewable energy capacity to 530 MW, equivalent to 70% of our total power requirement by FY2028; the first flow of power commenced in May 2024, taking the solar energy utilisation to c.13%
- Published the first Climate Action Report in the Indian metals and mining sector in alignment with International Financial Reporting Standards (IFRS) S2 - Climate-related Disclosure Framework
- Launched India's first AI-based Digital Integrated Report with Gen-AI chatbot "Zincky", hosted on a renewable energy powered server
- Commissioned a 4,000 KLD water treatment plant at Rampura Agucha Mine
- Rajpura Dariba received the Scope-1 Water Positive certification as per the NITI Aayog framework

HEALTH AND SAFETY HIGHLIGHTS

- Achieved 55% reduction in total recordable injury frequency rate (TRIFR) as compared to the base year of FY2020
- Trained India's 2nd All Women Underground Mine Rescue Team at Rampura Agucha Mine, following the success of the first
- Established All Women Surface Rescue Safety Teams of 30 women employees, fully equipped and trained in critical areas
- Our rescue teams volunteered and successfully saved 15 trapped individuals and contained a 900kg chlorine toner leak at two different critical missions

COMMUNITY DEVELOPMENT HIGHLIGHTS

- Benefited c.2.3 million lives across 2,362 villages through c.50 initiatives across seven verticals, with a total CSR spend of ₹ 273.45 crore
- Completed 1,969 Nand Ghars in Rajasthan, taking total to over 8,000 at the Vedanta Group level
- Benefited 132 villages with 4.74 lakh people through constant efforts towards community assets upgradation

Awards & Recognitions

- Ranked 1st in the Metals & Mining sector for the 2nd consecutive year in the S&P Global Corporate Sustainability Assessment 2024
- Placed in Top 1% in S&P Global Sustainability Yearbook 2025, featuring for the 8th consecutive year
- Integrated Annual Report 2023-24 and Sustainability Report 2023-24 ranked 1st globally in Materials category with Platinum in LACP Vision Awards 2023-24. Integrated Annual Report was also recognised as the Most Creative Report Worldwide for 2023-24
- India's First Gen AI for Annual Reports 'Zincky' has been recognised globally bagging a Platinum at AVA Digital Awards 2025
- Prestigious awards of 'Best Risk Practice' and 'Masters of Risk in ESG', in large cap category at the India Risk Management Awards by CNBC TV18
- Zinc Football Academy was recognised as the "Sports Academy of the Year" at the Sports India Awards 2024, and was awarded a 3-star rating by All India Football Federation (AIFF) in the Academy Accreditation 2024-25
- Recognised as an Employees' Choice Workplace at the W.E. Matter Global Employees' Choice Awards 2024
- India's First All Women Underground Mine Rescue Team secured 2nd place at the 13th International Mine Rescue Competition, Columbia

SUSTAINABILITY

- Included in the **Top 500 sustainable companies** list for 2024 by TIME's magazine
- Selected as the winner at the **2nd FICCI Sustainable Industrial Practice Awards** in the large industry category
- **KPMG India ESG Excellence Award** 2024 at ESG Conclave and Awards 2024
- Rampura Agucha and Sindesar Khurd mines were awarded the prestigious **5-Star Rating from the Indian Bureau of Mines** for outstanding implementation of the Sustainability Development Framework
- Recognised with **ICC Sustainability Excellence Award** in manufacturing sector

GOVERNANCE

- **'Best Finance Team of the Year'** and **'Working Capital Plan of the Year'** at the 12th Future of Finance Summit & Awards 2024, organised by UBS Forums
- **Digital Transformation of the Year Award** at Business World CFO Finance & Strategy Awards under the Gold Category for the treasury transformation project
- Recognised as the **Great Indian Audit Team and Risk Team** in the Manufacturing & Industrial Sector at the 4th Great Indian Audit Leaders' Summit & Awards 2025
- Recognised with **Energy & Resources In-House Legal Team** of the Year at the 13th Annual Legal Era Awards 2023-24
- Awarded the Best TQM (Total Quality Management) Organization at TQM India Unison 2024

SAFETY

- Awarded the **9th Apex India Occupational Health & Safety Award 2024** in the Platinum category under the Metals & Mining Sector
- The British Safety Council honoured Zawar Mine and Captive Power Plant with prestigious **Sword of Honour and 5-star rating,** respectively
- Rampura Agucha, Sindesar Khurd, and Baroi Mines recognised among the **Top 3 in "Below Ground Metal Mine"** category at the All India Mine Safety Awards by Directorate Generale of Mines Safety (DGMS)
- **Rampura Agucha and Kayad Mine rescue team felicitated** by the Mining Engineers' Association of India (MEAI) and DGMS for their rescue support at a copper mine collapse incident

PEOPLE'S PRACTICES

- **PeopleFirst HR Excellence Awards** in the categories of "Leading Practices in Employee Engagement", "Leading Practices in Talent Acquisition", and "Leading Practices in Technology Deployment in HR"
- Ranked among India's **Top 50 Companies with Great Managers for 2024** by People Business Consulting
- **Our management was recognised as:**
  - **Finance Transformation Leader of the Year** at 12th Future of Finance Summit & Awards 2024
  - **Chief Information Security Officer (CISO) of the year 2024** at 8th CISO Conclave & Awards 2024
  - **Best CFO** at 360tf Financial Reporting Awards 2024, and many more

COMMUNITY

- Recognised at 28th Bhamashah Awards with **six prestigious awards** for contribution towards education
- Zinc Kaushal Kendra, Kayad, was honoured for excellence in **skill training & quality placements** at the 78th Independence Day ceremony organised by the Government of Rajasthan
- Recognised with **two prestigious awards** under categories of 'Water and Sanitary Health' and 'Promotion of Sports' at the **CSR Impact Awards 2024**

Approach to Integrated Reporting

ABOUT THE REPORT

This is Hindustan Zinc Limited's (Hindustan Zinc) sixth 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, 2024, to March 31, 2025. 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 62 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

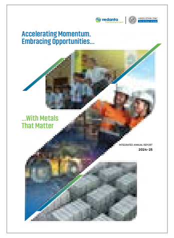
This Integrated Report contains information to help investors and shareholders, debenture and other security holders to properly assess our prospects and take informed investment decisions. This Report and other statements - written and oral - that we periodically make, contain information that set out 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.

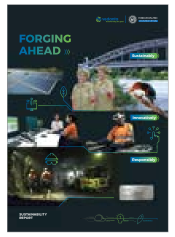
Our reporting suite includes the following



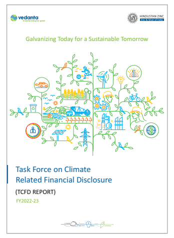
Integrated Annual Report

Digital Integrated Annual Report

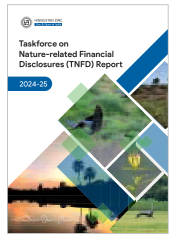
Tax Transparency Report



Sustainability Report



Climate Action Report



Taskforce on Nature-related Financial Disclosures (TNFD) Report

Scan or click the code
to get Hindustan Zinc's IR FY2025 report on your hand-held screen

www.hzlindia.com
Our other reports can be accessed on our website above

We are on social media

Hindustan Zinc
@Hindustan_Zinc
Hindustan Zinc Limited
Hindustan_Zinc

Integrated Thinking at Hindustan Zinc

Our value creation is driven by the interplay of resources (six capitals) and relationships (stakeholders). We actively consider these aspects in our business alongside externalities, material issues, and stakeholder relations. This integrated thinking approach supports informed decision-making and actions to achieve our strategic priorities and mission, which drive our business success and long-term value for all stakeholders.

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 Values

Entrepreneurship	Excellence
Trust	Innovation
Integrity	Respect
Care	

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

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 142

STRENGTHENED BY

Our core strengths

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

and integration of strategy into the business model

We adopt an integrated approach to strategic decision-making, aligning strategic and ESG priorities, capital allocation and stakeholder priorities. This amplifies value creation and mitigates the adverse effects of our business model.

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 84

SUSTAINED THROUGH STAYING ALIGNED WITH THE WORLD AROUND US

Macroeconomic scenario

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

Read more on page 104

Stakeholder expectations and concerns

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

Read more on page 58

Risks and opportunities

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

Read more on page 68

Material issues impacting business

Insights from the external trends and engagements inform material assessments, guiding business priorities for sustained value creation.

Read more on page 62

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 146

Our inclusive and responsible growth strategy

Value creation strategy

- Investments in mineral resources and reserves for India's self-sufficiency and creating employment
- Multiple, long-term mining leases and investments in their development
- Seamless logistics and transportation
- Trained, qualified and committed workforce

Value delivery strategy

- Integrated business approach, with focus on operational agility, cost leadership and excellence
- Strengthening customer centricity and digital innovation
- Deliver consistent fiscal growth, stakeholder value and national contribution

Value sustenance strategy

- Strengthening ESG practices, ethics and governance framework
- Visionary leadership
- Optimise resource use
- Manage risk and harness opportunities
- Long-term stakeholder relations and talent development

KNOW US

Hindustan Zinc, with a large-scale, irreplaceable asset base of metals of the future, is committed to transition-critical minerals, energy, and technology. As we do so, we will contribute to advancing India's path to critical mineral self-reliance.

Through investments in embracing new opportunities, advanced technologies, and sustainability, we are ensuring a resilient route for long-term growth.

Message from the Chairperson

Priya Agarwal Hebbar

Dear Stakeholders,

As I look back on the year gone by, I feel immense pride in how Hindustan Zinc is not only one of the largest but has also continued to evolve as India's most innovative and sustainable mining and metals leader.

FY2025 was a defining year. Today, Hindustan Zinc is the world's largest integrated zinc producer, India's only primary silver producer, and a key player at the intersection of India's economic rise and the global clean energy transition.

We are focused on long-term value creation by driving operational excellence, disciplined capital allocation, and future-focused innovation. These efforts were recognised globally – we were ranked the world's most sustainable metals and mining company by the S&P Global Corporate Sustainability Assessment 2024 for the second consecutive year and were placed in the top 1% of the S&P Global Sustainability Yearbook.

IN A NEW ERA, FOR A BETTER INDIA

Zinc, silver, and lead play a strategic role in advancing India's net zero ambitions and economic resilience. As the country accelerates its shift towards clean energy and sustainable infrastructure, these critical minerals enable key technologies across renewable power, electric mobility, and energy storage. Their applications, from galvanising infrastructure and powering solar panels to supporting battery systems, form the material foundation for decarbonisation and industrial growth. Ensuring a stable and secure supply of these metals is therefore essential not only for climate targets but also for strengthening India's position in the global green economy.

The world around us is changing rapidly. Rising geopolitical tensions, tariff risks, and the global push for energy transition have all placed critical minerals and metals at the heart of industrial transformation. This presents a unique opportunity for Hindustan Zinc.

We are well positioned to lead and we are focused on retaining global leadership in production, sustainability, and cost competitiveness. Zinc and silver, which are central to our business, are now at the forefront of new-age applications from battery technologies to next-generation infrastructure. This is a massive opportunity, and we are investing to stay ahead of the curve.

Our biggest strength is that we are an Indian company. As one of the fastest growing global economies, India is primed to convert today's global headwinds into tailwinds, and it is where the future of the world economy is being scripted. Hindustan Zinc is privileged to be an integral part of this growth story. With our global scale, advanced technologies, and future-ready practices, we will support India's rise as an economic powerhouse, fuelled by a self-reliant and sustainable metals ecosystem.

CONSISTENT PERFORMANCE AND VALUE CREATION

FY2025 was a landmark year. We delivered a record-breaking mined and refined metal production, maintained market leadership with around 77% share in India's primary zinc market, and strengthened our global cost leadership by reducing production cost by 6% to US$ 1,052 per tonne.

Our performance translated into strong value creation. We delivered total shareholder returns of c.68% this fiscal year, outperforming both the Nifty and Nifty Metal indices. With a market capitalisation of ₹ 1.95 lakh crore as of March 31, 2025, we are now among the top 3 in the Nifty Metal Index.

SAFETY FIRST, ALWAYS

At Hindustan Zinc, safety is not just a priority, it is our core value. In our unwavering commitment to achieving zero fatalities, we are continuously strengthening our systems and culture. In FY2025, we advanced our Critical Risk Management (CRM) programme by scaling up high-risk inspections. We also expanded the scope of Suraksha Kavach, our safety stewardship programme, to cover 13 smelting activities in addition to 25 mining activities already under its ambit, ensuring more holistic safety compliance across our operations.

These efforts are yielding tangible results. Our total recordable injury frequency rate has improved by 55% compared to FY2020, exceeding our internal target of 50%. While this progress is encouraging, we know this is a continuous journey and we remain fully committed to building a workplace where every individual goes home safe.

INVESTING IN OUR PEOPLE

People are an integral part of our purpose and progress. We are actively investing in building a future-ready workforce, which is skilled, diverse, and purpose-driven. Through VEDAS (Vedanta Academy for Sustainability), we are creating a strong digital learning ecosystem to build capabilities in artificial intelligence, ESG analytics, and data science.

We've also made significant strides in gender diversity. Today, over 700 women are part of our workforce, including 200 in core operations. With 25% gender diversity, we are far ahead of global mining benchmarks. Our '25 in 25' mission (25% women in FY2025) reflects our determined multi-year effort to promote inclusivity in a traditionally male-dominated sector.

It was an honour to be recognised as the Employees' Choice Workplace at the W.E. Matter Global Awards 2024 – a reflection of the trust, empowerment, and excellence that defines life at Hindustan Zinc.

ENVIRONMENTAL STEWARDSHIP

We continued to make meaningful progress on our environmental commitments across climate action and our net-zero targets, water stewardship, and circular economy. Our focus remains on integrating sustainability into every facet of our operations, driven by a strong ambition to lead the green transition in the metals and mining industry.

In a landmark achievement, we launched EcoZen, Asia's first low-carbon zinc with 75% lower carbon footprint than the industry average. This not only strengthens our position in sustainable metals but enables our customers to reduce their Scope 3 emissions. With the London Metal Exchange planning a premium on green metals, we believe EcoZen will drive both impact and value.

Renewable energy (RE) now accounts for c.13% of our total energy mix, and we are on track to raise this to 70% by FY2028, supported by new agreements for 530 MW of RE capacity. We also made progress on our circular economy and water goals.

As part of our waste-to-wealth initiatives, we commissioned India's first fumer plant at Chanderiya for sustainable metal recovery. In water stewardship, we commissioned a 4,000 KLD water treatment plant at Rampura Agucha. This builds on the success of India's first zero liquid discharge facility established at our Zawar mines in the previous year. This year, we have also achieved 3.32 times water positivity, showcasing our focus on water stewardship. Our sewage treatment plant in Udaipur now treats 80% of the city's sewage and recycles it, showcasing how industry and city ecosystems can work together for shared sustainability.

Notably, our Rajpura Dariba Complex received the prestigious NITI Aayog's Scope 1 Certification of Water Neutrality/Positivity Aspiring Company, reinforcing our leadership in responsible resource management.

In line with our commitment to biodiversity and environmental stewardship, we signed an MoU with the Department of Forest, Udaipur, to rejuvenate the Baghdarrah Crocodile Conservation Reserve. This initiative reflects our belief in growth that supports people, nature, and biodiversity.

We are proud of the ESG targets we set five years ago, and we are constantly making progress. But the journey doesn't stop here. We have set ourselves ambitious 2030 Sustainability Goals and are also targeting a 50% reduction in Scope 1 and 2 emissions, and 25% reduction in Scope 3 emissions, as part of our broader net-zero commitment by 2050 or sooner.

> In a landmark achievement, we launched EcoZen, Asia's first low-carbon zinc with 75% lower carbon footprint than the industry average

CREATING AN IMPACT BEYOND BUSINESS

We believe our progress is meaningful only when it uplifts people and communities. This year, our CSR efforts touched 2.3 million lives, up from 1.9 million in the previous year, across education, health, water, sanitation, livelihoods, and sports. Over 6.5 lakh women and children were direct beneficiaries.

A key pillar of our outreach is our flagship programme, Nand Ghar, which added 1,969 new centres during the year, contributing to the network of over 8,000 centres across the Group – strengthening our commitment to empower women and children and continue to positively scale the impact across communities.

In Udaipur, our sewage treatment plant, operating under a Public Private Partnership model, is making a large-scale impact, by treating 80% of the city's sewage and converting it into reusable water. This initiative addresses the dual challenge of urban waste and water scarcity – playing a vital role in conserving a critical resource in a water-stressed region.

NEXT PHASE OF LEADERSHIP IN DEEP TECH INNOVATION

In an era defined by global energy transition and escalating demand for strategic resources, Hindustan Zinc is charting a path of pioneering innovation in critical mineral exploration. By leveraging advanced geophysical platforms – such as drone-mounted magnetic surveys and remote-sensing-enabled Geographic Information System (GIS) databases through its subsidiary Hindmetal Exploration Service Private Limited – alongside AI/ML-driven 3D deposit modelling, the company is dramatically enhancing the precision and speed of resource discovery.

Moreover, its proactive participation in government-led exploration licence auctions positions Hindustan Zinc at the forefront of securing lithium, rare earth elements, copper, and gold blocks, with technical capabilities that match its ambition.

Complementing these endeavours, deployment of tele-remote drifters, LiDAR-equipped drone stope scanning, and AI-based predictive maintenance are delivering both operational excellence and sustainable impact.

> We combine the strength of a legacy institution with the energy of a new-age company.

Through Vedanta Spark, our flagship startup accelerator programme, we've partnered with over 80 startups and deployed more than 120 solutions focused on safety, sustainability, and operational excellence.

THE ROAD AHEAD

As the world transitions to clean energy and India moves forward with confidence, Hindustan Zinc is ready to lead from the front. We combine the strength of a legacy institution with the energy of a new-age company. Our scale and strong fundamentals, lean cost base, and leadership in critical metal position us to outperform across commodity cycles. As we look into the future, with India's expansion in steel capacity and a strong focus on infrastructure, we are on track to double the capacity to 2 Mnt by 2030. As part of the 1st phase of expansion, Hindustan Zinc will be setting up a new integrated refined metal smelter with a capacity of 250 ktpa, along with a corresponding scale-up of mines and mills across multiple locations.

We are confident in our ability to remain the world's leading supplier of transition metals and a trusted partner in India's growth story. In doing so, we will continue to create value for all stakeholders, while building a future that is greener, stronger, and more inclusive.

Thank you for your continued trust and support. Together, let us build a future that is stronger, greener and more inclusive for our company, our communities, our nation, and our planet.

Sincerely,

Priya Agarwal Hebbar

> We recorded the highest-ever mined metal production of 1,095 kt, up 1% over the previous year, and refined metal production of 1,052 kt, up 2%.

Q&A WITH CEO & WTD

Q. FY2025 has been a record year for the Company. Could you highlight some of the key achievements during the year?

A. Hindustan Zinc delivered a record-breaking performance in FY2025. For the first time since the transition to underground mining, we surpassed 13.1 Mnt metal reserves (net of 1.2 Mnt production), a 3x growth compared to FY2020. This was achieved through advanced exploration programmes and strategic resource to reserve conversion to sustain a 10-year reserve mine life. Our total metal resources & reserves now stand at 29.6 Mnt (453.2 Mnt in ore terms) with 25+ years of mine life.

We recorded the highest-ever mined metal production of 1,095 kt, up 1% over the previous year, and refined metal production of 1,052 kt, up 2%. Silver production stood at 687 MT. The zinc business witnessed significant success, with production reaching 827 kt, reinforcing our position as the world's largest integrated zinc producer. We recorded the highest-ever domestic zinc sales of 603 kt, securing c.77% market share. This reflects the strength of our customer relationships and market leadership.

During the year, we have also launched Asia's first low carbon zinc, EcoZen, boasting a carbon footprint which is 75% lower than the global average. The share of value-added products in our portfolio increased to c.22%. This included 10 kt of production from the zinc alloy plant, which reinforces our commitment to differentiated solutions and driving greater value across the supply chain.

Q. How was the overall industry scenario during the year? How did we navigate the challenges faced?

A. CY2024 was a volatile year for the base metals, which started the year as a weak-performing asset class. However, in H2 CY2024, prices rebounded as demand resurged, coupled with shortfall in supplies leading to overall deficit in the market. In India, primary zinc consumption increased to 780 kt in line with sustained demand for steel galvanisation.

Lead prices rose marginally amidst moderating global demand. In India, its demand was healthy, supported by automotive, battery, and infrastructure expansion.

As for the precious metals, gold and silver reached record highs, as investors sought safer havens amidst economic uncertainties. Silver prices rallied, driven by their dual role as an industrial and precious metal.

Overall, the year was favourable with zinc and silver prices increasing by 16% and 29%, respectively. At Hindustan Zinc, we remained vigilant on the market dynamics, proactively monitoring and assessing their impact on our business. We also do strategic hedging depending upon the prevailing market volatility and pricing scenario.

Q. The Company attained a 4-year lowest zinc cost of production during the year. What factors contributed to this? Do you think there is scope for further reduction?

A. Hindustan Zinc is in the first decile of the global zinc mines cost curve. In FY2025, we further reduced the annual zinc cost of production (COP) by 6% from US$ 1,117 per MT to US$ 1,052 per MT, the lowest in four years. Several factors contributed to this:

- Improvement in metal grades from 7.37% to 7.49%
- Increase in volume, which helped absorb the higher fixed costs
- Increase in byproduct sales and realisations
- Reduction in power costs, with the increase in the renewable energy usage to c.13% out of the total power usage and increased domestic coal usage from 36.7% to 44.0%, and further benefited from the decline in imported coal cost

As we promised, we continue our work towards sustainable reduction in cost of production. Our renewable energy share is set to increase to 70% by FY2028, which will help reduce energy-related costs sustainably. Our ongoing investments in AI, digitalisation and automation also provide scope to achieve better cost efficiencies.

Q. What has been the progress of the various expansion projects? How do you plan to achieve the ambition of 2 Mnt?

A. The large scale at which infrastructure is being created in India and with the global transition to clean energy, the demand for zinc and silver continues to be on an uptrend. Considering this, we are proactively investing in capacity expansion to reinforce our leadership and stay ahead of the curve. Even as we scale, we continue to prioritise capital efficiency, prudent resource allocation, and agile execution to ensure minimal capex.

In FY2025, we committed a total capex of c.₹ 1,501 crore in various programmes, including 160 ktpa Roaster project and Fertiliser plant at Chanderiya which is set to be commissioned by Q1 FY2027. This calibrated capex will ensure sustained strong performance with gains in mined and refined metal production. In addition to this, we are working towards expanding our production capacity to 2.0 Mnt in phased manner in next 3-5 years. As part of the first phase of 2x growth, we are setting up a new integrated smelter in Debari to further increase our capacity by 250 ktpa, targeted to be completed in 36 months from its zero date. Our team is working with the consultants and is at an advanced stage of completing the plan till 2 Mtpa capacity expansion, post which we will approach the Board for the necessary approvals.

Q. How is the global energy transition influencing the metal and mining industry?

A. Globally, energy transition is one of the biggest focus areas, and critical metals are at the core of this transition. It is estimated that US$ 1.7 trillion of funding in the global mining sector and 3 billion tonnes of metal by 2040 would be required for the energy transition to happen.

The need of the hour is critical metals like zinc and silver among others. Zinc plays a vital role in everyday lives, including steel galvanisation, supporting solar and wind infrastructures, and enabling electric vehicles manufacturing. Beyond this, it is now being used in technologies of the future like zinc-air batteries and 3D-printed automotive parts. Silver, apart from its precious metal status, has emerged as a strategic resource powering a low-carbon, high-tech world. It is increasingly being used for advanced semiconductors, electronics, 5G networks and breakthroughs in solar technology.

Q. How does the energy transition create an opportunity for India, and what role is Hindustan Zinc poised to play?

A. With less than 15% of its natural resources' reserves tapped, India has a massive opportunity in this energy transition and stands at a turning point. The Indian government is already taking steps in this direction, introducing the Critical Mineral Mission, alongside releasing a list of critical minerals and auctioning blocks of critical minerals.

At Hindustan Zinc, we see this as an opportunity and a responsibility. As the world's largest integrated zinc producer and leading silver producer, we are fully aligned with the world's urgency and India's path to critical mineral self-reliance. We are committed to playing a pivotal role in facilitating transition-critical minerals, energy, and technology.

To address this rising demand, we are expanding our mining and smelting capacities. In addition to this, we are exploring newer opportunities in zinc-based battery technologies that are a safe, cost-efficient and sustainable alternative to lithium batteries. This would place Hindustan Zinc at the forefront of the next wave of innovation in energy storage, while also strengthening India's self-reliance in battery solutions.

We are poised for leadership in India's strategic mineral ecosystem through expanding our portfolio in critical minerals. In the previous year, we won a Tungsten block in Andhra Pradesh. In May 2025, we won two more critical mineral blocks – Potash in Rajasthan and Rare Earth Elements in Uttar Pradesh.

Q. As India gears up for a surge in mining activity to unlock its vast mineral potential and support global energy transition goals, how will Hindustan Zinc ensure that this is achieved responsibly?

A. India is entering a pivotal phase in its economic and environmental journey to harness its massive mineral potential. While this happens, the focus must remain clear: growth cannot come at the expense of the environment or society. That is where Hindustan Zinc is leading the way.

With our advanced technologies, innovation, and decades of expertise, we can ensure that mining is minimally invasive, resource-efficient, and environmentally responsible. Our practices are globally recognised. We have been ranked 1st as the world's most sustainable metals & mining company for the second consecutive year by the S&P Global Corporate Sustainability Assessment 2024. Furthermore, we are the first Company in the metals and mining sector to publish a Climate Action Report, aligned with the International Financial Reporting Standards (IFRS) S2 – Climate-related Disclosures framework. These reflect the scale at which we are creating impact.

Our sustainability efforts encompass ambitious goals to be achieved by FY2030, and through pioneering efforts, we are meaningfully progressing ahead. Notably, we have achieved 0.67 million tonnes of CO_2 equivalent reduction, as against a target of 0.5 million tonnes for FY2025.

By embracing renewable energy and deploying battery-operated vehicles, including a fully battery-powered logistics value chain, we are well on track to achieve our net-zero target by 2050 or sooner. This year, we envisaged to take our renewable usage to around 30% and eventually will go up to 70% by FY2028. To lower Scope 3 emissions, we completed deployment of the entire pledged fleet of 180 LNG trucks, and we currently have 3 UG BEVs operating in our mines.

We have commissioned a water treatment plant at Rampura Agucha Mines and a dry tailing and paste-fill plant at Rajpura Dariba Complex, significantly enhancing our water saving capacity. This year, Hindustan Zinc turned to be 3.32 times water positive. At Chanderiya, our one-of-its-kind Fumer technology is ramping up well to effectively recover lead and silver cake from jarosite. This will help improve gainful waste utilisation, which currently stands twice as compared to FY2020.

These efforts are the kind of leadership the sector and the planet need, and we will continue to make incremental investments in these areas.

Q. What has been the progress on the Company's diversification and value addition efforts?

A. Diversification and strengthening value-added portfolio are central to our growth strategy. The Indian automobiles sector has an unmet demand for specific alloys such as die-casting alloys etc., which serve a specific purpose such as providing light, strong and corrosion-free structure. With an objective to diversify ourselves to cater to the underserved markets of alloys in India, our subsidiary Hindustan Zinc Alloy Private Limited is at the forefront of these efforts. This 30 ktpa zinc alloy plant has significantly expanded our value-added products (VAP) portfolio. Last year, we produced 10 ktpa of the alloys which took our overall VAP portfolio to c.22%. It has also recorded an EBITDA of around ₹ 93 crore which should get doubled as it runs at full capacity.

We are also entering the fertiliser segment, with a DAP/NPK plant, which is expected to be operationalised in FY2027. These initiatives will help us to have better integration, diversify our revenue streams and enhance margins.

Q. What is your outlook on the industry and the opportunities it presents?

A. Going into FY2026, the global macroeconomic environment is expected to remain uncertain, given the recent developments around tariff wars, trade dynamics and shifting geopolitics.

As far as India is concerned, the domestic market is buoyant. The government's sustained focus on infrastructure development is likely to propel steel demand to 300 Mnt by 2030, which in turn will drive zinc's consumption for corrosion protection. Furthermore, India's economic fundamentals remain strong, with GDP projected to grow by 6.5% and manufacturing PMI increasing to 58.5 in April 2025, reflecting healthy industrial activity.

These factors will continue to define the commodity landscape. We expect zinc prices and market sentiment for silver to remain resilient, supported by a persistent supply deficit and the absence of any significant projects. Additionally, given the application of these metals in clean energy storage and sustainable technologies, their demand is estimated to remain robust to support the global energy transition.

Q. How does the Company view its prospects and priorities for FY2026?

A. Our strong foothold in critical metals, combined with domestic market focus, positions us well for long-term growth and gives us resilience.

Aligned with the opportunity, we have established a well-structured capex roadmap. This gives confidence in sustaining a strong performance with mine metal output at an estimated 1.125 Mnt and refined metal at 1.1 Mnt, with refined silver in the range of 700-710 MT. Zinc COP is expected to be in the range of US$ 1,025 to US$ 1,050 per MT.

At the same time, we aim to steadily evolve into a multi-metal, future-enabling enterprise, aligned with India's critical mineral security vision. Through our wholly-owned subsidiary, Hindmetal Exploration Services, we are actively pursuing the exploration of high-potential, critical mineral blocks across India. These include copper, lithium, nickel, cobalt, potash, and gold, among others, which are critical for EVs, semiconductors, and clean technologies. We have already secured blocks for Potash in Rajasthan, Tungsten in Andhra Pradesh, and Rare Earth Elements Elements in Uttar Pradesh.

These efforts equip us to navigate change and capture future opportunities, positioning us to deliver sustained returns and drive shareholder value in the years to come.

Sincerely,

Arun Misra

Chief Executive Officer & Whole-time Director

Hindustan Zinc at a Glance

Leading the future of sustainable mining and metals

Hindustan Zinc, a Vedanta Group company, is the world's largest integrated zinc producer and among the top 5 silver producers globally. We are a global leader in critical minerals and metals, with one of the largest and most diversified portfolios. We are recognised globally for our scale and operational excellence, technological and innovation capabilities, and pioneering sustainability efforts.

We consistently raise the bar through investments in advanced automation, digitalisation, and a sharp focus on efficiency, strengthening our position among the world's lowest-cost producers. Through our relentless pursuit of innovation to expand capabilities and portfolio, we consistently deliver greater value to customers while positioning ourselves as leaders in India's path to critical mineral self-reliance.

Our impact extends beyond business scale and performance to being one of the most sustainable and responsible companies. With substantial investments in transitioning to green energy, water stewardship, biodiversity conservation, and circularity, we are committed to building a more sustainable planet. We foster inclusive growth by creating local employment, driving sustainable community growth and adopting best-in-class people practices.

At Hindustan Zinc, we are not just securing critical resources, we are shaping a resilient, sustainable future for India and beyond.

OUR GROUP STRUCTURE

SHAREHOLDING

63.42% Vedanta Limited

27.92% Government of India

8.66% Public

HINDUSTAN ZINC LIMITED

SUBSIDIARIES

HZAPL — HZA

VZF

ZIF — Zinc India Foundation

HZFPL — HZF

HESPL

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.

Note: Vedanta Limited has further reduced its stake to 61.84% through a bulk sale in June 2025, increasing the public shareholding to 10.24%.

Business Snapshot

Integrated capabilities, future-ready portfolio

Our operations are driven by synergistic integration, right from mining to marketing of products. This seamless presence across the value chain drives efficiency, provides scalability and enables the production of high-quality zinc, lead, silver, and value-added products. We continue to invest in advanced technologies, safety and sustainability practices and capacity expansion across these processes to scale operational efficiencies, enable innovation and support the nation's mineral self-reliance.

OUR INTEGRATED OPERATIONS

EXPLORATION (mineral resources and ore reserves)

- Technology and innovation edge
- Long mine life of 25+ years
- Undertaking continuous delineation and upgradation activities
- Focus on enhancing R&R base to over 500 Mnt and reserves to 200 Mnt

453.2 Mnt

Total R&R

(Achieved more than 13.1 Mnt of metal reserves for the first time since underground transition)

MINES

- Eight strategically located mines in the ore-rich state of Rajasthan
- World-class operational excellence driven by high safety standards and a skilled workforce
- Focus on operational efficiencies, cost optimisation and sustainable practices
- Consistent volume growth through resilient underground operations

16.33 Mnt

Ore production

SMELTERS AND REFINERIES

- Three strategically located smelters near the mines and one Zinc-Lead-Silver metal refinery
- Fully integrated operations with captive power plants
- Ongoing initiatives to debottleneck smelters, expand the value-added product portfolio, and enhance waste recycling and reuse

1.123 Mnt

Refined metal capacity

CAPTIVE POWER PLANTS

- Thermal, solar and waste heat recovery power plants for reliable, low-cost power
- Transitioning to clean, climate-resilient energy – augmenting solar power capacity and entering a 530 MW renewable power delivery agreement equivalent to 70% of total power requirement for insulation from commodity price volatility
- Thermal efficiency upgrades to deliver more energy with less fuel through innovation

625.16 MW

Total captive capacity

PRODUCTS AND APPLICATIONS

Zinc

Product application areas

- Roadways and bridges
- Power generation and transmission
- Renewable energy
- Construction
- Railway infrastructure
- Automotive
- Chemicals
- Telecom towers

Value-added products

- Continuous Galvanising Grade
- Die-cast alloys
- SHG & HG Jumbos
- Zinc Dust

827 kt

Production volume

c.22%

Share of value-added products

₹ 21,887 crore

Revenue

Lead

Product application areas

- Lead acid batteries
- Construction
- Defence applications
- Electrical cables

225 kt

Production volume

₹ 4,227 crore

Revenue

Silver

Product application areas

- Jewellery
- Tableware & cutlery
- Electrical contacts
- Solar photovoltaic
- Investment

Value-added products

- Mini (1 kg) bars
- Silver powder

687 MT

Production volume

₹ 6,130 crore

Revenue

Business Snapshot

Our strategically located world-class operating assets

Our asset base drives our industry leadership and operational resilience. From strategically located long-life mines with high-grade resources to technologically advanced smelters and refineries, our assets are built to deliver scale, efficiency, and sustainability. The presence of captive power infrastructure further helps sustain operations with a reliable, low-cost energy supply. We continually upgrade our assets with advanced technologies, while undertaking expansion and process improvements to enhance their performance and support our long-term growth.

OUR MINING ASSETS

Rampura Agucha Mine

Bhilwara, Rajasthan

20.8 Mnt Resource | 46.8 Mnt Reserves

Reserve metal grades

10.7% Zinc | 1.1% Lead | 37 g/t Silver

Sindesar Khurd Mine

Rajsamand, Rajasthan

61.4 Mnt Resource | 36.8 Mnt Reserves

Reserve metal grades

3.1% Zinc | 1.9% Lead | 92 g/t Silver

Rajpura Dariba Mine

Rajsamand, Rajasthan

39.0 Mnt Resource | 51.3 Mnt Reserves

Reserve metal grades

5.3% Zinc | 1.8% Lead | 62 g/t Silver

Bamnia Kalan

Rajsamand, Rajasthan

39.6 Mnt Resource | 1.5 Mnt Reserves

Reserve metal grades

3.6% Zinc | 0.5% Lead | 32 g/t Silver

Kayad Mine

Ajmer, Rajasthan

6.8 Mnt Resource | 1.3 Mnt Reserves

Reserve metal grades

5.2% Zinc | 0.8% Lead | 13 g/t Silver

Zawar Mines

Udaipur, Rajasthan

96.4 Mnt Resource | 51.5 Mnt Reserves

Reserve metal grades

2.6% Zinc | 1.2% Lead | 21 g/t Silver

91.50 MW
Captive power capacity

R&R SUMMARY

189.1 Mnt
Reserve

5.5% Zinc | 1.5% Lead | 50 g/t Silver

128.5 Mnt
Mineral Resource - Measured and Indicated

4.6% Zinc | 1.7% Lead | 56 g/t Silver

135.6 Mnt
Mineral Resource - Inferred

4.1% Zinc | 2.1% Lead | 63 g/t Silver

OUR SMELTER, REFINERY AND POWER ASSETS

Chanderiya Lead-Zinc Smelter

Chittorgarh district, Rajasthan

Capacity

1,05,000 TPA
Pyrometallurgical Zinc Smelter

90,000 TPA
Pyrometallurgical Lead Smelter

4,80,000 TPA
Hydrometallurgical Zinc Smelter

274.50 MW
Captive power capacity

Dariba Smelting Complex

Rajsamand district, Rajasthan

Capacity

2,40,000 TPA
Hydrometallurgical Zinc Smelter

1,20,000 TPA
Lead Smelter

170.00 MW
Captive power capacity

Debari Zinc Smelter

Udaipur district, Rajasthan

Capacity

88,000 TPA
Hydrometallurgical Zinc Smelter

Pantnagar Metal Plant

Rudrapur district, Uttarakhand

Capacity

800 TPA
Silver refining

POWER AND SMELTING SUMMARY

9,13,000 TPA
Zinc Smelting

2,10,000 TPA
Lead Smelting

800 TPA
Silver Refining

536 MW
Captive Thermal Power

273.50 MW
Wind Power
(in the states of Rajasthan, Gujarat, Maharashtra, Karnataka, and Tamil Nadu)

40.70 MW
Solar Power
(in the state of Rajasthan)

48.46 MW
WHRB Power
(in the state of Rajasthan)

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

Investment Case

Resiliently built. Strategically positioned.

Hindustan Zinc is a global mine-to-metal and a leader in precious metals with a portfolio critical to the global economy and a greener future.

We continue to build on our leadership, with a focus on consistent cash flow generation to capture new opportunities, disciplined capital allocation and investments in efficiencies and expansion, digitalisation and cost leadership. This excellence is further driven by productivity, responsibility, inspiring leadership and simplicity, fostering the creation of a responsive and resilient organisation. Our global positioning and distinctive portfolio make us an attractive investment case in the metals sector.

1 Large scale, low cost, irreplaceable asset base with mine life of 25+ years

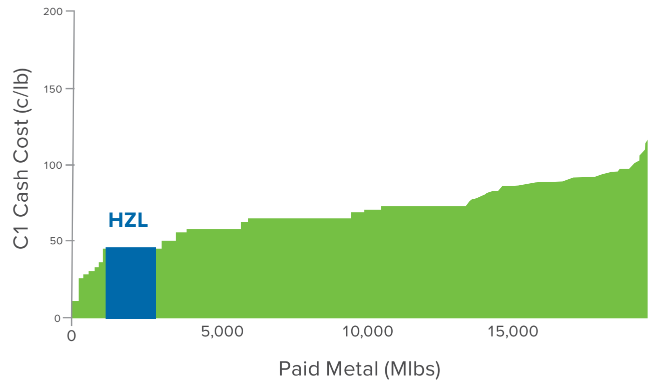
Large-scale operations with tier-1 assets and product portfolio

- World's largest integrated zinc producer and among the top 5 silver producers with world-class, strategically-located mining and smelting assets
- Crossed 13 Mnt of metal reserves first time since underground transition (3x growth over FY2020 levels on net of production basis) and continue to maintain 25+ years mine life with a focus on ongoing replenishments supported by innovative technologies and advanced geophysics
- Diversified, customer-centric product portfolio with c.22% value-added products, strong domestic presence of about 77% in primary zinc market share and growing presence in over 40 countries

Global cost leadership

- First decile in the global zinc mining cost curve and first quartile in the global zinc smelting cost curve
- Sustainable cost reduction powered by integrated operations, economies of scale, structural cost reduction initiatives, automation and digitalisation
- Growing renewable energy share insulates power cost from commodity price variations

Among lowest cost zinc producers globally



US$ 1,052 (₹ 88,960) per MT
Zinc COP

29.6 Mnt
Total Metal R&R

25+ years
Mine Life

c.22%
Value-added Portfolio

2 Invested in metals relevant for energy transition

Offering metals essential for societal progress

- Promoting everyday base metals in enabling a low-carbon, sustainable future
- Evolve 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
- Through our Hindmetal Exploration Services Private Limited, we won a Tungsten block in Andhra Pradesh in FY2025. In May 2025, we further strengthened our critical mineral portfolio by winning the Potash block in Rajasthan and Rare Earth Elements block in Uttar Pradesh

Zinc: a critical metal for daily use and future technologies

- Essential for galvanising steel, supporting clean energy infrastructure and enabling EV manufacturing
- Usage in 3D-printed automotive parts, UV-resistant coatings for modern buildings, and public health, with zinc oxide nanoparticles used to purify water and create germ-resistant cleaners for hospitals
- Ensures longer life of the solar panels and wind turbines 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 catalysing the green economy

- Silver's role is extending beyond precious metal to a strategic green metal for powering the transition to a low-carbon, high-tech world – applications spanning electronic systems, including telecommunications, infrastructure and EVs
- Its unmatched conductivity makes it highly effective in the solar energy industry (for photovoltaic cells) and other sectors targeting carbon footprint reduction

3 Ideally positioned to capitalise on India's growth

Resilient economy and steel industry outlook

- India recorded a GDP growth of 6.5% during FY2025, driven by expansion in infrastructure, construction, automotive and manufacturing sectors
- With the government's sustained focus on infrastructure development, including smart cities, railways, highways and airports, the International Monetary Fund projects GDP growth to remain above 6.5% over the next 3-4 years
- A booming economy continues to propel steel demand in India; the world's second-largest steel producer saw annual crude steel production growing at a compounded c.10%, against a flat trend globally
- To sustain economic growth, India targets decision-making 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

- These factors are set to almost double the domestic zinc demand for steel galvanisation and silver demand by a multifold to support the energy transition
- Our global market-leading position in zinc, with about 77% share in the domestic primary zinc market, positions us to benefit from India's growth

c.77%
Domestic primary zinc market share

250 ktpa
New integrated refined metal capacity expansion with associated mining capex with an investment of c.₹ 12,000 crore

4 Robust financial profile and strong balance sheet

Proven financial foundation

- Consistently delivered phenomenal performance across all financial parameters, supported by operational efficiencies and cost optimisation strategies
- Industry-leading EBITDA margin of c.50%, irrespective of the commodity price cycles and market volatilities
- Over five decades of expertise in commodity markets and a strong leadership suite, enabling strategic decision making and facilitating innovation to improve operational consistency

Healthy balance sheet

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

₹ 13,326 crore
Net worth

50%
3-year average EBITDA margin

₹ 1,169 crore
Net Debt

₹ 10,926 crore
5-year average pre-growth capex free cash flow from operations

5 Investments in high IRR Projects driving strong shareholder returns

Disciplined capital management

- Strategic investment in high IRR projects (fertiliser plant, roaster, zinc alloy plant 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 ensures resilience, agility and maximisation of 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

143%
5-year average dividend payout

₹ 4,430 crore
Capex utilised in FY2025

₹ 1,95,167 crore
Market capitalisation (among the top 3 in the Nifty Metal index) as on March 31, 2025

c.68%
Total Shareholder Returns (among the top 10 in the Nifty 200 index)

73%
Return on Equity

58%
Return on Capital Employed

6 ESG excellence, investing in sustainable future

ESG with fiscal prudence

- Integrating ESG principles into our growth and financial strategy
- Expanding use of renewable energy and energy-efficient vehicles (battery-electric, LNG, and electric-based), helping optimise costs along with advancing decarbonisation
- Launched Asia's first low-carbon zinc, EcoZen, which can fetch better premiums

Business sustainability through responsible operations

- Industry-defining initiatives to achieve ambitious ESG goals 2030
- Focus on circular economy and economically gainful waste utilisation and metal recovery through our recycling business
- Foraying into zinc-based batteries through strategic partnerships to catalyse the global energy transition. Hindustan Zinc has signed an MoU with AEsir Technologies for advancing in zinc-based batteries

2.3 million
Beneficiaries across 2,362 villages from sustained CSR initiatives

c.13%
Share of renewable energy

Business Excellence Drivers – Digitalisation and Automation

Smarter operations, scalable outcomes

Hindustan Zinc is a global benchmark in the mining industry for operational productivity, safety, and sustainability. We achieve this through investments in pioneering digital technologies, from autonomous systems to advanced analytics, that empower better decision-making and a safer, more efficient operation. This ensures delivering sustainable and responsible growth with industry-leading profitability while keeping us at the forefront of industry innovation and technological trends to unlock new value consistently.

DIGITAL EXCELLENCE AT HINDUSTAN ZINC

Organisational and talent strength

10

In-house digital team strength

Investments

₹ 18.77 crore

Invested in digital and automation efforts in FY2025

Major technologies deployed

IoT-enabled smart sensors and **AI-driven analytics** for predictive maintenance, condition-based monitoring and reliability health index

Sensor-based micro-seismic activity monitoring systems

Drone-based inspection for structural integrity enabling safe, remote, non-destructive monitoring of stacks using visual, thermal, and ultrasonic sensors

Drone-based stope scanning in underground mines for dilution control

Tele-remote drilling to minimise the risks of manual drilling and maximise the overall productivity

Tele-remote operation of loaders maximising ore hoisting, ensuring consistent mill feed while enhancing productivity and safety

Computer vision-based monitoring of unsafe acts in restricted areas of underground mines

HOW WE SCALED TECHNOLOGY EXCELLENCE IN FY2025

Automation

Technologies invested in

Closed Loop System for Consumables Addition

Implemented a fully automated system for non-fuel consumables (Zinc Dust, Sodium Sulphate, PAT, Lime, Soda Ash) by integrating laboratory information management system (LIMS) data with process control systems (OSI-PI & DCS/PLCs). Linear statistical models guide optimal dosing without manual intervention.

The system leverages Information Technology-Operational Technology (IT-OT) integration for real-time feedback and automated control, ensuring accurate dosing based on lab and analyser data, maintaining tight process control.

Benefits achieved

c.10%
reduction in specific consumable consumption

Improved
process efficiency, lower variability in usage

Eliminated
manual interventions

Artificial Intelligence/Machine Learning (AI/ML) based Analytical Modules

Technologies invested in

Roaster Sulphide-Sulphur Prediction Model

Developed an ML-based prediction model by integrating real-time operational data. This provides accurate predictions of sulphide/sulphur ratio and helps optimise roaster operations.

Benefits achieved

Increase
in the roaster's throughput

Reduction
in emissions, ensuring sustainable smelting operations

Internet of Things (IoT) Applications

Technologies invested in

Predictive Maintenance (PdM) of critical assets

Utilising IoT-based smart sensors that generate data to be consumed by AI-based solutions for analytical anomaly detection, helping early detection of maintenance requirements to improve the availability and reliability of the critical assets and reduce their unplanned downtime through auto-fault diagnostics for taking timely corrective actions.

Benefits achieved

400+ hours
of downtime saved

Improved
asset reliability

IoT sensors in Heavy Earth Moving Machinery (HEMM)

Built advanced data analytics using Industrial IoT sensor-based telemetry data for identifying and minimising idle time of Low-Profile Dump Trucks (LPDTs) and Load, Haul & Dump (LHD) machines.

Benefits achieved

5%
Reduction in HEMM idling

Cost savings
by cutting diesel use and lowering idle-hour expenses

Collaboration Centre

Process optimisation via advanced data analytics

We have scaled data analytics efforts by centralising the collection and integration of operational data through IT-OT integration and sensorisation of critical assets.

All this data is hosted on central servers at our Collaboration Centre, which, combined with other business partners' server data, is leveraged for data engineering tasks (cleaning, transformation, and feature engineering) to develop advanced solutions.

Additionally, we are developing user-friendly, interactive, and comprehensive dashboards that provide actionable insights, auto-scheduled reports, and subscriptions hosted via a Virtual Network (VNet) gateway linked with our Hindustan Zinc's workspace. These dashboards will assist end-users and empower management with a robust decision-support system to enhance process efficiency and decision-making across various operational areas.

Benefits achieved

Condition-based Monitoring (CBM)	Reliability Health Monitoring of critical assets	Statistical Process Control (SPC)
Process Capability Analysis (PCA)	Predictive Maintenance (PdM)	AI/ML-based prediction models

Refer to the **Health & Safety** chapter on page 178 onwards for key digital interventions driving safety excellence, and the **Operational Performance** section on page 114 onwards for digital advancements in mining and smelting operations

Business Excellence Drivers – Quality Management

Quality-first approach to business growth

Quality is a non-negotiable aspect at Hindustan Zinc. Through stringent quality policies and adherence to various internationally recognised standards, we maintain the highest standards of quality and precision, alongside efficiency, accuracy and reliable operations. These enable us to deliver superior products and services to our customers, reinforcing our competitive positioning in the industry.

QUALITY EXCELLENCE AT HINDUSTAN ZINC

Policies and processes

Dedicated Quality Policy and Customer Delight Policy

Third-party based annual assessment of units under Vedanta Quality Management Framework

Certifications

ISO 9001:2015 Quality Management Systems (QMS) certified mining and smelting units

Laboratories are NABL (National Accreditation Board for Testing and Calibration Laboratories) certified and compliant with ISO/IEC 17025:2017

Technology

Labs integrated with the SAP S4 enterprise resource planning system and online laboratory information management system (LIMS)

Quality outcomes

4%
reduction in controllable customer complaints

12%
improvement in suppliers' performance driven by stringent raw material quality assurance

ENSURING COMPLIANCE WITH GLOBAL STANDARDS

ISO 9001:2015 Certification

This certification highlights our commitment to quality management principles, including a strong customer focus, top management's involvement, a process approach, and continual improvement. This ensures our QMS are robust and effective, leading to enhanced customer satisfaction and operational efficiency.

NABL certification and ISO/IEC 17025:2017 compliance

All our laboratories are accredited to NABL, underscoring their competence in testing and calibration, ensuring reliable and accurate results. They also adhere to the stringent requirements of ISO/IEC 17025:2017, which specifies the general requirements for competence, impartiality, and consistent operation.

Business Excellence Drivers – Asset Optimisation

Resilient assets, reliable performance

We operate a large and complex portfolio of critical metal and mining assets, essential to the economy and energy transition. We therefore deploy innovative measures to effectively manage these assets. This ensures safer, sustainable, and more productive operations with best-in-class reliability. It further enhances our ability to meet customer expectations while contributing meaningfully to national priorities. Through multiple focused initiatives in FY2025, we have enhanced the asset lifetime, efficiency, and overall recovery, unlocking long-term value.

ZINC AND LEAD RECOVERY IMPROVEMENT

Our Rajpura Dariba Mill, commissioned in FY2024, faced challenges in reaching the designed recoveries of zinc and lead. After studying and analysing its performance, we undertook several initiatives in FY2025, including changing grinding media size, water balancing in the circuit, and reagent dosage optimisation in the flotation circuit, which helped improve recoveries.

Zinc recovery at RDM

87.0%
In March 2024

90.7%
In March 2025

Lead recovery at RDM

59.2%
In March 2024

70.5%
In March 2025

WORKING CAPITAL OPTIMISATION THROUGH SILVER WIP LIQUIDATION

During the year, we maximised silver production by reducing silver work-in-progress (WIP) from 23 tonnes to 9.6 tonnes. This was achieved by cutting silver grams per litre (GPL) in electrolyte from 6.8 MT to 3.7 MT through continuous ElectroMetals Electrowinning (EMEW) operation and treatment of electrolyte. This was further supported by the timely despatch of all WIPs to the smelters for their conversion.

ENHANCING THE VALUE-ADDED PRODUCTION

We enhanced VAP production efficiency by reducing the Jumbo mould changeover time by 2 hours and the cooling time per batch by 10 minutes. This increased VAP production capacity by 13 kt.

REDUCTION IN ANNUAL SHUTDOWN DAYS OF SKS FURNACE

We optimised the annual shutdown of the SKS furnace by breaking down the relining job into sub-activities and benchmarking them. This reduced the shutdown time from 22.5 days to 16.8 days in FY2025.

Business excellence drivers – Innovation

Powering progress and sustainability with innovation

Innovation is central to our progress and positions us at the forefront of industry advancements. Our collaborations with external technical experts and integration of innovation across every facet of business power our competitive edge. It helps drive process improvement, enhance efficiencies and resource recovery, and explore smarter, sustainable ways of creating value

ADVANCING EMERGING PORTFOLIOS IN ZINC BATTERIES AND ALLOYS

Our R&D team is playing a pivotal role in advancing our emerging portfolio to ensure we stay ahead of industry trends. Aligned with this, we have forayed into developing zinc battery technology. We have partnered with the Indian Institute of Technology (IIT) Madras and Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), a premier institute sponsored by the Department of Science & Technology, Government of India, to develop sustainable energy storage solutions which offer a cost-effective and sustainable alternative to Lithium-ion batteries.

We are also expanding our capabilities in zinc alloys development, while striving to diversify into adjacent portfolios to ensure business sustainability and profitability. Focused on this, we are augmenting our in-house characterisation facility and exploring potential for castability, mechanical testing and improved mineralogy facilities to support our new venture.

INNOVATING TO IMPROVE PRODUCTS AND PROCESSES

We have developed novel flotation reagents in mills and modified hydro and pyrometallurgical circuits to improve the concentrate grade and metal purity. To reduce our ecological footprint and recover valuable resources from wastes, we have taken multiple waste/dross recycling initiatives, including optimising metal recovery, utilising secondary materials and reducing carbon footprint in our Waelz kiln operation.

To expand our research avenues and strengthen our capabilities, our R&D has been equipped with advanced instruments and facilities in mineralogy. This includes optical microscopy, X-ray fluorescence and diffraction, field emission scanning electron microscopy, pyrometallurgy (muffle and rotary furnaces), hydrometallurgy, and mineral processing (sizing, comminution, and flotation).

FY2025 innovation highlights

Secured Indian Patents
For cutting-edge technologies – IN 530897 and IN 541547 – covering strategies for silver recovery improvement and waste utilisation in ancillary units, which boosts our operational efficiency

Filed 4 Intellectual Properties
pertaining to different fields of smelting and mineral processing

Global recognition
Our in-house innovations and process optimisation strategies were recognised at international conferences (ICNFM 24, IC4M 25) and publications (Hydrometallurgy, Trans IIM)

₹ 10.26 crore
R&D Spend in FY2025

FOUNDATIONS FOR SUSTAINABLE GROWTH

Our business is rooted in a robust, purpose-driven business model and powered by enduring partnerships with our stakeholders. With our understanding of what matters most, proactive actions to leverage opportunities, and steering strategy with foresight, we ensure resilience and relevance in a dynamic world.

Business Model

Business model built for tomorrow's opportunities

INPUTS

NATURAL CAPITAL

Inputs deployed
- Ore R&R: **453.2 Mnt**
- Zinc-Lead Metal R&R: **29.6 Mnt**
- Silver R&R: **808.4 Moz**
- Energy consumption: **47.99 GJ per tonne of metal**
- Water consumption: **24.69 m³ per tonne of metal**
- Electricity consumption: **4,843 MU**
- Share of RE: **c.13%**

Key focus areas
- Increasing the share of RE, ZLD capacity and EV/LNG trucks
- Reducing waste and optimising the use of natural resources
- Make mining minimally invasive to prevent ecological degradation

MANUFACTURED CAPITAL

Inputs deployed
- Mines: **8** (at 5 locations)
- Smelters: **3** locations
- Captive power plants: **625.16 MW**
- Automation and technology-driven operations
- Fixed assets: ₹ **48,425 crore**
- Investments in capacity expansion: ₹ **1,271 crore**
- Participated in critical mineral blocks auctions

Key focus areas
- Timely commissioning and development of expansion projects
- Reducing energy costs through RE, alternative fuels, and domestic fuel usage
- Maintaining long mine life and R&R base for secured raw material availability
- Modernise facilities with advanced technologies and build capability to enable the production of diverse products

INTELLECTUAL CAPITAL

Inputs deployed
- Collaborations/memberships with technical institutes: **11**
- Investments in technology, innovation and automation: ₹ **18.77 crore**
- Patents awarded: **2**
- Entered zinc supply agreement for zinc-nickel batteries

Key focus areas
- Investments in digital technologies, like autonomous systems and advanced analytics for safer, smarter and efficient operation
- Investments in R&D for value-added products
- Strengthening the team of geologists, geophysicists, and data analysts

HUMAN CAPITAL

Inputs deployed
- Total workforce: **25,531**
- Employee benefit expenses: ₹ **886 crore**
- Investment in skill development: ₹ **1.36 crore**
- Learning & Development: **190,479 hours**
- HSE training: **647,624 hours**

Key focus areas
- Safety-first culture with a focus on zero harm
- Promoting diversity, equity and inclusion
- Building a future-ready workforce skilled in digital technologies, AI, and advanced mining to address emerging industry demands

SOCIAL AND RELATIONSHIP CAPITAL

Inputs deployed
- CSR spending: ₹ **273.45 crore**
- Sustained engagements and healthy relations with stakeholders
- People-led institutions at the grassroots: **13**

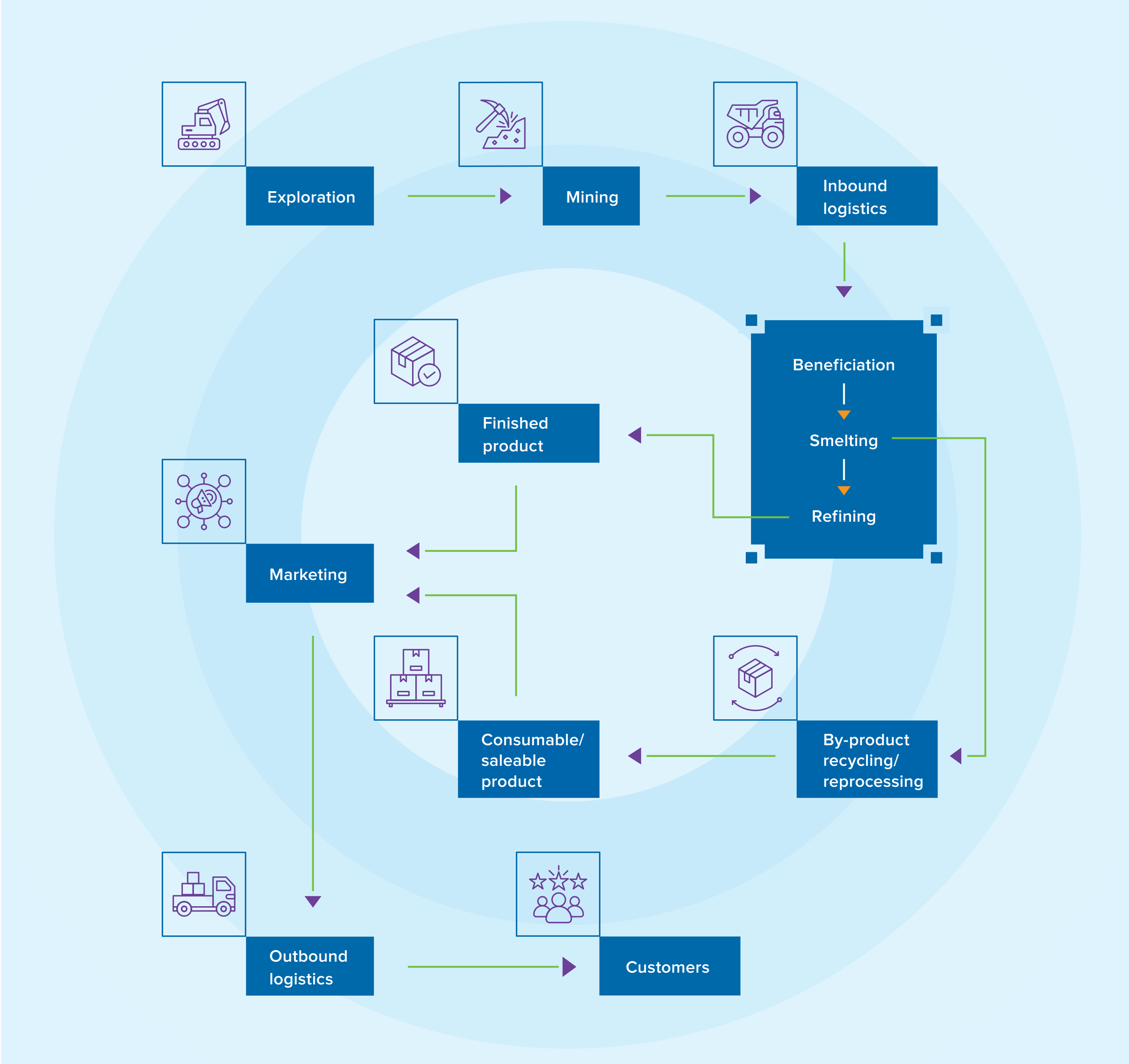
Key focus areas
- Building resilient social licence through sustainable practices and meaningful community partnerships
- Focus on local economy development through job creation and business opportunities
- Maintain strong customer relationships, positive connections with local communities, regulatory bodies and stakeholders to mitigate reputational risks

FINANCIAL CAPITAL

Inputs deployed
- Equity Capital: ₹ **845 crore**
- Net Debt: ₹ **1,169 crore**
- Reserves & Surplus: ₹ **12,481 crore**

Key focus areas
- Judiciously managing funds for key projects without straining the balance sheet and optimising costs amidst volatility in base metals
- Delivering attractive returns to shareholders

OUR VALUE CHAIN ACTIVITIES



Shaping tomorrow with an integrated business model

OUTPUTS

Zinc	Lead	Silver
826,812 tonnes	**225,470** tonnes	**687** tonnes
(817,059 tonnes)	(215,984 tonnes)	(746 tonnes)

OUTCOMES DELIVERED

NATURAL CAPITAL

Outcomes

- Certifications (all units)
  - ISO 140001: Environmental Management
  - ISO 50001: Energy Management System
  - Environment Product Declaration for Zinc
- GHG emissions (Scope 1 & 2): **4.85 mn tCO_2e**
- Zero liquid discharge: All sites
- Waste generation:
  - Total: **19.76 Mnt**
  - HVLT: **1.48 Mnt**
  - Flyash: **0.48 Mnt**
- Waste recylced/reused: **6.05 Mnt**
- Water recycled: **21.82 mn m^3**
- Mine life (average): **25 years+**

Actions to improve outcomes

- Increase RE share and the use of efficient coal to reduce emissions
- Build additional capacities for tail gas treatment, effluent treatment and zero liquid discharge plants
- Transition to dry tailing disposal
- Reduce emissions in line with SBTi - Scope 1 and 2 by **50%** and Scope 3 by **25%** by 2030, and net zero emissions by 2050 or sooner
- Increase R&R to **500+ Mnt** with **c.35 Mnt** metal

UN SDGs impacted

MANUFACTURED CAPITAL

Outcomes

- Mined metal/Refined metal production: **1,095 kt/1,052 kt**
- 4-year lowest zinc cost of production: **US$ 1,052 per MT**
- Launched Asia's first low-carbon zinc, **EcoZen**
- New mineral blocks: **won 3** (Tungsten, Potash and Rare Earth Elements)

Actions to improve outcomes

- Complete ongoing lead-zinc-silver recovery and other projects to expand mining and smelting capacities
- Participate in base metal and other critical mineral blocks auctions
- Use AI/ML algorithms for enhancing exploration and discovery outcomes
- Focus on increasing the share of RE and domestic coal usage to reduce zinc COP

UN SDGs impacted

INTELLECTUAL CAPITAL

Outcomes

- Product offerings: **14**
- Value-added portfolio: **c.22%**
- Minor metal extraction capabilities
- Strong brand recall

Actions to improve outcomes

- Enhance VAP share through new product areas like Zinc Aluminium Magnesium, die-casting alloy applications
- Initiate research on zinc-nickel and zinc-based batteries
- Sustained innovation for metal recovery and advancing sustainability objectives of net zero, zero harm and circular economy

UN SDGs impacted

HUMAN CAPITAL

Outcomes

- Revenue per employee: **c.₹ 10 crore**
- Executive diversity ratio: **25.5%**
- Attrition rate: **14.50%**
- Total recordable injury frequency rate (TRIFR): **1.21**
- India's first all women underground mine rescue teams
- Transgenders: **22**

Actions to improve outcomes

- Investing in a high-performance, safe and digitally-empowered workforce
- Attracting industry best talent and bringing global expertise through collaboration with leading players
- Ensure continuous learning and development of a strong leadership pipeline
- Prioritise diversity and merit in recruitment, establishing as an equal-opportunity employer

UN SDGs impacted

SOCIAL AND RELATIONSHIP CAPITAL

Outcomes

- CSR beneficiaries: **c.2.3 million**
- Contribution to the exchequer: **₹ 18,963 crore**
- Average MSME payment cycle: **20 days**
- Increased free float post offer for sale: **3.13%**
- Local spending (Rajasthan and Uttarakhand): **67%**

Actions to improve outcomes

- Sustained focus on local employment and economic development, with emphasis on supporting MSMEs
- Facilitate improved water security, commit to zero land acquisition for waste storage, and protect biodiversity
- Ensure strict compliance with community, environmental, and statutory regulations
- Contribute to nation-building through resource self-sufficiency and supporting India's critical mineral mission

UN SDGs impacted

FINANCIAL CAPITAL

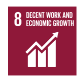
Outcomes

- Revenue: **₹ 34,083 crore**
- EBITDA: **₹ 17,465 crore**
- EBITDA margin: **c.51%**
- Earnings per share: **₹ 24.50**
- Industry-leading ROE/ROCE: **73%/58%**
- Total interim dividend: **₹ 12,253 crore (₹ 29 per share)**
- Total shareholder returns: **c.68%**

Actions to improve outcomes

- Pursue cost efficiency and digital transformation projects to deliver consistent, industry-leading returns
- Maintaining liquidity and sustained funds availability for growth projects
- Invest in high IRR projects, value-added products and emerging business areas for enhanced profitability across commodity cycles
- Monitor geopolitical situation to manage cost risks

UN SDGs impacted



Stakeholder Engagement

Responding effectively to stakeholder needs

Our stakeholders are integral to our success, and we align our operations with their interests and aspirations. We have established a structured mechanism to engage meaningfully with our key stakeholders through multiple channels across the lifecycle of the projects at each site. This approach helps us prioritise their perspectives and address concerns to create a long-term sustained value.

Our Technical Standard on Stakeholder Engagement, approved by our Chief HSE & Sustainability Officer, guides our stakeholder engagement and consultation.

STAKEHOLDER MANAGEMENT

1. Identify and analyse key stakeholders at the site level
2. Engage and consult with stakeholders
3. Address expectations and consider stakeholder feedback

Associated Material Topics

- **M1** Health, Safety and Well-being
- **M2** Air Emissions and Quality
- **M3** Tailings Management
- **M4** Water Resource Management
- **M5** Business Ethics and Corporate Governance
- **M6** Community Engagement and Development
- **M7** Circularity and Waste Management
- **M8** Diversity, Equal Opportunity and Inclusion
- **M9** Talent Attraction and Retention
- **M10** Climate Change and Energy Transition
- **M11** Innovation and Technology
- **M12** Labour Practices and Human Rights
- **M13** Responsible Advocacy
- **M14** Learning and Development
- **M15** Product Stewardship
- **M16** Biodiversity and Ecosystems
- **M17** Data Privacy and Cybersecurity
- **M18** Macroeconomic and Geopolitical Impacts
- **M19** Sustainable and Inclusive Supply Chain
- **M20** Indigenous People and Cultural Heritage
- **M21** Land Acquisition, Rehabilitation and Closure

HINDUSTAN ZINC'S VALUE CREATION FOR STAKEHOLDERS

Customers

Material issues

M1 M5 M7 M10 M11 M15 M17 M18

How we address their concerns in FY2025

- Regular connect and structured touchpoints to enhance serviceability and customer experience
- Customer-guided product innovation and development
- Focused discussions on evolving market and ESG trends to help them meet their sustainability goals

Refer to page 54 for value creation

Capitals impacted

Strategic priorities

S2 S3 S4

Communities

Material issues

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

How we address their concerns in FY2025

- Impactful CSR interventions to improve quality of life of communities, supporting national progress and smooth business operations
- Formal grievance mechanism and multiple communication channels to address their concerns
- Providing capacity building and livelihood support

Refer to page 54, 186 for value creation

Capitals impacted

Strategic priorities

S5

Employees and Business Partners' Employees

Material issues

M1 M2 M4 M5 M6 M8
M9 M11 M12 M14 M17

How we address their concerns in FY2025

- Formal channels for employee feedback, grievance resolution and communication
- Focused initiatives to enhance employee engagement, development and wellbeing
- Commitment to foster workplace inclusivity
- Building trust, loyalty, and recognition to increase employee retention, performance, and motivation

Refer to page 54, 168 for value creation

Capitals impacted

Strategic priorities

S3 S5

Investors/Shareholders

Material issues

M1 M2 M4 M5 M6 M10
M18

How we address their concerns in FY2025

- Regular communication, feedback and grievance management
- Timely and accurate disclosure on business, sustainability and ESG performance

Refer to page 54, 210 for value creation

Capitals impacted

Strategic priorities

S2 S3 S5

Government and Regulatory Authorities

Material issues

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

How we address their concerns in FY2025

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

Refer to page 54, 210 for value creation

Capitals impacted

Strategic priorities

S1 S2 S3 S5

Suppliers

Material issues

M1 M2 M5 M10 M11 M12
M14 M18 M19

How we address their concerns in FY2025

- Clear policies, contracts and processes to ensure operational efficiency through timely supply and responsible sourcing
- Collaborative approach for sustainable supply chain operations
- Prioritising workers' safety
- Resolving supplier grievances through robust channels
- Enabling local businesses to access our supply chains with our local procurement process

Refer to page 54, 200 for value creation

Capitals impacted

Strategic priorities

S2 S3 S5

NGOs

Material issues

M1 M2 M4 M6 M8 M12

How we address their concerns in FY2025

- Engagement with external experts to gauge on-ground effectiveness of CSR implementation

Refer to page 54, 186 for value creation

Capitals impacted

Strategic priorities

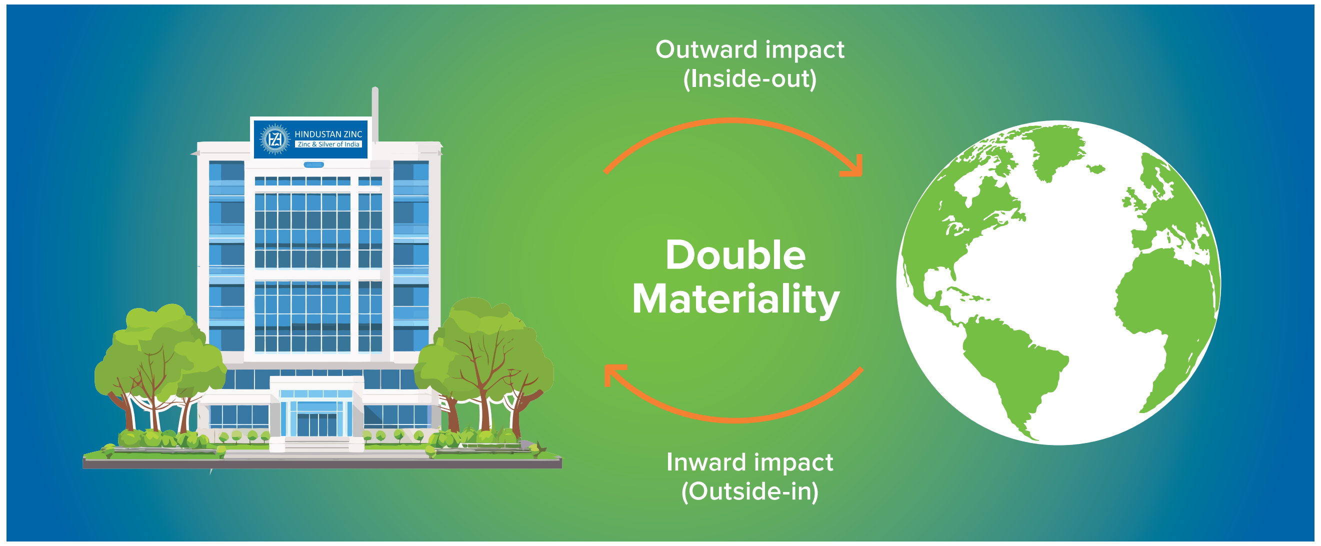
S5

Refer to BRSR-P4 on page 348 for more details on Stakeholder Engagement.

Materiality

Creating value using materiality compass

Hindustan Zinc conducts materiality assessment every three years, followed by an annual review. In FY2025, we conducted a fresh double materiality assessment, guided by the principle set in the EU Corporate Sustainability Reporting Directive (CSRD). Additionally, the outcomes of this materiality assessment have been systematically incorporated into our Enterprise Risk Management framework, enabling robust identification and mitigation of sustainability-related risks. This helped in identifying and prioritising material issues that are financially material to our business operations and have significant environmental and social impacts on our stakeholders. This year, we focused on understanding the impacts (positive and negative), risks, and opportunities associated with our key material issues, to better align our sustainability strategy and disclosures with stakeholder expectations for long-term value creation.



Identification of Material Topics

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

Impacts, Risks, and Opportunities (IRO's) Identification

- 250+ IROs were mapped to the identified material issues using internal risk registers, human rights reports, community impact assessment reports and industry standards (GRI, SASB)

Stakeholder Engagement

- 400 internal and external stakeholders were engaged and consulted
- For financial materiality, we engaged with Hindustan Zinc's leadership and key institutional investors
- For impact materiality, business partners, suppliers, customers, employees, civil society, regulators, media partners, and the local communities were engaged
- Structured and semi-structured interviews, focused group discussions, and surveys were conducted

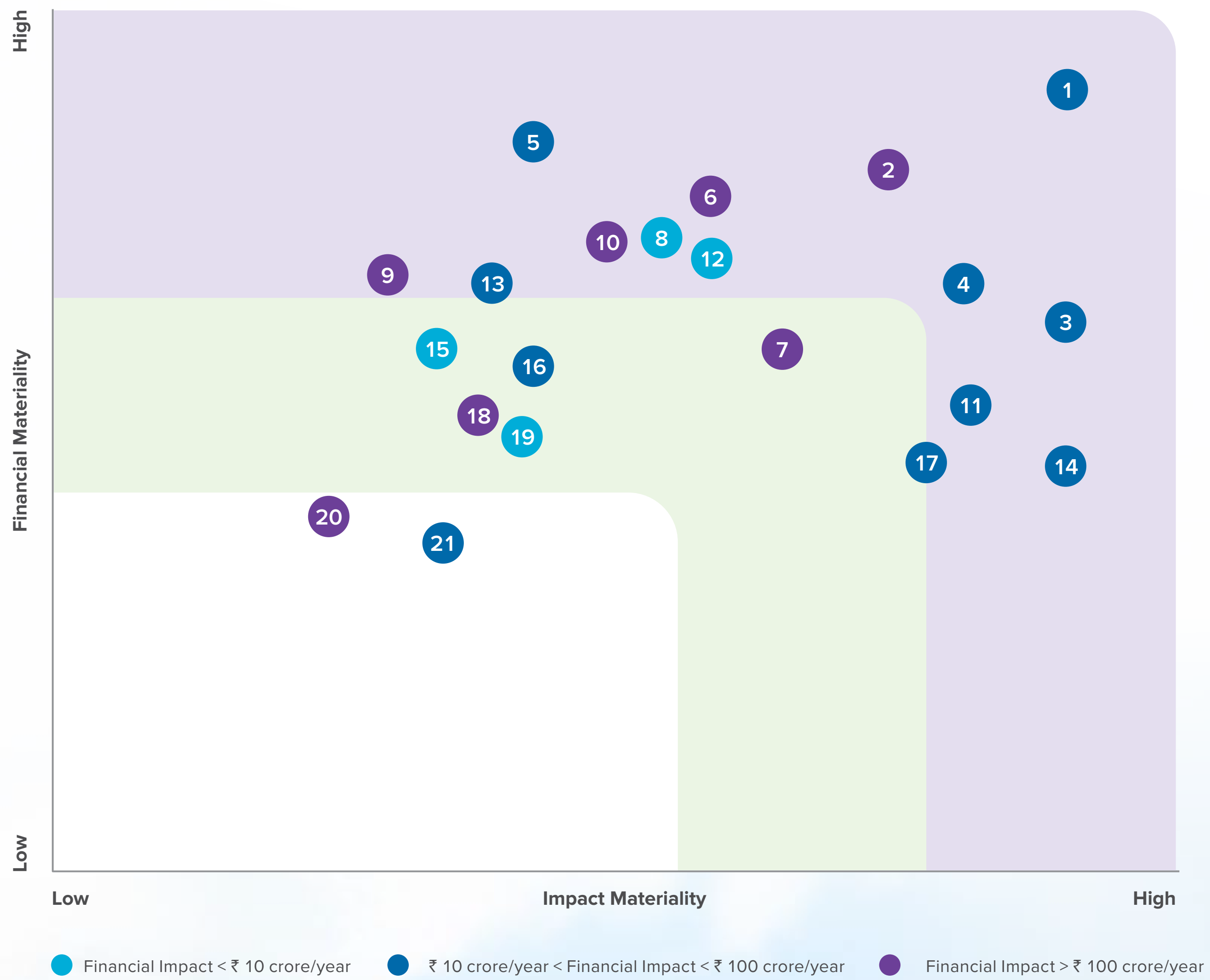
Materiality Matrix Development

- Material topics were scored and weighed by stakeholder influence and impact
- A consolidated matrix was created across financial and impact dimensions

Validation and Review

- Hindustan Zinc's senior leadership reviewed the outcomes, which was approved by the Board's Sustainability & ESG Committee
- Independent third-party assurance was obtained for the materiality assessment process

Materiality Matrix



	S. No.	Material Topic	Priority
S	M1	Health, Safety and Well-being	High
E	M2	Air Emissions and Quality	High
E	M3	Tailings Management	High
E	M4	Water Resource Management	High
G	M5	Business Ethics and Corporate Governance	High
S	M6	Community Engagement and Development	High
E	M7	Circularity and Waste Management	High
S	M8	Diversity, Equal Opportunity and Inclusion	High
S	M9	Talent Attraction and Retention	High
E	M10	Climate Change and Energy Transition	High
G	M11	Innovation and Technology	Medium
S	M12	Labour Practices and Human Rights	Medium
G	M13	Responsible Advocacy	Medium
S	M14	Learning and Development	Medium
G	M15	Product Stewardship	Medium
E	M16	Biodiversity and Ecosystems	Medium
G	M17	Data Privacy and Cybersecurity	Medium
G	M18	Macroeconomic and Geopolitical Impacts	Medium
G	M19	Sustainable and Inclusive Supply Chain	Medium
S	M20	Indigenous People and Cultural Heritage	Low
S	M21	Land Acquisition, Rehabilitation and Closure	Low

Low | Medium | High | Environmental | Social | Governance

OUR APPROACH

Based on the level of risks, opportunities and/or impacts associated with each material topic, we have tailored targeted management strategies and action plans. Unique programmes are carried out across the organisation in a phase-wise manner to drive effective management of each area based on its priority.

OUR HIGH PRIORITY MATERIAL ISSUES

Health, Safety & Well-Being

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

Strategy Linked
S5

Capitals Impacted

UN SDGs Impacted

Air Emissions & Quality

KPIs tracked
- SOx emissions
- NOx emissions

Strategy Linked
S5

Capitals Impacted

UN SDGs Impacted

Tailings Management

KPIs tracked
- Dry tailing disposal
- GISTM alignment

Strategy Linked
S1 S2 S5

Capitals Impacted

UN SDGs Impacted

Water Resources Management

KPIs tracked
- Water positivity ratio
- Freshwater consumption in operations
- Water recycling

Strategy Linked
S5

Capitals Impacted

UN SDGs Impacted

Business Ethics & Corporate Governance

KPIs tracked
- Reporting of ethical violations
- Completion rate of mandatory Business Ethics & Code of Conduct training for employees
- Whistleblower cases resolved

Strategy Linked
S1 S2 S3 S5

Capitals Impacted

UN SDGs Impacted

Environmental Social Governance

Community Engagement & Development

KPIs tracked
- Lives positively impacted through social, economic and environmental initiatives
- Total spend socio-economic development

Strategy Linked
S5

Capitals Impacted

UN SDGs Impacted

Circularity & Waste Management

KPIs tracked
- Increase in gainful utilisation of process waste
- Waste to Landfill
- Waste recycling

Strategy Linked
S2 S5

Capitals Impacted

UN SDGs Impacted

Diversity, Equal Opportunity & Inclusion

KPIs tracked
- Workforce diversity %

Strategy Linked
S5

Capitals Impacted

UN SDGs Impacted

Talent Attraction & Retention

KPIs tracked
- Turnover rate
- Retention rate

Strategy Linked
S5

Capitals Impacted

UN SDGs Impacted

Climate Change & Energy Transition

KPIs tracked
- Scope 1, 2 & 3 emission
- RE Power utilisation
- GHG intensity

Strategy Linked
S4 S5

Capitals Impacted

UN SDGs Impacted

Read more about material topic management under Business Responsibility and Sustainability Report on page 314
Also, read about our sustainability goals and progress on page 146

Risk Management

Mitigating risks and harnessing opportunities to drive sustainable growth

At Hindustan Zinc, proactive risk management is key to sustainable and responsible growth. Our ISO 31000 certified risk management framework and governance mechanism integrates best-in-class practices and tools to identify, assess and mitigate the potential risks and their impacts. We promote a risk-aware culture and take a proactive stance on ESG and emerging risks to effectively navigate challenges and seize opportunities for continued success.

To further strengthen our risk management, we have engaged Deloitte as our service partner to provide expertise and guidance in navigating the complex risk landscape within our organisation, helping us maintain the highest standards of governance and resilience in the face of evolving challenges.

RISK MANAGEMENT STRATEGY

Board Oversight

The Audit and Risk Management (ARM) Committee of the Board oversees the implementation of the Enterprise Risk Management (ERM) framework in compliance with the requirements of the Companies Act, 2013 and SEBI (LODR)

Global Risk Management Standards

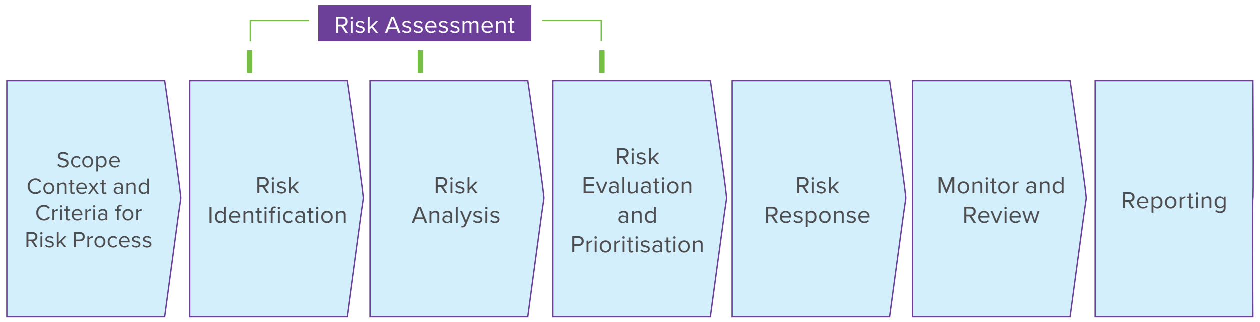
Our ERM framework is in accordance with leading standards and guidelines, including ISO 31000, Committee of Sponsoring Organisations (COSO) framework and other statutory regulations in India

Integrated Risk Approach

A comprehensive risk management programme integrates enterprise risk and risk appraisal for capital expenditure, besides mergers and acquisitions, project risks and crisis management, across our business functions

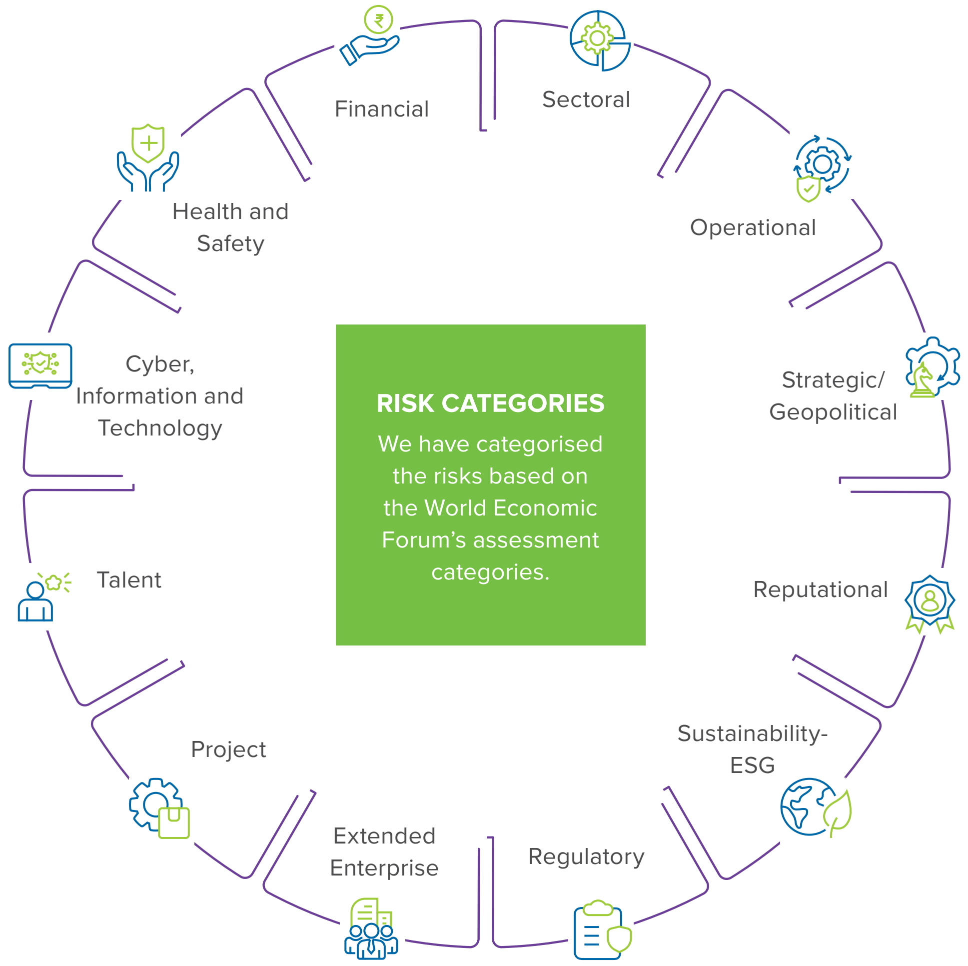
RISK MANAGEMENT FRAMEWORK

Our structured risk management framework facilitates effective identification, discussion, measurement and management of vital opportunities and risks across all our business units and corporate functions.



RISK APPETITE AND TOLERANCE

The Board has clearly defined our risk appetite, outlining the acceptable risks the Company is willing to accept to achieve its business strategy. The Board has also specified the tolerance limits to objectively evaluate our risk-taking ability, facilitating the assessment and measurement of the identified risks. Risk tolerance puts risk appetite into practice, using quantitative metrics. We assess risk impact on a 5-point scale, with any impact exceeding 10% on projected EBITDA (breach of risk tolerance) assigned a maximum risk impact score of 'Very High' or '5'.



RISK ASSESSMENT

The existing and emerging risks and opportunities are classified into different categories. These risks are subsequently prioritised based on the frequency of their occurrence or recurrence, the degree of their potential impact on revenue and cost, and the ability to disrupt our primary operations.

Risk assessment at Hindustan Zinc is a comprehensive exercise, involving:

Risk Identification

- Identify and list plausible uncertainties or risks with the potential to impact our functional, organisational and business objectives, or disrupt business continuity
- Identify emerging risks with a limited current response plan due to their nature, but may become a part of the risk register in future
- Multiple-stakeholder approach for effective risk identification, encouraging employee participation for early detection of emerging risks
- Engage with key stakeholders, such as customers and suppliers, to gain insights into key risks they face, for broader risk identification
- 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

Recognising that emerging risks can invalidate critical assumptions in strategic planning, we maintain a keen vigilance in their identification and evaluation to maintain relevance.

- 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

- Understand risk attributes, including the causes, likelihood of occurrence, potential positive or negative impact, and velocity or the time taken for impact since their occurrence
- Prioritise the risks by assigning a risk score and rating based on the impact, likelihood and velocity on a 5-point scale, aiding in the deployment of appropriate response strategies

CONTINUOUS MONITORING AND REVIEW

Acknowledging the evolving nature of risks and their attributes, we continuously review and track the external environment and internal controls vis-à-vis our business strategy. Quarterly risk reviews ensure agility and prompt timely actions and necessary controls for risk mitigation. We also review the Company's risk exposure annually.

Risk Monitoring and Review Measures

- Quarterly reviews at ManCom level and biannually at Board level to monitor risk exposure
- All risk owners are responsible for tracking assigned key risk indicator (KRI) metrics, either manually or through SAP-based series of "warning lights"
- All risk owners escalate KRI breaches to the unit/corporate risk officer, especially the ones in the 'red-high level' category
- Risk owners communicate response plans with implementation status to the unit/corporate risk officer, jointly with the response owner, along with plans for developing new response strategies based on periodic reassessment of risks and effectiveness of mitigations
- Risk owners review principal risks at least quarterly, with biannual and annual review of moderate and acceptable risks
- Moderate and acceptable risks exceeding KRI thresholds are reassessed and reviewed by risk owners for severity as per the severity matrix
- Implemented the SAP governance, risk and compliance (GRC) risk management module for automated KRI monitoring, workflow-based risk submission, assessment and mitigation planning, escalations and reporting mechanisms to enhance the risk management process
- Stress testing and sensitivity analysis conducted 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 FY2025, an external surveillance audit was conducted, validating and reaffirming our ISO 31000:2018 certification. We also conducted an internal audit during the year to ensure the efficacy of our risk management process.

STRONG RISK GOVERNANCE

Our Three-tiered Defence Model and Risk Governance Structure

Provides robust oversight, risk infrastructure and management, and ownership	Integrates the ERM process with management decision-making	Enables quarterly risk tracking, monitoring, and review	Assigns clear roles and responsibilities at each level

Governance Structure with Defined Roles and Responsibilities

Governance and Oversight

Board of Directors (BOD)

- Responsible for oversight of risk management across the organisation
- Approves policies addressing high-risk areas

Audit and Risk Management (ARM) Committee

- Highest Board-level Committee, comprising three Independent/Executive Directors with experience in risk management
- Apprises the Board annually on organisation-wide risk management
- Reviews risk management practices on a half-yearly basis

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
- Presents risk reviews before the ARM Committee
- ManCom reviews the Company's risk exposure and the impact of global events every quarter

Chief Risk Officer (CRO)

- Reports to the CEO as an overall custodian of the risk management process
- Reports to the ARM Committee about existing and emerging risks
- Supports management in determining risk appetite, identifying trends and emerging risks
- Leads risk team and guides unit/ corporate risk officers
- Monitors and coordinates risk management, oversees activities at the operational level, facilitating effective governance
- Continuously 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 to identify and monitor risk at the location level
- Convenes unit risk councils every quarter to review risks and response plans
- Reports unit-level risks to the CRO
- Single point of contact for employees to report risks

Risk Management Process Audit

The head of internal audit is responsible for auditing the risk management performance and providing an independent assurance of its compliance with the Company's risk strategies and policies. A report detailing the findings of independent audits is submitted to the ARM committee and the Head of Management Assurance System at the corporate level.

PROACTIVE RISK CULTURE

All business functions at Hindustan Zinc are rooted in the culture of proactive risk management. We take regular initiatives to promote awareness, discuss risk mitigation, and encourage risk-centric dialogue across our hierarchy. We continuously fortify our risk mitigation and management framework by setting well-defined targets and performance indicators as part of our risk scorecard. Performance evaluation is undertaken at the management and higher levels on a regular basis.

Incentivising Risk Performance

- Annual financial incentives for senior management and employees are linked to their performance on risk and compliance KPIs - proactive risk reporting, timely completion of risk management/action plans, etc.

Promoting Risk Education and Training

- Regular refresher training and awareness sessions for senior management on risk identification, resilience planning and mitigation, as deemed necessary by the Board
- Individual training sessions for Executive and non-Executive Board members, including ARM Committee members, for familiarisation with risk management processes and global risk trends
- Organisation-wide training, workshops and e-mailers on risk management topics and principles to strengthen a risk-intelligent culture

Risk Appraisal for Capital Projects

- 3-step process for capital expenditure risk assessment prior to the approval of both payback and non-payback projects, including new product development projects
- Mandatory risk assessment for capex projects by the project team to highlight critical risks
- Mandatory risk assessment by the central risk team 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 factored into the entire product lifecycle across all stages
- Managing business partner risks with potential to affect the product development process, using risk management frameworks, standard operating procedures (SOPs) and BP management policy
- Rigorous review of product development risks, including changes in customer expectations or regulatory requirements, and their proactive mitigation through necessary process adaptation; the R&D department addresses innovation and product application risks through pre-commercialisation piloting and testing

Focus on ESG Risk Management

- Hindustan Zinc prioritises open and transparent engagement with stakeholders for enhancing trust and driving sustained growth. This is in line with our growing focus on all ESG facets, including the related risks. We strive to maintain continuous interaction with our stakeholders, to understand their perspectives and swiftly respond to the evolving market scenarios
- We conduct materiality assessment to identify topics of significance for our internal and external stakeholders, guiding our strategies for managing the risks and harnessing the opportunities. This robust process strengthens our sustainability approach by facilitating the identification and understanding of the most material ESG priorities
- Climate change & decarbonisation, air emissions & quality, and water management have been identified as the top three material topics for Hindustan Zinc. Biodiversity and climate change are acknowledged as key parameters in enterprise risk management due to their array of associated risks, including regulatory, operational, reputational, financial, market access, and physical risks
- ESG considerations, including biodiversity and climate, are seamlessly integrated into our overall business strategy. From the inception of any project or initiative, we assess its potential ESG impacts and incorporate risk mitigation measures accordingly
- Our ESG risk management process takes a holistic view of risks and opportunities, recognising the interconnected nature of ESG factors to address them comprehensively rather than in silos

To ensure the continual strengthening of our risk mitigation and management framework, we clearly define risk management targets and indicators as part of our risk scorecard. Additionally, quarterly performance evaluation is undertaken at the management level and on a biannual basis for the higher levels.

Risk	Impact	Likelihood	Velocity	Appetite
Environment Regulation	Very High	Very High	Very High	Low
Local Community Issues	Medium	Very High	Very High	Low
Structural Stability	Very High	High	Very High	Low
Fall of Ground	Very High	High	Very High	Low
Non-Adherence to Safety Protocols	Very High	High	Very High	Low
Fire	High	High	Very High	Low
LME/LBMA Price Decrease	Very High	Very High	Low	Very High
Tailings Dam Collapse	Very High	Medium	Very High	Low
Occupational Hazards (Exposure to Gases and Fumes)	Very High	High	Very Low	Low
Cyber-Attacks and Data Loss	High	Low	Very High	Medium
Commodity Prices and Supply Constraints	Very Low	Medium	Low	Low

Risk Rating

Very Low · Low · Medium · High · Very High

Risk Appetite Level

Low · Medium · High · Very High

PRINCIPAL RISKS

Risk 1 Environment Regulation

Risk Domain

Regulatory

Material Topics

M2 M4 M7 M10 M16

Capitals Impacted

Significance and Impact

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.

Mitigation Plans

- Mechanisms in place to track and monitor compliance with mining and smelting industry norms
- Investment in new technologies to minimise emissions and zero liquid discharge (ZLD) plants in mines to avoid liquid waste discharge
- Waste management techniques, such as dry tailings stacking in place of wet disposal methods, and processing of jarosite with quick lime for sale to the cement industry, etc.
- Upgradation and installation of new systems for statutory licence compliance – new dust extraction system and crusher revamping at mills, and installation of additional wastewater treatment facility at locations

Outlook

Recognising the environmental impact of the metals & mining industry, we remain committed to complying with the emission and waste management regulations, operating within the admissible limits. We constantly strive to maintain our global ESG leadership position by setting ambitious sustainability goals for ourselves.

Risk 2 Local Community Issues

Risk Domain
Reputational

Material Topics
M6 M12 M20

Capitals Impacted

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

Mitigation Plans
- Robust social strategy encompassing active engagements with communities around operational sites and impactful programmes focusing on education, sustainable livelihood, women empowerment, health, water and sanitation, infrastructure development and environment
- Established a network with law enforcement and local administration
- Monitoring the local ecosystem for potential community discontentment, supported by a structured grievance mechanism
- Augmented security measures at gates and critical/vital installations, along with a crisis communication protocol and escalation matrix for effective crisis response

Outlook
Proximity of our operations to the local communities and the nature of our mining and smelting operations, can potentially lead to agitation of the local communities, impacting our operations. However, with our CSR focus on the comprehensive development of the local communities in and around our locations of operations, we are confident in the continuity of our business without any social discord or unresolved grievances.

Risk 3 Structural Stability

Risk Domain
Operational

Material Topics
M1

Capitals Impacted

Significance and Impact
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.

Mitigation Plans
- SOPs defined for permissible limits and usage of plant equipment, and planned maintenance shutdowns for repair and replacement of ageing/ malfunctioning parts
- Upgradation, repair and redesigning of existing equipment at mining and smelting sites
- Replacement of older equipment with the latest and more robust ones, featuring enhanced design, material of construction (MOC), safety and corrosion resistance
- Remote-controlled operations to reduce manual intervention in structures like acid tanks
- Use of 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
- Regular trainings for operators covering operating equipment methods, maintenance requirements, and troubleshooting minor defects at the site

Outlook
Structural stability issues can be attributed to factors including design inefficiencies, extreme operating conditions, such as temperature and pressure, corrosion, etc. We have established sound measures to ensure the structural integrity of our assets. We monitor them regularly using technology-driven scanning and inspections, etc.

Risk 4 Fall of Ground

Risk Domain
Health & Safety

Material Topics
M1

Capitals Impacted

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

Mitigation Plans
- Integrated critical control management plans, such as FSIPP, for safety across all sites
- Monthly safety trainings and skill upgradation of geo-tech engineers
- Strict adherence to the Ground Control Management Plan (GCMP), annual reviews and implementation of Structural Stability Report (SSR) recommendations, and undertaking regular inspections, damage mapping, timely rehabilitation, and advanced footwall drive cable bottling
- Planned implementation of new-age solutions, such as micro-seismic monitoring and tele-remote operations of the loaders and drill machines
- Action plans for FOG under CRM were implemented in the first phase
- Smooth wall blasting practices in place, and slope stability radar implemented
- Mechanism in place to achieve void reduction, followed by paste-fill optimisation
- Usage of rock breaker in stopes across all locations

Outlook
Underground mining activities inherently come with the risk of fall of ground, potentially caused by the non-predictability of the rock mass properties or increased seismic activity, etc. Our experienced geotechnical team and seismic monitoring technology have minimised the risk from fall of ground. However, any malfunction or human negligence could lead to such incidents.

Risk 5 Non-Adherence to Safety Protocols

Risk Domain
Health & Safety

Material Topics
M1

Capitals Impacted

Significance and Impact
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.

Mitigation Plans
- Strong safety protocols implemented across all sites, including critical risk management (CRM) and critical control management, such as FSIPP, hazard identification and risk assessment framework
- Implemented digital technologies, such as proximity warning and anti-collision system to prevent machine-machine and man-machine interactions, CCTV surveillance, remote operations and automation across mines, mills and smelters
- Upgradation and replacement of outdated systems and equipment
- Equipment and machinery trainings conducted for business partners, along with monthly safety trainings and lifesaving rules (LSR) in place
- Earth-leakage circuit breaker (ELCB) implementation and neutral grounding resistance for transformers
- Implemented best practices for vehicular safety, such as constructing underground workshops to manage and minimise vehicular movement, enforcing a "Zero" vehicle reversal policy and NO-GO criteria, and designating parking areas and pedestrian pathways
- Remote operations for stope bogging across all locations

Outlook
Safety incidents can happen due to multiple reasons, including human negligence, non-adherence to standard operating procedures, changes in operating circumstances, technology malfunctions, etc. We will continue to strengthen our workforce safety culture and adopt best-in-class technology for safety monitoring.

Risk 6 Fire

Risk Domain	Health & Safety
Material Topics	M1 M2 M10 M16
Capitals Impacted	
Significance and Impact	Fire incidents at operational sites pose a danger to life, property, and equipment on site.

Mitigation Plans

- 24x7 preparedness with fire extinguishers, suppression systems, firefighters and rescue teams across all locations. Barriers and protection equipment, including multipurpose tenders, hydrant points, sprinkler systems, etc., are in place to avoid aggravation of fire incidents
- Continuous exploration of new solutions such as 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. Enhancements of fire safety mechanisms like alarms, sensors and nitrogen purging systems to prevent fire-related accidents in smelters
- Fire safety training and awareness programmes, SOPs, and a fatality and serious injury prevention plan (FSIPP) for all workers in place at all locations
- Storage vessels and piping systems used for fuel storage are grounded and equipped with lightning arrestors, with regular checks on earth connections and resistances
- Ensuring slurry tanks' integrity, earthing, and periodic testing in the Purification Plant at CLZS Hydro 2

Outlook

Recognising the heightened risk of fire-related incidents in working with combustible materials, mishandling of explosives, short circuits, etc., we have established trained rescue teams, fire suppression systems, SOPs, and training & awareness for the workforce to prevent and efficiently handle, if required.

Risk 7 LME/LBMA Price Decrease

Risk Domain	Financial
Material Topics	M18
Capitals Impacted	
Significance and Impact	Unfavourable changes in the commodity prices on the London Metal Exchange (LME) and London Bullion Market Association (LBMA) may impact profitability.

Mitigation Plans

- Hedging strategy implemented as per hedging policy to maintain the monthly average LME price on shipments
- Negotiating with customers for higher premiums with 100% sales via e-commerce platform
- Deploying strategies to enhance domestic market share and cost-efficiency through reduction of structural costs
- Diversifying into value-added products and minor metal recovery to buffer against volatile LME and LBMA markets

Outlook

Ongoing geopolitical events could impact the global metal landscape, resulting in some volatility. However, the current prices remain within a reasonable range, with zinc and lead LME prices being forecasted to stay favourable, in the short-term future. The market is also bullish on silver prices in the coming years.

Risk 8 Tailings Dam Collapse

Risk Domain	Sustainability - ESG
Material Topics	M1 M3 M16
Capitals Impacted	
Significance and Impact	Any overtopping of tailings, water accumulation during heavy rainfall, increased tailings from declining ore grades, and land acquisition issues necessitating raising the dam height can trigger tailings dam collapse.

Mitigation Plans

- Implementation of dry tailings technology with support from expert agencies
- Bi-annual studies on tailings dam structural stability and ongoing geo-tech monitoring to identify abnormal pressure in embankments
- Regular reclamation and evaporation of water from the tailings dam and construction of additional reservoirs to hold excess water and relieve tailings dam pressure
- Procuring new land for expanding tailings storage facilities and maintaining a design freeboard of 1 metre to avoid any spillover and to maintain buffer space
- Use of high-density polyethylene (HDPE) membrane to avoid seepage on the upstream side

Outlook

Our expanding underground mining operations demand higher tailing storage. Moreover, the deteriorating climatic conditions and the resultant untimely and heavy rainfalls could heighten the risk of tailings overflow. To avoid such incidents, we will continue to take initiatives to reduce the wet tailings and rigorously monitor the structural stability of the tailing dams.

Risk 9 Occupational Hazards (Exposure to Gases and Fumes)

Risk Domain	Health & Safety
Material Topics	M1 M2 M16
Capitals Impacted	
Significance and Impact	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 risk.

Mitigation Plans

- Regular inspection and audits for internal and external structural integrity and non-destructive testing (NDT) in all smelters
- Online monitoring sensors for hazardous gases like chlorine, LPG, SO_2, etc., across the smelters, coupled with work zone monitoring (cameras) and personal monitoring (attaching sensors on employees for continuous reading) to detect leaks
- Installation of air filters on all equipment with the potential to cause harmful emissions, and tail gas treatment (TGT) systems to reduce emissions of poisonous gases
- Stringent adherence to the use of personal protective equipment (PPE), including gas masks, eye protection and gloves by employees during operations
- Investments in new technologies, such as powered air purifying respirators (PAPR), equipment for manpower, safety showers and diphtheriae kits in acid plants and auto cut-off systems for chlorine tonner leakage

Outlook

Any structural instability, technology malfunctioning or inadequate monitoring, etc., could lead to unfavourable occupational hazards, impeding the business and risking the safety of the workforce. However, by implementing state-of-the-art technology, including sensors and AI/ML, etc., we have significantly minimised such possibilities.

Risk 10 Cyber Attacks and Data Loss

Risk Domain
Cyber, Information and Technology

Material Topics
M17

Capitals Impacted

Significance and Impact
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.

Mitigation Plans
- Incident response and security information and event management (SIEM) implemented for threat detection, compliance, and security incident management
- Up-to-date endpoint security with regular anti-virus, patches and firewall updates and continuous monitoring of traffic
- Annual Certified Security Analyst (CSA) and IT infosec infrastructure configuration reviews
- Manual tagging and control of confidential data, reinforced by BP confidentiality agreements to prevent leaks
- Measures like cloud proxy solutions, endpoint detection and response (EDR) and IT systems hosting on Azure or other cloud systems
- Mandatory virtual private network log-in for employees working remotely and contract staff, ensuring restricted network and database access with multiple security layers
- Other cybersecurity practices and policies are in place, as specified under the 'Cybersecurity' chapter on page 217

Outlook
Despite having state-of-the-art cybersecurity measures and information policies in place, the growing sophistication and coordination of cyberattacks can lead to advanced persistent threats, necessitating the Company to stay ahead of the curve in enhancing its cybersecurity.

Risk 11 Commodity Prices and Supply Constraints

Risk Domain
Strategic/Geopolitical

Material Topics
M19

Capitals Impacted

Significance and Impact
Volatility in coal prices, supply shortages (critical spares, HEMM equipment, explosives, fuel), disruptions in shipping & railway services due to geo-political issues, dependency on critical business partners (BPs), and infrastructure constraints pose a serious business risk.

Mitigation Plans
- Secured coal availability with a strong BP base of direct coal miners, long-term fuel supply agreement with Coal India subsidiaries covering 44% coal requirement, and maintenance of sufficient safety stock
- Adoption of alternate fuels like lignite and biomass, process modification to support greater domestic coal consumption, coal-blending initiatives and focus on renewable energy reduces dependence on coal
- Long-term contracts with major explosives BPs and expanding collaboration with alternate BPs for explosives, tyres, coal and other supplies, including R&D for optimising the operating life of tyres

Outlook
By entering into round-the-clock renewable energy power delivery agreement for 70% of our overall power requirement at a fixed rate, immune to inflation and exchange rate changes, we have insulated significant fraction of our cost from coal price volatility. Although the ongoing geopolitical events might disrupt supply chains for certain commodities, Hindustan Zinc is well-positioned to absorb these impacts with minimal adverse effect.

155 other risks have also been identified beyond the above principal/critical risks. These additional risks are categorised as severe, moderate or acceptable based on their risk scores. Climate change, water management, talent management, etc., are the significant identified risks, graded into severe to moderate categories, based on their impact, likelihood and velocity. Foreseeing their potential to escalate into critical risks in the future, we have proactively initiated mitigation actions to manage them.

EMERGING RISKS

We have identified certain emerging risks that can potentially create a high impact on the Company, but are not likely to materialise in the next five years.

Emerging risks that are currently being monitored are:

Risk 1 Restricted Access to Critical Technologies and Materials

Risk Description
- **Access barriers to green tech:** The global shift toward smart and low-carbon/green technologies and electrification has intensified demand for rare materials and advanced processing capabilities. However, technology gatekeeping, ecosystem dominance, and geopolitical tensions are restricting access to critical technologies, including battery-electric vehicles (BEVs), heavy earth moving machinery (HEMM), and specialised materials like solvents, reagents, proprietary metal refining processes, smart and green technology.
- **Capital and technology barriers:** Rising protectionism and shifting geopolitical alliances may limit access to international capital, complicate long-term investment strategies, and heighten the risk of resource nationalism.
- **Supply chain disruptions:** Supply chain constraints, particularly in the procurement of specialised equipment and critical inputs, continue to pose operational challenges. Geopolitical issues with China may further restrict access to advanced technologies, skill sets and cost efficiencies in the metals and mining space. Additionally, the fragmentation of global trade networks may restrict access to cutting-edge processing technologies and international capital, complicating long-term investment planning.

Possible Impact
- Hindustan Zinc and its associates, such as Hindmetal Exploration Services Private Limited, may face challenges in accessing advanced rare materials technologies, impeding our ability to meet the growing demand for electric vehicles, precision instruments, and other high-tech applications
- Limited availability of BEVs, HEMM, specialised chemicals and advanced technologies may adversely affect our operational efficiency, leading to increased costs and delays in project execution
- Constrained ability to innovate and respond to emerging demands like low carbon metal, such as green metal to cater to global CBAM requirements, may limit growth opportunities in export-oriented markets, especially in jurisdictions with stringent climate policies
- In the long term, these limitations could weaken Hindustan Zinc's competitive positioning in global markets and erode stakeholder confidence, including those prioritising technological advancement and environmental responsibility
- Constrained access and challenges in adopting innovative carbon-reduction technologies may hinder our progress on sustainability targets, exposing us to heightened regulatory scrutiny and reputational risks, loss of stakeholder trust and global market competitiveness
- Imposition of tariffs or sanctions—especially targeting Chinese or Western strategic goods—could lead to cost escalations and restricted market access, hindering our ability to source advanced equipment and impacting strategic expansion plans

Mitigating Actions
- Actively pursuing joint ventures, licensing agreements, and collaborative R&D initiatives with global technology providers, research institutions, and industry consortia to access emerging technologies
- Strengthening internal R&D capabilities, including developing proprietary solutions for metal refining, carbon reduction, and advanced material processing to reduce dependency on external technologies
- Exploring alternative technologies and locally sourced substitutes for critical inputs, such as solvents and reagents, to mitigate supply chain disruptions
- Enhancing supply chain resilience by diversifying suppliers, building strategic inventories, and monitoring geopolitical developments to proactively respond to potential disruptions
- Prioritising investments in renewable energy procurement, low-carbon and emission-reduction technologies, and process improvements, including pilot projects and feasibility studies, aligned with our sustainability goals
- Engaging with industry bodies and government stakeholders to advocate for policies that support technology access, innovation, and sustainable mining practices
- Identifying and qualifying alternate suppliers for equipment across diversified geographies to reduce dependency on any single country or trade bloc

For key initiatives taken by the Company, please refer to the Business Excellence chapter on page 44.

Risk 2 Geopolitical tensions impacting global trade flows

Risk Description

- **Supply chain disruptions:** Ongoing geopolitical tensions threaten Hindustan Zinc's supply chain resilience, disrupting the procurement of raw materials and critical components, specifically coal, strontium carbonate, HSD/LDO, metcoke, explosives, and copper sulphate. This could impact global trade flows, leading to higher logistics expenses and operational inefficiencies. This may possibly necessitate diversifying suppliers or securing long-term contracts at potentially higher costs to mitigate supply risks
- **U.S policy changes:** Policy changes introduced by the newly elected government in the U.S. have created uncertainties around hydrogen projects and renewable energy initiatives, such as strained viability of Fortescue's US$ 900 million investment in Arizona. The suspension of a US$ 300 billion clean energy loan programme could potentially affect global decarbonisation efforts. However, Hindustan Zinc's limited exposure to the U.S. market ensures minimal direct impact on its operations or investments
- **Indonesian Mining Law amendments:** Proposed amendments to Indonesian Mining Laws are aimed at accelerating the development of the mineral processing industry and introducing stricter regulations on mining permits. The Company is expected to have minimal direct impact as these changes primarily target minerals, while its main imports, such as coal, are less affected

Possible Impact

- Policy shifts in the U.S. may delay or cancel projects reliant on clean energy loans, reducing demand for critical minerals like lithium and nickel
- Indonesia's proposed revisions to mining laws could alter export policies, impacting global supply chains for critical minerals. Oversupply of nickel from Indonesia has led to significant price drops, affecting profitability for mining companies
- The EU's initiatives to centralise mineral purchases may influence global trade dynamics, potentially leading to new regulatory requirements for exports
- The potential disruptions in trade routes can increase the cost of importing and exporting raw materials and finished products, affecting Hindustan Zinc's bottom line

Mitigating Actions

- Explore new alternative markets and suppliers to reduce dependency on any single region, especially in light of Indonesia's market influence
- Collaborating with governments and industry bodies in policy discussions can help companies anticipate and advocate for industry-friendly policies
- Proactively monitoring global supply and demand dynamics, adopting advanced technologies, and agile strategies can improve operational efficiency and flexibility, supporting companies in strategic planning and navigating geopolitical uncertainties
- Strategy to focus on the Indian market and increase the domestic market share, and focusing on more resilient and insulated export markets like Southeast Asia and the Middle East
- To mitigate risks arising from geopolitical tensions, Hindustan Zinc ensures operational resilience of critical material through advance booking of critical raw materials and freight, maintaining emergency stock, rerouting logistics as needed, leveraging airlifting options where feasible, and proactively managing inventory to address potential disruptions

Risk 3 Geo-economic constraints on imports

Risk Description

- **Growing carbon regulations:** There is a rising global push for climate abatement leading to the introduction of Carbon Border Adjustment Mechanism (CBAM) in EU and UK. The CBAM liability will include both direct and indirect emissions embodied in imported goods
  - **EU CBAM:** By 2027, the EU importers will be charged a carbon price on their Scope 3 emissions on steel and aluminium imports from carbon-intensive importers, expanding to all products by 2034
  - **UK CBAM:** Set to be introduced in January 2027, it will initial cover emissions-intensive goods from sectors such as aluminium, cement, fertilisers, hydrogen, and iron and steel. The UK government has published draft primary legislation for technical consultation, aiming to ensure the policy is effective and reduces carbon leakage
  - **Effect on Hindustan Zinc:** The proposed 25%-30% tax presents minimal direct impact on the Company, as it does not have a high exposure to the EU market. However, there may be indirect effects if Hindustan Zinc supplies to steel makers who export to these regions, potentially affecting demand and pricing

Possible Impact

- The demand for Indian steel exports and thereby zinc, which is used in steel galvanisation, may get impacted, leading to lower unit costs and premiums. Moreover, these tax mechanisms could extend to zinc, a carbon-intensive industry, resulting in inflated imported zinc prices and reduced competitiveness against domestically produced zinc in the EU. This could force Hindustan Zinc to explore alternative markets or invest heavily in decarbonisation technologies to retain its market share
- Increased costs for steel/zinc producers outside the EU to reduce their carbon footprint for maintaining compliance with the EU's climate policies, potentially affecting revenue and EBITDA of those exporting to the EU. The Company may face margin pressures and higher capital expenditures to meet these stringent requirements, thereby impacting its financial stability and growth plans
- Companies with lower carbon footprints will gain a competitive edge in the EU market. If Hindustan Zinc's carbon emissions remain high, it risks losing market share to greener competitors

Mitigating Actions

- Exploring alternate export markets that haven't levied these taxes
- Transitioning towards renewable energy to produce more green products, which will help meet the growing emission targets set by different countries. Building its own green portfolio, Hindustan Zinc has already launched Asia's first low-carbon green zinc, EcoZen
- Our decarbonisation efforts such as 15% GHG intensity reduction from base year FY2020 and 70% renewable energy target by FY2028 position us well to be prepared for EU/UK CBAM

Strategic Priorities

Building a resilient, future-ready metals business

India's economic momentum, industrialisation and global transition to renewable energy present immense opportunities. Our metals portfolio spanning zinc, lead, and silver positions us attractively. By strengthening this core relevance, enhancing resource security, and pivoting to future-focused adjacencies, we seek to ensure long-term growth. We are further scaling our cost leadership and sustainability performance to reinforce our competitiveness and drive value creation.

S1 Maintaining a Portfolio of Mines with Long Life

Related risks

R2 R7 R9

KPIs tracked

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

Capitals deployed

We aim to intensify and enhance the efficiency of exploration drilling to add mineral resources and upgrade existing resources to reserves. It is critical to driving efficiency and sustainability of mining operations, and will ensure replenishment, leading to 25+ years of mine life. Given that our deposits are open in depth and have lateral extensions, we do intensive drilling and expand the mineral resource base, while deploying innovative methods and technologies.

Actions taken in FY2025

- Increased total ore reserves to 189.1 Mnt (net of production of 16.3 Mnt), as against 175.1 Mnt at the end of FY2024; total exclusive mineral resource stood at 264.1 Mnt
- Surpassed 13.1 Mnt of metal reserves for the first time, adding 1.7 Mnt net of production
- Combined R&R estimate stood at 453.2 Mnt (29.6 Mnt of zinc-lead metal and 808.4 million ounces of silver) with 25+ years mine life
- Participated in auctions of critical mineral blocks and won Ballepyllum Tungsten & Associated Minerals Block in Andhra Pradesh. Also, won two more composite licenses in May 2025 – Potash Block in Rajasthan and Rare Earth Elements Block in Uttar Pradesh

Way forward

	Expansion	Diversification	Technology Upgradation
FY2026	▪ Add 10 Mnt mineral resource through target generation and drill testing across our mines ▪ Upgrade 20 Mnt resource to ore reserves, sustaining mine production for the next 10 years	▪ Participate in auctions to acquire new base metal blocks (focus on zinc & lead) to ensure mineral security ▪ Add critical minerals like Lithium, Rare Earth Elements (REE), Copper, Gold, Tungsten, Platinum Group Elements (PGEs) to meet the nation's needs	▪ AI/ML algorithms to analyse geological, geochemical and geophysical data to expedite new target identification and evaluation, leading to new discovery
FY2027	▪ Add 40 Mnt mineral resource (containing 2.0 Mnt metal) ▪ Upgrade reserves to 42 Mnt ▪ Increase total R&R to 500+ Mnt with c.35 Mnt metal	▪ Continue adding critical and strategic minerals	▪ Identify and generate potential exploration target areas through advanced geophysical surveys, and application of AI/ML in 3D deposit modelling and simulations
FY2030	▪ Retain existing and acquire new mining leases through the mineral auction regime ▪ Attain R&R metal of c.40 Mnt	▪ Maintain a future-focused mineral mix	▪ Continue leveraging advanced technologies

S2 Expansion of Capacities

Related risks

R1 R2 R3 R4 R5 R6 R7 R11

KPIs tracked

- Mined metal production
- Refined metal production
- Refined silver production

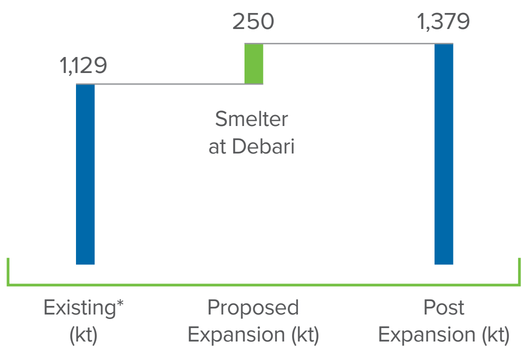
Capitals deployed

Ensure ongoing investment in capacity expansion (organic and inorganic) and operational excellence, aiming to be the world's largest and most admired zinc, lead and silver company. Over the next 5 years, we will commit a capex of ₹ 25-30k crore towards expanding refined metal capacity from 1.2 to 2 million tonnes.

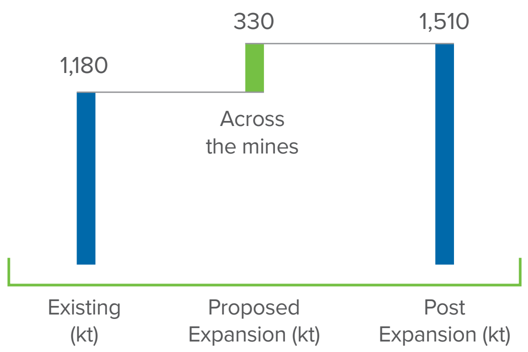
As a key milestone in this long-term roadmap, Hindustan Zinc's Board approved in June 2025 a major expansion project to enhance our integrated refined metal capacity by 250 ktpa. This initiative, involving an investment of c.₹ 12,000 crore, marks a bold step towards realising our 2030 vision.

This expansion includes establishing a new smelter with 250 ktpa capacity in Debari, along with a leaching and purification plant, a cell house, and an additional 160 ktpa roaster. With these additions, our overall metal capacity will rise to 1,379 ktpa, while mining capacity will increase to 1,510 ktpa to align with the smelting capabilities. The plan also includes concentrator expansion projects and several debottlenecking projects to boost capacity and enhance mining and milling infrastructure.

Refined Metal Capacity Expansion



Mined Metal Capacity Expansion



End-to-End Outsourcing
with EPC Partner

Project Timeline
36 months from the zero date

Project Cost
Overall project cost of c.₹ 12,000 crore

*Considers debottlenecking planned in FY2026

Actions taken in FY2025

- Achieved superior production performance:
  - Highest-ever mined metal and refined metal of 1,095 kt and 1,052 kt, respectively
  - 687 MT silver, with the fumer plant ramping up to 50% capacity utilisation in March 2025
  - Total mine development of 95.9 km, with Zawar and Rampura Agucha Mines achieving their highest-ever mined metal production of 210 kt and 568 kt, respectively
- Initiated projects to drive the next phase of growth and expand production capabilities at mines, including:
  - Placed order for infrastructure development and commenced excavation work for portal construction at Bamnia Kalan Mine
  - Enhanced ventilation capacity at Sindesar Khurd from 1,350 to 1,950 m^3/sec
  - Commenced a new portal at Zawarmala to ramp up the production to 2 Mtpa
  - Commissioned a dry tailing plant at Rajpura Dariba Mine and began excavating the Maa Annapurna Portal and Decline for a new mine entry, which will allow the use of high-capacity equipment
- Conceptual designing and detailed engineering studies are ongoing for 2x growth, including zinc, lead and silver, and tailings recycling

Way forward

	Capacity expansion	Technology, innovation and resource optimisation
FY2026	▪ Commission 160 ktpa Roaster at Debari ▪ Ramp up underground mines to 1.2 Mtpa and smelting capacity to 1.129 Mtpa ▪ Complete 21 ktpa debottlenecking at Chanderiya Lead-Zinc Smelter and Dariba Zinc Smelter ▪ Initiate Phase 1 of 2x growth strategy	▪ Commission an innovative hot acid leaching technology-based lead-silver recovery plant for 27 TPA additional silver and 6 ktpa additional lead ▪ Install advanced flotation cells in Rampura Agucha Mill for a 2-3% improvement in zinc, lead and silver recovery ▪ First time stoping below Railway and River Pillars at Balaria Mine to unlock 200 kt ore and 10 kt mined metal ▪ Hook up the hydraulic fill plant with Mill 2 at Zawar to expedite filling at Mochia & Balaria mines, and improve ore recovery
FY2027	▪ Ramp up UG mines to 1.25 Mtpa and smelting capacity to 1.2 Mtpa ▪ Commission a 510 ktpa fertiliser plant at Chanderiya	▪ Study alternate access to Rampura Agucha Mine
FY2030	▪ Ramp-up UG mines and smelting to 2 Mtpa ▪ Scale silver production capacity to 1,500 MT	▪ Commission India's first tailings reprocessing plant of 10 Mtpa capacity to recover metal from legacy tailings without fresh mining

S3 Strengthening Cost Leadership

Related risks

R1 R2 R3 R4 R5 R6 R7 R8 R9 R10 R11

KPIs tracked

- Zinc cost of production
- % Domestic Coal
- % Renewable Energy

Capitals deployed

We aim to remain among the lowest-cost zinc producers globally, staying in the first decile of the global zinc mining cost curve to support our future growth strategy. This will be achieved through continual volume expansion, grade improvement, innovation, automation, digitalisation, and investment in renewable energy.

Actions taken in FY2025

- Achieved a 4-year low zinc cost of production (COP) of US$ 1,052/MT through efforts like cost optimisation, volume enhancement, RE usage, operational efficiencies, better grades, higher recoveries, and digital improvements, leading to cost savings of c.US$ 65/MT
- Reduced energy costs by:
  - Sourcing c.13% of total power requirement from renewable energy including a 530 MW round-the-clock RE power delivery agreement at a cheaper fixed rate, insulated from inflation and exchange rate fluctuations
  - Improving efficiency and the percentage of Indian coal in the blend, which reduced power costs by 4%
- Undertook various alternative fuels innovations, thereby pushing operational efficiencies
- Smelter recovery improvement through various initiatives like fumer plant, etc.
- Focused on reducing equipment cost, increasing productivity, and rationalising deployment and improving utilisation of machines underground

Way forward

	Cost optimisation	Renewable energy transition
FY2026	▪ Maintain COP at US$ 1,025-1,050/MT via efficient ore hauling, high volume and grades, and higher productivity through ongoing efforts in automation and digitalisation ▪ Explore volume and market share expansion opportunities ▪ Monitor geopolitical situation for proactive cost risk management	▪ 30% of the overall power requirement from RE ▪ Increase Indian coal blend to >40%
FY2027	▪ Continue FY2026 efforts and achieve our design COP of US$ 1,000/MT	▪ Increase RE share to 55%
FY2030	▪ Maintain COP below US$ 1,000/MT via proactive cost savings, increasing scale of production, and continued operational efficiencies	▪ Increase RE share to 70%

S4 Building a Diversified Product Portfolio

Related risks

R8 R11

KPIs tracked

- VAPs addition
- Share of VAP

Capitals deployed

We aim to meet the evolving customer needs through ongoing product suite expansion, with a focus on innovative value-added products (VAP). Furthermore, we invest in nurturing and skilling our employees to ensure their readiness and responsiveness to customers.

Actions taken in FY2025

- Launched Asia's first low-carbon green zinc, EcoZen, having a carbon footprint of less than 1 tCO_2e per tonne of zinc produced, about 75% lower than the global average
- Achieved the highest-ever annual VAP sale of 179 kt (including zinc dust), increasing VAP share to 22% from 20% in FY2024
- Successfully conducted Zinc Aluminium Magnesium Alloy (ZAM) trials with new customers, some of which are established, while others are in the process
- Partnered with US-based AEsir Technologies to innovate the battery storage space through Nickel Zinc batteries, supporting the global energy transition

Way forward

	Product development	Market expansion and strategic efforts
FY2026	▪ Full ramp-up of 30 ktpa alloy plant to produce VAP ▪ Developing new products like ZAM, toning alloys, and special CGG products for the galvanising industry ▪ Raise VAP share from 22% to 27%	▪ Target new die-casting alloy customers (automotive, appliances, and faucets manufacturers) ▪ Commission the zinc dust plant to cater to the pharma, paints and mechanical plating industries
FY2027	▪ Commission the dedicated ZAM line ▪ Increase VAP share to 35%	▪ Cater to the custom ZAM requirements of all Indian steel mills ▪ Start new CGG and Jumbo SHG lines to cater to global demand ▪ Commission the 510 ktpa DAP/NPK fertiliser plant at Chanderiya for forward integration
FY2030	▪ Raise VAP share to 50%	▪ Set up a zinc-based battery gigafactory with AEsir Technologies and a major Indian battery manufacturer

S5 Progressing Towards a Sustainable Future

Related risks

R2 R3 R5 R6 R7 R9 R10

KPIs tracked

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

Capitals deployed

Sustainability will continue to be a key growth driver, enabled by our ambitious Sustainable Development Goals 2025. We aim to become a nature-positive company with sustained actions to reduce our carbon footprint and advance our circular economy goals. Our efforts also focus on fostering a healthier and safer workplace, promoting responsible sourcing, encouraging diversity and inclusion, supporting community development, etc.

Actions taken in FY2025

- Ensured effective waste management – reduced jarosite by 39 kt through the fumer plant and utilised 445 kt of jarosite and jarofix in the cement industry, road construction and railway infrastructure
- Utilised 15.5 kt of biomass for power generation, reducing our carbon footprint
- Deployment of 180 LNG trucks across locations for inter-unit and finished goods transfer in partnership with GreenLine
- Deployed three EV charging stations for our EV trucks for seamless inter-unit transport
- Commissioned a 4,000 KLD water treatment plant at Rampura Agucha Mine
- Biodiversity management plan finalisation with the International Union for Conservation of Nature (IUCN) in the third year of engagement

Way forward

	Carbon and other emission reduction	Other efforts
FY2026	▪ Commission the tail gas treatment (TGT) plant at Chanderiya Lead-Zinc Smelter to reduce SOx emissions	▪ Expand the effluent treatment plant (ETP) and ZLD capacities, and secure low-quality water at Chanderiya ▪ Permanent capping of jarofix yard phase II (22 hectares) through mycorrhiza technology
FY2027	▪ Additional TGT plants at Chanderiya and Debari	▪ Transition from wet to dry tailing disposal facility at Rampura Agucha
FY2030	▪ Cut 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 ▪ Achieve Sustainability Goals 2030

Refer page 142 for more information on our sustainability efforts and plans.

OUR VALUE CREATION IN FY2025

The world is evolving, bringing fresh opportunities and challenges. Amidst this, Hindustan Zinc accelerated growth, delivering its best-ever operational performance, second-best financial results, and reinforced global cost leadership in zinc. With disciplined capital allocation and a strong balance sheet, we remain focused on long-term sustainable value.

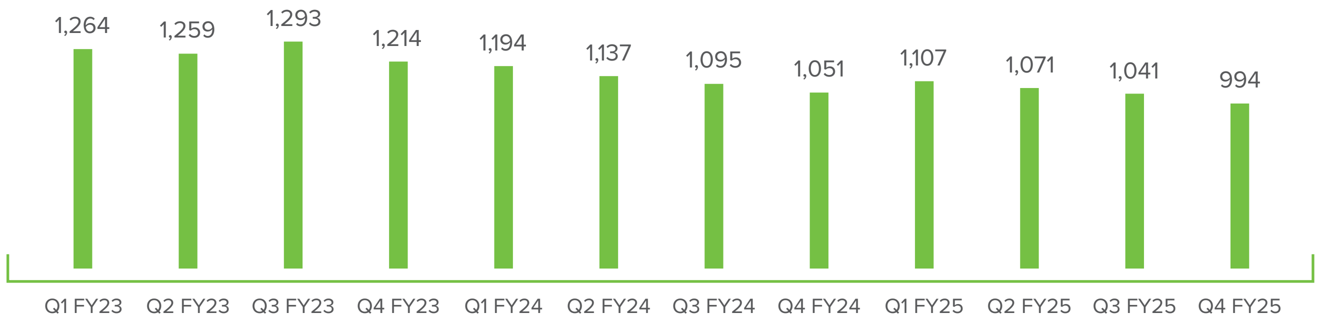
CFO's Statement

Dear Shareholders,

FY2025 marks a milestone year in Hindustan Zinc's legacy of financial excellence. Amidst economic, currency and commodity price volatilities, we focused on executing core priorities, disciplined investments and fiscal prudence to strengthen efficiency levers. This helped deliver robust financial performance while reinforcing our balance sheet and foundation for long-term value creation.

16-Quarter Lowest Zinc Cost of Production

(US$ per tonne)



> FY2025 marks a milestone year in Hindustan Zinc's legacy of financial excellence.

NAVIGATING UNCERTAINTIES WITH PRUDENCE

The base metal sector experienced volatility in CY2024, starting off as an underperforming asset class. However, it rebounded in the latter half of the year, as demand improved. Both base metal (zinc) and precious metal (silver) prices finished the year in positive territory, supported by renewed optimism in their long-term demand outlook.

Through disciplined capital allocation and a strategic balance between ESG commitments and fiscal prudence, we continue to strengthen our operational efficiency while delivering sustainable and robust financial performance with a strong balance sheet.

STRENGTHENING FINANCIAL FOUNDATION WITH COST DISCIPLINE

At Hindustan Zinc, we pride ourselves on our global cost leadership. We have fostered a culture of cost discipline through systemic operational efficiency initiatives, AI integration, and a focus on automation and digitalisation across our operations.

Furthermore, during the year, we increased usage of domestic coal and renewable energy, and achieved better by-product sales. We also benefited from softened coal and input commodity prices. Together, these resulted in an impressive cost performance and strengthened our margin profile. We closed the year with a 16-quarter lowest zinc cost of production of US$ 994 per tonne in Q4 FY2025, and a 4-year low of US$ 1,052 per tonne on a full-year basis.

DELIVERING RECORD FINANCIAL PERFORMANCE

Hindustan Zinc delivered its second-ever best financial performance in FY2025. Our total revenue increased by 18% to ₹ 34,083 crore, driven by strong demand and firm prices of commodities, higher production volumes, and a strong dollar environment. Hedging gains and higher by-product sales further helped, partially offset by lower lead prices and silver volumes.

Our profitability outpaced revenue growth, as we furthered our cost leadership. We closed the year with a 28% growth in EBITDA to ₹ 17,465 crore, 33% growth in profit after tax to ₹ 10,353 crore, reflecting our tight cost control and balanced operating leverage. EBITDA margins expanded by 400 basis points to an industry-leading c.51%.

STRONG LIQUIDITY, STRENGTHENED BALANCE SHEET

During FY2025, we continued to strengthen our financial foundation. Our free cash flow (FCF) generation (before investment in growth capex and renewable energy) remained robust at ₹ 10,857 crore. This allowed us to internally fund growth capex, reduce debt, and distribute returns to shareholders, all while maintaining a solid liquidity profile.

Our gross investments and cash & cash equivalents were robust at ₹ 9,482 crore, invested in high-quality debt instruments. The total borrowings outstanding as of March 31, 2025, were ₹ 10,651 crore. With a fortified balance sheet position and a healthy growth outlook, we continue to maintain an investment-grade credit rating of AAA from CRISIL.

DELIVERING VALUE TO SHAREHOLDERS AND THE NATION

FY2025 was an exceptional year in delivering value-accretive returns to all our stakeholders. We are among the Top 10 wealth creators in Nifty 200.

Backed by our solid financial performance, our Return on Capital Employed (ROCE) increased to an industry-leading 58%. We delivered one of the country's best total shareholder returns of c.68%, outperforming Nifty 50 returns by 13x and Nifty Metal Index by 7x. Dividend payout stood at ₹ 29 per share, translating into a total dividend distribution of ₹ 12,253 crore and a dividend yield of 5.6%, amongst the highest in the country, while the total shareholder returns including dividend stood at ₹ 198.60 per share.

Our market capitalisation at ₹ 1.95 lakh crore is among the top three companies in the Nifty Metal Index, 39th overall basis (62nd on March 31, 2024), and the highest among global zinc players. In another milestone, Hindustan Zinc was recently included in the NSE's Futures & Options (F&O) segment, which is set to open ample opportunities for liquidity, investor participation, and value creation.

We also contributed ₹ 18,963 crore towards the exchequer, which is 44% higher than the previous year. This includes income tax of ₹ 4,652 crore and royalty of ₹ 4,154 crore to the Rajasthan State Government, accounting for 35% of the state's total royalty income.

LOOKING AHEAD

We step into FY2026 with robust fundamentals, even as market volatilities from the ongoing trade war persist. Our strong balance sheet and a structurally leaner cost base, coupled with our leadership in critical metals and clear strategic direction, position us to navigate external headwinds. We will continue to pursue expansion, cost efficiency and digital transformation projects to strengthen our edge and continue delivering a consistent, industry-leading return.

Sincerely,

Sandeep Modi
Chief Financial Officer

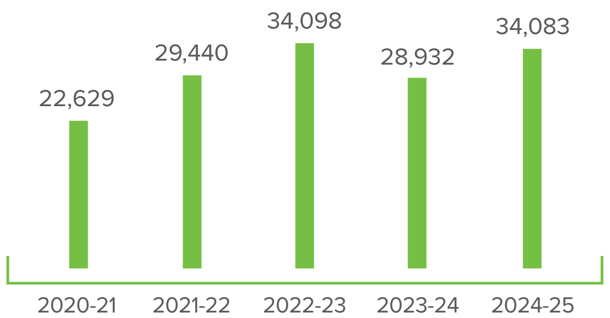
Key Performance Indicators

Accelerating momentum across the years

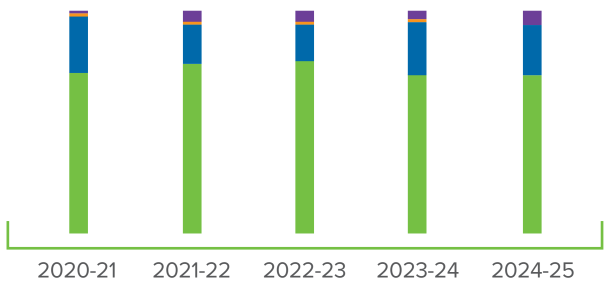
In a year marked by economic, currency and commodity price volatilities, Hindustan Zinc ensured disciplined investments and fiscal prudence to strengthen efficiency levers. Amidst firm commodity prices, our efforts to enhance volumes, increase by-product sales and undertake strategic hedging contributed to healthy topline growth. We achieved the lowest cost in four years, supported by systemic operational efficiency initiatives, higher domestic coal and renewable energy usage, and softened coal and input commodity prices. This resulted in robust profitability growth. With a fortified liquidity and balance sheet position to maintain an investment-grade credit rating.

CONSOLIDATED BUSINESS PERFORMANCE

Revenue from Operations
(₹ crore) (including other operating income)

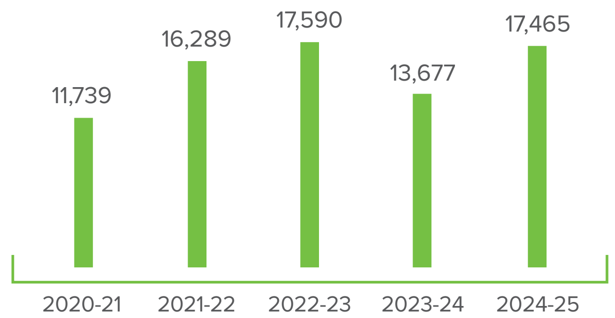


Revenue Mix
(%)

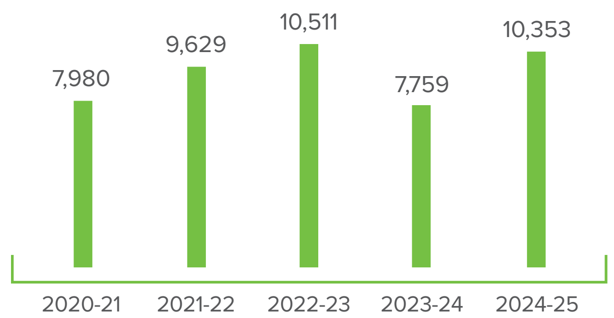


	2020-21	2021-22	2022-23	2023-24	2024-25
Zinc and Lead	78	81	82	77	77
Silver	20	14	13	19	18
Wind Energy	1	1	1	1	0
Others	1	4	4	3	5

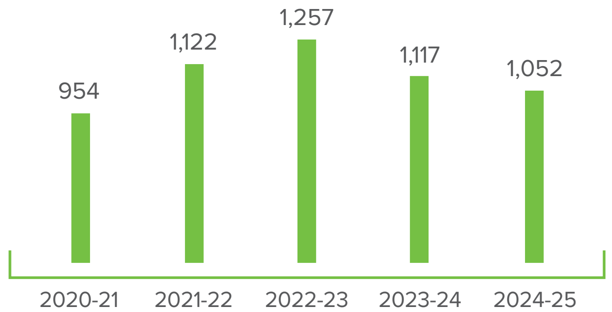
EBITDA
(₹ crore)



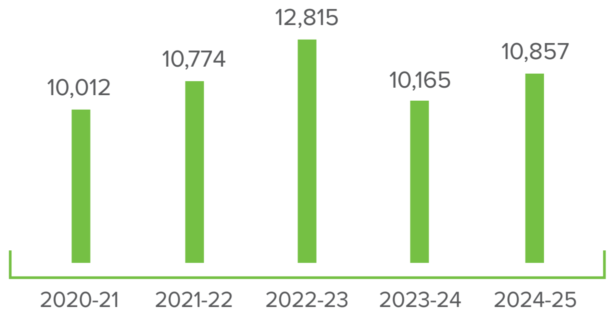
PAT
(₹ crore)



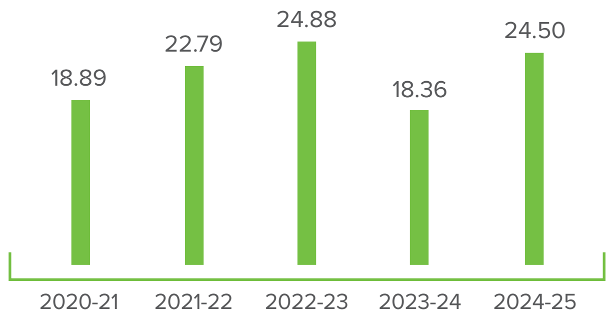
Zinc Cost of Production Excluding Royalty
(US$ per MT)



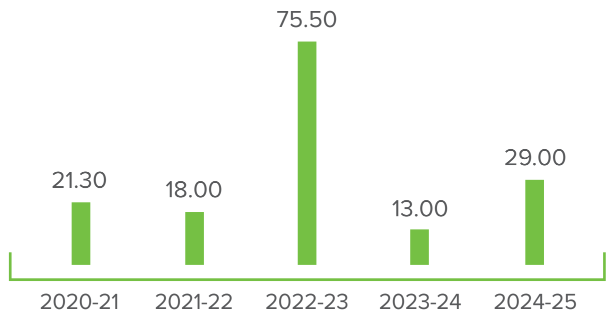
Free Cash Flow from Operations*
(₹ crore)



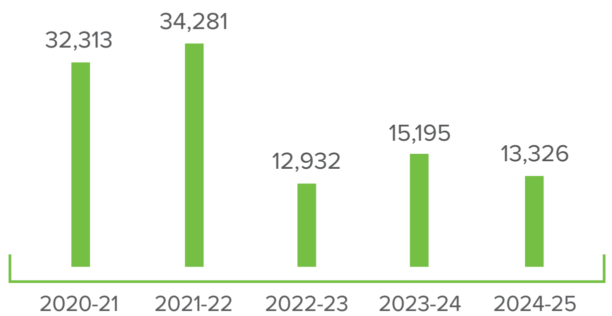
Earnings Per Share
(₹)



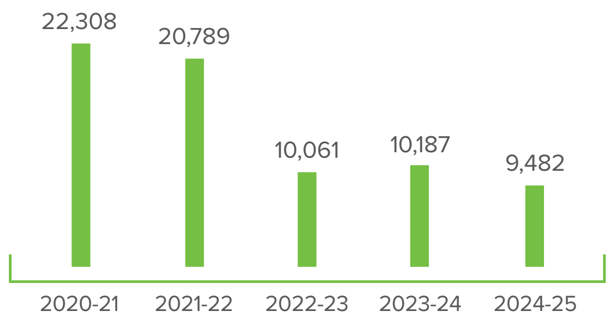
Dividend Per Share
(₹)



Net Worth
(₹ crore)



Gross Cash and Cash Equivalent**
(₹ crore)



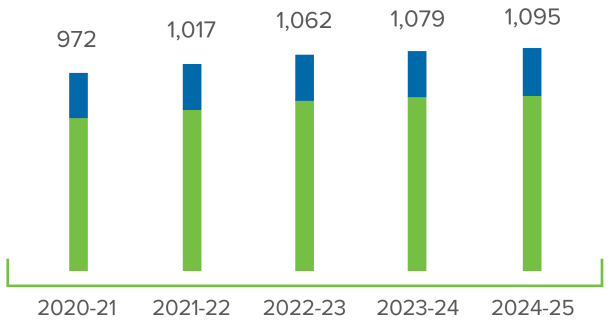
*Free cash flow from operations before growth capex and investments in renewable energy

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

SEGMENT-WISE PERFORMANCE

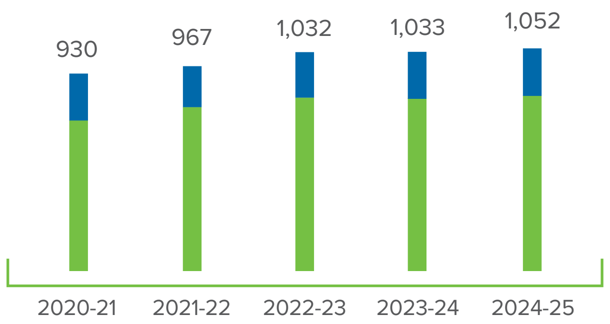
Base Metal Performance

Mined Metal
(kt)



	2020-21	2021-22	2022-23	2023-24	2024-25
Zinc (tonnes)	7,55,849	8,01,035	8,39,051	8,55,001	8,62,978
Lead (tonnes)	2,16,127	2,16,023	2,23,038	2,24,052	2,31,553

Total Refined Metal*
(kt)

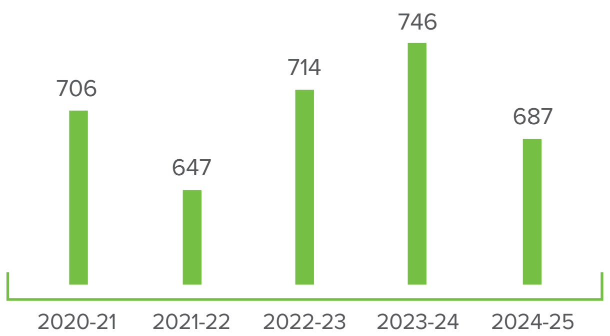


	2020-21	2021-22	2022-23	2023-24	2024-25
Zinc (tonnes)	7,15,445	7,75,808	8,20,898	8,17,059	8,26,812
Lead (tonnes)	2,14,399	1,91,185	2,10,690	2,15,984	2,25,470

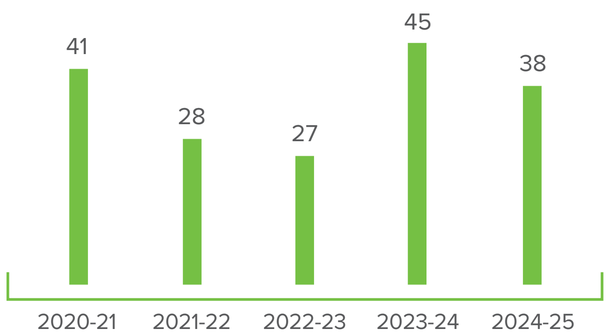
Precious Metal Performance

With the global shift toward 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 20 times from 35 tonnes to 687 tonnes in FY2025 and is among the top 5 silver producers globally.

Refined Silver*
(tonnes)



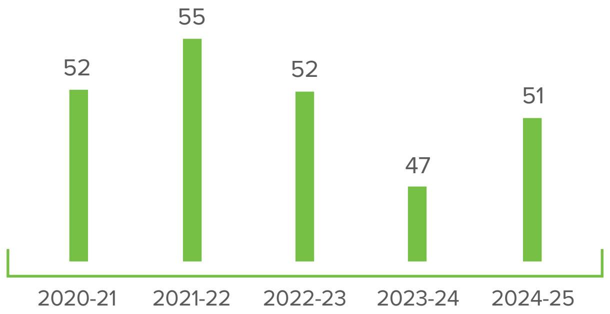
Contribution of Precious Metal in EBIT
(%)



*Excludes captive consumption

KEY PERFORMANCE RATIOS

EBITDA Margin
(%)



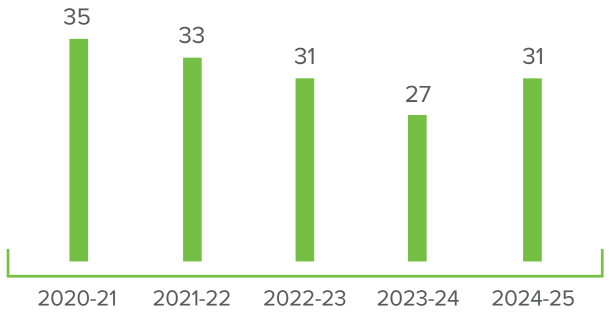
Description

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 47% in FY2024 to 51% in FY2025 in line with record metal volume, lower cost of production, higher zinc and silver LME, further supported by a stronger dollar.

Net Profit Margin
(%)



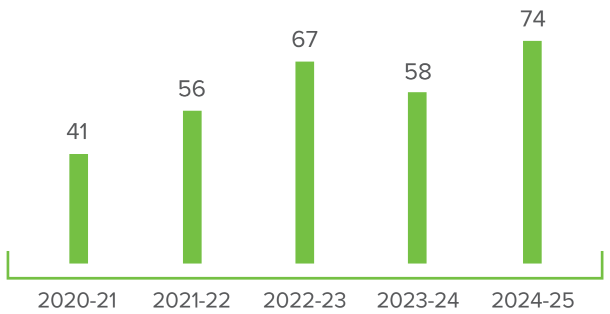
Description

This is a measure of the profitability of the 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 2nd ever highest revenue from operations in line with an increase in zinc and silver prices, record metal volumes and lower cost of production.

Return on Net funds for Business Operations
(%)



Description

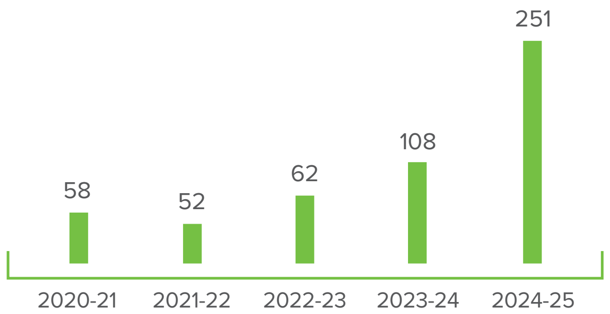
This is calculated on the basis of operating profit net of tax expenses, as a ratio of net funds for business operations.

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)



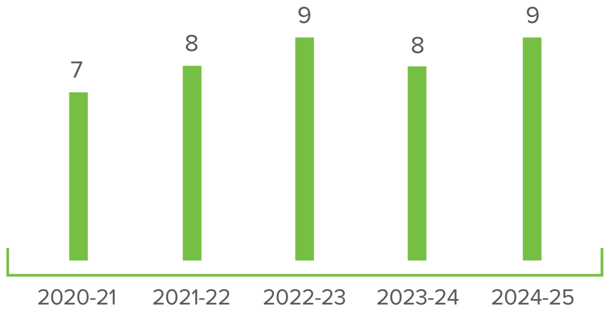
Description

The debtors' 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

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

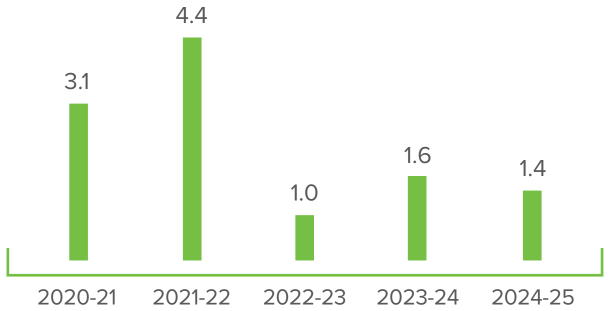
Inventory Turnover Ratio
(in times)



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.

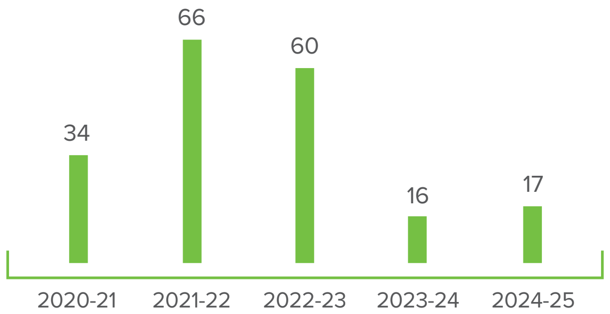
Current Ratio
(in times)



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 lower mainly on account of decrease in current assets and increase in current liabilities.

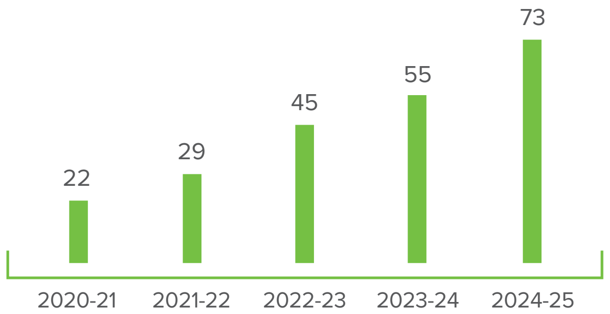
Interest Coverage Ratio
(in times)



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 marginally higher on account of higher EBITDA, partially offset by higher finance cost.

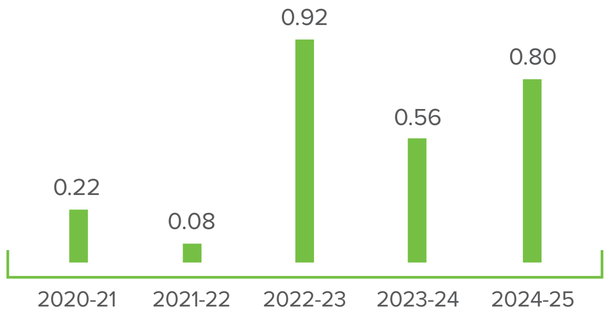
Return on Net Worth
(%)



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 and lower net worth.

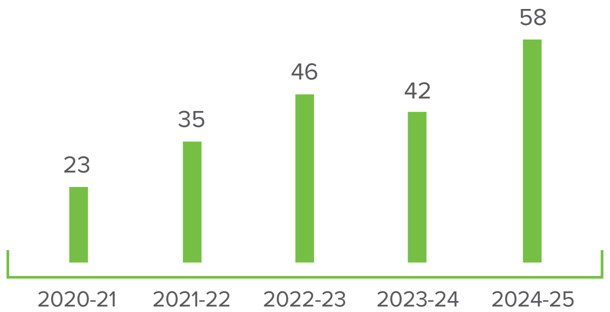
Debt Equity Ratio
(in times)



Description
The debt-to-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 higher on account of higher borrowings and lower shareholder's 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 and lower average capital employed.

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)

	FY2021	FY2022	FY2023	FY2024	FY2025
Equity	13,326	15,195	12,932	34,281	32,313
Capital employed	14,495	13,464	14,712	16,315	17,183
Average capital employed	13,980	14,088	15,513	16,749	17,948
Economic Value added					
Net operating profit after taxes (NOPAT)	10,666	7,828	9,925	9,205	7,031
Cost of capital (COC)	2,113	1,817	2,444	1,950	2,131
Economic Value added (EVA)	**8,553**	**6,011**	**7,481**	**7,255**	**4,900**
NOPAT/Average capital employed (%)	76.3%	55.6%	64.0%	55.0%	39.2%
Weighted average COC (%)	15.1%	12.9%	15.8%	11.6%	11.9%
EVA/ Average capital employed (%)	**61.2%**	**42.7%**	**48.2%**	**43.3%**	**27.3%**

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.

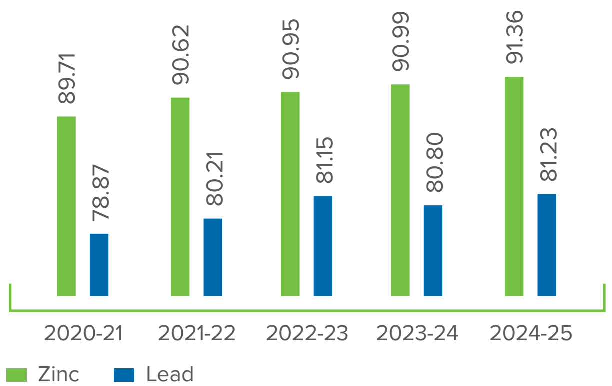
Capital Employed: Capital employed is the total amount of funds deployed in the business in order to generate profit exclusive of net cash and cash equivalents.

ESG OUTCOMES

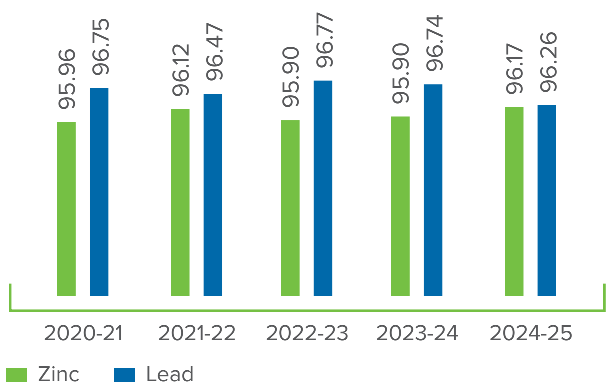
Our Environmental, Social and Governance (ESG) focus has enabled us to deliver sustained performance and growth across key ESG metrics. We are continuously working towards reducing our carbon footprint and lowering the impact of our business on environment through our concerted efforts. These efforts 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

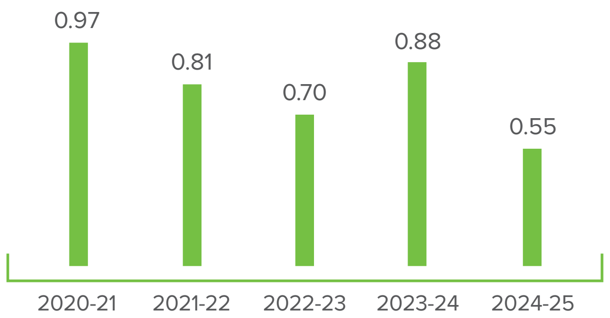
Mill Recovery
(%)



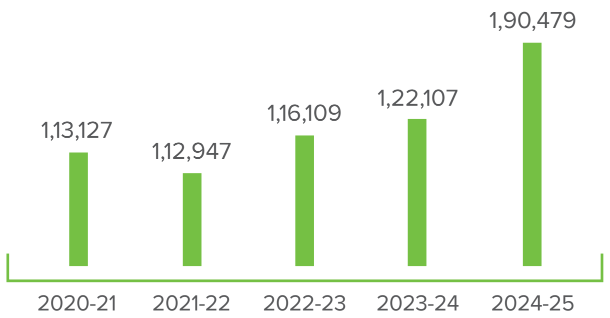
Smelter Recovery
(%)



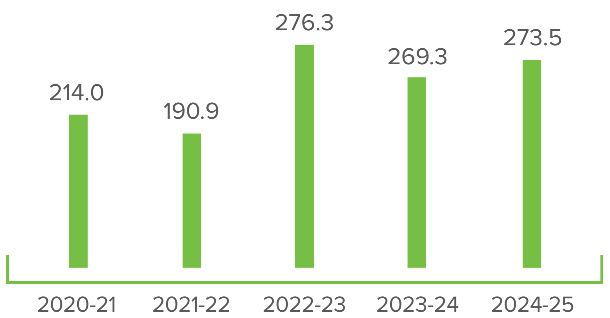
Lost Time Injury Frequency Rate (LTIFR)
(number per mn hours worked)



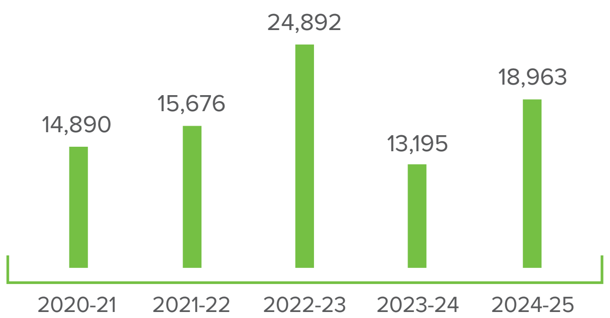
Employee Trainings
(person-hours)



CSR Spend
(₹ crore)

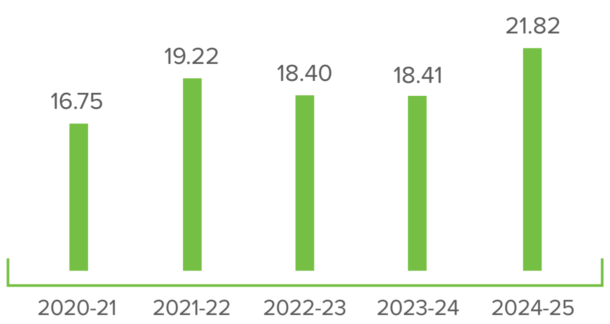


Contribution to Exchequer*
(₹ crore)

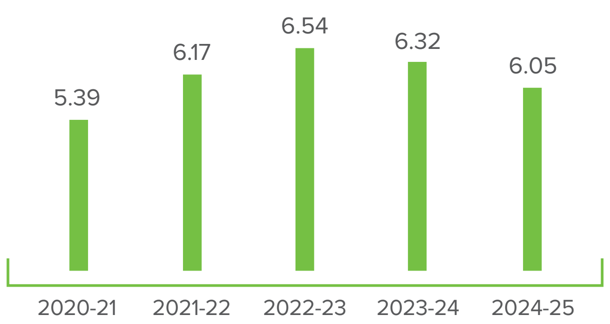


*on gross basis

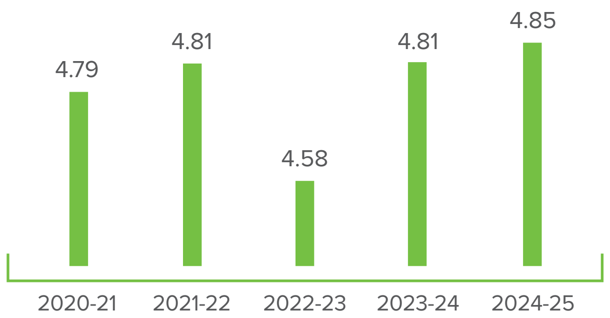
Water Recycled
(mn m^3)



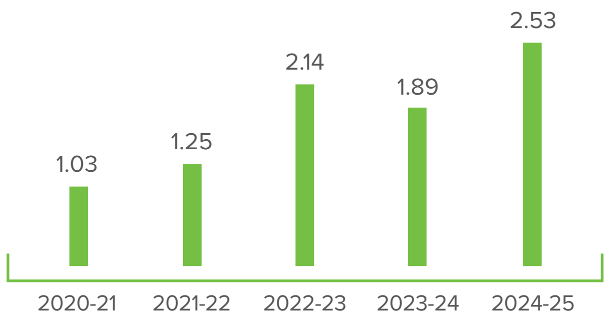
Waste Recycled
(mn MT)



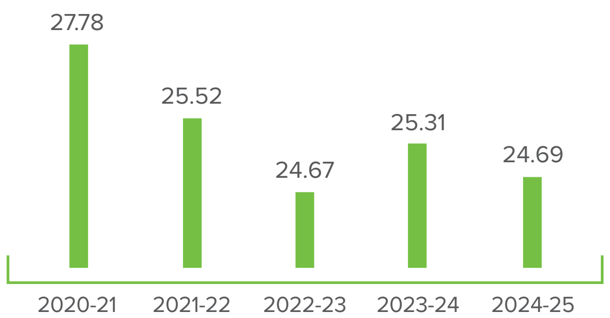
GHG Emission: Scope1 + Scope2
(mn tCO_2e)



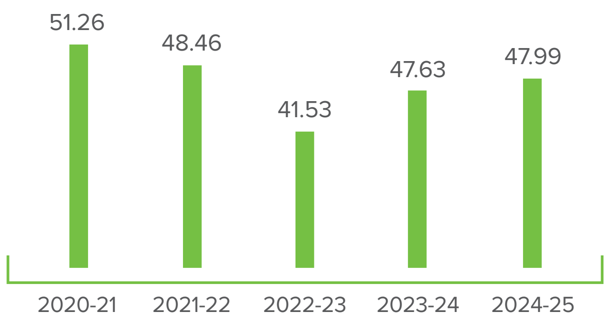
Renewable Power Consumption
(MGJ)



Specific Water Consumption
(m^3 per tonne of metal)



Specific Energy Consumption
(GJ per tonne of metal)



External Environment

Positioned to lead and embrace expanding opportunities

GLOBAL MACROECONOMIC OVERVIEW

The global economy in 2025 is navigating through a phase of significant uncertainty, shaped by major policy shifts and evolving trade dynamics. The announcement of multiple waves of tariffs by the United States against key trading partners in February 2025 have triggered counter measures and reignited volatility across global markets, testing economic resilience globally. The International Monetary Fund's (IMF's) April 2025 World Economic Outlook projects global GDP to grow 2.8% in 2025.

INDIAN ECONOMIC UPDATE

Amidst this challenging backdrop, India is projected to be a standout performer, with a forecasted GDP growth rate of 6.5% in 2025 and 2026, maintaining a solid lead over the rest of the world. According to the CRISIL India Outlook report, India's macroeconomic growth showed remarkable resilience in FY2025, with growth normalising to pre-pandemic levels at 6.5%. In FY2026, growth is likely to be supported by easing monetary policy, government measures to boost private consumption, and the budgeted 10.1% increase in government capital expenditure.

The Purchasing Managers' Index (PMI) further corroborates India's economic resilience as it continues to maintain a leading position among major global economies in PMI rankings.

Month	India	US	Eurozone	UK	China	Japan
Jan-24	61.2	52.0	47.9	52.9	52.5	51.5
Feb-24	60.6	52.5	49.2	53.0	52.5	50.6
Mar-24	61.8	52.1	50.3	52.8	52.7	51.7
Apr-24	61.5	51.3	51.7	54.1	52.8	52.3
May-24	60.5	54.5	52.2	53.0	54.1	52.6
Jun-24	60.9	54.8	50.9	52.3	52.8	49.7
Jul-24	60.7	54.3	50.2	52.8	51.2	52.5
Aug-24	60.7	54.6	51.0	53.8	51.2	52.9
Sep-24	58.3	54.0	49.6	52.6	50.3	52.0
Oct-24	59.1	54.1	50.0	51.8	51.9	49.6
Nov-24	58.6	54.9	48.3	50.5	52.3	50.1
Dec-24	59.2	55.4	49.6	50.4	51.4	50.5
Jan-25	57.7	52.7	50.2	50.6	51.1	51.1

Source: HSBC, Caixin, Hamburg Commercial Bank, au Jibun Bank, S&P Global, Crisil

METALS SECTOR OUTLOOK & IMPACT

India's metals and mining industry is outperforming global trends, showing strong resilience amid stagnant commodity volumes worldwide. The sector is being driven by increased volumes, better margins, and firm prices, along with tight cost control across operations.

In FY2025, India's domestic steel demand showed strong uptake, growing 7% year-on-year from FY2024 levels. This momentum is expected to build further into 2025, fuelled by rising public investment in infrastructure and development programmes. Aligned with the growing demand, the domestic steel capacity is projected to steadily expand to 300 million tonnes by 2030. This, in turn, could drive the demand for zinc for galvanisation of steel. Overall, the combination of strong fundamentals, policy support, and improving global sentiment positions India's metals and mining industry as a standout in an otherwise subdued global commodities landscape.

On the international front, improving conditions in the US and China could uplift global commodity pricing. In the US, policy measures such as tax cuts, softer interest rates, and investment in heavy industries are expected to stimulate demand. China, meanwhile, is seeing a revival in demand supported by accommodative fiscal and monetary steps.

In the larger trend, the global push towards energy transition is driving robust demand for a variety of critical minerals essential to clean energy technologies. Metals like copper, aluminium, lithium, nickel, cobalt, graphite, and rare earth elements are witnessing growing demand due to their application in electric vehicles (EVs), batteries, wind turbines, solar panels, and grid infrastructure. Zinc plays a vital role in scaling these technologies of the future as it is essential for galvanising steel, supporting clean energy infrastructure like solar and wind, and enabling the manufacturing of EVs.

As per Wood Mackenzie, zinc will play a vital role in the energy transition. The need for long service lives and low maintenance costs means that zinc's primary role in the energy transition will be its traditional one, i.e., providing corrosion protection for the steel used in renewable energy infrastructure. Similarly, Silver is no longer merely a precious metal – it has become a strategic resource vital to a low-carbon, high-tech future. It plays a critical role in advanced semiconductors, electronics, and 5G infrastructure, and is enabling innovations in solar technology.

Furthermore, as major economies like the US, the European Union, Japan, and Australia seek to reduce their dependence on China for critical mineral supplies, India's expanding manufacturing base and mineral potential make it an increasingly attractive alternative for global supply chain partnerships.

In this context, India is accelerating its efforts to secure critical mineral resources. The Geological Survey of India (GSI) has intensified exploration activities, targeting potential mineral-rich regions. For the 2024-25 field season, GSI undertook 195 exploration projects, including 35 in Rajasthan, as part of a broader goal of 1,200 exploration projects by 2030-31. This aligns with Hindustan Zinc's strategic objective to expand mineral discoveries nationwide to unlock long-term growth opportunities.

HINDUSTAN ZINC'S STRATEGIC POSITIONING

In FY2025, Hindustan Zinc held a c.77% market share in India's primary zinc sector and its mined metal production reached 1,095 kt while its refined metal production reached 1,052 kt. As a key milestone in our long-term target of achieving 2x metal capacity and 1,500 TPA of silver refining capacity by 2030, our Board approved a major expansion project in June 2025 to enhance our integrated refined metal capacity by 250 ktpa. This will take the overall metal capacity to 1,379 ktpa, while mining capacity will increase to 1,510 ktpa to align with smelting capabilities. This initiative, involving an investment of c.₹ 12,000 crore, marks a bold step towards realising our 2030 vision. This strategic expansion will strengthen Hindustan Zinc's positioning as a key metal player, leveraging new growth opportunities arising from increased domestic galvanisation demand and global energy transition trends.

With global demand for silver steadily increasing and supply remaining in deficit for the fifth consecutive year, Hindustan Zinc continues to hold a unique position as India's sole primary silver producer and among the top five globally. We cemented our position as one of the lowest-cost producers in the world by lowering the zinc cost of production by 6% to US$ 1,052 per tonne in FY2025. The goal is to bring this further down to US$ 1,000 per tonne to strengthen our position as a global cost leader.

Hindustan Zinc's growth strategy is firmly anchored in diversification. In the past year, we commissioned a 30 ktpa zinc alloy plant, marking a major step in expanding our value-added products (VAP) portfolio. With the inclusion of alloys, VAP now represents c.22% of our overall business. We are also making a foray into the fertiliser sector, with a DAP/NPK plant, slated to operationalise by FY2027. These efforts are set to broaden revenue sources and improve margin performance.

In line with the macroeconomic and sectoral trends, Hindustan Zinc is strategically diversifying portfolio beyond its core base metals of zinc, lead, and silver. In FY2024, we have established a new subsidiary, Hindmetal Exploration Services Pvt. Ltd., to focus on critical mineral exploration. As part of our portfolio expansion focus, we won a Tungsten block at Andhra Pradesh, a Potash block at Rajasthan, and a Rare Earth Elements block at Uttar Pradesh.

In the face of global economic uncertainties, Hindustan Zinc remains well-positioned to leverage India's robust economic growth and infrastructure development. Our focus on cost optimisation, operational efficiency, and value-added products will ensure resilience against commodity price volatility.

By capitalising on domestic market opportunities and maintaining a strong balance sheet, Hindustan Zinc is poised to navigate the challenges of 2025 and beyond, delivering value to stakeholders and contributing to India's economic progress.

Operational Performance – Products

Zinc

GLOBAL DEMAND & SUPPLY

Resilience in prices amidst volatility

In FY2025, zinc prices stayed buoyant despite significant fluctuations driven by macroeconomic uncertainties, with the LME zinc price averaging at US$ 2,875 per tonne, reflecting a 16% increase compared to US$ 2,475 per tonne in FY2024. Prices peaked in October 2024 at US$ 3,102.91 per tonne, driven by inventory drawdowns, before moderating to US$ 2,887.83 per tonne by March 2025. LME and SHFE stocks dropped to 141 kt and 72 kt, respectively, as of March 2025 end, a steep reduction from March 2024 levels of 264 kt and 122 kt, respectively.

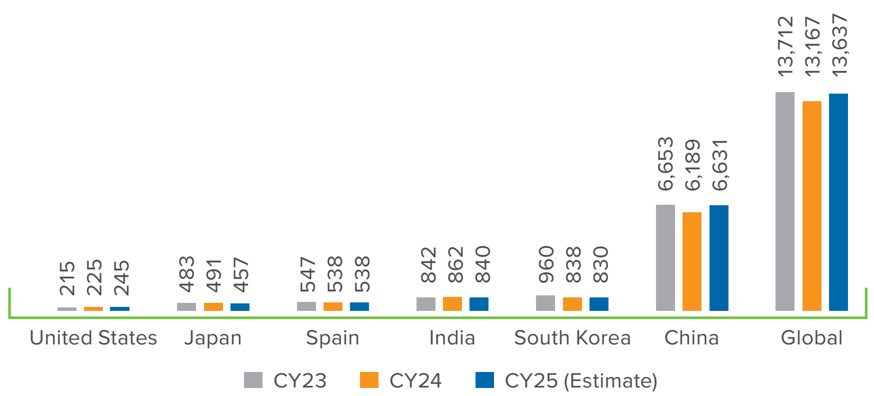
Tightening supply dynamics

The supply side showed retraction, with global refined zinc production dropping by 4% to 13,167 kt in CY2024, compared to 13,712 kt in CY2023. Meanwhile, demand saw moderate growth, with global refined consumption rising 1.7% to 13,602 kt in CY2024, compared to 13,369 kt in CY2023, resulting in a market deficit of 436 kt.

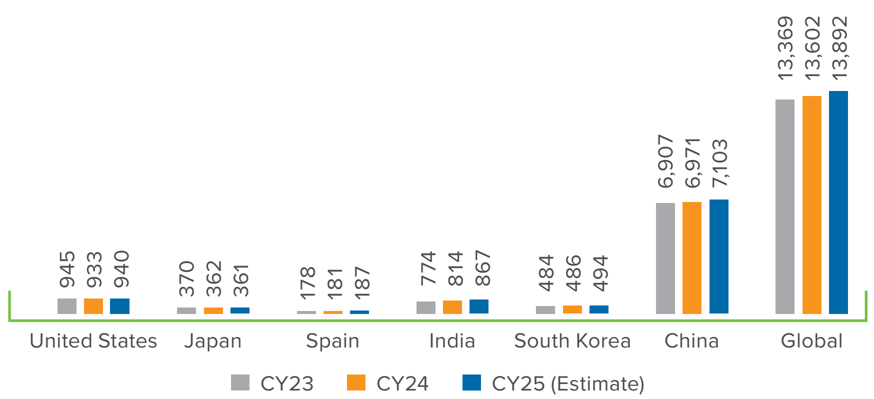
Trade disruptions balanced by regional growth

Starting early CY2025, global trade dynamics presented challenges driven by aggressive US tariff policies, pressuring disposable incomes in the US and potentially slowing industrial activity. However, infrastructure spending in China and Germany helped counterbalance these effects. Germany's €500 billion infrastructure and defence investments are expected to support 2.9% annual growth in regional zinc consumption between 2025 and 2027. The zinc consumption outlook in Europe improved unexpectedly, with 3.8% growth in CY2024, surpassing earlier estimates.

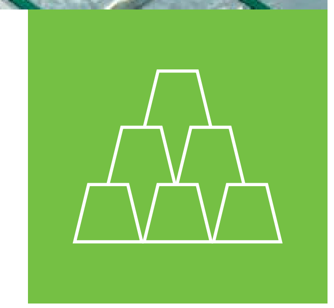
Zinc Production - kt



Zinc Consumption - kt



Source: Woodmac Short Term Outlook May 2025



Indian zinc market

Strong domestic demand

India remained a key player in primary zinc consumption, with FY2025 demand reaching 783 kt. The strong zinc consumption growth in FY2025 was supported by robust manufacturing and infrastructure investment. The HSBC S&P Global India Manufacturing PMI climbed to 58.1 in March 2025, signalling steady industrial momentum despite a slower Index of Industrial Production expansion from 4.9% in March 2024 to 2.9% in early 2025.

Core sectors like cement and steel sustained growth, while consumer confidence remained moderately optimistic despite easing slightly. India's domestic finished-steel production rose by 5% to 146 Mnt, while consumption surged by 14% to 128 Mnt, largely driven by higher government spending.

Resilient outlook

Looking ahead, India's manufacturing remains resilient, supported by strong domestic demand, infrastructure investment, and protective trade policies, reinforcing its position as a key driver of global zinc consumption. The 9.8% increase in capital expenditure allocation to ₹ 11.20 trillion in the Union Budget 2025-26 is further expected to boost steel-intensive infrastructure projects and drive zinc consumption.

ZINC AS A CRITICAL METAL

Zinc plays an indispensable role in everyday lives and future technologies. It enhances the durability of infrastructure through galvanisation, making it vital for long-lasting construction. Its role in enabling global energy transition has recently gained traction, supporting renewable technologies, offering safe, recyclable energy storage in zinc-based batteries. It is also used in galvanisation of solar mounting structures. Its abundance, recyclability, and low environmental impact make it essential for clean energy production, electric vehicles, and grid-scale storage.

HINDUSTAN ZINC: BUSINESS OVERVIEW

Hindustan Zinc is the world's largest integrated and India's only primary zinc producer, commanding a domestic primary zinc market share of c.77%.

In FY2025, we recorded the highest-ever domestic zinc sales of 603 kt, which was 4% higher than FY2024, aligned with the overall market growth. Value-Added Products (VAP) sales reached the historical high of 179 kt, increasing its share of total primary zinc sales from c.20% in FY2024 to c.22% in FY2025. About 73% of the refined zinc produced by the Company is sold in the domestic market, and the remaining 27%, i.e. 224 kt, was exported to South-East Asia, the Middle East, and the rest of the world.

During the year, we launched Asia's first low-carbon 'green' zinc, EcoZen, further expanding our one of the globally largest zinc product portfolio. Produced using renewable energy, it boasts a carbon footprint of less than 1 tCO_2e per tonne, almost 75% lower than the global average. This new offering enables the steel producers to achieve their Scope 3 emission reduction targets, providing an unmatched competitive advantage with a more sustainable choice. With LME's announcement of introducing a green premium for sustainable metals, EcoZen is well-positioned for a stronger value realisation.

OUTLOOK

Global refined zinc production is expected to rise 4% to 13,637 kt in CY2025, while consumption is set to increase 2% to 13,892 kt, keeping the market tight. The U.S. Federal Reserve has held rates steady at 4.25 - 4.50%, watching inflation, which has eased to 2.4% but remains sticky at 2.8%. Record-high US-China tariffs continue to disrupt trade, despite talks of reducing duties to 10-20%. Geopolitical uncertainties, including Middle East tensions, are fuelling volatility in oil and base metals, driving investors towards real-asset hedges. India's zinc market, however, is projected to grow 6-7% in CY2025, with domestic demand reaching 867 kt, supported by urbanisation, infrastructure investment, and rising disposable incomes.

Hindustan Zinc is strategically placed to consolidate its market-leading position from the increased demand, supported by a robust portfolio and market reach.

Operational Performance – Products

Lead

GLOBAL LEAD INDUSTRY SCENARIO

Strengthening prices

The LME lead price ended FY2025 at US$ 2,002 per tonne, a 2% increase over the previous fiscal year's closing price of US$ 1,965 per tonne. The average lead price for FY2025 stood at US$ 2,046 per tonne, slightly lower than US$ 2,122 per tonne as recorded in FY2024.

Production outpaces consumption

Global lead demand remained moderate, shaped by stabilising inflation trends, with the International Monetary Fund projecting inflation to ease to 4% in CY2025, improving real incomes and consumption of lead-intensive goods. However, a persistent high-interest rate regime by central banks like the Fed and the European Central Bank dampened investment in lead-heavy sectors such as automotive. Encouraging momentum in industrial production indicators across key regions – China's manufacturing expanding at 5% YoY, US capacity utilisation stabilising at 78%, and Europe's factory activity recovering after a mild slowdown, supported lead consumption for batteries, infrastructure, and electronics.

Overall, the global refined lead production decreased by 2% to 14,205 kt in CY2024, while refined lead consumption dropped by 0.7% to 14,151 kt, resulting in a market surplus of 54 kt.

INDIA LEAD INDUSTRY SCENARIO

Demand growth across key sectors

India's primary lead demand grew by 6-7% in FY2025, supported by automotive, battery, and infrastructure expansion. The industry is witnessing an accelerated shift toward the secondary (recycled) market, which now accounts for over 60% of supply, given its cost advantage over primary metal. The removal of customs duties on lead scrap in the FY2026 budget is further driving investment in formal recycling infrastructure.

Evolving battery mix

Lithium-ion battery adoption continued to rise, with the sector projected to grow at a compounded 15%+ through 2030, impacting traditional lead-acid markets. Strong domestic sales growth of 7.3% in the automobile industry, driven by higher vehicle production across all segments, continued to support primary lead demand, particularly for starter batteries and corrosion-resistant coatings. Additionally, the broad battery sector also expanded by 6-8% YoY, supported by automotive replacements, telecom backup systems, and solar-off-grid installations.

LEAD AS A CRITICAL METAL

Lead is critical for energy systems, primarily used in lead-acid batteries that power vehicles, backup systems, and stabilise electric grids. Its recyclability of over 95% makes it highly sustainable. Lead-based batteries ensure grid reliability, support renewable energy integration, and provide cost-effective, large-scale storage essential for global energy security. Apart from batteries, lead also has a significant demand from housing, home appliances, and infrastructure sectors.

HINDUSTAN ZINC: LEAD BUSINESS OVERVIEW

Hindustan Zinc is India's leading lead producer, which was further strengthened by increasing primary market share to 74% in FY2025, up from 64% in FY2024. We sold 166 kt domestically, with 59 kt in exports, further expanding our domestic market penetration. The production was focused on 99.99% purity lead ingots, registered with the London Metal Exchange, with efforts underway to optimise sales mix toward 100% domestic consumption by securing new customers and enhancing lead applications.

OUTLOOK

Global refined lead supply is projected to reach 14,486 kt in CY2025, growing 2%, while consumption is expected to rise 1.5% to 14,369 kt, indicating a cautious recovery demand. The lead consumption landscape in India continues to evolve, with a 140% YoY surge in electric vehicle (EV) production, signalling a gradual shift away from traditional internal combustion engine vehicles. This transition is expected to moderate long-term demand for lead-acid batteries.

However, the government policy continues to provide adequate support. The indirect tax reforms introduced in the Union Budget FY2026 to support domestic manufacturing and exports are poised to support lead usage.

With increase in lead consumption, supportive government policy, and an increase in the domestic market share, we are well-positioned to benefit from the changing market scenario.

Operational Performance – Products

Silver

GLOBAL SILVER INDUSTRY SCENARIO

Price resilience amidst global uncertainty

Silver prices rallied in FY2025, reaching a high of US$ 34.51 per toz in October 2024, with a full-year average of US$ 30.39 per toz, a 29% increase over US$ 23.55 in FY2024. Despite some profit-booking, silver retained most of its early gains, stabilising above the US$ 32 per toz mark. Price support stemmed from economic uncertainties surrounding the new fiscal and trade policies in the US, notably heightened tariff concerns.

Sustained and diverging demand

Trade uncertainty triggered record silver deliveries into the US, pushing Chicago Mercantile Exchange-approved vault holdings past 400 Moz, a 30% jump since the US election. Meanwhile, London vault inventories saw a 9% monthly decline, tightening the market and raising short-term silver leasing rates.

Silver's dual role as an industrial and precious metal created a mixed performance. While gold's stagflation-driven rally supported silver, fears of a global trade war affected investor confidence in industrial metals.

INDIA SILVER INDUSTRY SCENARIO

India's silver demand remained relatively sluggish, impacted by a rebound in domestic prices following a three-month low in December 2024. While jewellery consumption softened, silver imports surged in early 2025, posting the highest January figure since 2008. Industrial silver demand remained subdued but continued to gain traction from new-age applications such as electric vehicles (EVs), 5G networks, and solar energy.

SILVER AS A CRITICAL METAL

Silver is critical for modern industries due to its unmatched electrical conductivity, making it essential for solar panels, EVs, and advanced electronics. It enables efficient renewable energy capture, supports widespread electrification, and powers high-performance components. With growing clean energy demands, silver's role in industrial applications and energy transition makes it indispensable for sustainable development.

HINDUSTAN ZINC: SILVER BUSINESS OVERVIEW

Hindustan Zinc is the only primary silver producer in India. We delivered a strong performance in FY2025, selling 687 MT of silver, almost 100% in the domestic market. With increasing demand for silver in the near future, we plan to expand our existing silver capacity to 1,500 TPA by FY2030, further strengthening our existing positioning as the leading primary silver producer not only in India, but also globally.

OUTLOOK

Looking ahead, global silver production is forecasted to peak at 842 million ounces in CY2025, driven by increased base metal output and new sources coming online in the US and Canada. However, beyond CY2025, production declines are expected with multiple mines reaching end-of-life, unless positive investment decisions support new developments. Mexico's silver production is forecasted to peak at 209 million ounces in CY2025, before declining year-on-year to 186 million ounces by CY2029.

Composite powders like silver-copper may accelerate thrifting efforts, shaping future silver demand patterns. Overall, silver's outlook remains cautiously optimistic, supported by renewable energy applications, technological advancements, and sustained infrastructure investments.

Being the only primary silver producer with almost 100% sales in India, Hindustan Zinc sees an opportunity. We plan to increase the silver volume through the fumer and a lead-silver recovery plant using hot acid leaching technology, which together will help increase production by 50-60 tonnes per annum. Also, we are bullish on silver prices, anticipating it to surpass the level of US$ 35 per toz, and thus contributing significantly towards the Company's profitability.

Operational Performance – Mines

Touching new goalposts in mining excellence

We are a global benchmark in mining operations, and continue to scale new milestones in performance, with ongoing focus on sustainability, innovation, and the deployment of advanced technologies. By integrating these aspects across the mining lifecycle, we consistently deliver robust operational, safety and environmental outcomes. In FY2025, this balanced approach contributed to record-breaking production and greater value creation for our stakeholders.

We operate eight underground mines at five locations in Rajasthan, India, all of which are certified ISO 9001, ISO 14001, OHSAS 18001 & SA-8000. These mines are hosted by the Proterozoic-age sediment-dominated sequences, and their ore has undergone several deformation and metamorphic events. The orebody host rocks at these mines range from strong dolomites to foliated metasediments at near-surface depths to 1,000 metres below the surface.

Our portfolio also includes the Bamnia Kalan Mine, located in the vicinity of Sindesar Khurd Mine, whose mine plan was approved by the Indian Bureau of Mines (IBM) , Ministry of Mines, Government of India and consent to operate was granted by Rajasthan State Pollution Control Board. As the site work started, the peripheral boundary wall work was completed, and the excavation work of the portals is currently in progress.

8 UNDERGROUND MINES ACROSS 5 LOCATIONS WITH TOTAL ORE PRODUCTION OF 16.33 Mnt

Mines	Ore Mined		Zinc Mined Metal				Lead Mined Metal			
	FY2024	FY2025	FY2024		FY2025		FY2024		FY2025	
	('000 tonnes)	('000 tonnes)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)
Rampura Agucha Mine (RAM)	4,931	4,790	514	11.47	515	11.74	52	1.64	52	1.69
Sindesar Khurd Mine (SKM)	5,650	5,476	146	2.83	134	2.73	96	1.90	88	1.83
Rajpura Dariba Mine (RDM)	1,344	1,168	46	4.13	49	4.41	9	1.04	10	1.13
Zawar Mine*	4,032	4,203	115	3.11	132	3.36	64	1.75	78	2.01
Kayad Mine (KM)	564	694	33	6.13	32	5.07	4	0.82	4	0.74
Total	**16,521**	**16,331**	**855**	**5.69**	**863**	**5.76**	**224**	**1.68**	**232**	**1.74**

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

OPERATIONAL EXCELLENCE WITH ADVANCED METHODS

Mining method

Long Hole Open Stoping (LHOS) at all mines for improved ore recovery and efficiency

Backfill strategy

Using tailings in most mines to backfill stope voids as paste and hydraulic fill, with cement added for strength and stability

It fills voids and supports surrounding walls post ore extraction, and enables safe access to deeper stopes during extractions

Stoping sequence

Bottom-up extraction sequence, with the lower levels mined first and the backfill forming the working platform for the next level of extraction

Top-down extraction sequence followed at RAM, SKM and RDM, which have emerged as world leaders in applying this novel approach; this ensures cost-effectiveness and good ore yields

Key innovative measures

SKM and RAM are pioneering the automation and digitalisation of mining processes in India:

- Using tele-remote operations of drill machines and raise bore machines for improved safety and productivity
- At SKM, we have established a life-of-mine ventilation infrastructure with a 1,950 cum/sec airflow and an air conditioning system for fresh air intake, enhancing working conditions, safety and productivity

PIONEERING IN GEOTECHNICAL ENGINEERING

We have stationed Geotechnical Engineering teams at every site. These teams define mining parameters, such as infrastructure location, excavation size and stoping sequence, and monitor the response of the rock mass to mining.

Seismic monitoring is crucial as mining depth increases, and most of our mines are equipped with these systems. Additionally, live monitoring of ground control instrumentation ensures the stability and safety of our operations. The excavation of stopes is meticulously planned and executed to maximise efficiency and safety.

Some of the key geotechnical initiatives that drive our growth are:

- Implementation of double lift stopes at SKM, resulting in an improved mining sequence and better ground stress management
- Successful recovery of the M5 crown pillar at RDM
- Use of offset drives at Mochia Mine as an efficient method to drill and blast the remnant crown pillars, improving recoveries, production rates, and safety of mine personnel
- Successful extraction of double lift stopes at RAM in the footwall panels by optimising the strength of paste fill, drill and blast, and increasing the ground support for stability of the extracted void and ore recovery

Mines Performance

RAMPURA AGUCHA MINE

Rampura Agucha Mine (RAM) is the world's largest underground zinc producing mine and has the richest zinc-lead deposit in India. This mine, located in Bhilwara in Rajasthan, is continually scaling its operations, infrastructure, technological superiority, sustainability focus, and safety credentials.

KEY OPERATIONAL MILESTONES, FY2025

FY2025 was a year of superior performance, catalysed by new initiatives and innovations. The mine recorded growth in terms of both ore and mined metal production.

RAM posted 4.79 Mtpa production run rate in its underground operations during the year. Its shaft hoisting capacity improved from 8,000 tpd to 10,000 tpd through debottlenecking and digitalisation initiatives, with efforts ongoing to reach 12,000 tpd.

4.79 Mnt
Ore Production

13.43%
Grade

568 kt
Mined Metal Production

25.0 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

- Commissioned underground life-of-mine (LoM) dewatering station at -80 mRL and -105 mRL
- Improved silver recovery by 4.5% through replacement of silver promoter, transition of dart valve operation of flotation cells into auto mode, and installation of silver channel in online analyser (courier), resulting in an additional silver generation of 17.12 MT as compared to FY2024
- Replaced highly flammable reagent, Methyl Isobutyl Carbinol (MIBC), with Flotanol, which has a lower flash point, improving site safety and resulting in cost savings
- Commissioned lower working level dewatering system through the shaft
- Completed shaft partition to enable parallel material hoisting and effective shaft utilisation
- Commissioned waste pass silo, enhancing shaft hoisting and enabling faster mine development in lower levels
- Commissioned phase-1 of the underground workshop at -255 mRL for heavy earth moving machinery (HEMM) maintenance

SAFETY AND ENVIRONMENTAL DEVELOPMENTS

- Commissioned a 4,000 KLD water treatment plant for effective utilisation of recycled water and reduction of freshwater consumption
- More than 50% of transportation of concentrates to smelters was done through LNG vehicles, reducing carbon emissions
- Carbon footprint reduction by 3,700 tCO_2e by reducing the mill's specific power consumption by 0.8 kWh/MT
- Replaced diesel-operated pumps with an electric Pontoon Pump at pit bottom to avoid man access during critical times

Mines Performance

SINDESAR KHURD MINE

Sindesar Khurd Mine (SKM) is the world's fourth-largest silver producing mine.

Operationalised in 2006 with an initial capacity of 0.3 Mtpa, it has been on a consistent growth path, increasing capacity to 6.0 Mtpa, making it one of the largest underground mines in India. It is a state-of-the-art mine, equipped with cutting-edge technologies and best-in-class equipment. SKM's performance excellence is driven by its multiple standalone production centres, created by the main lens and several standalone auxiliary lenses in its deposit.

KEY OPERATIONAL MILESTONES, FY2025

SKM reported ore production of 5.48 Mnt in FY2025 with steady mined metal production. It achieved a mine development of 23.6 km, besides clocking an ore treatment of 5.79 Mnt.

5.48 Mnt
Ore Production

4.56%
Grade

222 kt
Mined Metal Production

23.6 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

- Achieved highest-ever shaft hoisting of 3.7 Mnt
- Installed cost-efficient rammer RETROKIT in load haul & dump (LHD) for improving rammer availability and durability, thereby minimising delays in clearing ore stock blockages, improving productivity and reducing cost
- Improvement in monthly smoke hour drilling from 4.5 km to 10 km
- Increased ventilation to 1,950 cum/sec with an addition in airflow of 600 cum/sec for life-of-mine ventilation; over 3 km of raise-boring completed to support the primary ventilation circuit
- **First-ever tele-remote operation in raise bore piloting in India**
- Debottlenecked Mill-1 secondary crusher to increase mill availability. Also, installed two new zinc press filters that increased the filter availability from 55% to 95%
- Commissioned an auxiliary ramp connection between -55 mRL SKA1-C to -395 mRL E block

SAFETY AND ENVIRONMENTAL DEVELOPMENTS

- Implemented DETECT technology for safety violation detection at underground operations through artificial intelligence/machine learning
- Sustained lower mining void of 0.32 million m^3 by backfilling to improve global mine stability
- Installed auto fire suppression system in auxiliary fan starter panels in underground mine
- Commissioned booster pump house at the tailing dam, increasing its life by 40% and reducing water consumption

Mines Performance

RAJPURA DARIBA MINE

Rajpura Dariba Mine (RDM) is one of our earliest ventures, operating underground via decline, main shaft, and auxiliary shaft. We are actively working to enhance production to 3.0 Mtpa with the current reserve of 51.3 Mnt and total R&R of 90.3 Mnt. This will be achieved through a new portal and a decline of larger cross-section for the East Lode mining, along with advanced mechanisation and automation.

With a dedicated focus on boosting production capacity, RDM's numerous production centres invest in elevating efficiency, productivity, and safety via strategic automation and mechanisation initiatives.

KEY OPERATIONAL MILESTONES, FY2025

We made significant strides in augmenting the productivity and efficiency at RDM with focused initiatives, resulting in strong performance across key metrics.

1.17 Mnt
Ore Production

5.55%
Grade

59 kt
Mined Metal Production

8.1 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

- Commissioned 2.7 Mtpa dry tailing plant along with the first pipe conveyor for tailing handling in Hindustan Zinc, eliminating safety or environmental threats from dam failure; also conducted fly ash trials in the paste fill operation
- Approved mine plan for the next five years with a capacity of 3 Mtpa
- Commissioned paste fill plant in NA and M6 block along with communication network
- Commissioned 8 MVA 11/3.3 kV substation and six raises for ventilation augmentation
- Newly deployed two low-profile dump trucks (LPDTs), six development drill rigs (including five M2Ds), six light motor vehicles (LMVs), and one LHD for enhancing the production
- Established Open Systems International - Plant Information (OSI PI) connectivity with RD Mill FLS Supervisory Control and Data Acquisition (SCADA) and created online dashboards to seamlessly view real-time plant data from mobile phones and laptops

SAFETY AND ENVIRONMENTAL DEVELOPMENTS

- Installed sensor-based traffic management lights at portals and junctions to avoid machine-machine interaction
- Deployed 12 AI-based cameras across mine, mill and security, for real-time safety alerts
- Installed video remote system in -157 mRL crown pillar stopes for safe operation
- Audio-visual alarm sensor at the crusher for immediate identification of failure due to vibration
- Started live monitoring of all blasting points with access to the control room, to monitor blasting from the designated blasting point
- Automated level sensors for seven sump pumps for reducing power consumption, along with integrating runtime graphics in SCADA for better tracking

Mines Performance

ZAWAR GROUP OF MINES

Zawar Mines (ZM) continues to advance through innovation, achieving continuous expansion and sustained productivity while ensuring responsible and sustainable operations. Operating since the pre-digitalisation era, this group of four mines – Mochia, Balaria, Zawarmala and Baroi – has consistently set new benchmarks in innovation and operational excellence to optimise processes and boost efficiencies.

KEY OPERATIONAL MILESTONES, FY2025

FY2025 was a milestone year for ZM, with the highest-ever metal in concentrate (MIC) of 210 kt, up 18% YoY. It commenced mining from crown stopes at Mochia Mine, secondary stopes in Central Mochia Mine and doubled the ore production from Zawarmala Mine in the last two years by improving paste filling and innovative stoping. These developments are expected to significantly enhance its production levels.

4.2 Mnt
Ore Production

5.37%
Grade

210 kt
Mined Metal Production

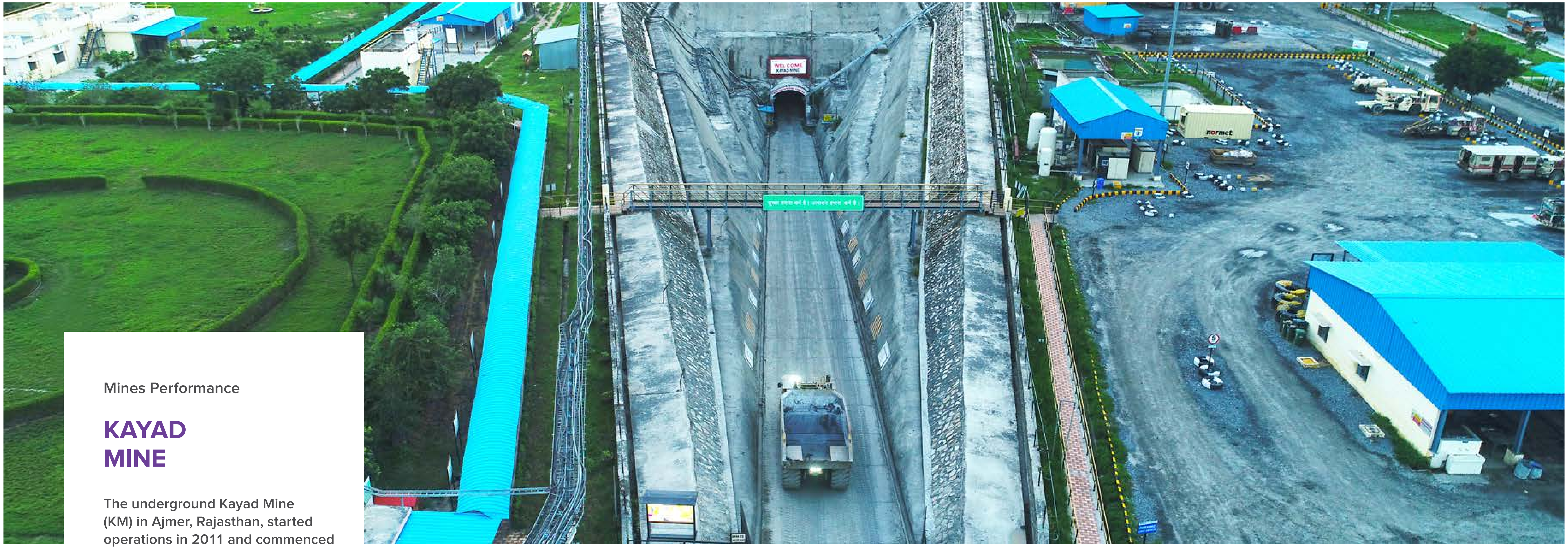
33.2 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

- Mined a geologically highly complex ore body AK-BK4 lens at 190 mRL with 500 kt ore production at Baroi Mine
- CW0 crown stopes at 57 mRL to 27 mRL with 98% stope recovery by innovative and safe design at Mochia Mine
- Achieved highest-ever pull per blast of 3.61 m, and best-ever mill recoveries of 93% for zinc, 92% for lead, and 81% for silver through specific silver promoter optimisation and installation of advanced process control and flow meters in flotation circuits
- Implemented digital monitoring of equipment to enhance utilisation and identify and minimise idle time in ZM
- Established an 18.5 km leaky feeder network at ZM to improve the underground communication system
- Replaced 50+ years old underground crusher with a new generation advanced Sandvik crusher at Balaria Mine to improve capacity of production incline
- Established connection drive between Central Balaria and Western Balaria at -180 mRL to debottleneck hauling from Central Balaria by 65 MT trucks

SAFETY AND ENVIRONMENTAL DEVELOPMENTS

- Completed the Company's 2nd longest and ZM's longest raise boring of 576 m from surface to -205mRL at Balaria Mine, improving the ventilation in lower block
- Upgraded winder for Mochia, Balaria and Zawarmala shafts to improve safety, reliability and productivity
- Installed a skip interlock switch with NO-GO line at 430 mRL at Zawarmala for enhanced safety
- Fully enclosed chute and replaced skit plate at Mill 1 to reduce dust emission and spillage
- Commissioned rammer to reduce secondary blasting
- Developed safe and designated area for HEMM parking at the Mochia-Balaria portal
- Installed cameras on both sides of the Development Drill Jumbo (M2D) for blind spot area elimination



Mines Performance

KAYAD MINE

The underground Kayad Mine (KM) in Ajmer, Rajasthan, started operations in 2011 and commenced ore production in FY2013. Over the years, it has continued to enhance performance excellence with a focus on innovation, technology and sustainability.

KEY OPERATIONAL MILESTONES, FY2025

KM delivered excellent performance in terms of both production and quality, producing 694 kt of ore with c.35 kt of metal content. The performance was driven by targeted initiatives and innovations.

0.69 Mnt
Ore Production

5.80%
Grade

35 kt
Mined Metal Production

6.1 km
Mine Development

OPERATIONAL AND STRATEGIC DEVELOPMENTS

- Mined an additional 10 kt metal from the mined pillars with geotechnical challenges, ensuring maximum mineral recovery to avoid permanent resource loss
- Implemented innovative mining practices for a complex ore body with a higher stope recovery of 95%

SAFETY AND ENVIRONMENTAL DEVELOPMENTS

- Established India's first 24x7 women-operated underground mine control room and an all-women first aid team
- Deployed Hindustan Zinc's first-ever electric road sweeper that will reduce annual GHG emission by c.6,000 kgCO_2e

Operational Performance – Exploration

Reserves that power growth

We are driving strategic efforts in exploration to deliver measurable breakthroughs. With a dedicated entity leading the exploration efforts, focus on upskilling team, and deployment of best-in-class technology, we are ramping up capabilities to delineate and expand Mineral Resources, and upgrade Ore Reserves within our licensed areas. In FY2025, we successfully replenished mined metal for enhanced Ore Reserves, securing a sustained mine life of over 25 years at the current rate of metal production.

KEY OPERATIONAL MILESTONES, FY2025

471.70 km
Drilling

83.10%
Brownfield exploration success rate

10.89 Mnt
Ore added

EXPLORATION EXCELLENCE AT HINDUSTAN ZINC

Dedicated leadership for strategic focus

Our wholly-owned subsidiary Hindmetal Exploration Services Private Limited (HESPL) leads our exploration efforts, aligned with the nation's vision to accelerate the exploration of critical and strategic minerals across India. Our focus remains on expanding mineral discoveries nationwide to enhance R&R, thereby unlocking long-term growth opportunities.

FY2025 was a successful year for HESPL, as it got recognised by the Government of India as a Category-A Exploration Agency, accredited by the National Accreditation Board for Education and Training (NABET) under the QCI-NABET Scheme for Accreditation of Exploration Agencies in the Mineral Sector. It secured a new composite licence of Ballepyllum Tungsten Block in Andhra Pradesh, which is a critical and strategic mineral. In May 2025, it has further secured Jhandawali-Satipura Potash Block in Rajasthan and Nawatola-Laband Rare Earth Elements Block in Uttar Pradesh.

Skilled teams driving outcomes

Our exploration team is young, dynamic, and equipped with a diverse skill set.

The team, comprising geologists, geophysicists, and data analysts, excels in designing exploration programmes and delivering exceptional on-ground execution. By driving innovation, embracing cutting-edge technology and collaborating with external service providers and consultants, they accelerate our mineral discovery efforts. Their focus on portfolio diversification through multi-commodity operations is vital in driving strategic growth.

Technology-driven exploration edge

HESPL is committed to enhancing discovery through innovation and using various technology-driven exploration initiatives, which include:

- Advanced geological mapping & geophysics by using **drone-based aerial surveys** with LiDAR, squid and high-resolution imagery. Also leveraging **hyperspectral imaging** and **remote sensing** for alteration mapping and lithological discrimination
- AI & Machine Learning applications in exploration targeting
- Integrated Geodata Platforms by introducing **cloud-based Geographic Information System (GIS) and 3D modelling platforms** such as ARC GIS web portal, Leapfrog, and Seequent Central
- Next-gen drilling & geophysical logging by using high-speed rigs with multi-leg drilling and downhole Borehole Electromagnetic (BHEM), Acoustic/Optical Televiewer (ATV/OTV), and wireline geophysical logging for structural control and physical properties
- Data analytics & decision support by implementing dashboards and business intelligence (BI) tools for real-time tracking of exploration projects, scenario-based resource modelling with dynamic cut-off grades, and enhanced Quality Assurance/Quality Control (QA/QC) systems for data reliability and automated audit trails through **acQuire DBMS**

DEEPENING EXPLORATION DEPTH AND CAPABILITY

In FY2025, we emphasised upskilling our team to ensure they are fully geared to adopt the numerous technology-driven initiatives and enhance exploration effectiveness.

Shallow angle (<45°) drilling at surface

Our exploration team continued to use this state-of-the-art drilling technology and innovation at Zawar to explore the lead-zinc-rich ore body at a shallow surface. This significantly helped develop their understanding of shallow depth ore body and host package knowledge.

Team Upskilling

We engaged our ex-veterans to provide strategic guidance on exploration project challenges. This included conducting specialised training sessions, mentoring and technical discussions to deepen understanding of structural controls on mineralisation, aiming to help the team identify new potential target areas.

A well-defined exploration roadmap was established to identify new prospective targets and strategically design drill holes to evaluate the presence and continuity of mineralisation across our entire leasehold area. Reconnaissance traverses were completed across Zawarmala, Balaria (Purvanchal), and Sindesar Khurd to pinpoint emerging targets and to enhance the structural interpretation skills of our young geoscientists for a deeper understanding of localised structural controls of mineralisation.

Additionally, we supported the team in developing their software skills in Datamine, Leapfrog and Quality Assurance/Quality Control.

EXPLORATION IN FY2025

In FY2025, our brownfield exploration yielded a success rate of 83.10%, adding 10.89 Mnt ore with a contained metal of 0.71 Mnt at a gross level. This enhances opportunities for sustained mine life and production growth. We also crossed the milestone of 13.1 Mnt of metal reserves for the first time since underground transition, a 3x growth compared to FY2020 on a net of production basis.

We executed c.471.70 km of drilling across all sites, including c.161.60 km of surface and c.310.20 km of underground drilling. This enhanced mineral resources and supported upgradation of resources to reserves, increasing our R&R base to sustain 25 years of mine life. We remain focused on increasing the R&R base further with all existing deposits open and the identification of new targets within mining leases.

RESERVES AND RESOURCES (R&R) STATUS

The Mineral Resources and Ore Reserves for Hindustan Zinc as of March 31, 2025, was 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 to be 189.1 Mnt of material, grading 5.5% Zn, 1.5% Pb and 50g/t Ag, which contains 10.3 Mnt Zn, 2.7 Mnt Pb and 304.8 Moz Ag.

Mineral Resources

Estimated to be 264.1 Mnt of material, grading 4.4% Zn, 1.9% Pb and 59 g/t Ag, which contains 11.5 Mnt Zn, 5.0 Mnt Pb and 503.5 Moz Ag. At current mining rates, the R&R underpins metal production for more than 25 years.

Ore Reserves and Mineral Resources (R&R), as of March 31, 2025

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

Our Assets	Total Reserves					Measured & Indicated Resources					Inferred Resources				
	Tonnage (Mnt)	Zn%	Pb%	Ag (g/t)	Metal (Mnt)	Tonnage (Mnt)	Zn%	Pb%	Ag (g/t)	Metal (Mnt)	Tonnage (Mnt)	Zn%	Pb%	Ag (g/t)	Metal (Mnt)
Rampura Agucha	46.8	10.7	1.1	37	5.5	10.7	14.2	2.3	66	1.8	10.1	0.1	5.5	147	0.6
Sindesar Khurd	36.8	3.1	1.9	92	1.8	53.4	3.6	1.7	80	2.8	8.1	3.1	1.4	55	0.4
Rajpura Dariba	51.3	5.3	1.8	62	3.6	3.9	6.4	1.8	67	0.3	35.0	6.3	1.8	94	2.8
Zawar	51.5	2.6	1.2	21	1.9	36.8	3.3	1.8	29	1.9	59.6	3.9	2.1	39	3.6
Kayad	1.3	5.2	0.8	13	0.1	4.2	7.6	1.0	18	0.4	2.6	5.2	0.3	9	0.1
Bamnia Kalan	1.5	3.6	0.5	32	0.1	19.4	3.2	1.1	40	0.8	20.1	3.5	1.4	46	1.0
Total	**189.1**	**5.5**	**1.5**	**50**	**13.1**	**128.5**	**4.6**	**1.7**	**56**	**8.0**	**135.6**	**4.1**	**2.1**	**63**	**8.5**

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

Operational Performance – Smelters and Captive Power Plants

A resilient framework for sustained production excellence

PERFORMANCE SNAPSHOT

Smelter production

827 kt
Zinc (↑ 1% YoY)

225 kt
Lead (↑ 4% YoY)

687 kt
Silver (↓ 8% YoY)

CPP power generation*

71.59 MU
Solar power (↓ 3% YoY)

367.66 MU
Wind power (↓ 10% YoY)

4,033.33 MU
Captive thermal power (↑ 1% YoY)

228.08 MU
Waste heat recovery boiler (↑ 7% YoY)

*Gross production

DIVERSE SMELTING TECHNOLOGIES FOR QUALITY EXCELLENCE

Our smelters use advanced technologies and modern tools to produce high-quality zinc, lead, and silver from captive mine concentrates (zinc and lead), which are supported by an in-house power supply. Circularity is ensured by selling or captively consuming by-products produced during the smelting process.

Our smelting technologies and products

*SO_2 gas is captured and treated to produce Sulphuric acid

How our process excellence results in high-quality products

Hydrometallurgy for Zinc Production

- 99.99% pure zinc: Hindustan Zinc Diecasting Alloy (HZDA), Continuous Galvanising Grade (CGG), 1-tonne jumbo
- High-grade zinc (99.95% purity)
- Sulphuric acid as a by-product

Pyrometallurgy for Zinc and Lead Production

- 98.65% purity Prime Western (PW) zinc
- 99.995% purity Special High Grade (SHG) zinc
- 99.99% purity Lead
- High-grade metal with 25-30% silver, refined further to 99.99% pure silver

Top Submerged Lance Technology (Ausmelt Plant) for Lead Production

- Lead bullion with over 96.5% lead content, further refined to produce 99.99% pure lead

Shuikoushan (SKS) technology for Lead Production

- 99.99% pure lead
- Refinery mud containing 25-27% silver, further refined to 99.99% pure silver

SUSTAINED, LOW-COST OPERATIONAL EXCELLENCE

Hindustan Zinc is among the world's most efficient and sustainable metal producers. Driven by our focused initiatives to advance these areas, we continue to set new benchmarks. In FY2025, we have achieved the highest-ever smelter production of 1,052 ktpa at a 4-year lowest cost, swiftly gearing towards 1.1 Mtpa refined production in FY2026.

How our process efficiency drives effective results

01 Enhancing operational efficiency

MEASURES UNDERTAKEN	IMPACT ACHIEVED
Production of additional metal and silver from jarosite in the fumer	**Additional production** 3 kt of metal and 6 MT of silver
Enhanced feed rates and ensured time-bound annual maintenance shutdown (reduced duration by 22% to 16.83 days from previous record of 21.5 days) at Dariba Lead plant	**Increased production** from 180 MT/day to 210 MT/day
Major overhauling in SKS Furnace	**Enhancement in throughput** from 27.5 TPH to 29.5 TPH
Oxygen enrichment in Roaster 3, in addition to Roaster 4 and Roaster 5	Targeted throughput of 40 TPH
Maintained process parameters such as cathode efficiency, $ZnSO_4$ purity, cell health, etc., at Dariba Zinc Plant	**Enhancement in current efficiency** from 91.47% to 92.02% and **production increment** from 709 MT/day to 715 MT/day

02 Achieving cost reduction and optimisation

MEASURES UNDERTAKEN

- Measures/techniques to minimise shutdown costs, resulting in cost savings of ₹ 13 crore
- Achieved higher acid sales realisation, resulting in a gain of ₹ 1,077 per tonne of acid
- Optimised consumables costs by reducing the consumption norms of major consumables (including soda ash, sodium sulphate, lime, etc.) through closed-loop feeding, resulting in savings of ₹ 75 crore
- Scrap and residue sales and other income led to overall savings of ₹ 257 crore
- Reduced generation costs in all CPPs with up to 44% indigenous coal consumption, alongside selling power on Indian Energy Exchange (IEX), which improved realisations by ₹ 160 crore

US$ 65 per tonne

(better 6% YoY)

Overall reduction in the cost of production achieved through cost reduction efforts

ADVANCING A CLEANER, GREENER, NET-ZERO TOMORROW

We are deploying pioneering efforts at our smelters to scale sustainability performance and progress towards our net-zero ambition. A catalyst for innovation and operational excellence, these efforts drive long-term value creation and make our operations more resilient.

FOCUSED ON SAFETY EXCELLENCE

Safety is paramount at Hindustan Zinc, as we continuously pursue a zero-harm goal as a leading player. Through ongoing focus on safety at our smelters and CPPs, we enhance the work environment and protect people, our most valuable asset. This includes proactively identifying and addressing potential risks and implementing pioneering efforts. People-led safety is often the most effective, and so by equipping our workforce with the right knowledge and tools, we improve safety outcomes.

Some of the critical safety initiatives undertaken at smelters and CPPs in FY2025 include:

- Stopping the Kunz crane movement at Dariba Smelting Complex (DSC) with an alarm by using an AI-based camera to detect human movement in its pathway
- Installation of a hygiene bag filter at Roaster 5 feed gate for eliminating dust and gas emissions
- Interlocking of beacon light and danger zone light with engine on/off in all forklifts for accurate real-time alerts at Zinc Smelter Debari (ZSD)
- Gantry crane arrangement for safe shifting of panels at the Debari Roaster
- Installed an interlock and connected it to a hooter on the chlorine tonner at ZSD for safer operations

ALIGNED SMELTERS WITH CLIMATE GOALS

WATER CONSERVATION

Internal recycling system implemented by integration of ZLD, ETP, RO, MEE, and MVR technologies

31,300 KLD water saving capacity

CLEAN ENERGY ADOPTION

Significantly increased the consumption of renewable energy for smelting operations, with the commencement of power supply from Serentica

Utilised **809 million units** of renewable energy for smelting operations in FY2025

SUSTAINABLE MOBILITY

Inducted 180 liquified natural gas vehicles and 10 electric vehicles for inter-unit and finished goods movement

1,066 tCO_2e GHG emission savings in FY2025

PROCESS INNOVATION

Integrated fumer unit to process jarosite residues in the Hydrometallurgy plant

c.39,700 MT reduction in jarosite production in FY2025 through fumer operation

TECH-POWERED TRANSFORMATION

We are driving innovation and investing in high-end technologies to revolutionise our smelter business and scale productivity and efficiencies to the next level. These efforts have resulted in a more data-driven organisation with real-time analytics capabilities, bringing more flexibility and resilience to operations.

Some of the key technologies deployed at smelters include:

AI-driven predictive maintenance

Deployed Sinter Machine Health Monitoring project, involving the use of high-resolution cameras and AI for failure prediction and performance optimisation.

Impact

15%
increase in output

Thermal imaging-based hot/cold spot detection

Deployed AI-based thermal imaging cameras to monitor hot/cold spots for prompt detection and resolution, resulting in improvement in current efficiency and significant reduction in energy consumption.

Impact

Increase
in energy efficiency, cutting energy costs

Smarter, connected processes

Integrated 1,175 Internet of Things (IoT) based sensors with critical equipment, reducing downtime and improving reliability. Using AI/ML-powered closed-loop systems for high-value consumables like Zinc dust and Lime has further optimised usage and cut costs.

Impact

₹ 20 crore
worth cost savings

Computer vision for safety

Computer vision is used in the lead refinery to monitor ladle operation and interlocking with the electric overhead travelling (EOT).

Impact

Zero
safety incidents

Digital governance

Achieved 100% auto booking in SAP for all the products.

Impact

Improved
governance and operational discipline

AI-powered quality and safety

Deployed Finished Goods Surface Quality Monitoring system for real-time defect identification using advanced algorithms, alongside AI-based man-machine interaction systems.

Impact

Consistent
standards, improved safety and operational efficiency

CASE STUDY

DIGITALLY TRANSFORMING ZINC SALES & LOGISTICS AT HINDUSTAN ZINC

PROBLEM STATEMENT

In the traditionally structured metal industry, sales of zinc and silver were often managed through manual, opaque processes that limited real-time price discovery and created barriers for smaller or remote buyers. This affected customer participation and restricted the company's ability to dynamically link premiums to market rates. On the logistics front, coordination with fleet owners was fragmented, with limited digital integration, leading to inefficiencies, higher costs, and reduced accessibility for MSMEs. As customer expectations evolved and the metals market became increasingly competitive, there was a clear need for a digitally-enabled ecosystem that could streamline sales, ensure price transparency, and modernise freight management to deliver a more responsive and scalable solution.

OUR APPROACH

Hindustan Zinc undertook a dual-pronged digital strategy to overhaul its sales and logistics operations:

1. Digital Auctions for Zinc & Silver Sales

- Launched a robust e-auction platform in FY2025 to digitise the metal buying process
- Created a level playing field for buyers across India, allowing real-time participation
- Pegged product premiums to live market rates, ensuring dynamic and fair pricing
- Focused on enhancing customer experience with transparency and ease of access

2. Digitally-Enabled Zinc Freight Bazaar

- Introduced a tech-enabled freight marketplace for optimising logistics
- Brought together fleet owners and transporters, enhancing route efficiency and cost competitiveness
- Enabled end-to-end digital tracking, from auction to delivery
- Promoted collaborative logistics for smaller buyers through shared transport models

KEY OUTCOMES

- 100% of silver and 70% of zinc now sold via digital auction platforms
- Improved pricing transparency and market-linked premiums, enhancing customer satisfaction
- Significant operational efficiency gains in freight booking and delivery management
- Enhanced accessibility for MSMEs and remote buyers, democratising metal procurement
- Strengthened trust and brand equity, positioning Hindustan Zinc as a digital-first metals company

CASE STUDY

EXPANDING DOWNSTREAM PRODUCT PORTFOLIO THROUGH ALLOYS

PROBLEM STATEMENT

As a commodity-based company, Hindustan Zinc's topline is majorly linked to the LME and LBMA price cycles. So, it is imperative that we should transition from a commodity-based company to a product-based company by enhancing our downstream product portfolio. Currently, India is importing zinc alloys to cater to the domestic automotive sector demand, presenting an opportunity for us to venture into zinc alloy segment. This will not only enable the domestic auto original equipment manufacturers (OEMs) and component manufacturers to reduce imports from other countries and build a resilient value chain of high-quality products within the country, but also fetch higher premiums through an expanded customer-centric portfolio.

OUR APPROACH

- Commissioned a new state-of-the-art 30 ktpa zinc alloy plant in FY2024 under a wholly-owned subsidiary, Hindustan Zinc Alloys Private Limited (HZAPL). This plant allows us to foray into a promising opportunity of alloys, majority of which are currently being imported into India with a presence of a very few domestic players
- Successful trials are undertaken for establishment of our new product, Zinc-Aluminium-Magnesium (ZAM) alloy, in the market
- Our zinc die casting alloys, specially developed for the hot chamber die casting process, are engineered to cater to the evolving needs of the automotive sector, offering exceptional castability, long-term dimensional stability, fast machining, and superior finishing for plating, painting, and chromate treatments

KEY OUTCOMES

- Offers the automotive sector with significant fuel and emission savings by providing a high degree of corrosion resistance to lightweight steel bodies (BIW or Body-In-White), ensuring durable, long-lasting vehicles with longer anti-perforation warranty against corrosion
- HZDA 3 & HZDA 5 alloys provide higher strength, electrical conductivity, corrosion resistance, and dimensional tolerance to automobiles
- Achieved highest-ever sales of value-added products, increasing the share of value-added portfolio to c.22% in FY2025, including 10 kt of alloys produced in the 30 ktpa alloy plant. Also, started supply of toning alloys to the customers
- Hindustan Zinc Alloy Pvt Ltd has recorded an EBITDA of ₹ 93 crore, against the overall investment of ₹ 190 crore, delivering a payback of less than 2 years
- The alloys produced have fetched better realisations than traditional special high grade (SHG) ingots, and aided in increasing our domestic zinc market share

CASE STUDY

BALANCING ESG WITH FISCAL PRUDENCE THROUGH RENEWABLE ENERGY

PROBLEM STATEMENT

As the focus of the world is shifting towards green energy, it becomes imperative for a global sustainability leader like Hindustan Zinc to lead the sector by becoming early-adopter of utilisation of renewable energy for metal production, significantly decreasing the global footprint of one of the world's largest metal portfolios.

OUR APPROACH

- Signed three round-the-clock renewable energy power delivery agreements with Serentica Renewables India Private Limited, totalling to 530 MW, catering to 70% of the overall power requirement by FY2028
- Cheaper sourcing of renewable energy at a fixed rate for 25 years under this partnership, insulated from inflation and exchange rate fluctuations, enhancing visibility on the power cost
- Received certification for our low carbon zinc by a globally renowned sustainability consulting firm through a detailed life cycle assessment

KEY OUTCOMES

- Cheaper green power sourcing from the partnership, aiding in cost reduction on a sustainable basis every year
- **Launched Asia's first low carbon zinc, EcoZen,** with an impressive carbon footprint of under 1 tCO_2e, which is 75% lower than the global average. This not only provides a cleaner alternative to the customers enabling a reduction in their Scope 3 emissions, but also drives the global transition to low-carbon, responsible sourcing
- Low carbon product portfolio fetches higher premiums as compared to traditional metals, as it also enables the customers to easily comply with carbon policies of other countries like Carbon Border Adjustment Mechanism (CBAM), etc. With the recent announcement by the London Metal Exchange on introducing a green premium for sustainable metals, EcoZen is well-positioned for a stronger value realisation

CASE STUDY

OPTIMISING SMELTER CONSUMABLES THROUGH DIGITAL TECHNOLOGY

PROBLEM STATEMENT

Our smelters utilise various consumables such as zinc dust, sodium sulphate, polymeric aluminium trihydrate (PAT), lime, and soda ash, etc., which are vital for maintaining chemical reactions, controlling processes, and ensuring the smooth operation of our smelting activities. It is crucial to optimise the utilisation of such consumables, which constitute a significant portion of our overall smelting spend base.

OUR APPROACH

- Successfully implemented an artificial intelligence (AI) and machine learning (ML) based system to optimise the use of such high-value non-fuel consumables
- Integrated Laboratory Information Management System (LIMS) with Distributed Control Systems (DCS) and Programmable Logic Controllers (PLCs) for better process control
- Integrated the solution with smelting operations at Chanderiya, Dariba, and Debari

KEY OUTCOMES

- Eliminated manual intervention with fully automated dosing and AI-driven precision which leverages real-time data and IT-OT integration to ensure optimal consumable usage
- Strengthens our commitment to digital transformation, efficiency, and sustainability by automating consumable additions, reducing waste, and driving major cost savings by optimising a significant spend base of spares & consumables

ENVIRONMENTAL, SOCIAL & GOVERNANCE

Hindustan Zinc led with impact in FY2025, ranking as the world's most sustainable metals & mining company in the S&P Global CSA 2024. We achieved several of our ambitious ESG goals, including GHG emission reduction and positive social impact. We entered agreements to raise RE share to 70%, aiming to achieve Net Zero emissions by 2050.

Sustainability

Progressing on our sustainability commitments

At Hindustan Zinc, sustainability is a core factor influencing our long-term growth strategy. Guided by our 'Zero Harm, Zero Waste and Zero Discharge' vision, we are tangibly progressing towards a sustainable future, aiming for the SBTi-validated target of Net Zero by 2050 or sooner. We are actively reducing our carbon footprint, optimising resource usage, nurturing natural ecosystems, and prioritising social responsibility and operational excellence, ensuring sustainable development for generations to come.

OUR APPROACH TO SUSTAINABILITY

Sustainability Framework: Our Sustainability Compass

At Hindustan Zinc, we have adopted a Sustainability Framework from our parent company Vedanta, which is aligned with (International Finance Corporation) IFC & (International Council on Mining & Metals) ICMM guidelines. This serves as comprehensive guidance to ensure sustainability in operations and decision-making across the business. This framework comprises a suite of sustainability policies, standards and guidance notes to steer operational and social excellence.

Sustainability Assurance Programme

The Sustainability Assurance Programme acts as a vital tool for evaluating the alignment of our sites against the Sustainability Framework. Annually, each site is systematically assessed to measure the extent of the implementation of the framework and provide site-specific sustainability scores based on 13 key pillars. The outcomes of the assessment are discussed in the Executive Committee, which in turn reports to the Board.

Based on the identified improvement areas, the respective units formulate management plans and implement corrective actions, which are periodically reviewed, evaluated and documented. To drive accountability and compliance, this score is linked with incentives for the leadership and employees. 10% of the annual performance bonus is linked to the score. Additionally, long-term incentives are also linked to the broader ESG performance of the Company.

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

Extending Sustainability to Value Chain Partners

As a responsible corporate, we have consciously extended our sustainability culture to our customers and suppliers, key stakeholders for Hindustan Zinc. We have built our customer service proposition around our wide portfolio of products and transparent disclosure of the environmental impact of our products. This is achieved through environmental product declaration (EPD), an independently verified and registered document.

EPD for Zinc Product: Prioritising environmental transparency

We have published an EPD for our zinc product, underlining our commitment to sustainability, transparency, and minimising our environmental footprint. The EPD uses life cycle assessment (LCA) methodology to measure the environmental performance of zinc products, considering the potential impact from each stage of manufacturing, product use, and end-of-life.

Our zinc EPD complies with ISO 14025:2006 and EN 15804:2012+ A2:2019 standards to ensure comparability with EPDs from other manufacturers worldwide. Our LCA study was also benchmarked to the highest standards of ISO 14040 and ISO 14044.

EcoZen: Low Carbon Zinc

In July 2024, Hindustan Zinc launched Asia's first low carbon zinc offering for its customers worldwide. Certified as low-carbon zinc by a renowned global sustainability consulting firm through a life cycle assessment (LCA), EcoZen boasts a carbon footprint of less than one tonne of carbon equivalent per tonne of zinc produced. Manufactured using renewable energy, the carbon footprint of EcoZen is about 75% lower than the global average.

Supply Chain Sustainability

As part of responsible sourcing, 100% of our critical suppliers were assessed for ESG Risks. As part of lowering carbon footprint, some of our initiatives include introducing electric vehicles (EVs) and liquified natural gas (LNG) vehicles. Further, we conduct business partner engagement and capacity building through our initiatives, 'Business Partner ESG Connects' and 'Wednesday for Transition'.

For further details, please refer to the Responsible Sourcing chapter on page 200 of this report.

PUTTING SUSTAINABILITY AT THE CORE

Setting priorities to advance sustainability efforts

Be the ESG leader

Investing in industry-leading initiatives to drive inclusive and sustainable development

Go beyond resilience

Undertake game-changing innovations and technological interventions

Creating value for our stakeholders

Undertake targeted initiatives to address stakeholders' expectations and aspirations, and create long-term value

Following management systems across all sites

ISO 14001
Environment

ISO 45001
Occupational health and safety

ISO 50001
Energy

ISO 9001
Quality

ISO 31000
Risk Management

ISO 37301
Compliance

ISO 27001
Information Security

ISO 27701
Privacy Management

ISO 22301
Business Continuity & Disaster Recovery

OUR SUSTAINABILITY GOVERNANCE FRAMEWORK

Strong sustainability governance is responsible for building a responsible business. Sustainability is discussed at all Board and management meetings, as well as at the business unit (BU) management meetings. Our three-tier sustainability governance framework encompasses all ESG aspects, allowing us to set short-term and long-term goals and systematically monitor performance.

Our three-tiered sustainability framework

Tier 1 Sustainability and ESG Committee of the Board

Committee details

Comprises four Directors and holds half-yearly meetings, chaired by an Independent Director

Committee mandate

Providing oversight of ESG matters and proactively driving our ESG journey

Read more on the Committee's members and its role in Corporate Governance Report page 266.

Tier 2 Sustainability Committee at Executive Level

Committee details

- Chaired by the Chief Executive Officer
- Members include the entire Executive Committee and the Chairmen of our 12 communities

The 12 Sustainability Communities

- 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

Committee mandate

- Formulating a sustainability strategy and setting long-term goals and targets
- Resource allocation to achieve our sustainability vision
- Tracking project status and reviewing progress toward the goals

Tier 3 IBU ESG Committee

Committee details

IBU ESG Committees are chaired by IBU CEOs and include the site-level community heads

Committee mandate

- Executes projects under the guidance provided by Tier 1 and 2 committees for achieving our sustainability vision
- Continuous identification, impact analysis, mitigation and monitoring of SBU-specific risks

ESG SCORECARD

Climate Change

Sustainability Goal 2025

UNSDGs 7, 9, 12, 13, 17

Goal	Base Year	FY2025 Progress
0.5 mn tCO_2e GHG emission savings in our operations	FY2017	**0.67 mn tCO_2e** GHG emission savings

Sustainability Goal 2030

Accelerate adoption of mitigation and adaptation measures to achieve:

50% reduction in Scope 1 and 2 emissions

25% reduction in Scope 3 emissions

Achieve **Net Zero emission** by 2050 or sooner

Water Stewardship

Sustainability Goal 2025

UNSDGs 6, 9, 11, 12, 13, 14, 15, 17

Goal	Base Year	FY2025 Progress
▪ **5x** water positive ▪ **25% reduction** in freshwater consumption	FY2020	▪ **3.32x** water positive ▪ **6% reduction** in freshwater consumption

Sustainability Goal 2030

Achieve **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% low-quality water for smelting operations

Engage with supply chain partners to assess and manage water footprint in water-stressed area

Circular Economy

Sustainability Goal 2025

UNSDGs 9, 12

Goal	Base Year	FY2025 Progress
3x increase in gainful utilisation of smelting process waste	FY2020	**2x increase** in gainful utilisation of smelting process waste (>6 lakhs MT)

Sustainability Goal 2030

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

Sustainability Goal 2025

UNSDGs 15, 17

Goal	Base Year	FY2025 Progress
Protect and enhance biodiversity throughout the life cycle	FY2020	▪ Restoration of the habitat with **0.74 million trees additionally planted** from the base year ▪ As part of our **3-year engagement with International Union for Conservation of Nature (IUCN)**, Biodiversity Management Plans have been developed for all sites

Sustainability Goal 2030

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 strive to achieve **no net loss of biodiversity at all mine sites** by closure through application of mitigation hierarchy

Responsible Sourcing

Sustainability Goal 2025

UNSDGs 3, 8, 10, 13, 17

Goal	Base Year	FY2025 Progress
100% responsible sourcing in the supply chain	FY2020	**95% critical suppliers assessed** on ESG and risk management

Sustainability Goal 2030

100% active supplier evaluation on ESG & Risk Management

Achieve 25% of total procurement spend from local business partners (includes contracting & sub-contracting spend) by 2030 from base year 2025

Transition to **greener fuels for advancing Scope 3 emission** reduction

Zero Harm

Sustainability Goal 2025

UNSDGs: 3 Good Health and Well-being, 8 Decent Work and Economic Growth

Goal	Base Year	FY2025 Progress
▪ **Zero fatalities**	FY2020	▪ **4 fatalities***
▪ **50% reduction** in total recordable injury frequency rate (TRIFR)		▪ **55% reduction** in TRIFR

Sustainability Goal 2030

Contribute to reach **Zero Fatality and 100% elimination** of high consequence work related injuries

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

Social Impact

Sustainability Goal 2025

UNSDGs: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 17

Goal	Base Year	FY2025 Progress
Positively impact **one million lives** through sustained CSR initiatives	FY2020	**2,362 villages and 2.3 million people** reached through sustained CSR initiatives

Sustainability Goal 2030

By 2030, **complete Social and Human Rights Impact Assessment (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

30,000 individuals made employable through skilling and entrepreneurial opportunities by 2030

Diversity in Workforce

Sustainability Goal 2025

UNSDGs: 3, 5, 8, 10, 16, 17

Goal	Base Year	FY2025 Progress
30% workforce diversity	FY2020	**Gender diversity** among executive employees enhanced from 14.4% in FY2020 to **25.5%** in FY2025

Sustainability Goal 2030

Increase **gender diversity to 30%** with a strong focus on decision-making roles, to foster an inclusive and diverse workplace

Note: Baseline for all Sustainability Goals 2030 is FY2020

ESG RATINGS AND RECOGNITIONS

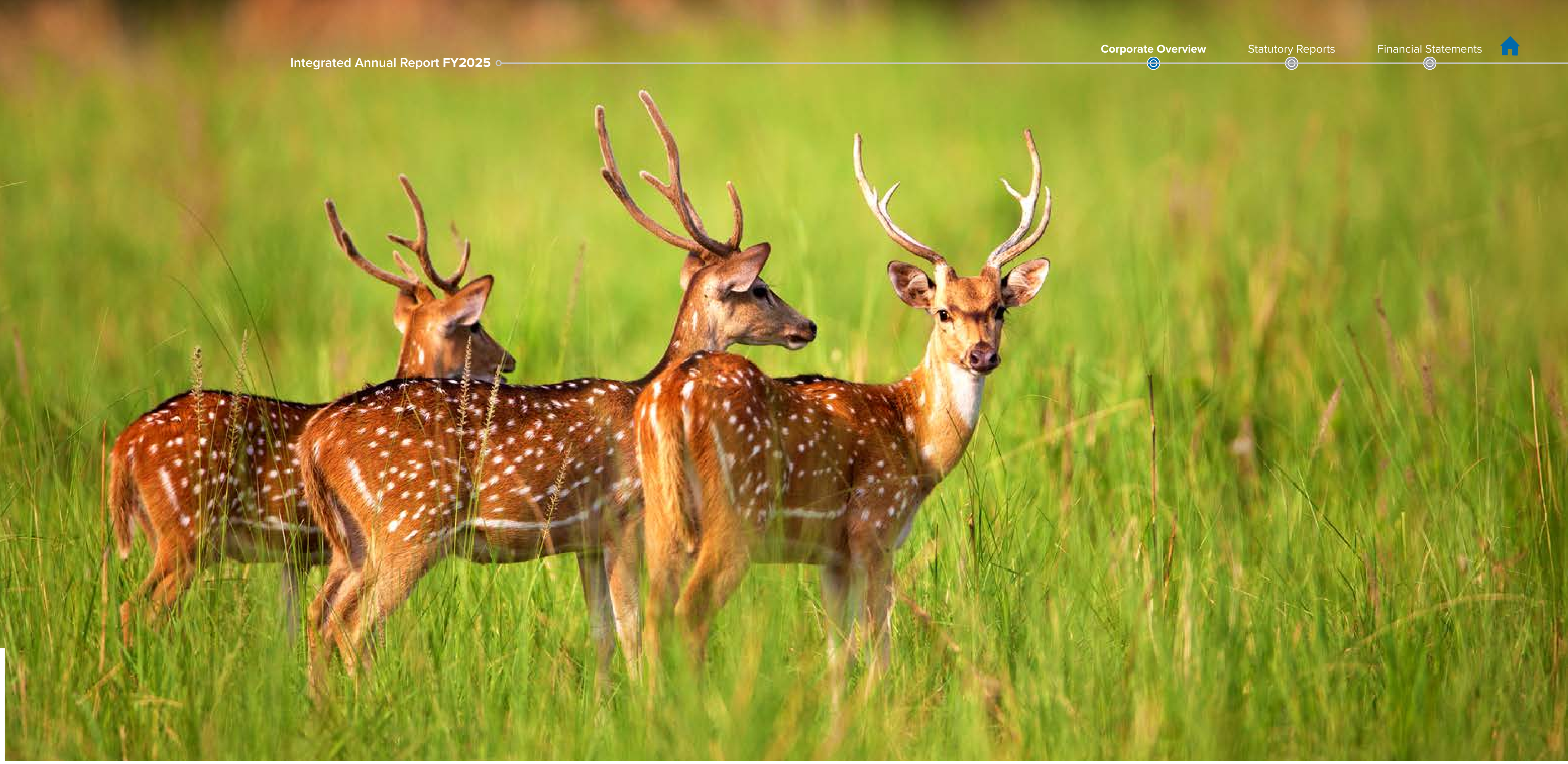
Sustained S&P Corporate Sustainability Assessment Leadership (Metal and Mining Sector)

Hindustan Zinc continues to demonstrate global ESG leadership, securing the #1 ranking globally in the metals and mining sector in S&P Global Corporate Sustainability Assessment 2024 for the second consecutive year. The overall improved score of 86 (up from 85 in the previous year), coupled with distinction of featuring in Sustainability Yearbook 2025 amongst the top 1% most sustainable organisations globally for the second consecutive year, corroborates Hindustan Zinc's relentless commitment to sustainability and ESG excellence.

Ratings across ESG indices

Indices & Ratings	Best possible rating/score	2024	2023	2022	2021	2020
Sustainalytics (SUSTAINALYTICS)	Negligible 0-10	31.8	29.9	29.6	47.0	44.0
S&P CSA (S&P Global)	100	86	85	80	77	74
CDP Climate (CDP)	A	B+	A-	A	B	A
CDP Water (CDP)	A	A-	A-	A-	A-	B
FTSE4 Good (FTSE RUSSELL An LSEG Business)	5	4.4	4.2	4.2	4.0	4.3

Corporate Sustainability Assessment: As of December 2024
FTSE4 Good: As of July 2024
Sustainalytics: As of July 2025
CDP: i) As of July 2025
ii) Hindustan Zinc was recognised with A- (Leadership) for Supplier Engagement Assessment



Environmental

Stewarding nature's wealth for a greener tomorrow

At Hindustan Zinc, environmental stewardship is a fundamental part of our identity. Guided by our environmental, social, and governance (ESG) principles, our commitment to nurturing the planet we all share is resolute. From reducing carbon emissions to managing water to waste minimisation, and protecting biodiversity, our targeted investments are driving purposeful steps toward a greener future.

As pioneers in the Metals & Mining industry, we're not just meeting today's sustainability challenges, we're shaping the foundation for tomorrow's thriving world. This year, our strategic investments in innovative and sustainable manufacturing have propelled us closer to carbon neutrality, marking meaningful strides toward a more sustainable and impactful future.

Access our climate and environment management policies from here.

Material topics

M2 M3 M4 M7 M10 M16

Capitals affected

Stakeholder affected

Strategy linked

S5

UN SDGs

6 Clean water and sanitation; 7 Affordable and clean energy; 11 Sustainable cities and communities; 12 Responsible consumption and production; 13 Climate action; 15 Life on land; 17 Partnerships for the goals

Key focus areas

- Energy efficiency
- Carbon reduction
- Water conservation and efficiency
- Tailings storage facility safety
- Air emission
- Habitat protection
- Waste reduction

Key highlights FY2025

6%
Reduction in freshwater consumption

3.32 times
Water positivity achieved

0.74 million
Additional plantation since FY2020

Over 600 kt
Gainful utilisation of smelting process waste

667.33 MU
Total green power produced
Solar: 71.59 MU;
Wind: 376.66 MU;
WHRB: 228.08 MU

Rajpura Dariba and Zawar
Commissioned dry tailing plants

Biodiversity Management Plans
Available across sites for no net loss of biodiversity

EMPOWERING CLIMATE ACTION AND ENERGY TRANSITION

Decarbonisation Goals for Climate Action
(Approved by the Science Based Targets initiative)

Near term
Reduce absolute Scope 1 and 2 GHG emissions by 50% and Scope 3 emissions by 25% by 2030 from the base line of 2020

Long term
Achieve net-zero emissions by 2050 or sooner

Read about our Energy and Climate Change Management Policy

At Hindustan Zinc, we're not just keeping pace with the transition towards a low-carbon future; we're helping shape it. As part of our commitment to achieving net-zero emissions by 2050 or sooner, we're doubling down on our commitment to sustainability, scaling our innovation to build a future that's both energy-efficient and eco-friendly.

The net-zero journey focuses on four key pillars

01 Shifting from Captive Thermal Power Plants to Renewable Energy

02 Powering Transportation with Low Emission Fuel

03 Collaborating with Key Critical Value Chain Partners to reduce Scope 3 Emissions

04 Driving Energy Efficiency Improvements to optimise Energy Use and reduce Carbon Footprint

Leadership in Climate Action and Sustainability

- Ranked 1st globally in S&P Global Corporate Assessment 2024 in metals and mining sector for the second consecutive year
- Launched Asia's first low-carbon 'green' zinc, EcoZen, produced using 100% renewable electricity
- Signed a 530 MW round-the-clock renewable energy (RE-RTC) power agreement with Serentica India Renewables Limited
- Hindustan Zinc has become the first in the Indian metals and mining sector to publish its Climate Action Report, which is aligned with the International Financial Reporting Standards (IFRS) S2 – Climate-related Disclosures framework. The report includes value chain assessment of both key suppliers and customer sites, reinforcing our commitment to climate risk management
- Deployment of 180 liquefied natural gas (LNG) vehicles for inter-unit and finished good transport avoided 1,066 tCO_2e emissions
- Deployed 10 electric vehicles trucks for inter unit transportation. Also, deployed 3 EV charging stations

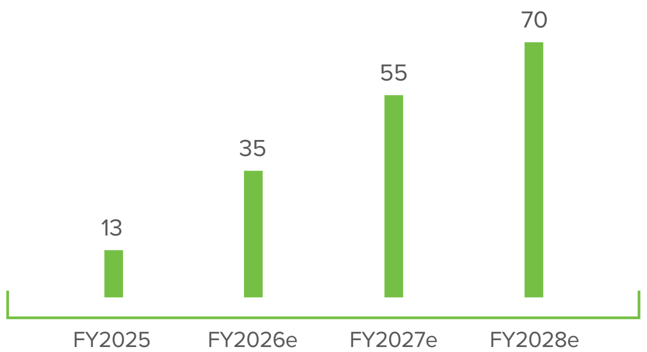
EMBRACING CLEAN ENERGY FOR A SUSTAINABLE TOMORROW

Fuelled by our ambitious climate action and net zero commitments, we've been driving a transformative shift towards renewable energy over the past few years and are determined to advance even further.

Expanding Our Renewable Energy (RE) Capacities

Significant progress has been made in executing our power delivery agreement with Serentica, with 6% of our overall power requirement for FY2025 being sourced from Serentica. To further accelerate our progress, we've also upgraded our power delivery agreement with Serentica, increasing our round-the-clock renewable energy (RE-RTC) capacity from 450 MW to 530 MW, increasing our renewable power share to 70% by FY2028, contributing to a reduction of 3.5 million tCO_2e.

Projected Renewable Energy Share (%)



Greenpower and Biomass Utilisation

A standout achievement in this journey is the sourcing of 100% green power for our Pantnagar Metal Plant, helping us cut emissions by 28,806 tCO_2e in FY2025. Utilisation of biomass as an alternative fuel to coal also reduced our carbon footprint by an additional c.19,200 tCO_2e during the year.

Zinc-based Sustainable Energy Storage Solutions

Advancing the global energy transition through zinc-based batteries as a sustainable alternative to other energy storage solutions, Hindustan Zinc also entered into a partnership with US-based AEsir Technologies, Inc., as the preferred supplier of zinc for their cutting-edge next-generation zinc batteries.

EcoZen - Asia's first low carbon 'green' zinc

In this fiscal year, Hindustan Zinc launched EcoZen, Asia's first low carbon 'green' zinc brand, setting a new benchmark for sustainability in the industry. Produced using 100% renewable energy, with an impressive carbon footprint of under one tonne of carbon equivalent per tonne of zinc, which is 75% lower than the global average, it's a leap forward in reducing the environmental impact of zinc production.

SCALING-UP GREEN TRANSPORTATION

To reduce reliance on petroleum products and cut emissions, we strategically expanded our fleet of battery-operated electric vehicles (BEVs) in our underground operations, accelerating our progress towards net-zero targets. Having set a stellar landmark of becoming the first Indian company to deploy underground battery electric vehicle (UG BEV) at Sindesar Khurd Mine, we currently have 3 UG BEVs. We deployed EVs across various operations, including passenger EVs, EV forklifts, and light motor vehicles, to lower our Scope 3 emissions and make meaningful strides towards meeting SBTi targets.

Beyond zero emissions, EVs offer several advantages over diesel vehicles, including lower maintenance costs, quicker deployment, reduced ventilation needs, and the elimination of diesel and lubricant storage. Moreover, EVs improve underground air quality, enhancing the health and safety of our workers.

ALIGNING OUR SUPPLY CHAIN WITH NET ZERO

At Hindustan Zinc, we understand that achieving our sustainability goals requires a unified effort across our entire value chain. To reduce Scope 3 emissions, we have actively engaged with our critical upstream and downstream value chain partners, creating awareness and fostering collaboration on key ESG issues. In FY2025, we conducted a series of training sessions called "Wednesdays for Transition", focused on essential topics such as climate change, ESG strategy, materiality assessment, net-zero targets, water stewardship, waste management, biodiversity, no net loss, and human rights.

By aligning our suppliers with these goals, we are not only driving greater environmental responsibility but also creating a legacy of sustainable practices that extends beyond our operations and permeates the broader value chain for a lasting change.

MAXIMISING ENERGY EFFICIENCY FOR A GREENER FUTURE

At Hindustan Zinc, we are committed to optimising energy usage across all our operations through continuous upgrades to our processes, equipment, and technologies, as energy efficiency is central to our strategy for reducing carbon emissions and achieving our net-zero goals.

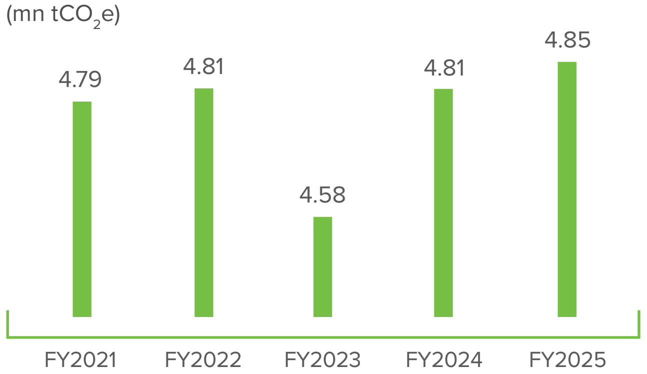
Significant improvements have been made at several key sites:

- Cellhouse rating at Zinc Smelter Debari improved from 6.52 to 7.16, signalling a notable boost in operational efficiency
- Upgraded zinc final tailing pump in stream 4 and eliminated dual pump operations in the 4th cleaner circuit at Rampura Agucha Mine, reducing energy consumption
- Optimised power consumption in the grinding area through consistent mill operation at rated throughput at Rajpura Dariba Mine

Our focus on energy efficiency not only reduces operational costs but also reinforces our commitment to sustainability. These efforts play a vital role in building a greener, more resilient future for all.

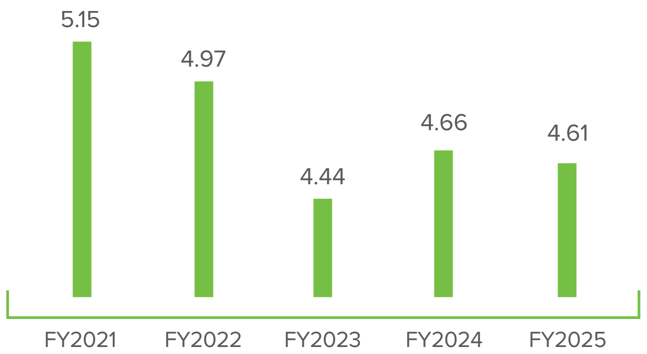
Absolute emission (Scope 1 and 2)

(mn tCO_2e)



GHG intensity (Scope 1 and 2)/MT

(mn tCO_2e)



STRENGTHENING OUR WATER STEWARDSHIP

Goals 2025	Performance
Become 5x water-positive company and achieve 25% reduction in freshwater usage by 2025	▪ 6% reduction in freshwater consumption from FY2020 ▪ 3.32 times water positive company ▪ 29% increase in the sewage treatment plant (STP) water consumption in operations

Our sustainability vision extends to the preservation of this precious resource. We continuously invest in innovative solutions to optimise water use, focusing on reducing our reliance on freshwater. Through advanced water recycling initiatives, we aim to minimise our environmental footprint while enhancing operational efficiency.

Embracing the guiding principles of 'Zero Harm, Zero Waste, Zero Discharge,' we ensure that water is used responsibly and sustainably for future generations.

Read about our Water Management Policy

Cornerstones of our water management strategy

- Minimising freshwater consumption
- Exploring alternative water solutions
- Increasing the use of recycled water
- Replenishing groundwater
- 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

KEY HIGHLIGHTS FOR FY2025

- Commissioned a 4,000 KLD water treatment plant at Rampura Agucha Mines
- Commissioned a dry tailing and paste-fill plant at Rajpura Dariba Complex (RDC), achieving 8,100 KLD average recycled water
- 3.32 times water positivity ratio
- RDC received the NITI Aayog Scope 1 "Water Positive Aspiring" company certification

COMMITTING TOWARDS RESPONSIBLE WATER STEWARDSHIP

Hindustan Zinc continuously invests in innovative solutions to optimise water use and reduce its reliance on freshwater. Our water stewardship commitments are guided by the key global frameworks to ensure responsible water use and support long-term sustainability for both our operations and surrounding communities. We align with the UN Global Compact Water Action Platform (CEO Water Mandate), adopting its strategic framework to drive responsible water management. Additionally, we follow the International Council on Mining and Metals (ICMM) Water Stewardship Framework, which includes:

- Transparent and efficient corporate water governance structure
- Effective water management at operations
- Collaboration for sustainable water use

Setting New Standards in Water Stewardship

FY2025 marks a significant achievement in our water stewardship journey, with our Rajpura Dariba Complex receiving the prestigious NITI Aayog's Scope 1 Certification of Water Neutrality/Positivity Aspiring Company. This is in alignment with their novel standard, consisting of certification schemes on Scope 1, 2 and 3 water intensity for Indian companies. This approach involves both the company and its water-intensive supply chain in the water neutrality/positivity process.

MAINTAINING ZERO LIQUID DISCHARGE AND ENHANCING WATER RECOVERY

Zero Liquid Discharge Commitment

With a focus on water conservation, we proudly uphold the principle of zero liquid discharge (ZLD) across all our sites. Our operations have significantly enhanced their water recycling capacity through state-of-the-art technologies, including effluent treatment plants (ETPs), reverse osmosis (RO), multiple effect evaporators (MEE) & mechanical vapour recompression (MVR).

31,300 KLD

internal recycling system implemented by integration of ZLD, ETP, RO, MEE, and MVR technologies

Improved Backfilling Efficiency

To satisfy the increasing backfilling requirement from year-on-year growth in production, we commissioned a 1.8 Mtpa paste-fill plant at Rajpura Dariba Complex. This initiative has significantly reduced the water consumption by 62%, with an enhanced water recovery potential of around 3,000 KLD on a daily basis. While reducing the water percentage in the fill mixture from 40% to 20%, it also eliminated the need for additional infrastructure for tailing dilution in the hydro-fill plant.

Enhancing Water Recycling through Dry Tailing Plant

In our ongoing efforts to address the environmental impact of tailings waste, we **successfully commissioned a second dry tailing plant (DTP) at the Rajpura Dariba Complex, building on the success of India's first DTP at Zawar Mines.** This advanced technology minimises the environmental footprint by converting slurry tailings into dry, stackable waste, while also recovering over 80% of water from the tailings, resulting in lower water withdrawal and circular water use in our operations.

Hindustan Zinc achieves 3.32x Water Positivity

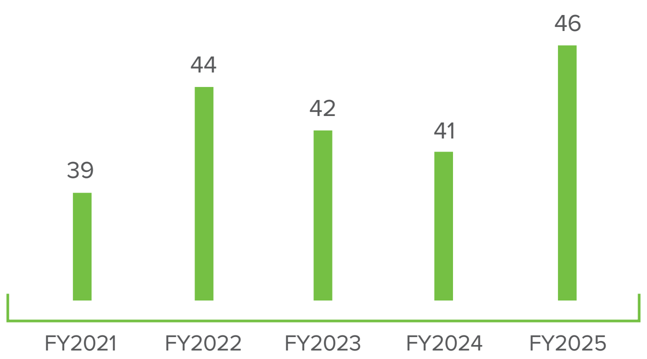
Validated by DNV, Hindustan Zinc has set a new benchmark by achieving an impressive 3.32 times water positivity, up from 2.41 in 2020. This milestone reflects our sustainable water initiatives, including rainwater harvesting, groundwater recharge, and enhanced recycling across operations. By reducing freshwater dependency and creating community water credits, we continue to lead in responsible water stewardship, ensuring long-term water security for both our operations and communities.

BUILDING RESILIENCE THROUGH WATER RISK MANAGEMENT

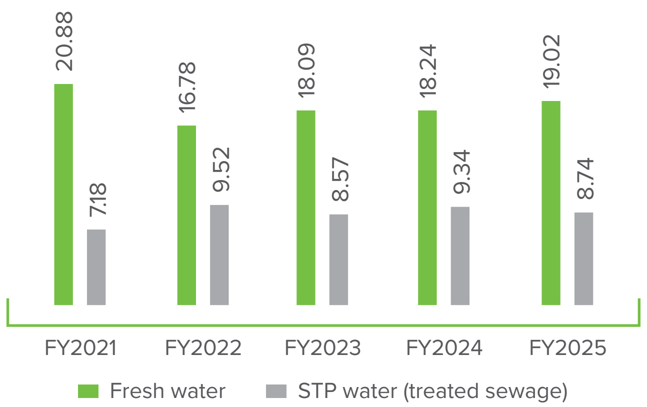
At Hindustan Zinc, we conduct comprehensive water risk assessments covering all our operational sites every year, forming the foundation for our Water Management Plans. These assessments include sensitivity analysis and stress testing to evaluate water-related risks, informing the development of a suitable water pricing structure.

Given that water risks differ by location, we employ a comprehensive, multi-faceted approach using tools like the WBCSD India Water Tool, WRI Aqueduct, and GEMI local water tools. These tools help us assess a range of variables, including water stress, seasonal variability, flood and drought risks, groundwater availability, and future water-related challenges, including regulatory changes. Using this data, we identify and evaluate water risks and develop tailored management strategies to address them. We remain committed to mitigating these risks through rigorous standards and processes, ensuring the sustainability of our operations and minimising impact on local communities.

Water recycled (%)



Water withdrawal (in mn m³)



TRANSFORMING WASTE, ADVANCING THE CIRCULAR ECONOMY

Goals 2025
3x increase in gainful utilisation of smelting process waste by 2025

Performance
- 100% fly ash usage
- 2x increase (over 6 lakh tonnes) of gainful utilisation of smelting process waste

As a leader in sustainable business practices, Hindustan Zinc has placed the circular economy at the forefront of its strategy. We continue to invest in cutting-edge technologies that reduce waste and promote recycling and reuse, forging a path towards a more sustainable and circular future.

Hindustan Zinc is deeply committed to advancing circularity and contributing to the broader circular economy through two key areas:

- Responsible Production and Waste Minimisation
- Maximising Recycling and Reuse

KEY HIGHLIGHTS

- Jarosite reduction of 39,682 MT through fumer operation
- Waste management through utilisation of 445,013 MT jarosite and jarofix in the cement industry, road & railways
- 2x times gainful utilisation of smelting process waste in cement & road construction areas
- Recycled input material in alliance with Runaya Green Tech Private Limited
- Developed an innovative process to recover iron from jarosite, converting it into Fe_2O_3 (Hematite)

MINING FOR A CIRCULAR FUTURE

At Hindustan Zinc, we continuously refine our waste management practices, prioritising waste avoidance at the source, adopting best-in-class strategies to recycle as much waste as possible, and finding innovative ways to reuse materials wherever feasible.

Drivers of our Circular Economy Approach

- Promoting responsible material production while conserving natural resources
- Adopting advanced mining techniques to reduce waste and enhance resource recovery
- Optimising refining process for efficient zinc extraction and by-product utilisation

Partnership with Runaya Green Tech Private Limited: Driving Resource Optimisation

runaya

Background and Objective

Embarking on a circular path, Hindustan Zinc has partnered with Runaya Green Tech Private Limited to establish an Integrated Minor Metals Complex (IMMC) at Chanderiya, reinforcing its commitment to sustainability and resource optimisation. The facility processes lead and zinc residues from Hindustan Zinc's smelters, focusing on recovering valuable metals. Additionally, anchored in the '4R' waste principles –Reduce, Recycle, Reuse, and Reclaim – the synergistic effort ensures resource efficiency by eco-friendly disposal of process residue.

Progress in FY2025

- We commissioned 3 new plants poised to unlock substantial growth in our processing capacity and recovery
- The partnership achieved a 75% increase in plant capacity which helped in recovering metals from various residues
- Runaya processed 33,064 MT of smelter waste, and provided recycled input material to Hindustan Zinc

INNOVATION IN TRANSFORMING WASTE INTO WEALTH

Strategic Partnerships to Synergise Innovation

- Institute of Minerals and Materials Technology (IMMT), Bhubaneswar and National Metallurgical Laboratory, Jamshedpur, to study the techno-economical viability of the in-house developed processes for extracting valuable metals and converting iron into hematite product from the jarosite/jarofix waste
- Geist Research Division (Goa) for the conversion of pure sodium sulphate salt in the zero liquid discharge plant
- Green RSK Infra-Pvt Ltd. for green capping of mine reclamation sites and jarofix yard using hydroseeding technology
- Navodaya Sciences for conversion of jarosite into the supplementary cementitious material (SCM) for use in various sustainable civil applications
- VEXL Environ Projects Pvt Ltd to extract lead and silver from jarosite through a 20 TPD pilot plant, which is expected to be commissioned in FY2026. The method also produces zinc-enriched calcium ammonium nitrate (CAN) fertiliser, a useful byproduct

AMPLIFYING R&D AND INNOVATION

During the year, we have ramped up our R&D efforts by investing in skilled scientists and state-of-the-art technical facilities, with a focus on achieving zero waste by 2030 and eliminating the need for waste disposal in secure landfills (SLF). To this end, our **Waste to Wealth Community** plays a central role, continuously innovating, monitoring, and refining our waste utilisation practices.

Breakthrough Innovations to Unlock Value from Waste

Our R&D team has developed an innovative process to recover iron from jarosite, converting it into Fe_2O_3 (Hematite). This new process is being further validated at the bench scale, and we're excited to explore the product's market potential, expanding the range of materials that can be sustainably sourced from waste.

We also 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.

Fumer Plant Commissioning

The commissioning of the fumer plant in FY2024 represents a monumental step in reducing the smelter's waste footprint by elimination of jarosite waste from one of our hydro zinc smelters. This not only alleviates the need for additional land resources but also supports our vision of creating a more sustainable and resource-efficient future.

EFFICIENT TAILINGS STORAGE FACILITY MANAGEMENT

Goals 2025
Complete transition from wet tailing to dry tailing disposal by 2025

Performance
- Commissioned dry tailing plant at Rajpura Dariba and Zawar. The implementation of the same is ongoing at Rampura Agucha

Hindustan Zinc is dedicated to responsible tailings management to minimise its environmental, social, and economic impacts. We are continuously improving the management of our tailings storage facilities to support more sustainable operations.

Read about our Tailings Management Policy

STRATEGIC FOCUS AREAS

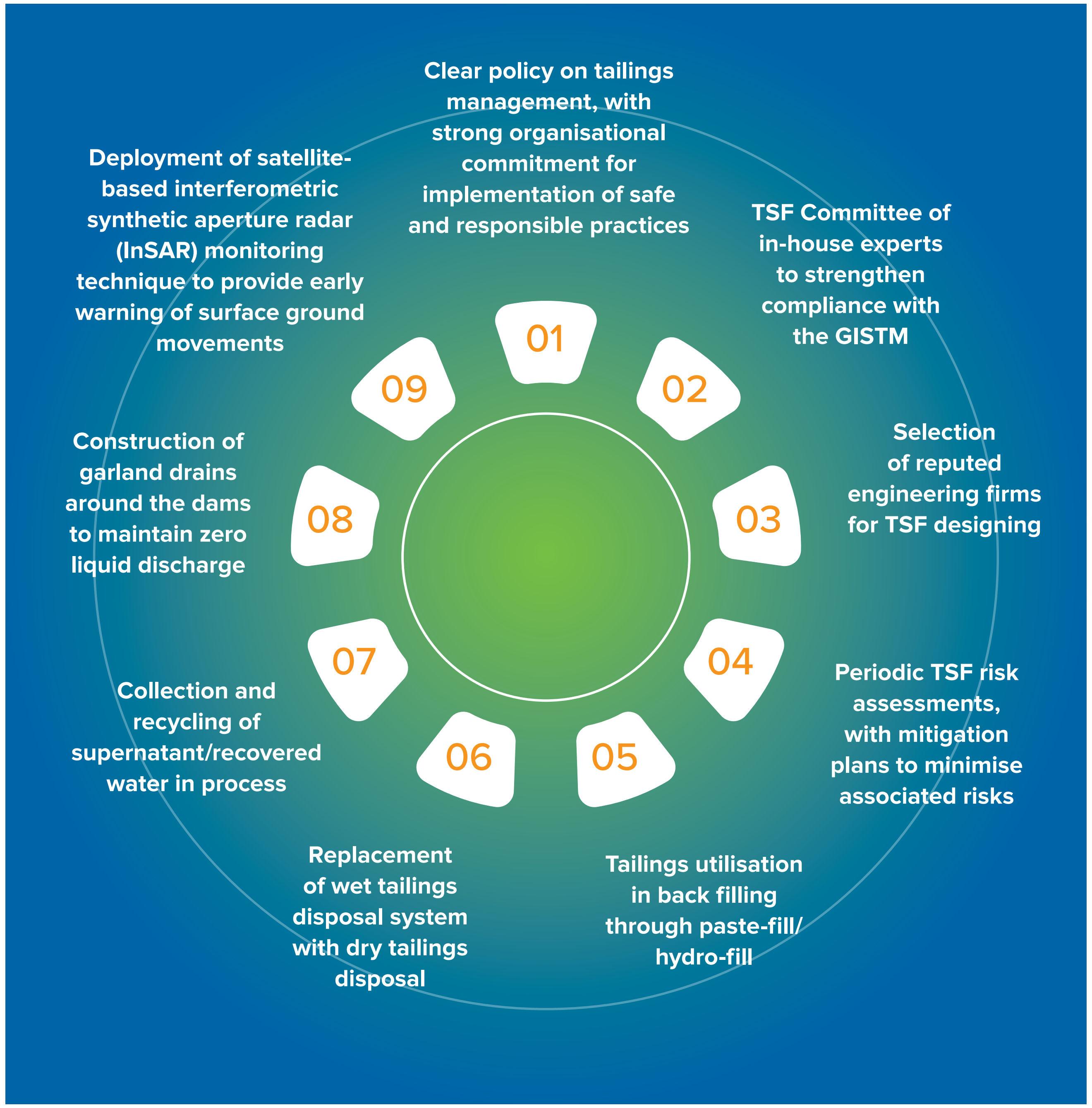
- **Adopting advanced global practices** in tailings dam management for optimal efficiency
- **Collaborating with global experts** for continuous monitoring, consultancy, and design of tailings storage facilities (TSFs)
- **Adhering to the tailings management standards** for our three active storage facilities
- **Repurposing tailings and waste rock** as backfill, while safely storing remaining tailings

KEY HIGHLIGHTS

- Commissioned dry tailing plants (DTPs) at Zawar and Dariba, with Rampura Agucha DTP project underway, enabling us to fully transition from wet tailing to dry tailing, reducing tailing waste, and improving environmental safety
- Developed a comprehensive tailings management plan to ensure safe and efficient storage. Every measure is taken to implement this plan, safeguarding the integrity of TSFs
- Established a dedicated **Tailings Management Community of Practice (CoP)** to reinforce responsible governance and leadership oversight. This cross-functional team ensures strict adherence to our **Tailings Management Policy** and the **Global Industry Standard on Tailings Management (GISTM)** standards, while driving continuous improvement in safety and operational excellence

ADHERING TO GLOBAL BEST PRACTICES FOR TSF

Our tailings storage facility (TSF) design, construction, operation, and closure practices are aligned with the highest global standards, including:



ADVANCED GEOTECHNICAL MONITORING FOR TAILINGS DAMS

To ensure the safety and stability of our tailings dams, we employ cutting-edge geotechnical monitoring tools and techniques, including:

- **Pillar-prism total station data** for measuring slope displacement
- **Piezometers** to track pore water pressure
- **Inclinometers** for monitoring sub-surface deformation
- **Strategically placed cameras** to enhance security and structural integrity

We also implement rigorous internal assurance processes to ensure our TSFs meet the GISTM standards. Additionally, all TSFs have emergency response plans in place, which are regularly tested through collaborative training exercises with relevant stakeholders.

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 GISTM. In line with its business objectives, a third-party audit was conducted to assess any gaps in compliance with GISTM requirements. This audit is part of the Group's ongoing commitment to fully implement all GISTM principles by August 2025.

OUR COMPREHENSIVE TSF GOVERNANCE AND MANAGEMENT FRAMEWORK

Hindustan Zinc has established a robust tailings storage facility (TSF) governance and management framework, fully aligned with GISTM principles. Our multi-tiered structure includes oversight by the Board and CEO, supported by an Independent Technical Review Board (ITRB) and a Sustainable Review Committee (SRC). The accountable executive (IBU CEO) ensures strict compliance with our tailings management policy, internal standards, and GISTM requirements.

Our ultimate goal is zero harm to people and the environment through effective management of TSFs across all phases of their lifecycle – design, operation, closure, and post-closure – in accordance with GISTM and global best practices. This framework focuses on mitigating both short and long-term risks to minimise the potential for catastrophic failures.

ADDRESSING AIR EMISSIONS

Goals 2025	Performance
Reduction in non-GHG emission (SOx and NOx emission) by 17% by 2025	4% increase in non-GHG emissions

At Hindustan Zinc, our operations are governed by robust control strategies and stringent monitoring programmes to reduce emissions and ensure that our activities have minimal impact on the environment.

We primarily focus on reducing particulate matter and harmful gases emitted during mining, materials handling, processing, and transportation.

KEY APPROACH

- Well-designed state-of-the-art air pollution control devices (APCD) are in place including dust suppressants, dust collection systems, and scrubbers, to effectively reduce emissions
- Maintaining an open dialogue with local communities, ensuring responsive processes are in place to effectively address their concerns about air quality
- Upholding the highest standards of environmental responsibility by ensuring strict adherence to our environmental licence obligations
- Our advanced continuous emission monitoring systems are directly connected to the servers of the Pollution Control Board, providing real-time updates and transparency on our air emissions

BIODIVERSITY MANAGEMENT: STRIVING FOR ECOLOGICAL EQUILIBRIUM

Goals 2025	Performance
▪ Protect and enhance biodiversity throughout the life cycle ▪ 1 million plantation drive by 2025	▪ Additional plantation of 0.74 million in last 5 years ▪ Biodiversity Management Plans to achieve no net loss across sites

We champion biodiversity protection and enhancement throughout the lifecycle, working closely with various organisations to mitigate the negative operational impacts.

Read about our Biodiversity Management Policy

KEY PILLARS OF BIODIVERSITY MANAGEMENT

- Comprehensive framework of biodiversity policy, biodiversity management plans (BMPs), and rigorous standards to prevent/reduce and compensate for biodiversity impacts at every stage of our operations, from project scoping to site closure and beyond
- Application of mitigation hierarchy to achieve no net loss of biodiversity (versus FY2020 baseline) at all mine sites by closure
- Multi-pronged strategy including biodiversity risk assessment, afforestation programme, restoration of exhausted waste dumps, conservation of schedule-1 fauna species, awareness initiatives, and partnerships
- Cultivation of native ecosystem through plantation of indigenous species and removal of invasive species for ecological balance

IUCN COLLABORATION FOR BIODIVERSITY CONSERVATION

We are actively progressing on our ambitious 3-year collaborative agenda to revisit our BMP and cruise towards our commitment of no net loss. This is being undertaken in engagement with the International Union for Conservation of Nature (IUCN) and involves:

- Re-developing biodiversity policy/technical standards and guidance note in alignment with global standards to achieve the immediate goal of no net loss
- Reviewing current BMPs and practices to curate site-specific biodiversity and ecosystem services management protocols, incorporating global best practices
- Developing an annual action plan linked with BMP and biodiversity policy, supporting their implementation
- Investing in training and capability building for employees in biodiversity and ecosystem services management

BMP for our Rajasthan Units

In response to the review conducted by IUCN to identify business risks and opportunities arising from ecosystem change, we are making significant progress to assess the impact and dependency of our direct operations on ecosystems. This includes developing detailed BMPs for all our Rajasthan-based units.

TNFD ALIGNMENT FOR TRANSPARENCY AND ACCOUNTABILITY

We actively participate in the Task Force on Nature-related Financial Disclosures (TNFD). Embracing this framework, we ensure transparent reporting on risk management and disclosures, integrating nature-related risks and opportunities into our financial and business decisions.

Collaboration with TERI to create a green legacy from the wasteyard

Hindustan Zinc has initiated phase II of revitalising 16 hectares of wasteland at Chanderiya Lead-Zinc Smelter into a vibrant greenbelt. This innovative transformation employs Mycorrhiza technology in collaboration with The Energy and Resources Institute (TERI), fostering a symbiotic relationship between plants and fungi that enables vegetation to thrive in challenging conditions. This stabilises dump slopes, combats erosion, and boosts carbon sequestration.

Highlights from the phase I

- **6.25 hectares successfully restored** with 11,000 native species, creating a high-density green cover

RECLAIMING TOMORROW THROUGH RESPONSIBLE SITE CLOSURE

We have developed responsible closure plans for all our mines to ensure sustainable site closure. These plans systematically identify, minimise, mitigate, and address various risks associated with site closure, including environmental, socio-economic, health and safety, and reputational risks.

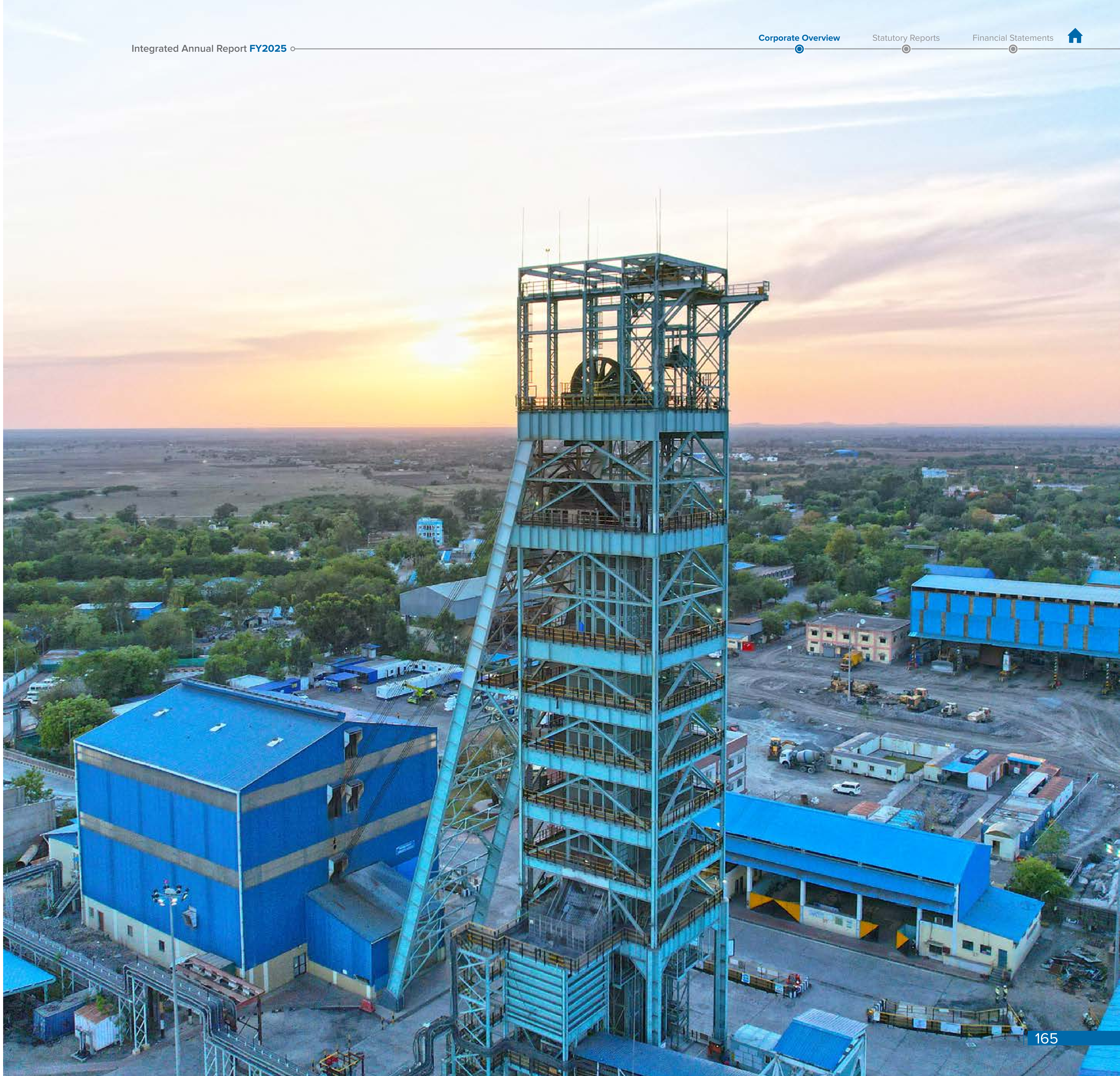
Key Aspects of Site Closure Plans

- **Alignment with global benchmarks:** Our closure plans align with international standards such as ICMM Principles, IFC performance standards, IFC EHS guidelines, the technical standard on site closure, and other statutory requirements
- **Thorough impact and risk assessments:** The closure plans focus on a systematic evaluation of environmental and social issues associated with site closure
- **Collaborative post-closure planning:** Post-closure land use and related objectives are defined in consultation with stakeholders, including local communities and government agencies. The requirements and concerns of local communities are addressed by involving them in formulating the plans
- **Resource allocation:** Sufficient funds are allocated for closure and rehabilitation, demonstrating our commitment to land rehabilitation and minimising the negative impacts of closure
- **Environmental safeguards:** The closure plans incorporate specific measures to address and avoid environmental or landscape impacts of site closure
- **Maintaining relevance:** The closure plans are updated at least once every five years or when any material change occurs
- **Accountability framework:** Responsibilities are assigned, and a clear line of accountability and authority is established for the implementation of each part of the closure plan

We periodically communicate progress against our closure plans to all internal and relevant external stakeholders transparently. Additionally, we maintain a separate fund corpus to meet closure costs, ensuring the successful implementation of site closure plans.

100%
operational mines have closure plans in place

Read more about our environmental performance under BRSR-P6 on page 358



LIFE CYCLE ASSESSMENT STUDY

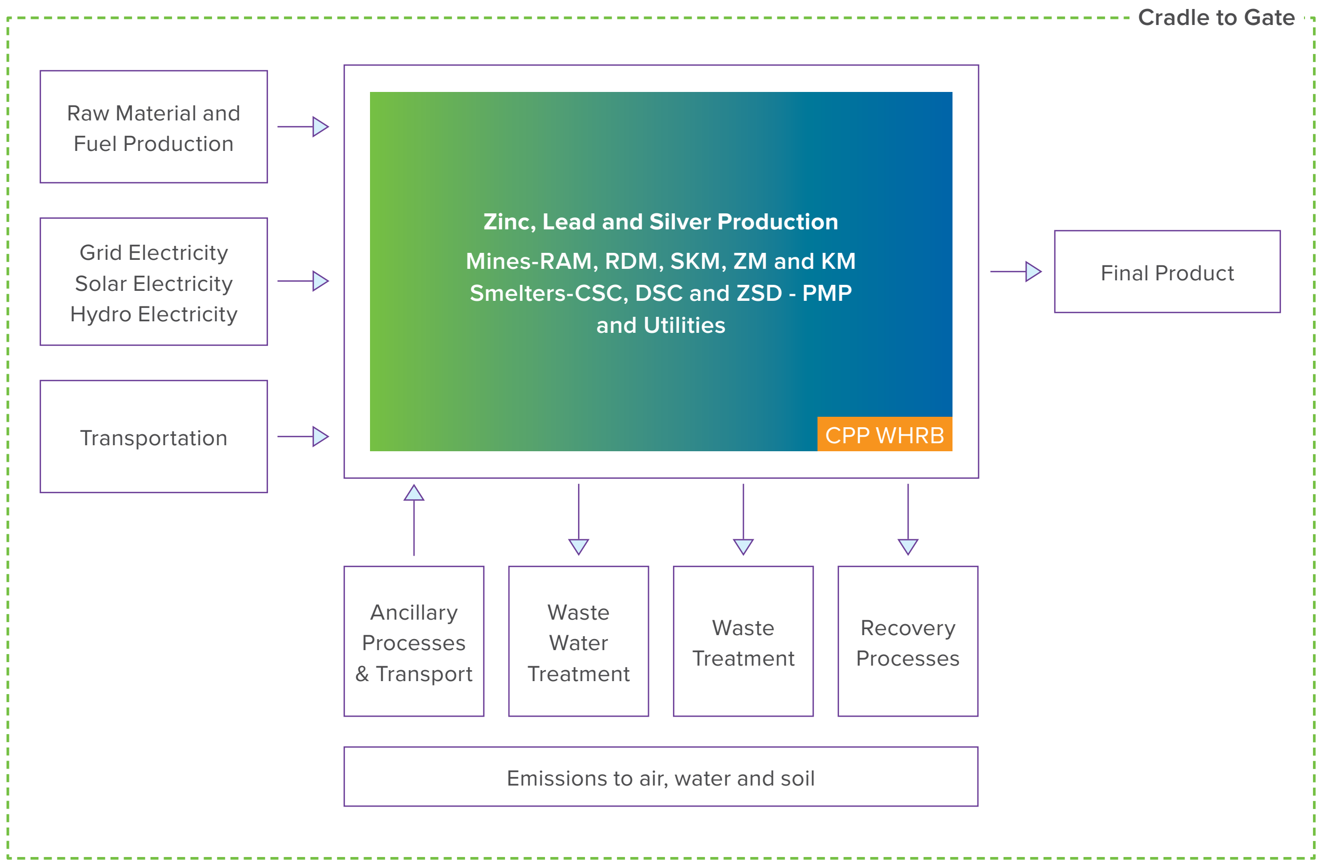
At Hindustan Zinc, we have conducted a comprehensive 'Life Cycle Assessment' study, adhering to ISO 14040:2006 (and its amendment 14040:2006/Amd 1:2020), and ISO 14044:2006 standards, using the "Cradle to Gate" approach for our zinc, lead and silver products. This study establishes the baseline impact 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 facilities of Hindustan Zinc. The study is instrumental in understanding the various environmental impacts of the selected products as well as evaluating the savings potential, which can further be used for setting sustainability targets or communicating our environmental performance to the stakeholders.

How Life Cycle Assessment (LCA) Insights Guide Us

- Influences our internal decision-making and enables optimisation and improvement of the production processes by providing vital insights about the environmental footprint of products
- Strengthens our ability to compete with the products in the marketplace which include environmental information through various mechanisms, thereby targeting a new and potential customer base
- Identifies key areas for improvement, prioritises actions to minimise environmental impacts and compare outcomes against benchmarks and best available technologies to drive continuous improvement
- Facilitates an objective analysis of possible future scenarios and alternatives, along with their implications across the product's life cycle
- Assesses the environmental impact associated with the production for zinc, lead and silver production over a cradle to gate system boundary

This LCA study provides a platform to understand the environmental profile from raw material extraction to material production for three product systems from various routes and across all our sites. Life cycle inventory and impact assessment results have been used to perform internal and external benchmarking with the best available technologies on various key impact indicators. Outcome of the LCA study will be aggregated and used for public communication to the customers, downstream/end users, policy makers, NGOs and other stakeholders to showcase environmental performance of our products.

System Boundary of "Cradle to Gate" Approach for Hindustan Zinc



Key Results and Actions

A set of life cycle environmental impact indicators are as shown in the below table:

Products		Average Special High-Grade (SHG) Zinc	Average Refined Lead	Refined Silver
Melted-Casted Production (MTPA)		5,52,170	2,25,471	687
		Result per tonne SHG zinc	Result per tonne refined lead	Result per tonne refined silver
Abiotic Depletion (Elements)	kg Sb eq.	3.44	1.59	236.01
Abiotic Depletion (Fossil)	MJ	77,229.23	22,207.35	34,75,001.61
Acidification Potential (AP)	kg SO_2 eq.	71.39	15.65	2,336.57
Eutrophication Potential (EP)	kg Phosphate eq.	2.38	0.68	104.86
GWP, Incl. biogenic carbon	kg CO_2 eq.	5,873.99	1,862.35	2,88,048.53
GWP, Excl. biogenic carbon	kg CO_2 eq.	5,865.83	1,856.59	2,87,195.35
Ozone Layer Depletion Potential	kg R11 eq	1.04E-08	1.82E-09	2.70E-07
Photochem. Ozone Creation Potential	kg Ethene eq.	3.00	0.73	109.34
Primary Energy Demand	MJ	82,146.07	23,274.39	36,76,520.18
Ecotoxicity (recommended only)	CTUe	2.41	1.35	214.53
Human toxicity, cancer (recommended only)	CTUh	1.20E-07	3.19E-08	7.46E-06
Water Scarcity Footprint (WSF)	m^3 world equiv.	1,071.83	426.25	66,029.78
Blue water consumption	kg	29,789.20	11,850.69	18,53,932.33

Despite relying on coal-based electricity, Hindustan Zinc's LCA results are still comparable to the global average, as reported by the International Zinc Association and International Lead Association.

Key recommendations provided to Hindustan Zinc include transitioning to renewable energy sources such as solar, wind and hydro power to mitigate the global warming potential associated with electricity consumption. Further, partial or complete substitution of fossil fuels with biomass, briquettes, or biofuels was advised to reduce a range of environmental impacts and the importance of optimising resource utilisation, as this could lead to waste reduction and improved product yield, thereby enhancing overall environmental performance.

Social - People

Igniting our people's potential

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. With policies tailored for every stage of life, we combine the strength of a global leader with the agility of a start-up. We are the industry stalwarts in empowering careers, fostering innovation, and contributing to nation-building through sustainable growth and exceptional talent development.

Material topics

M1 M5 M6 M8 M9 M11 M12 M14 M17

Capitals affected

Stakeholder affected

Strategy linked

S3 S4 S5

UN SDGs

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

Key focus areas

- Performance-driven culture
- Rewards and recognitions
- Internal talent development
- Employee engagement and well-being

HR Vision

To develop our **PEOPLE, 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 FY2025

59%
Local employment (organisation/ senior management)

25.5%
Women representation in executive workforce

27.3%
Women representation in EXCO

23,810 person-days
Training provided for executives' skill upgradation

14.5%
Attrition rate among executives

PROMOTING DEI: DIVERSE VOICES FOR A STRONGER FUTURE

At Hindustan Zinc, we firmly believe that a rich tapestry of a diverse workforce drives innovation, creativity, and performance. Our commitment to fostering workplace diversity, equity, and inclusion (DEI) extends beyond our organisation, permeating our business partners and communities. We ensure everyone has the opportunity to thrive, regardless of background.

DEI Approach at Hindustan Zinc

- Our recruitment strategies prioritise diversity and merit, establishing us as an equal-opportunity employer
- We actively recruit diverse talent pools, including campus hires and all-women colleges, with an aim to achieve a 50% women leadership ratio
- We also embrace hiring from diverse backgrounds, such as ex-veterans and expats, and place them in front-end roles across functions to leverage their unique contribution to our success
- Over the past five years, our focused efforts have yielded significant progress in gender diversity within our executive workforce
- We're also committed to fostering LGBTQIA+ inclusion, with 23 employees from the community successfully integrated into key roles across healthcare, marketing, legal and supply chain

Celebrating Women in Zinc

Celebrating '25 in 25'

Our gender diversity ratio exceeds industry benchmarks, achieving 25% women representation in the workforce and catapulting us ahead of many global and domestic peers. This stellar milestone, dubbed '25 in 25', is a testament to our commitment to fostering an inclusive workplace and defying the norms in a male-dominated metals and mining industry.

International Women's Day Celebrations

On the occasion of International Women's Day, Hindustan Zinc celebrated the resilience and leadership of its women employees, highlighting their vital roles in shaping the organisation's growth trajectory. The initiatives empowered women to lead our CEO employee engagement townhall, Sampark, and take on decision-making roles through CXO shadowing, providing valuable experience in influencing key business decisions. We also hosted empowering sessions, including workshops on 'Personal Finance' and 'Executive Presence', to further unlock their leadership potential and build vital career skills.

#WomenInZinc Pioneers

Pioneering transformation and breaking gender barriers in a male-dominated mining industry, **Hindustan Zinc proudly features India's first women underground mine managers and India's first all-women underground mine rescue teams across all our mining locations.** We have also launched the #WomenInZinc campaign, a tribute to the remarkable women breaking new ground and flourishing in our organisation.

Fuelling Women Leadership: She Leads, We Thrive

Nurturing our internal leadership and elevating women to leadership roles, Hindustan Zinc, in collaboration with Gallup, proudly hosted an impactful Leadership Development Programme for 40 women leaders. This transformative event aimed at forging formidable workplace leadership by delving into key themes such as 'Building a Leadership Brand' and 'Driving High-Performance Teams'. The participants engaged in self-reflection through CliftonStrengths, gaining self-understanding to harness their unique strengths to cultivate a powerful leadership presence.

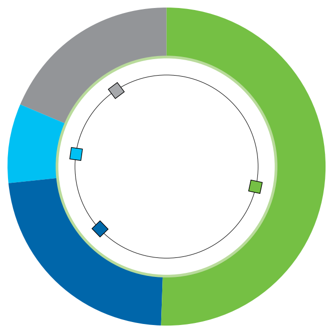
ZINCLUSION: Embracing Differences

The Zinclusion event featured a panel discussion on 'Challenging Barriers, Fostering Inclusivity', with insights from our Chairperson, CEO, CHRO, and Zainab Patel, DEIB Leader at Cummins Inc. Zainab shared her experience as a transgender community leader advocating for inclusive workplaces. Witnessing their transgender children thrive at Hindustan Zinc, parents radiated pride that resonated through the event.

In a significant catalytic move, our Chairperson unveiled the new 'Financial Support for Higher Education of Transgender Employees' policy, offering up to ₹ 1 lakh in support.

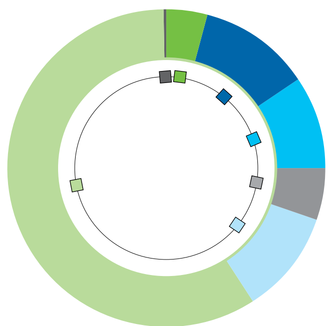
As an equal opportunity employer, Hindustan Zinc co-partnered with the 3rd Transgender Leadership Conclave & Job Fair in New Delhi. Today, 22 transgender employees contribute meaningfully to key roles across healthcare, marketing, and supply chain, reinforcing our commitment to a diverse talent pipeline.

Age diversity



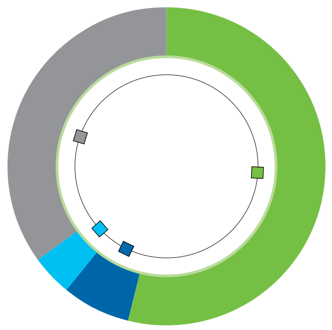
20-30 years	50.7%
31-40 years	22.8%
41-50 years	8.0%
51-60 years	18.5%

Regional diversity



West	4.2%
South	11.4%
Central	9.4%
East	5.3%
North	10.6%
Rajasthan	58.9%
Out of India	0.2%

Educational diversity



Engineers	54%
MBAs	7%
CA/CMA/CS	4%
Others	35%

INSPIRING EXCELLENCE WITH TALENT DEVELOPMENT

Engagement with Purpose

Ambavgarh Dialogue: Igniting Future Leadership and Innovation

Objective

Groom next-generation leaders through senior leadership connect, fuelling innovation.

Background

The Ambavgarh Dialogue, our flagship initiative, is designed to foster innovation, leadership, and inclusivity, supporting our mission to be the "Employer of Choice" and a top performer in the industry. The initiative engages and empowers the next generation of leaders within the organisation, giving them a platform to collaborate with senior leadership and present innovative ideas to drive meaningful change. The dialogue accelerates impactful initiatives by fostering collaboration, challenging the status quo, and accelerating progress through direct access to decision-makers.

Noteworthy Editions of the Programme

"Say NO to Workplace Toxicity"
The dialogue focused on high-performance culture and well-being, leading to the introduction of a progressive Flexible Working Hours Policy

Smelting Shikhar Edition
The edition empowered emerging leaders to drive improvements in smelting operations

Mine Manager Assessment Programme
The edition identified future-ready leaders to optimise operational excellence across mines

Outcome and Benefits

- Engaged and impacted 250+ employees, including Technical & Business Stars, Safety Champions, and those identified through the Chairman's V-Desire initiative, through over six impactful editions
- Participants gained strategic insights, mentorship, and career development opportunities, honing their leadership capabilities, and in turn, the organisation's growth

Leaders Unplugged

Objective

Leadership skill building for personal and organisational growth.

Background

Leaders Unplugged offers a transformative platform, connecting employees with industry leaders and change-makers nationwide. Led by our CEO, the session on "The Power of Asking the Right Question" provided the participants with valuable insights on leadership development, executive presence, and strategic questioning through real-life case discussions.

Benefits

This initiative fosters a people-centric, performance-driven culture, equipping employees with the skills to drive personal and organisational growth.

Building Robust Leadership Bench Strength

At Hindustan Zinc, employee growth and leadership development are top priorities. Through comprehensive talent management initiatives that enhance safety, technical and business excellence, leadership skills, and behavioural development, we focus on building future leaders who will propel the Company towards newer heights. By identifying high-potential talent early, we pave the path for their growth through enriching platforms like Chairman Workshop, V-Desire, V-Reach, V-Build, and CEO Connect. Our robust succession planning programme ensures a strong leadership pipeline, with high-potential leaders being identified and mentored for critical roles.

Accelerated Competency Tracking and Upgradation Programme (ACT-UP)

Objective

ACT-UP is a flagship programme designed to identify and nurture future leaders by unlocking their potential, building key competencies, and creating growth opportunities.

Outcome and Benefits

- Over 290 individuals across various grades completed the situational judgement test and gamification round, assessing behavioural competencies aligned with Vedanta's core values
- Of these, 63 technical and 26 enabling discipline talents progressed to a rigorous one-day assessment centre
- From this talent pool, 26 Technical Stars and 7 Business Stars emerged as top performers, getting promoted to higher roles with expanded responsibilities
- To ensure focused and accelerated career growth and success, each star receives personalised mentorship from a dedicated anchor

Talent Review Council (TRC)

Objective

Identify and nurture leadership potential within the organisation.

Background

The Talent Review Council (TRC) is a pivotal initiative at Hindustan Zinc, dedicated to identifying and nurturing leadership potential within the organisation to build a strong leadership pipeline for sustained growth. This is backed by a digitally tracked succession plan and targeted executive coaching.

Outcome and Benefits

- Comprehensive assessments, including 360-degree feedback for over 200 executives and creation of 250+ talent cards, the TRC maps career trajectories and development plans, effectively identifying future leaders and successors
- Led by the CEO, the process engages over 150 leaders, driving key outcomes such as the smelter reorganisation and the launch of the "SHIKHAR" initiative
- Demonstrating our commitment to internal talent mobility and organisational agility, we successfully completed 100% of job rotations in sensitive functions this year

Disruptive Talent Management Initiatives

SHIKHAR - Elevating Potential, Shaping Leaders

Objective

Foster a high-octane performance culture, accelerating career advancement, strategically nurturing talent, and offering developmental opportunities.

Background

Anchored in Vedanta's philosophy, SHIKHAR was conceived as a platform to identify high-potential employees and propel them into elevated roles and high-impact projects. The platform focuses on building a formidable talent pipeline in operations, maintenance, and safety. SHIKHAR attracted 200+ applications across Hindustan Zinc.

Outcome and Benefits

Out of 200 applications received, 31 leaders were identified through a rigorous assessment process and entrusted with critical responsibilities in smelting operations and asset integrity. These leaders were further assigned mentors to guide them in driving improvements in volume, cost, and ESG metrics, ensuring their successful career growth.

ACCELERATORS: Decoding Growth With Analytics

Objective

To nurture leaders with a strong analytical mindset for data-informed decision-making.

Background

At Hindustan Zinc, we are committed to leveraging the transformative power of data to enhance business performance, optimise operations, and unlock future growth. To harness analytical prowess in our decision-making process, we have launched the “ACCELERATORS” initiative, institutionalising the Analytics Cell and ensuring data-driven insights shape our strategic direction.

Outcome and Benefits

Five exceptional talents with advanced analytical skills have been selected through a rigorous assessment process, including gamification, case studies, and panel discussions with leadership. These leaders will spearhead key strategic pillars, such as economic analysis, zinc market insights, new business opportunities, and competitor benchmarking, backed by the guidance from the senior leadership.

GURU CHAKRA – CIRCLE OF KNOWLEDGE

Objective

To facilitate professional development of employees through the mentor-mentee programme.

Background

GURU CHAKRA, our flagship mentoring programme, accelerates growth and collaboration and facilitates a rich knowledge exchange across the organisation. By strategically connecting experienced leaders with emerging talent, it promotes mutual learning and professional development.

Outcome and Benefits

With over 200 anchors and protégés mapped, the programme ensures real-time monitoring of progress through Darwinbox. Participants benefit from expert guidance and insights provided by seasoned leaders, amplifying their skills and career growth. Additionally, GURU CHAKRA offers increased visibility and valuable networking opportunities, empowering employees to thrive and contribute to personal and organisational success.

EMPOWERING OUR WORKFORCE THROUGH CONTINUOUS LEARNING

SAKSHAM - My Learning, My Responsibility

SAKSHAM is our flagship learning and development initiative, designed to foster innovation and excellence across mining, smelting, and enabling functions. This programme empowers employees to take ownership of their growth, ensuring they acquire critical skills to stay competitive in an evolving industry landscape. With over 1.9 lakh training hours accomplished, this programme plays a pivotal role in enhancing technical expertise, leadership capabilities, and operational efficiency, which drives continuous improvement and sustainable growth.

Key SAKSHAM initiatives which ensure that employees are equipped with the skills and knowledge needed to thrive in a VUCA (Volatility, Uncertainty, Complexity, and Ambiguity) world are:

Work Integrated Learning Programme: This flagship long-term initiative for employees to earn MBA/M. Tech degrees in partnership with BITS Pilani and IIM Udaipur, achieved graduation of 90+ executives

Digital Learning: Over 30k hours of digital learning, offering employees flexibility to upskill at their own pace, fostering a culture of continuous learning on world-class digital learning platforms

External Trainings: Collaboration with premier institutions like IIM Udaipur, NIT Rourkela, and MNIT Jaipur provides specialised expertise to employees with a market edge

Benchmark Visits: Domestic and international visits to explore global best practices in mining & smelting

Technical Training: Focused technical trainings through a centralised calendar for employees and specialised training for over 300 campus hires ensure technical excellence

TRC Training Programmes: The council’s recommendations of critical Programmes for select high-potential employees, such as ‘Finance for Non-Finance’, ‘Metallurgy for Non-Metallurgists’, and ‘Hydraulics in Mining Machines’ have empowered 500+ executives for greater impact

With prestigious awards like DRONAS, Hindustan Zinc celebrates employees who go the extra mile, nurturing a culture of continuous learning and high performance. Through SAKSHAM, we ensure that our workforce is empowered to drive innovation and contribute to organisational growth.

66.7

Average hours per FTE of training and development

PERFORMANCE MANAGEMENT

Building a High-Performance Organisation: Quality of KPIs

During the year, we made a significant stride in aligning individual efforts with our overarching vision through a series of “Quality KPI Workshops” for managers, ensuring the effective dissemination of impactful key performance indicators (KPIs) throughout the organisation. These workshops, titled “Re-crafting KPIs for Excellence” and aligned with our “One Team - One Goal” philosophy, equipped our leadership with the tools to reassess team KPIs through the lenses of ESG, core roles, enablers, self-development, and value-added projects. This comprehensive approach not only fostered collaboration but also built a cohesive team culture.

Outcome

Over 200 managers were empowered through a “Constructive Feedback Workshop”, enhancing their ability to provide quality and continuous feedback, crucial for individual and collective growth. This further solidified Hindustan Zinc’s commitment towards a performance culture.

Remuneration Governance Practices

Hindustan Zinc’s remuneration philosophy is built upon a commitment to prioritise employee well-being and encourage entrepreneurship. With trust and a sense of purpose as guiding principles, our culture drives productivity and profits, ultimately serving the Company’s and its shareholders’ interests.

‘Pay for Performance’ approach: Strategically linking rewards with business priorities and enabling a holistic employee value proposition

Executive compensation: Emphasising operational and financial fundamentals, social responsibility, and business sustainability, to create wealth for all stakeholders

High-potential employees’ remuneration: Fast-track programmes and market-competitive rewards, including stock options and long-term incentive schemes, for lasting commitment

Performance Orientation

A transparent performance-driven culture is key to our ability to consistently set new benchmarks in operational excellence and achieve industry-leading growth. This is realised through meticulous business planning, well-defined KPIs, and robust performance measurement mechanisms. Executive compensation is determined by a combination of operational and financial results, leadership capabilities, achievement of strategic goals, and sustainability performance. The inclusion of ESG metrics, including climate-related issues, risk, and compliance, into our reward schemes marks our commitment to ‘Zero Harm, Zero Waste, Zero Discharge’. Our governance practices ensure continuous improvement in reward practices, maintaining equity in pay, and upholding the highest standards of integrity and accountability.

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

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
- Transparent procedures for tracking and reporting human rights concerns and grievances
- Meaningful collaboration with impacted stakeholder groups
- 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 354

HR DIGITAL TRANSFORMATION

Hindustan Zinc is leading the charge in HR digital transformation in today's fast-paced technological landscape. This strategic initiative has revolutionised our HR processes, significantly boosting employee engagement and organisational efficiency. By embracing advanced digital solutions, we have moved beyond the traditional HR frameworks, transforming the way we manage and interact within our HR framework.

Completion of Unified HRMS Implementation

This year, we successfully implemented all modules of our unified HR Management System (HRMS) platform. This milestone has harmonised and streamlined various processes, automated manual HR tasks, and integrated AI capabilities. With its mobile-first interface, we aim to enhance our HR function's agility, efficiency, and connectivity. The platform bridges gaps in employee experience, ensuring seamless HR interactions and establishing a robust employee data infrastructure for informed decision-making.

Holistic Digitisation: Transforming Every Touchpoint

We have adopted a holistic approach to transform and optimise every facet of the HR ecosystem for efficiency – from talent acquisition to employee lifecycle management, learning and development to rewards and recognition. Our contract workforce management system ensures compliance and streamlines operations, fostering a culture of innovation and collaboration.

Key Measures Undertaken

Strategic alignment with business objectives: Our digital initiatives are meticulously aligned with our overarching business objectives, catalysing sustainable growth and enhanced organisational agility

Framework for utilisation and adoption: We track the utilisation and adoption of all HRMS modules to ensure they meet employee needs and support strategic goals

Recognition and achievements: Our efforts have been recognised with the People First Award in the category of Technology Deployment in HR, testifying to our commitment to excellence

Enhanced user experience and data-driven decision-making: We prioritise usability and functionality, integrating advanced analytics for data-driven decision-making and strategic foresight

Our HR digital transformation journey epitomises the synergy between technological innovation and strategic vision, elevating HR as a strategic function in driving organisational success. As we continue to pioneer innovation, our digitalisation efforts will shape the future of work and support sustainable growth.

EMPLOYEE ENGAGEMENT AND WELL-BEING

At Hindustan Zinc, we believe a thriving workplace is built on enriching lives and fostering an environment where employees flourish both personally and professionally. Recognised as a leader in employee engagement and well-being, the Company has crafted a vibrant array of initiatives to nurture holistic growth, inclusivity, and resilience.

Mental Well-Being

- **Free access to mental support** for all employees and their immediate family members through a partnership with Silver Oak Health
- **Building emotional resilience** through webinars, workshops, and awareness programmes
- **Regular stress and well-being assessments,** such as the Depression Anxiety Stress Scale Survey and Employee Satisfaction Survey offering real-time insights into employee sentiment, enabling responsive and empathetic leadership

Physical Well-Being

- **Comprehensive health and fitness** through state-of-the-art gyms, medical facilities, and recreational clubs across locations
- **Holistic wellness** through Zumba classes, self-defence training, and Yoga in collaboration with Art of Living
- **Sports and camaraderie** built through cricket, volleyball and badminton tournaments across locations, including the prestigious Mohan Kumar Mangalam (MKM) Memorial Football Tournament in Zawar

Leadership Connectivity

- **CEO, IBU & SBU Townhalls, Sampark sessions** for open dialogue and meaningful employee engagement
- **V-ENGAGE, Guru Chakra and Yuva Guru** initiatives connecting employees with senior leaders for mentorship and anchoring
- **Shakti Samwad** and other initiatives to empower frontline employees, nurture leadership growth and build a pipeline of future leaders

Read more under BRSR-P3 on page 339.

Social – Health and Safety

Committed to a responsible journey towards zero harm

At Hindustan Zinc, our commitment to responsibility prioritises health and safety as core values. This commitment extends beyond our employees to embrace our business partners and the communities surrounding our operations. Integral to our organisation's DNA, this ethos reflects our unflinching dedication to minimising and ultimately eliminating any adverse impacts of our operations on people, both within and outside the organisation.

Material topics

M1

Capital's Impacted

UN SDGs

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

Strategic Response

S5

Health and safety vision

We aim to create a culture where safety is a core value, driving continuous improvement in all aspects of our operations.

Our vision is to ensure zero harm to all stakeholders by proactively identifying and eliminating unsafe conditions.

04

Work-related fatalities*

54%

Reduction in total recordable injury frequency rate (from base year)

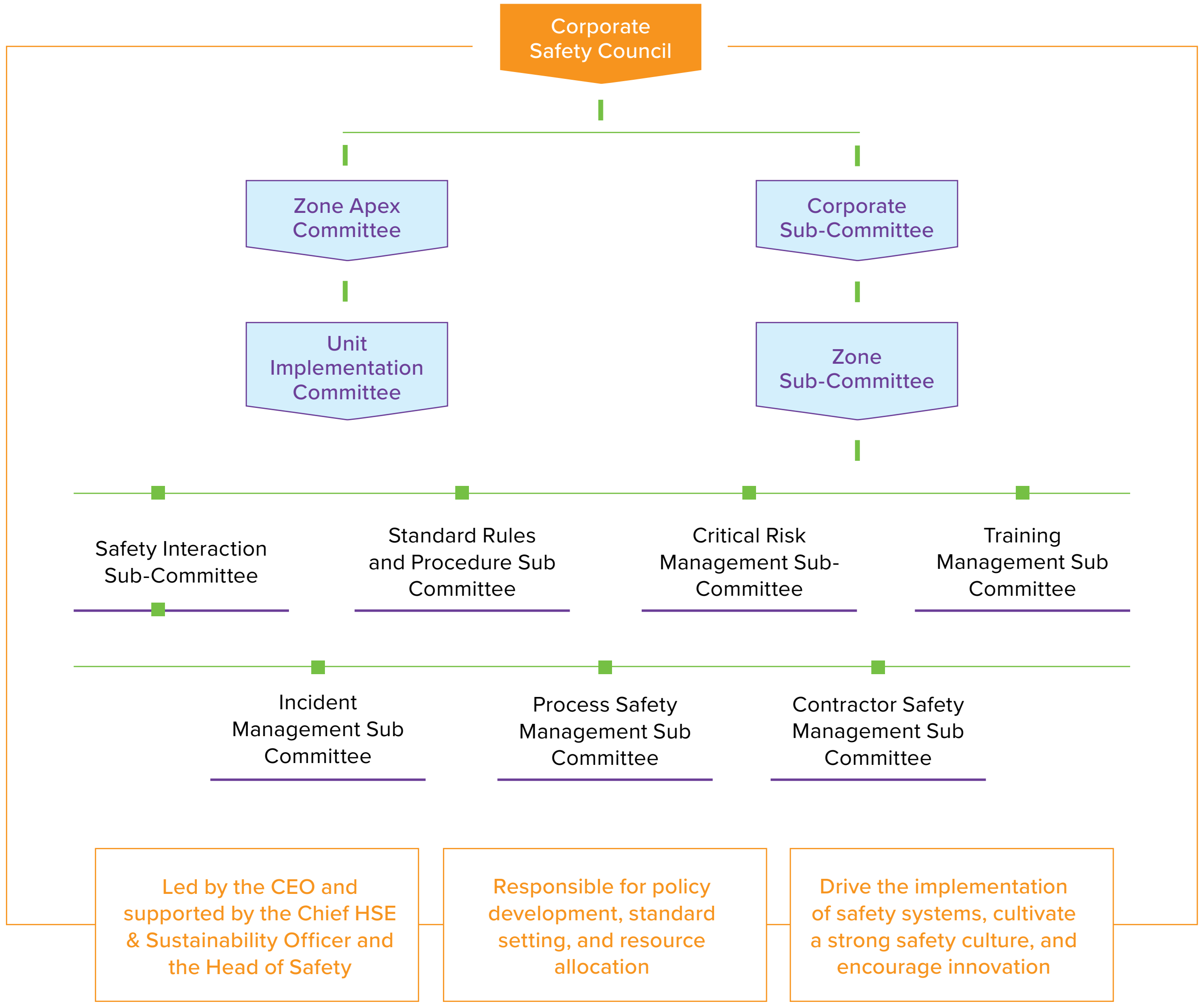
*Including 1 at our subsidiary, Vedanta Zinc Football & Sports Foundation

Key focus areas

- Achieve zero fatality
- Achieve 50% reduction in total recordable injury frequency rate (TRIFR) from base year 2020
- Achieve zero cases of occupational illness and improve occupational health and hygiene

HEALTH AND SAFETY GOVERNANCE AT HINDUSTAN ZINC

At Hindustan Zinc, safety is not just a commitment but a fundamental aspect of our operations. Our structured safety governance framework ensures that best practices are implemented and continuously improved to achieve a zero-harm workplace. The Corporate Safety Council integrates safety across all business functions. Our safety governance structure is supported by seven dedicated sub-committees and eight zonal apex committees to ensure effective oversight and implementation across all operational areas. We also actively engage business partners in decision-making to align with our stringent safety protocols. Additionally, we have incorporated occupational health & safety (OHS) standards into our contract and procurement requirements.



We have implemented an Integrated Management System aligned with ISO 45001 and the Vedanta Sustainability Framework (VSF) across all sites. The occupational management system was developed in consultation with workers and their representatives. Our Health & Safety Policy applies to all employees and business partners' employees, suppliers, and all other business relationships.

Hindustan Zinc's Health & Safety Policy

Vedanta Sustainability Framework (VSF) at Hindustan Zinc

AAROHAN: SAFETY EXCELLENCE JOURNEY

Since 2013, Hindustan Zinc has been advancing safety excellence through the 'Aarohan' initiative, in partnership with DuPont Sustainable Solutions. This journey focuses on strengthening leadership engagement, enhancing safety systems, and developing competencies to achieve 'Zero Harm'. The strategic initiatives under Aarohan drive continuous safety improvement across all operational levels.

Aarohan: Key focus areas

- Visible Felt Leadership
- Process Safety Management
- Critical Control Assurance
- Standardisation
- Skill Development
- Risk Perception
- Employee Engagement
- Effective MIP implementation

Our safety performance

	FY2021	FY2022	FY2023	FY2024	FY2025
Fatalities	0	4	7	0	4*
Lost time injury frequency rate (LTIFR) (per million hours worked)	0.97	0.81	0.70	0.88	0.55
Total recordable injury frequency rate (TRIFR) (per million hours worked)	2.57	2.22	1.93	1.84	1.20

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

REINFORCING SAFETY STANDARDS

Vihaan – Critical Risk Management Programme

Background

At Hindustan Zinc, workforce safety is our top priority, and we are committed to achieving zero fatalities through continuous improvements. To advance this commitment further, we have implemented Critical Risk Management (CRM) as a strategic initiative to mitigate high-risk factors that could lead to severe incidents. This initiative aligns with Vedanta's vision of zero harm and enhances our safety culture.

Solution

CRM focuses on principal global risks to ensure the effectiveness of safety resource allocation. A centralised system enables real-time monitoring of critical control checks, facilitating proactive interventions to prevent incidents. In FY2025, we launched CRM for key risks, including slope failure (surface), rail operations, excavation safety, gas exposure, water inrush, and infrastructure risk management.

41,381
Inspections in FY2025
115.45% YoY

8,24,256
Critical Checks in FY2025
226.2% YoY

Infrastructure Inframatrix Implementation

The Infrastructure Inframatrix is a structured framework for assessing, monitoring, and controlling infrastructure-related risks to enhance safety and reliability. It systematically evaluates vulnerabilities and integrates lessons from past incidents to refine safety protocols. Currently, 13 critical risks are managed under this framework, ensuring infrastructure safety remains a key focus.

89%
Infrastructure Compliance in FY2025
24% YoY

Safety Pause Across Hindustan Zinc

The Safety Pause initiative reinforces safety awareness by temporarily halting work for discussions and articulation of best practices. In FY2025, five such Safety Pauses were conducted across all locations to amplify risk awareness and prevent serious incidents.

Suraksha Kavach Implementation: Broadening Safety Spectrum

Suraksha Kavach, a proactive safety stewardship programme, is designed to ensure adherence to strict safety controls across all routine and non-routine activities. Initially launched for 25 mining activities, its scope broadened during the year to include 13 smelting activities. In contrast to CRM, which targets critical risks, Suraksha Kavach ensures comprehensive safety compliance across all tasks, integrating real-time hazard identification and continuous monitoring.

31,008

KAVACH checks done in FY2025

53% YoY

Community of Practice – Maintaining Structural Stability

Our Structure Integrity Management Committee is instrumental in assessing, monitoring, and mitigating structural risks to maintain a safe work environment. A criticality ranking system prioritises high-risk structures such as steel frameworks, chimneys, silos, pressure vessels, and mine shafts. Continuous improvements, compliance checks, and partnerships with business associates ensure structural integrity and long-term safety.

2,453.36 MT

Asset integrity/structural stability works carried out in FY2025

STRENGTHENING SAFETY CULTURE

Competency Enhancement and Skill Development

At Hindustan Zinc, competency enhancement and skill development are integral to fostering a workplace safety ethos.

Safety Skills Training

We continuously augment our workforce capabilities through technical and behavioural skills training, equipping them to proactively identify hazards, mitigate risks, and respond effectively to emergencies.

External Competency Programmes

Prioritising industry-recognised certifications such as NEBOSH Safety & Process Safety Management (PSM), Occupational Hygiene Training Association (OHTA) Industrial Hygiene, IOSH Safety Certification, and Lead Auditor courses aligns our workforce with global best practices and evolving safety standards.

Rescue Capability Enhancement

Hindustan Zinc is committed to world-class rescue operations with advanced technology and highly trained professionals. Our teams handle emergencies in underground mining, confined spaces, and high-risk areas using cutting-edge equipment and rigorous training. The Company has won multiple awards at the International Safety Awards 2025 by the British Safety Council.

23

women employees qualified for a 7-day Work at Height and confined space rescue operation in FY2025

Life Saving Mission by our Rescuers

Our rescue team's expertise transcends beyond our operations. Hindustan Zinc's expert rescuers successfully saved 15 trapped individuals in a critical mission for another industry player, demonstrating professionalism, advanced rescue skills, and commitment to saving lives across operational boundaries.

OCCUPATIONAL HEALTH MANAGEMENT

Comprehensive Workplace Health Governance System

At Hindustan Zinc, we prioritise occupational health to achieve zero occupational illnesses and ensure optimal employee well-being.

- We ensure proactive health management through lifestyle training and advanced health technologies, reducing absenteeism and improving productivity
- We monitor hazardous exposures and conduct regular health check-ups at dedicated occupational health centres, ensuring care for all employees
- A centralised health system streamlines medical evaluations
- 24/7 advanced life support ambulances provide emergency assistance

Zero

Occupational Illness in FY2025

30,139

Medical Examinations in FY2025

HOLISTIC EMPLOYEE WELL-BEING THROUGH OHS ASSESSMENTS

At Hindustan Zinc, in our quest to achieve the goal of zero occupational illness cases, we engage competent third-party organisations to conduct thorough and independent industrial hygiene assessments across all our operational sites. These assessments meticulously evaluate environmental conditions and identify any risks stemming from exposure to hazardous substances, noise, air quality, and ergonomics.

Third-party experts use advanced monitoring equipment and methodologies to conduct comprehensive evaluations, providing an objective and unbiased analysis of workplace hazards. This analysis is pivotal in pinpointing areas where exposure levels may exceed regulatory thresholds or pose potential health risks. The insights gathered through these assessments guide the implementation of appropriate corrective measures.

This proactive approach helps us continually optimise our safety protocols, reduce the risk of occupational health issues, and ensure the well-being of our employees. Through these ongoing efforts, we strive to maintain a workplace where safety is intrinsically woven into our operations, reinforcing our commitment to zero harm.

1,300+

sample assessments done in FY2025

SCALING SAFETY WITH DIGITALISATION

Digital intervention for workplace safety

Enhance safety governance

Streamline incident prevention

Create a more secure and controlled working environment

Digitalisation in safety is revolutionising workplace risk management by integrating advanced technologies to enhance surveillance, mitigate unsafe acts, and optimise emergency responses.

Key Digital Interventions

AI-based surveillance

Implementing AI-driven detection systems at sites significantly improves surveillance capabilities, enabling real-time identification of unsafe acts. The system instantly alerts respective teams for timely interventions for proactive hazard mitigation.

Image processing technologies

We have deployed image processing technologies providing real-time video feeds in high-risk areas to detect unsafe acts in restricted or critical zones in underground mines. This is crucial in proactively identifying hazardous behaviours and preventing accidents.

AI-based man-machine interaction system

An AI-powered man-machine interaction system at the cell house in Dariba Smelting Complex, with advanced sensors and cameras, continuously tracks the crane's movement/speed. Real-time analysis of this data detects potential collision risks, automatically adjusting the crane's speed or halting its operation to avoid accidents.

Digitalised key management system

Implementation of a digitalised key management system restricts vehicle access solely to the authorised drivers, reducing the risks associated with unauthorised usage and enhancing overall fleet safety.

Motion sensor lights to avoid collisions

To further eliminate machine-to-machine interactions, motion sensor traffic lights are installed at portals and junctions to regulate movement dynamically, minimising collision risks.

Pumphouse automation

Automation of the pumphouse strengthens emergency response mechanisms through swift and efficient activation of critical systems during crises.

Social – Corporate Social Responsibility

Advancing two decades of shared value

At Hindustan Zinc, our CSR vision is rooted in enabling inclusive and sustainable development for our stakeholders. With a strategic focus on health, education, livelihoods, water security, and environment, we aim to create long-term social impact through scalable, high-impact programmes. Under the aegis of the Anil Agarwal Foundation, flagship initiatives like **Nand Ghar** — a modernised Anganwadi model — strengthen our commitment to child nutrition, early education, and women empowerment, helping us build resilient and thriving communities.

Material topics

M6 M8 M12 M16 M20

Capitals affected

Stakeholder affected

Strategy linked

S5

UN SDGs

1 No Poverty, 2 Zero Hunger, 3 Good Health and Well-being, 4 Quality Education, 5 Gender Equality, 6 Clean Water and Sanitation, 7 Affordable and Clean Energy, 8 Decent Work and Economic Growth, 9 Industry, Innovation and Infrastructure, 10 Reduced Inequalities, 11 Sustainable Cities and Communities, 12 Responsible Consumption and Production, 13 Climate Action, 15 Life on Land, 16 Peace, Justice and Strong Institutions, 17 Partnerships for the Goals

KEY FOCUS AREAS

- Children's Wellbeing and Education
- Sustainable Livelihoods and Skilling
- Women's Empowerment
- Healthcare, Water & Sanitation
- Sports & Culture
- Environment & Safety
- Animal Welfare and Community Development, including Community Assets Creation

CSR VISION

To enhance the quality of life and economic well-being of the communities around our operations.

OUR GOALS

- Positively and holistically impact the quality of life of the communities living around our areas of operation
- Work in partnership with multiple stakeholders to innovatively, effectively and efficiently address development challenges
- To emerge as a thought leader and create benchmarks of good practices in CSR across the country

CSR IMPACT FY2025

2.3 million
Lives positively impacted

₹ 273.45 crore
Total CSR Spend

6.54 lakhs
Women and children beneficiaries

2,362
Villages benefited, including one aspirational district*

*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

OUR APPROACH TO COMMUNITY DEVELOPMENT

At Hindustan Zinc, the Corporate Social Responsibility (CSR) legacy, built over two decades, is dedicated to creating a sustainable and inclusive future within a zero-harm environment. Grounded in innovation, safety, environmental stewardship, and social well-being, our CSR approach is aimed at creating shared and lasting value for communities in our areas of operation and beyond.

Our CSR initiatives — spanning social, economic, and environmental domains — continue to drive holistic development and meaningful transformation at the grassroots.

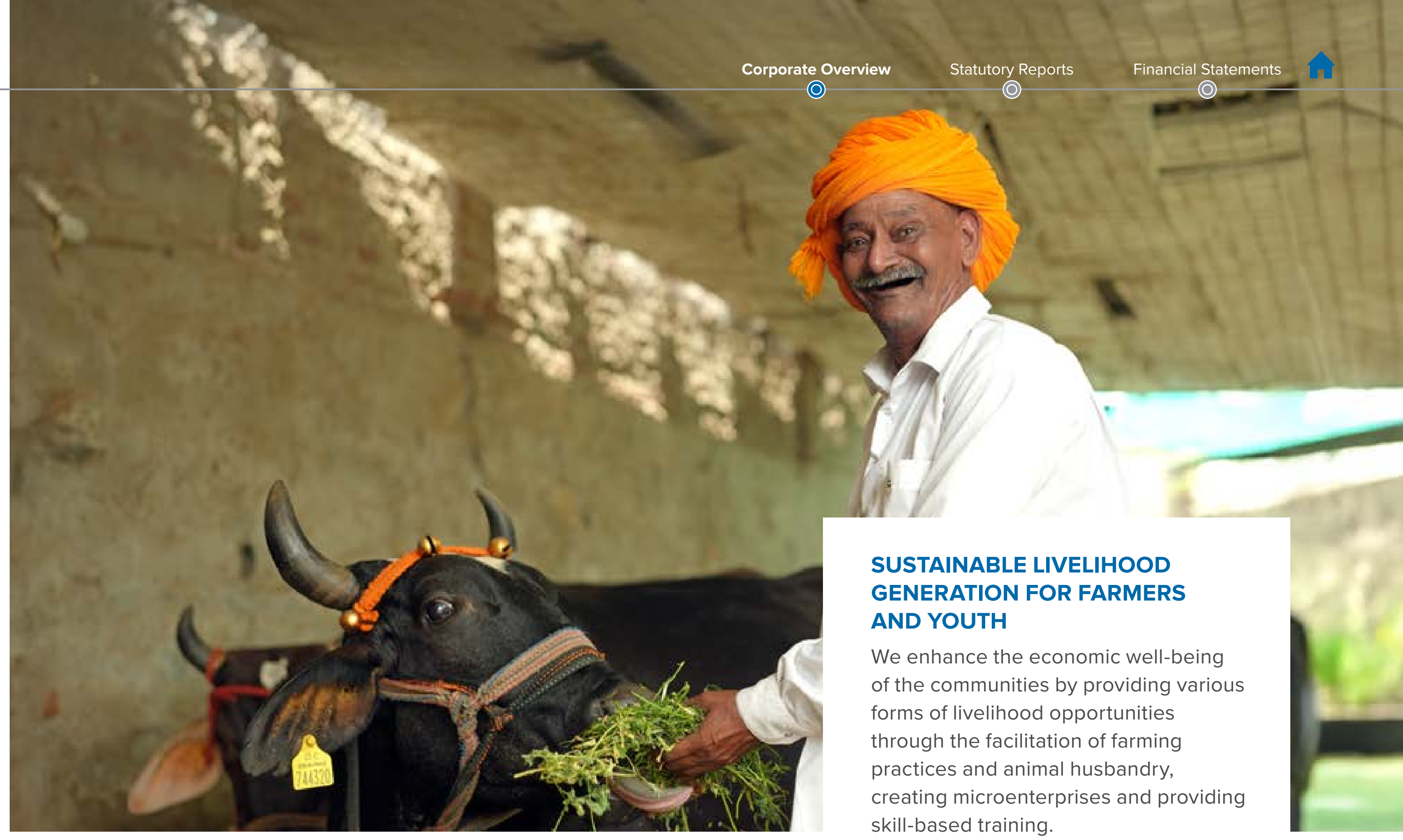
Well-defined protocols for monitoring & evaluation and compliance govern our CSR programmes. All initiatives are designed in response to the community's needs and requests, and are strategically aligned with the United Nations' Sustainable Development Goals (UN SDGs) and India's national development agenda. Periodic third-party assessments — including baseline, impact, and needs evaluations — help us measure effectiveness, adapt to emerging priorities, and reinforce transparency and accountability through data-driven decision-making.

Partnership with Anil Agarwal Foundation

Hindustan Zinc has partnered with Anil Agarwal Foundation (AAF) through programmes such as Nand Ghar (women and childcare centre). This programme drives Hindustan Zinc's CSR mission and the Prime Minister's vision of improved infrastructure, technology incubation, eradicating child malnutrition, providing education and healthcare, and empowering women with skill development.

Our flagship project, Nand Ghar, actively focuses on these issues through skill development in rural India. We have transformed more than 8,000 Anganwadis (government-run child day-care centres) in India and aim to transform all 1.4 million such centres across the country.

In FY2025, Hindustan Zinc contributed ₹ 50 crore through the Anil Agarwal Foundation, supporting various CSR activities under its framework and policies. This included the construction of 1,969 new Nand Ghars across Rajasthan during the year, benefiting over 3.64 lakh women and children.



SUSTAINABLE LIVELIHOOD GENERATION FOR FARMERS AND YOUTH

We enhance the economic well-being of the communities by providing various forms of livelihood opportunities through the facilitation of farming practices and animal husbandry, creating microenterprises and providing skill-based training.

SAMADHAN

Programme goal

Aimed at ensuring sustainable livelihoods for identified families through institution building, adopting climate-smart practices for integrated farming systems and livestock development.

Partnerships

- BAIF Institute for Sustainable Livelihoods and Development (BISLD)

KEY HIGHLIGHTS OF FY2025

Through this initiative, we significantly improve farmer livelihoods by creating livestock assets and generating income from significant milk production. Additionally, sustainable agriculture, such as planting bio-fortified zinc-enriched wheat, was introduced, alongside establishing two new farmer-producer companies-driven microenterprises for animal feed and biomass-pellet unit.

34,642 farmers benefited with **₹ 1,419 lakhs** in livestock asset creation

82.14 lakh litres of milk produced, worth **₹ 3,285 lakhs**

₹ 194.17 lakhs converged, benefiting **7,788 farmers**

38,156 animals and **3,107 farmers** benefited from 70 animal health camps

Farmer Producer Companies	As on March 31, 2025
Farmer Interest Groups	505
Shareholders	9,137
Share capital (in ₹ lakhs)	98.08
Revenue of 5 Farmer Producer Organisations (in ₹ lakhs)	493.96
Revenue of 2 Microenterprises (in ₹ lakhs)	280.16

ZINC KAUSHAL

Programme goal	Partnerships
Strives to provide market-led, industry-oriented skill-based training for youth in the communities to ensure sustainable source of livelihood through jobs or self-entrepreneurship.	▪ Ambuja Cement Foundation ▪ Tata Strive ▪ NABARD (National Bank of Agriculture and Rural Development) ▪ Aavas Financiers ▪ Udaipur Cement Works ▪ YES Foundation ▪ ITIs (Industrial Training Institutes) in Gulabpura & Kayad

KEY HIGHLIGHTS OF FY2025

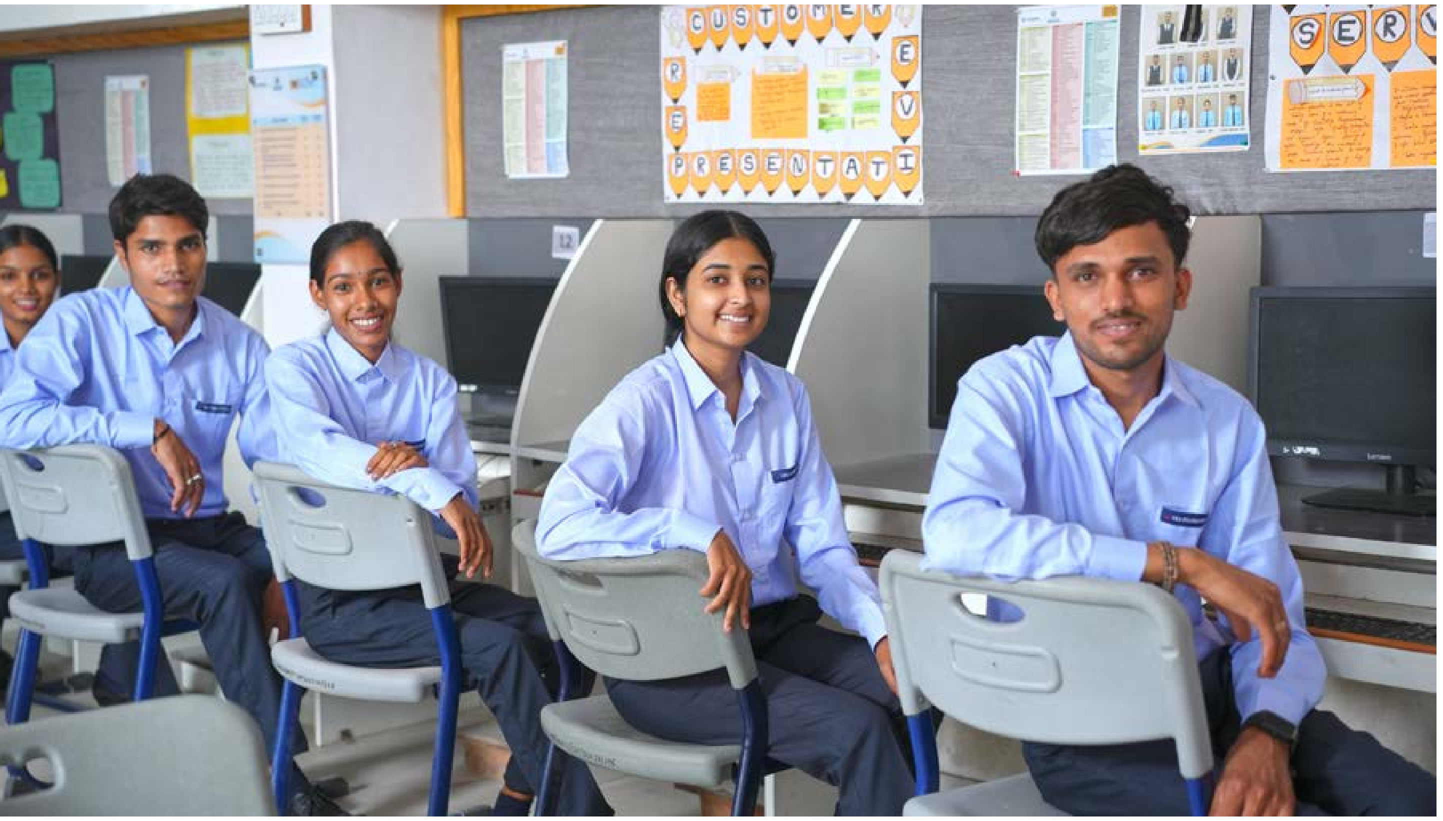
- Empowered youth through job placements and skill training across sector-based corporates
- Initiated a new Zinc Kaushal in Zawar, taking the total number of centres to seven
- Expanded youth job horizons across national and international companies, including Foxconn (Apple manufacturing unit), Tata Consultancy Services, Honda and Marella Cruises
- Conferred with four district-level awards by the Cabinet Minister, Government of Rajasthan, at the 78th Independence Day ceremony and District Collectors at Bhilwara and Ajmer

2,183
youths trained in multiple trades

352
companies across 20 sectors covered under placements

49%
women among placed youth

₹ 14,200
of average monthly salary



WOMEN EMPOWERMENT

We champion women empowerment by supporting their financial and individual independence through sustainable grassroots institutions like federations, village organisations, self-help groups (SHGs), and micro, small and medium enterprises (MSMEs).

SAKHI

Programme goal	Partnerships
To promote women empowerment, economically and socially.	▪ Manjari Foundation ▪ Chaitanya Trust

KEY HIGHLIGHTS OF FY2025

- Formed self-help groups (SHGs), under 203 village organisations, legally represented by seven federations, generating significant credit, interests and savings
- 300+ Sakhi-led committees and federation managers led grassroot leadership to strengthen federations through monitoring, livelihoods, and awareness activities
- 364 new SHGs achieved bank credit linkages with a total credit amount of ₹ 8.61 crore, raising a cumulative credit linkage of ₹ 25.63 crore, to enhance economic independence and quality of life for individuals and families
- Over 2.33 lakh individuals were sensitised on social issues by Uthori Jaagriti Kalamanch, a Sakhi-led theatre group to promote gender equity, education, and advocacy
- Formed 129 Kishori Balika Samuh with 2,205 adolescent girls, promoting their development and social engagement on health, safety, education, and other social interests
- Deployed 12 Sakhis at Bharat Petroleum Corporation Limited's first women-operated petrol pump in Udaipur

2,167
self-help groups (SHGs) formed, empowering **26,844** Sakhi women

₹ 125.71 crore
in credit generated, **₹ 11.63 crore** in interest earned and **₹ 22.90 crore** in cumulative savings, through these SHGs

MICROENTERPRISES

Programme goal

Strives to support sustainable livelihoods and empower women from underprivileged areas, to make them change agents of society

Partnerships

- Manjari Foundation

KEY HIGHLIGHTS OF FY2025

- Generated a significant income and revenue through FMCG and textile sales, empowering Sakhis in production and business, spanning 14 production units and 208 stores, Sakhi haats, and retail outlets
- Our homegrown brands - Daichi, an edibles brand, and Upaya, a textiles brand - clocked in significant online sales in their debut year of listing with Amazon, Flipkart, ONDC and Heartswithfingers.com
- Sakhi's MSME - Sakhi Utpadan Samiti, established units for oil pressing, honey processing, millet products, and stitching to boost women's skills and income. It has also established a block printing centre to preserve traditional art
- Active promotion at major cultural events for improved visibility, facilitating direct interaction and wider connect with customers for Rajasthan's block printing art

347
Sakhis in production and business, generating an income of **₹ 54.33 lakhs**

₹ 231 lakhs
revenue generated via fast-moving consumer goods (FMCG) and textile sales

57%
YoY increase in Sakhi's customer base

Over ₹ 14 lakhs
online sales generated by our Daichi and Upaya brands

Sakhi Utpadan Samiti was selected for the Greenr Accelerator Programme by TechnoServe for a mentorship programme focused on business growth and environmental impact assessment.

Farsana, currently working as a production Sakhi at pickle unit Kayad, has won "Social Impact Leader" Award at the 3rd Business World Disrupt Social Impact Summit & Award.

EDUCATION

We focus on uplifting students from the rural areas, channelising their minds for Viksit Bharat towards the nation's development. Education holds the key to moulding young people towards growth and progress of the community.

SHIKSHA SAMBAL

Programme goal

To improve the quality of education in rural and tribal government schools by providing supplementary academic support in core subjects, especially Science, Mathematics, and English, thereby enhancing learning outcomes and enabling students to pursue higher education and better career opportunities

Partnerships

- Vidya Bhawan Society
- The Society for All Round Development (SARD)

KEY HIGHLIGHTS OF FY2025

Shiksha Sambal improves learning outcomes in children through diverse educational initiatives. We signed an MoU with the Rajasthan Government to address the learning needs of 2 lakh+ students annually, through pre-vocational setups and better infrastructure in Government schools. During the year, we enhanced education through specialised learning classes, career counselling sessions, an integrated science lab, reading activities to improve language skills, sports camps and school renovation activities, aiming for better learning outcomes.

35,000+
students in around 140 schools benefited

30,984
classes were conducted to improve learning outcomes in Science, English and Mathematics

95%
Overall pass percentage for Class 10 board exams reached, with 23 out of 66 Shiksha Sambal schools achieving a stellar 100% pass rate in the board examinations

UNCHI UDAAN

Programme goal

To empower meritorious rural students through quality education and mentorship, enabling their admission into India's top engineering institutions.

Partnerships

- Vidya Bhawan Society
- Resonance

KEY HIGHLIGHTS OF FY2025

- 34 students of Batch-6 got allotment in the Government Engineering College, out of which 31 students took admissions
- 10 students scored above 90% in the 10th Board, and all the students passed in first division
- 27 students got placed in various prestigious companies with an average package of ₹ 9-10 lakhs per annum, with the highest package offer of ₹ 21 lakhs per annum

JEEVAN TARANG

Programme goal

Mainstreaming & capacity building of people with disabilities.

Partnerships

- Badhir Bal Kalyan Vikas Samiti
- Badhit Bal Vikas Samiti
- Noida Deaf Society

KEY HIGHLIGHTS OF FY2025

As part of the Jeevan Tarang initiative, we conducted inclusive programmes for the deaf community across Ajmer, Bhilwara, and Udaipur. This included awareness sessions on Indian Sign Language, road safety, menstrual hygiene, mental health, disaster management, and personal safety. Pre-vocational training and skill development initiatives were also launched to build job-readiness and self-reliance.

Under the aegis of Hearts with Fingers, around 150 deaf students crafted Diwali products. These initiatives not only foster entrepreneurship but also promote education, awareness, and empowerment, ensuring their social inclusion and well-being through a structured approach.

2,600+
people with disabilities benefited through Jeevan Tarang

OTHER EDUCATION PROJECTS

Programme goal

To support government school students and rural youth via mentorship and connecting with various education-related opportunities.

Partnerships

- Vedanta Foundation
- Anushka Academy

KEY HIGHLIGHTS OF FY2025

We continued supporting the academic and overall development of students in five Hindustan Zinc's schools, having an enrolment of 1,690+ students from nearby communities, across classes 1 to 12.

Over 130
girls from rural and tribal regions of Rajasthan were extended scholarship for graduate and post-graduate programmes

727
students benefited through competitive exam coaching and career counselling sessions

HEALTHCARE AND WATER

For lakhs of people in our operational communities, access to basic healthcare and safe drinking water continues to be an area of concern, even in this day and age. We are actively working towards augmenting health and water facilities in our target areas.

Programmes

(A) Swasthya Sewa

(B) Drinking Water & Water Augmentation

Programme goal	Partnerships
To nurture community health through programmes on preventive and curative healthcare promotion, availability and accessibility of drinking water, and proper sanitation facilities	▪ Shri Shubham Seva Sansthan ▪ RNT Medical College and Hospital ▪ MAMTA Health Institute for Mother and Child ▪ Neer Amrit LLP

KEY HIGHLIGHTS OF FY2025

We supported the medical institutions and conducted several medical camps for specialised healthcare and free medicines in villages. We have also increased accessibility through 5 mobile health vans, reaching till last mile in rural and tribal areas. These initiatives provided preventive care and curative care, driving awareness on various health and hygiene issues and supporting specialised health institutions.

Addressing water availability, we provided safe drinking water availability through RO plants and water ATMs. We have employed 'Jal Sakhi' women across 13 RO hubs, representing 92% of the workforce. We supplemented 6.11 crore m^3 of drinking water to 36 villages via tankers and pipelines, benefiting 2.19 lakh people. Additionally, we initiated water conservation and augmentation projects, increasing more than 1 lakh m^3 water capacity.

4.5 lakh
community members were impacted under various health, water, and sanitation activities

COMMUNITY ASSET CREATION

Improving basic infrastructure in India's villages remains a key priority for ensuring a dignified standard of living for all. We have partnered with local institutions to develop such infrastructure in the rural vicinities of our operational units.

Programme goal	Partnerships
To strengthen and enhance the basic infrastructure availability in the community to improve the villagers' quality of life.	▪ Local Panchayats ▪ Rajasthan State Government

KEY HIGHLIGHTS OF FY2025

We have undertaken several community infrastructure upgradation projects, including construction and renovation of roads, cremation grounds, community buildings, schools, water pipelines, along with installation of solar lighting for better illumination.

4.74 lakh
people across 132 villages benefited during the year

34.36 km
of road construction in 46 villages and 19 km of water pipeline to ensure access to potable drinking water

48
community buildings including community halls and cremation grounds are built in 44 villages

68
villages illuminated by installing 1,731 streetlights to ensure safety and security

26
model school development projects and renovation of 10 schools to provide a better learning environment for the students

SPORTS AND CULTURE

A sharp focus on the nurturance of sports and culture is a significant driver of our CSR programmes and initiatives.

(A) Zinc Football Academy (ZFA) (under Vedanta Zinc Football and Sports Foundation is a state-of-the-art residential football academy in Rajasthan based on the student-athlete model and is home to many state and national football champions) & Cluster-based Sports

(B) Promotion of Culture

Programme goal

To promote sports and the rich cultural heritage of Rajasthan at regional, state and international levels.

Partnerships

- The Football Link
- Young Monk Communications Pvt. Ltd.
- Vedanta Zinc Football and Sports Foundation
- Paras Hospital
- Any Body Can Run
- Tabla Wizard Pt. Chaturlal Memorial Society
- Srajan the Spark
- Seher
- Teamwork Arts

KEY HIGHLIGHTS OF FY2025

ZFA was awarded a 3-star rating
in the Academy Accreditation 2024-25 by All India Football Federation (AIFF)

ZFA received 'Sports Academy of the Year'
at the Sport India Awards 2024, organised under the aegis of the Ministry of Youth Affairs and Sports, Government of India

- ZFA's talent, who have made India proud in sports, were signed by the leading sporting platforms such as Hyderabad FC, Mohun Bagan Super Giants, Indian Air Force (IAF) and Central Industrial Security Force (CISF), respectively
- Supported rural communities through sports equipment and gear in cricket, volleyball, handball, and kabaddi events, along with supporting the state U-14 national volleyball team
- Promoted art and culture through events like Vedanta Udaipur World Music Festival, Srajan the spark, Jaigarh Heritage Festival, and Smritiyaan
- Our inaugural Sakhi Fest celebrated the achievements of women working within the self-help group (SHG) model of our Sakhi programme

Over 12k
beneficiaries in rural Rajasthan received sports support

Over 1.3 lakh
people benefited through arts and culture

ENVIRONMENT AND SAFETY

Providing a clean and safe environment to neighbourhood communities is pivotal to realising our sustainable growth strategy. We implement various programmes to promote a healthy and secure ecosystem in the villages near our operations.

Programme goal

To promote a better environment and healthy, unpolluted surroundings by implementing climate-friendly practices.

Partnerships

- Udaipur Municipal Corporation (UMC)
- Urban Improvement Trust (UIT) - Udaipur
- Zinc India Foundation
- Local Panchayats

KEY HIGHLIGHTS OF FY2025

- Udaipur City's first sewage treatment plant (STP) under a Public Private Partnership model treats and converts a significant portion of the city's sewage water into reusable water. This enhances the aesthetic and ecology of Udaipur's iconic lakes, reduces freshwater usage and supports the Swachh Bharat Mission
- Provided around 14,500 saplings to the community for green development in around 35 villages
- Our in-house safety module - 'Suraksha Margdarshika' - covers home and domestic safety, such as LPG safety, electrical safety, ergonomics safety, 5S at home, confined space safety, modules in regional language, creating safety master trainers in the community and benefiting 28,445 community members

80%
of Udaipur's sewage water (29 lakh MLD annually) is converted into reusable water through STP

3.33 lakh
residents of Udaipur directly benefited through STP

Read more about our CSR in the Business Responsibility and Sustainability Report, Principle 8 on page 368.

Baghdarrah Crocodile Conservation Reserve

Committed to ecological restoration, Hindustan Zinc signed an MoU with the Rajasthan Protected Area Conservation Society to develop 369 hectares of the Zinc Baghdarrah Crocodile Conservation Reserve.

This multi-faceted initiative will restore the natural habitat for crocodiles, over 200 bird species, panthers and other wildlife through afforestation, safety measures, water conservation infrastructure like check dams and ponds, and the development of eco-sensitive visitor zones including walking trails, shelters, and educational exhibits.

Social – Responsible Sourcing

Amplifying the sustainable impact together

At Hindustan Zinc, responsible sourcing is more than a business imperative — it is a cornerstone of our commitment to sustainable growth. We actively embed sustainability considerations into our supply chain management, ensuring that environmental, social, and governance (ESG) principles guide our procurement decisions. Our approach involves meticulous assessment of risks and opportunities across our supplier network, ensuring informed decision-making and enhanced supply chain resilience. We actively collaborate with our business partners (BPs) to mitigate supply chain risks and drive sustainable sourcing practices. To reinforce these efforts, we have established a suite of comprehensive policies and guidelines, including our Supplier Code of Conduct, Sustainable Sourcing Policy, Supplier Sustainability Management Policy, and Supply Chain Strategy Document. These frameworks set clear expectations for ethical business practices while supporting responsible sourcing across our value chain.

By fostering strong partnerships and promoting responsible practices, we are building a transparent, resilient, and future-ready supply chain that delivers lasting value for our business, stakeholders, and the environment.

Material topics

M1 M2 M4 M5 M8 M10 M11 M12 M19 M20

UN SDGs

3 Good Health and Well-being; 8 Decent Work and Economic Growth; 10 Reduced Inequalities; 13 Climate Action; 17 Partnerships for the Goals

Capitals affected

Stakeholder affected

Strategy linked

S3 S5

KEY FOCUS AREAS

- Lowering carbon footprint by introducing electric vehicles (EVs) and Liquified Natural Gas (LNG) vehicles
- Developing local vendors to promote local procurement and reduce emissions
- Introducing alternative products to enhance safety and sustainability
- Ensuring adherence to the Supplier Code of Conduct across the supply chain
- Conducting ESG assessments for business partners to promote responsible practices
- Rebuilding equipment to extend its lifespan and improve resource efficiency

SUPPLY CHAIN EXCELLENCE IN FY2025

768
Total commercial business partners (BPs) transacted; **56 added during the year**

327
Local commercial BPs

66%
Local spend*
(Rajasthan & Uttarakhand)

₹ 10,096 crore
Spent on critical tier 1 BPs

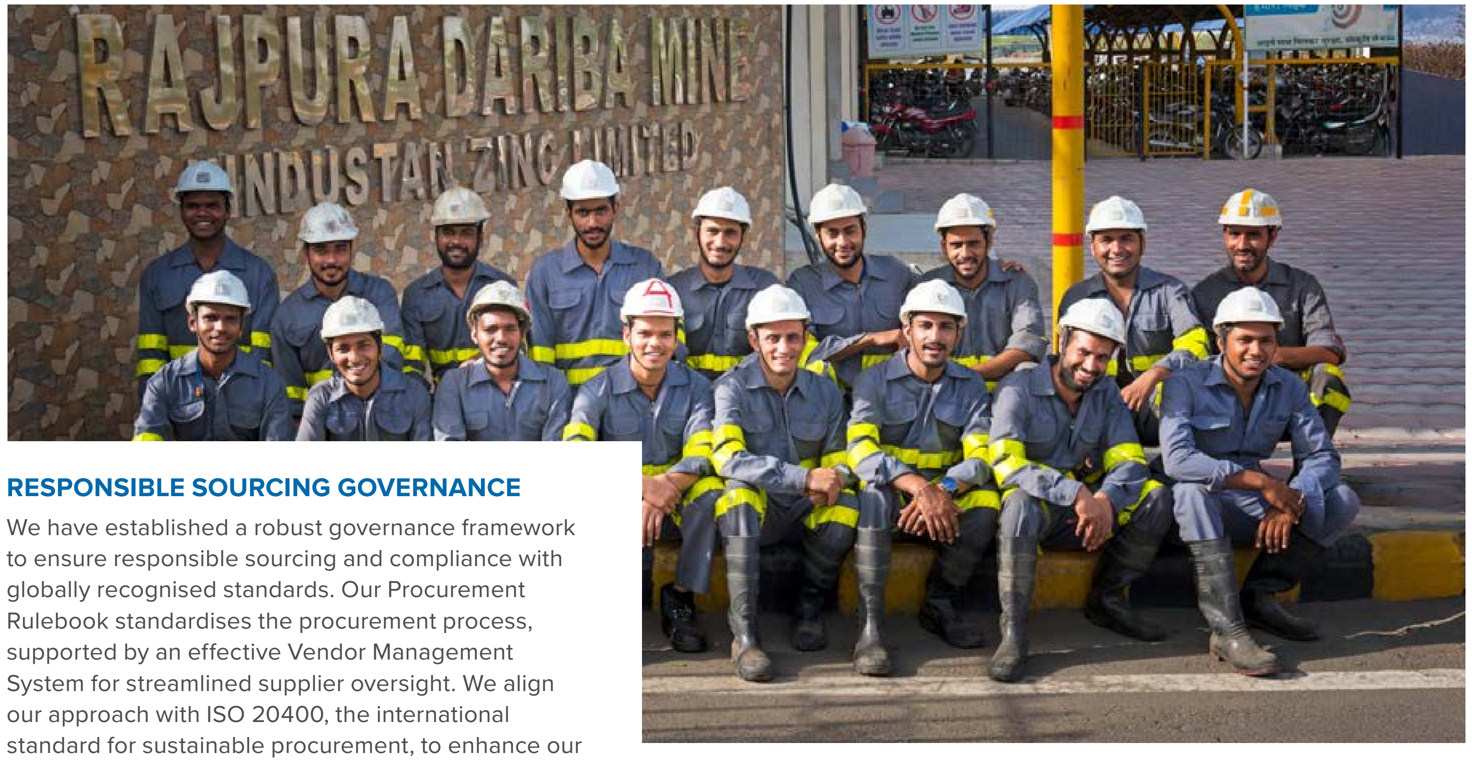
95%
Sustainable sourcing

19%
Of MSME spend**

49
Women-owned Businesses

*GST registered suppliers in the states of Rajasthan & Uttarakhand

**Excluding royalty



RESPONSIBLE SOURCING GOVERNANCE

We have established a robust governance framework to ensure responsible sourcing and compliance with globally recognised standards. Our Procurement Rulebook standardises the procurement process, supported by an effective Vendor Management System for streamlined supplier oversight. We align our approach with ISO 20400, the international standard for sustainable procurement, to enhance our sustainability practices. We conduct third-party audits aligned with international ESG frameworks to assess supplier performance. Additionally, we perform risk assessments, including evaluations for compliance with the Modern Slavery Act (MSA). Upon identification of any issues or discrepancies, we implement corrective action plans to address them. These measures reinforce our commitment to building a transparent, ethical, and sustainable supply chain ecosystem.

VENDOR MANAGEMENT AND ONBOARDING

Hindustan Zinc is committed to building a resilient, ethical, and sustainable supply chain that resonates with our core values and business objectives. To achieve this, we have implemented a structured process for identifying, assessing, and onboarding business partners to ensure they meet our standards for quality, compliance, and sustainability.

Pre-check Qualification & Assessment
- Onboarding Questionnaire
- Quality Qualification
- ESG Qualification

Onboarding

RFQ
- RFQ Signing
- COC Signing
- SUP Declaration
- ESG Expectation Document
- RFQ question on ESG

Technical Qualification
- Pre-Qualification
- HSE Qualification
- ESG & MIP Qualification
- Sub Contractor Evaluation

Commercial Evaluation
- Carbon Emission Loading
- Local Procurement
- MSME Inclusion

Supplier Risk Assessment
- Supplier Due Diligence
- Onsite Assessment (If required)
- ESG Risk Assessment

SAP Order Placement

Vendor Performance
- Score Card Performance

BUSINESS PARTNER IDENTIFICATION, ESG ASSESSMENT & SCREENING

- Identification of potential BPs through market research, consultation, expression of interest (EOI), online searches, and direct outreach
- BP screening based on the ESG, quality & business relevance
- Considering country, sector, and commodity-specific risks during BP screening
- BP registration questionnaire with commitment to ESG criteria, along with evaluation & approval by designated authorities
- ARIBA supplier lifecycle and performance (SLP) module
- Pre-qualification questionnaire for screening BPs - minimum compliance requirement

BP Monitoring

1. Performance assessment against compliance and ESG criteria, with BP payments linked to adherence with safety and statutory obligations, and a penalty/incentive system in place to enhance productivity and safety across all locations
2. Regular monitoring of data such as greenhouse gases (GHGs), water, 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 for tracking BP performance on quality and delivery, facilitating corrective actions, if necessary

SUPPLIER CODE OF CONDUCT AND POLICY

As part of our commitment to building a sustainable and ethical supply chain, we have a wide array of policies and guidelines designed to promote responsible sourcing. Aligning with our overarching commitment to sustainable sourcing, these policies articulate our clear expectations for our suppliers while supporting efforts to mitigate supply chain risks and elevate sustainability performance.

Supplier Code of Conduct

Our Supplier Code of Conduct is applicable to all business partners, including material suppliers and service partners. The code outlines the principles and minimum standards we expect them to uphold, thereby ensuring alignment with our values and sustainability goals. Strict adherence to this code is mandatory for all our business partners, reinforcing our commitment to integrity and responsible sourcing.

The code specifically addresses key aspects such as labour & human rights, health, safety & environmental sustainability, business integrity, prevention of unethical practices, grievance redressal mechanisms, climate change considerations, legal compliance, zero tolerance towards governance issues, and prohibition of insider trading. To further cascade the responsible practices, these principles are extended beyond our direct business partners to include their respective value chains as well.

This Code has been developed through collaboration with customers, suppliers, Group companies, and non-governmental organisations (NGOs). It signifies our resolve to uphold internationally recognised standards, including the fundamental conventions outlined by the International Labour Organization (ILO), the principles of the United Nations' Universal Declaration of Human Rights, and prevailing industry norms.

In our continued commitment to promoting responsible business practices, we have recently revised our Supplier Code of Conduct. The updated version introduces additional clauses on psychological and psychosocial well-being, community engagement, ethical compliance, risk-based procurement, and quality assurance. These new provisions ensure that all our business partners not only maintain the highest levels of responsible business practices but also actively contribute to our shared goal of responsible sourcing and sustainability.

Access our Sustainable Sourcing Policy

Sustainable Sourcing Policy

We ensure rigorous sustainability practices throughout our supply chain via a comprehensive sustainable sourcing policy. This policy establishes clear environmental and ethical standards for business partners. It outlines Hindustan Zinc's efforts to mitigate HSE occupational risks, enforce a zero-tolerance stance on human rights violations, and promote the adoption of ESG principles. The Company's approach includes conducting thorough supply chain risk assessments, fostering skill enhancement, ensuring transparency, and cultivating strong relationships with business partners through continuous improvement and digitalisation. We have also developed an 'ESG Expectations Document' serving as a definitive guide to align our business partners with our ESG standards.

Access our Sustainable Sourcing Policy

SUSTAINABLE SUPPLY CHAIN

Supplier ESG Programme

At Hindustan Zinc, we are steadfast in our resolve to adopt best practices for a responsible value chain. We have made significant strides in integrating ESG principles across our supply chain, recognising the importance of aligning our business partners with our overarching sustainability goals.

Key Initiatives in FY2025

Vendor ESG evaluation
We circulated ESG assessments to 528 vendors to evaluate them against our ESG criteria

Carbon footprint reduction in supply chain
We have mapped our suppliers with carbon reduction targets, with 67% of our Tier 1 suppliers now committed to such targets

Business partner engagement
We actively engage with our suppliers through various initiatives. We organised 'Business Partner ESG Connects' with critical business partners to discuss sustainability practices and articulate our expectations

Business partner capacity building
As part of our capacity-building programme, we introduced the 'Wednesday for Transition' series in FY2024 and subsequently conducted nine training sessions in FY2025 to support our business partners in adopting ESG best practices

Advancing Supply Chain ESG Excellence

To further fortify our commitment towards a sustainable supply chain, we have partnered with a third party to advance our supply chain ESG programme through a comprehensive, end-to-end initiative. The initiative includes supplier risk evaluation, capacity-building workshops, handholding and support, and a systematic supplier engagement plan.

Key Aspects of Supply Chain ESG Programme

Critical business partner assessment

As a part of it, a thorough assessment will be conducted on 200 identified critical business partners to evaluate their compliance with ESG standards.

Feedback and support

Suppliers identified as low and medium-risk will receive constructive feedback aimed at improving their practices. Additionally, for the suppliers who do not meet Hindustan Zinc's ESG criteria, the Company will provide end-to-end support to assist them in achieving compliance and enhancing their sustainability performance.

Capacity building

To align its supply chain with sustainability goals, Hindustan Zinc will organise capacity-building sessions for business partners. These sessions will focus on setting GHG targets, establishing water-related targets, and meeting other relevant ESG commitments. Furthermore, training will be provided for Hindustan Zinc's internal commercial team to promote responsible sourcing and enhance their understanding of ESG principles.

Supplier engagement

A centralised database showcasing the best ESG practices from suppliers in the metals and mining sector will also be developed. This database aims to facilitate benchmarking among suppliers and promote peer learning and sharing of successful sustainability strategies.

Compliance

Hindustan Zinc is committed to regularly monitoring its supply chain through quarterly checks on high-risk business partners to ensure adherence to ESG standards. On-site assessments will be performed when necessary to maintain compliance and support continuous improvement.

SUSTAINABLE SUPPLY CHAIN PROJECT

PROCEDURE DRAFTING	VENDORS ASSESSMENT	ENGAGEMENT WITH VENDORS	CAPACITY BUILDING
Policy update	3 years analysis	Platform Based Assessment	COMMERCIAL
Standard procedure	600 vendors	Handholding High Risk Vendors	VENDORS
Operating mechanism	High risk, medium risk & low risk vendors	Site Audits	
Peer best practices database			

EMBEDDING EFFICIENCY AND RESPONSIBILITY INTO SUPPLY CHAIN

Commercial Rule Book: Optimising Procurement

We have launched a comprehensive Procurement Rulebook to standardise and streamline our procurement processes. This framework provides clear guidelines for sourcing, contracting, vendor management, and requirement consolidation. Emphasising cost efficiency, transparency, and robust governance, the rulebook integrates mandatory ESG criteria and performance management into our procurement process. With best practices such as price discovery through auctions and effective vendor management, it is designed to enhance decision-making and ensure that all procurement activities are conducted ethically and efficiently. This initiative reinforces our commitment to building a resilient, responsible, and future-ready supply chain.

Alternative Product Development: Innovating for Efficiency and Safety

We have initiated the development of five alternate products to enhance efficiency, replace hazardous materials and improve cost-effectiveness. As a part of this, we have successfully developed an alternative product that replaces an inflammable material with a safer, non-inflammable alternative for the froth flotation process at our mills. This strategic enhancement has resulted in improved workplace safety and delivered substantial cost savings owing to the product's enhanced cost efficiency.

Product Life Cycle Enhancement: Adding Value Through Refurbishment

At Rajpura Dariba Mine, we extended the life of key drilling equipment through a sustainable refurbishment initiative. Instead of replacing the machine, we restored it to near-new condition, significantly improving its performance and reliability. This cost-effective approach added two more years of use while reducing operational costs. The initiative paid for itself in just over two months and helped us avoid the environmental impact of disposal. It reflects our commitment to resource efficiency and long-term value creation.

Transition to Battery Electric Vehicles (BEVs) and Greener Fuels: Accelerating Clean Transitions

Supplementing the deployment of ten electric vehicle (EV) trucks with 55 MT capacity each and 180 LNG vehicles in our operations, we signed a new contract during the year to deploy 40 electric vehicle (EV) bulkers for calcine inter-unit movement with a contract duration of eight years. This initiative is a significant step towards reducing emissions compared to the previously used diesel bulkers. Additionally, it is expected to enhance safety and improve vehicle availability, further strengthening our commitment to sustainable and efficient operations.

Local Alternate Vendor Development: Fortifying our Foundations

We developed 18 local alternate vendors across key material categories to bolster supply chain resilience. This yielded significant benefits, including reduced dependency on single suppliers, improved cost control, and tangible support for the local economies.

Creating Local Impact, Optimising Supply Chain

A compelling illustration of our alternate vendor development approach is related to sourcing the high-density polyethylene (HDPE) pipes and fittings, where we onboarded two local vendors after 20+ years of reliance on a single original equipment manufacturer (OEM). This shift resulted in significant cost savings, reduced risks, and a boost in local employment in the Kaldwas and Nathdwara regions. Moreover, shorter transport distances with these local vendors also helped lower our carbon footprint.

SUPPLY CHAIN RISK ASSESSMENT

At Hindustan Zinc, we prioritise our brand value by consistently operating with integrity, transparency, and responsibility. To uphold these standards, we employ a strong three-step risk assessment framework designed to proactively identify and mitigate potential threats within our supply chain.

First-Party Risk Assessment

- As part of our onboarding process, all new business partners undergo an ESG assessment. Partners scoring below a stringent threshold of 50% are excluded from the business to ensure we engage only with responsible vendors
- Additionally, all business partners are subject to an internal desktop-based risk assessment, and vendors found non-compliant are promptly blocked to mitigate potential risks
- We maintain a strong internal system for managing mineral supply chain risks, including strict responsible sourcing protocols and guidelines for conflict-affected and high-risk areas (CAHRA). Red flags identified during assessments are reported to senior management, triggering enhanced due diligence and careful remediation

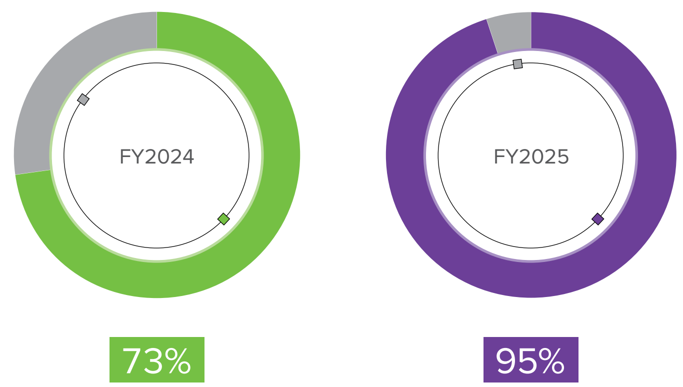
Second-Party Assessments

We conduct targeted on-site assessments to evaluate the operational practices of our strategic or critical business partners, ensuring their alignment with our expected standards.

Third-Party Due Diligence

To provide an additional layer of assurance, we engage independent third-party experts to conduct detailed assessments, reinforcing our compliance with international standards such as LME responsible supply chain guidance, the Modern Slavery Act, the Responsible Minerals Initiative, as well as our internal policies. The critical dimensions, such as financial health, governance, litigation and default risk, regulatory risk, reputational risk, and sustainability risk, are considered in the assessment.

Due Diligence Trend



We have also partnered with a third-party for risk assessment that specifically focuses on evaluating ESG-related risks associated with our business partners, incorporating various standards like GRI, BRSR, ICMM, and CDP. The ambit of the assessment covers environmental issues, social concerns, and modern slavery. Suppliers identified as high risk based on the assessment outcomes are required to undergo on-site assessments.

Corrective Actions

BPs identified as high risks are required to provide their corrective action plans. If they fail to improve within a set timeframe of one year, they are excluded from further business.

REINFORCING SUPPLY CHAIN WITH DIGITALISATION

Streamline Procurement with E-Commerce Buying

In order to streamline our procurement, we have partnered with an e-commerce platform for miscellaneous procurement for admin, HR, and gifting requirements across the organisation. This will empower teams with expeditious and hassle-free access to a wide array of products and enable faster order placement and delivery. Additionally, this will also offer us competitive pricing, ensuring better cost management, total transparency, and control.

Business Partner Grievance Mechanism

Hindustan Zinc maintains a dedicated Business Partner Grievance Portal to ensure prompt, efficient, and effective grievance resolution. A grievance committee with predefined escalation procedure has been established to ensure timely tracking and resolution, facilitated through automated emails and updates.

Vendor Zone & Information Portal

The Company offers a dedicated vendor zone on the website, serving as a platform for business partners to access the supplier information portal and e-learning training module on the ARIBA network. This resource provides comprehensive guidance on new supplier onboarding, along with helpful informational guides. The supplier training e-module includes easy-to-follow video guides to assist suppliers in comprehending Hindustan Zinc's Code of Conduct, ESG expectations, and various processes such as auctions, invoice creation, and supplier profile management.

Access Hindustan Zinc's Vendor Zone

Supplier Code of Conduct Video Training Module

Hindustan Zinc has developed a training guide for its Supplier Code of Conduct, which is followed by an assessment. All business partners are required to complete the training and assessment, thereby formally confirming their agreement with Hindustan Zinc's Code of Conduct.

Governance

Key focus areas

- Board Diversity & Independence
- ESG Integration
- Risk Management & Compliance
- Stakeholder Engagement
- Technology & AI Governance
- Ethical Leadership & Accountability

Committed to highest standards of governance

At Hindustan Zinc, our commitment to sustainable growth is underpinned by a strong corporate governance, anchored in best-in-class governance standards, ensuring integrity and accountability across all organisational levels and facets of operations. Environmental, Social, and Governance (ESG) principles are thoughtfully integrated into our strategic and operational decision-making, reinforcing responsible business conduct. Our governance structure promotes transparency, ethical behaviour, and compliance while building strong stakeholder relationships. We steadfastly pursue environmental goals, while concurrently upholding social responsibilities towards our customers, employees and the local communities. We adhere to fair and ethical practices that nurture our reputation as a trusted partner, driving long-term growth and stakeholder value creation.

Material topics

M5 M11 M13 M15 M17 M18 M19

Capitals affected

Stakeholder affected

Strategy linked

S5

UN SDGs

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
13 CLIMATE ACTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Governance excellence in FY2025

33.33%
Independent members on the Board

01
Instances of breach in the Code of Conduct and breach in ethics

01
Whistleblower complaints

CORPORATE GOVERNANCE FRAMEWORK

Promoting Accountability and Integrity

- Our Corporate Governance (CG) ethos focuses on strengthening stakeholder trust and instilling fairness and objectivity into our decision-making processes
- Our governance approach is rooted in our core value system and is reinforced through continuous communication and training
- Strong decision-making processes, visionary leadership and industry recognitions underscore our excellence in governance standards
- We prioritise transparent and comprehensive disclosures of the Company's performance and progress to our stakeholders
- Stringent and unfailing adherence to these CG tenets enable us to march towards accomplishing our goals and targets

Reinforcing the CG Framework

Our comprehensive three-tier framework effectively guides our corporate governance (CG) philosophy and principles. Its core elements comprise strategic supervision, management, control, and execution.

Anchoring Pillars of Our CG Framework

- Ethics
- Inclusion
- Transparency
- Equity
- Accountability
- Commitment to legal principles

Embedding these fundamental governance pillars into our strategic foundation helps us in achieving the following outcomes:

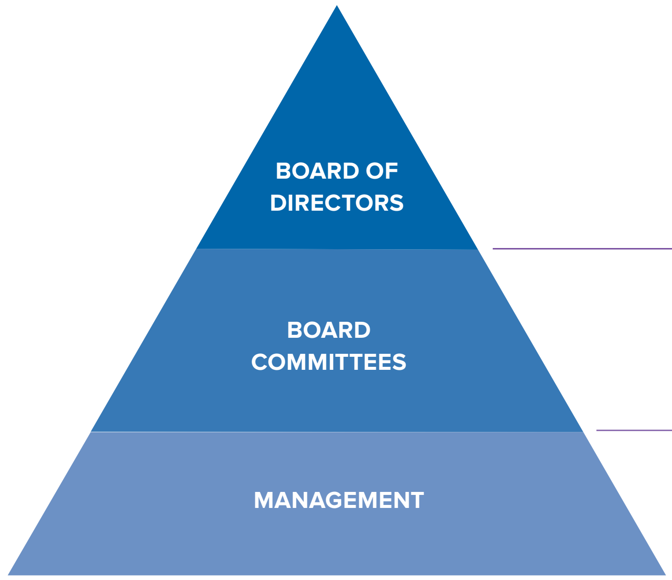
Reinforces our corporate governance framework, fortifying our brand reputation	Empowers us to fulfil our corporate purpose and achieve sustainable long-term objectives
Fosters greater customer and employee retention, building enduring stakeholder trust and confidence	Ensures responsible management and ethical leadership in all facets of our business

Corporate Governance Framework

GOVERNANCE PRIORITIES DURING THE YEAR

For FY2025, our corporate governance priorities were centred around strengthening accountability, transparency, and sustainability, which included:

- Ensuring a balanced mix of Independent Directors and diverse leadership to enhance decision-making
- Embedding Environmental, Social, and Governance (ESG) principles into corporate strategies to align with sustainability goals
- Implementing proactive risk assessment frameworks and digital compliance monitoring tools to mitigate regulatory risks
- Strengthening transparency and communication with investors, employees, and communities to build trust
- Adopting AI-driven compliance tools and cybersecurity measures to safeguard data integrity and operational efficiency
- Establishing clear ethical guidelines and accountability measures to reinforce corporate integrity



1 Responsible for ensuring long-term business strategy, enhancing shareholders value, and overseeing the interest of all stakeholders

2 Oversees specialised areas of operations, and provides recommendation based on expertise

3 Implement policies and procedures, manages everyday operations

BOARD'S ROLE

The Board acts as a principal catalyst to drive our sustainable growth and enduring success, spearheading the corporate governance through its leadership and strategic guidance. With three Independent Directors on the Board, we uphold a high standard of impartial oversight and accountability, reinforcing the integrity of our decision-making processes.

Anchored in the Company's vision, mission, values, and legacy, our governance structure is strengthened by robust internal controls and risk management mechanisms established by our vigilant and proactive Board to enhance the organisation's fortitude against both existing and emerging challenges.

The Board fulfils its fiduciary responsibilities, ensuring transparency, accountability, and strategic oversight. This empowers the Board to uphold the interests of shareholders and the broader community.

The Board conducts an annual evaluation of its performance, including that of individual Directors, Chairperson and Committees, to ensure effectiveness and adherence to governance standards. The Board has also instituted a Whistleblower Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behaviour.

ENSURING REGULATORY COMPLIANCE

We have integrated the compliance function within management's responsibilities to strengthen our reputation and ensure stringent compliance with regulatory requirements and industry norms. This approach mitigates legal risks and aligns our operations with all relevant and applicable laws.

- Our compliance framework facilitates risk-based evaluations, ensuring a comprehensive 360-degree assessment of compliance requirements
- A robust digital tool is deployed for real-time compliance monitoring, with automated alerts issued to process owners, enabling timely action in accordance with legal mandates

BOARD COMMITTEES

The Board has established various Board Committees dedicated to managing specific functions and supporting the Board in overseeing governance-related matters. Each Committee is entrusted with distinct roles and responsibilities, ensuring comprehensive governance and effective stewardship across all operational and strategic domains.

The decisions made within these governance structures establish strategic vision and responsible management at Hindustan Zinc.

Board Committees

Board Committees	Stakeholders Impacted	Capitals Impacted
Audit & Risk Management Committee		
Stakeholders Relationship Committee		
Corporate Social Responsibility Committee		
Nomination and Remuneration Committee (NRC)		
Sustainability and ESG Committee		
Committee of Directors		

Read more under Corporate Governance Report on page 266

EXECUTIVE COMMITTEE

The Executive Committee (EXCO) at Hindustan Zinc acts as a bridge between the management and the Board.

EXCO's Composition

Company's functional and plant leaders, including:

The Chief Executive Officer (CEO)

The Chief Operational Officer (COO)

The Chief Financial Officer (CFO)

Independent Business Unit (IBU) CEOs

EXCO's Role and Responsibilities

- Supervising the management and control functions within the Company to drive the effective execution of the Company's strategies
- Coordinating business transactions
- Driving enhancements in the mining and smelting processes
- Implementing a range of policies and procedures, including the Code of Conduct
- The IBU CEOs help in the successful implementation of the Company's business strategies, plans and programmes, steering the realisation of Hindustan Zinc's business and sustainability goals

For more details on our sustainability governance framework, read the Sustainability chapter on page 145 of this Report.

POLICIES FRAMEWORK FOR ETHICAL CONDUCT

We have implemented a comprehensive framework of policies to promote appropriate business conduct and a culture of ethics and integrity through regular communication with our management, employees and stakeholders.

Zero

Complaints relating to child labour, forced labour and involuntary labour

Code of Conduct

At Hindustan Zinc, our commitment to conducting business responsibly and upholding the highest standards of ethics and integrity extends beyond compliance with applicable laws and regulations. These standards are articulated through our Code of Conduct, which is uniformly applied across all functions, business units, subsidiaries, and external partnerships, including business partners, contractors, and other associated entities.

All Board members and executive management team have affirmed their compliance with the Code for FY2025. A declaration to this effect, signed by the CEO & Whole-time Director, forms part of the Report.

Ensuring Adherence with the Code

Annually, our Board members, executives and employees reaffirm their commitment to our Code of Conduct. We have established an Ethics Committee both at Hindustan Zinc and at the Group level, comprising key stakeholders and the Management Assurance Head (MAS head) to ensure effective implementation and adherence to the Code. The Ethics Committee conducts a thorough, independent investigation of the complaints received regarding the violation of the Code. The Committee also plays a key role in guiding, addressing enquiries and handling any complaints received directly or through the whistle-blower mechanism, thereby fostering a culture of ethics, transparency and accountability throughout the organisation.

Strengthening Our Code

The Code of Conduct has been enhanced to provide targeted guidance on evolving areas, including facilitating payments, gifts and interactions with business partners. It includes contemporary principles addressing sanctions, trade controls and social media conduct. Furthermore, its confidentiality provisions have been expanded to cover data privacy, the General Data Protection Regulation (GDPR) and information security, ensuring continued relevance and comprehensive coverage on evolving challenges and regulatory standards.

The Code is available on our website

Prevention of Sexual Harassment at the Workplace

Hindustan Zinc's gender-neutral Prevention of Sexual Harassment (POSH) policy marks our commitment to diversity, inclusion, and equal opportunity for all employees. In adherence to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, our policy aims to proactively address and prevent any behaviours or attitudes that contribute to sexual harassment. 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 Complaints Committee (ICC) members. During FY2025, there were over 1,500 participants in these training programmes across our locations.

During the year, we received one case under the Prevention of Sexual Harassment (POSH) policy, which was promptly investigated in accordance with our POSH policy. As a result of the investigation, appropriate disciplinary actions were taken against the perpetrator, consistent with our zero-tolerance approach towards any form of harassment.

Access the POSH policy

Whistle-Blower Policy

Our whistle-blower policy promotes moral and ethical business conduct across the organisation's operations by encouraging and empowering employees and all stakeholders to report any instances of unethical behaviour and unfair business practices.

Key Features of Our Whistleblower Mechanism

Reporting Mechanism

Multiple whistleblowing channels are available, including a dedicated e-mail (whistleblower@vedanta.co.in), hotline number (000-800-100-1681), and web-based 'Whistle-Blower Portal', ensuring prompt receipt and attention to all reports.

Confidentiality

All complaints reported under the Whistleblower Policy are treated with utmost confidentiality. Efforts are made to safeguard the whistleblower's identity throughout the investigation process, with personal details disclosed only to those directly involved in the resolution of the issue, only when necessary.

Investigation and Oversight

The Group Head of Management Assurance thoroughly investigates all reported concerns with utmost accountability and transparency, and the findings are submitted to the Audit & Risk Management Committee for further review and action.

Protection

Regardless of the nature of the concern reported, our policy explicitly prohibits any form of retaliation or discrimination, such as termination, demotion, harassment, or any other retaliatory measure, against the individuals who report concerns in good faith.

Access our Whistleblower Policy here

ANTI-BRIBERY AND ANTI-CORRUPTION

Hindustan Zinc upholds fair and transparent business practices through its Anti-Bribery and Anti-Corruption (ABAC) Policy, which is a core part of our Business Ethics and Code of Conduct. Aligned with global laws like the UK Bribery Act and the U.S. Foreign Corrupt Practices Act, the policy prohibits all employees and business partners from offering or accepting bribes or improper payments, including facilitation payments to public officials or customers. It also restricts gifts and entertainment that could influence business decisions. Annual training and awareness programmes are conducted to ensure understanding and compliance across the organisation.

Access our Anti-Bribery and Anti-Corruption Policy here

Number of incidents reported under the Code of Conduct and Business Ethics are as follows:

S. No.	Categories	Occurrences	% Split
1	Employee Misconduct	0	0%
2	Corruption or Bribery	0	0%
3	Business Integrity Breach	0	0%
4	Conflicts of Interest	0	0%
5	Workplace Harassment and Discrimination	1	100%
6	Money Laundering or Insider Trading	0	0%
7	HSE Breach	0	0%
8	Data and Privacy Breach	0	0%
9	Customer Privacy Data	0	0%
10	Others	0	0%

Cybersecurity

CYBERSECURITY GOVERNANCE

At Hindustan Zinc, we are committed to investing significantly in our cybersecurity, ensuring robust governance and a strong cybersecurity risk posture. Enhancing cyber resilience across our operations through improved technology and control systems is an ongoing process. We relentlessly focus on maintaining data integrity, safety, confidentiality, and business continuity against cyberattacks and disasters.

We have employed a robust enterprise risk management framework to achieve the highest standards of cybersecurity and consistent improvement in our cybersecurity posture.

Governance Committee

Board's Audit and Risk Management Committee

Composition

Chaired by our Independent Director, Mr. Kannan Ramamirtham, who is also a trained expert in "Enterprise Cyber Risk Management" with a special focus on Metals & Mining industry. He is experienced in:

- Embedding cyber risk management in strategic decisions
- Overseeing enterprise cyber resilience programmes including resiliency planning, incident management and recovery management
- Overseeing associated budget allocation and KPIs in cyber risk management programmes

Responsibilities and Accountability

- Reports to the Board
- Responsible for all business risks, including cyber risks
- Responsible for overseeing cybersecurity governance

IT and Cyber Security Steering Committee

Composition

- 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

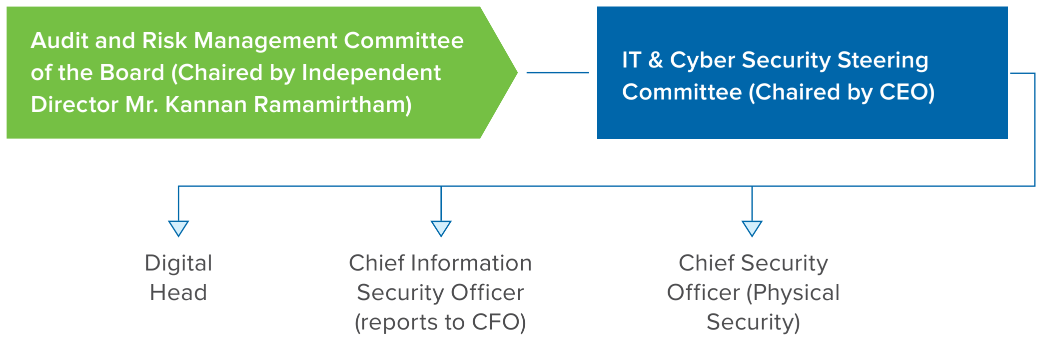
- Set up expectations, provide direction and support for the cybersecurity measures
- Review and monitor the progress and maturity of the organisation's cybersecurity posture

Chief Information Security Officer (CISO)

Responsibilities and Accountability

- Sets up the cybersecurity vision and strategy
- Defines cybersecurity governance framework
- Ensures the execution of the programmes for protecting 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

As outlined below, our leadership and governance structure guides our cybersecurity strategy, execution and monitoring.



AGILITY IN CYBERSECURITY RISK MANAGEMENT

We fully acknowledge the need for a strong and agile cybersecurity risk management framework to protect the confidentiality, integrity and availability of our technology and data assets. We have employed a robust risk management framework, characterised by the following elements:

Risk-focused Cybersecurity Framework

Anchored in clearly defined principles/standards and an objective-based approach, the framework prioritises risk mitigation and implementation of critical controls around all our assets.

Cybersecurity Standards

Our Cybersecurity framework is supported by information security management and personal data privacy standards, disaster recovery and business continuity management, and risk management, ensuring strong governance for our information technology and cybersecurity practices.

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 aligned with the control objectives of the information and related technology (COBIT) framework

INFORMATION SECURITY FRAMEWORK

To manage information security in the Company, we maintain a well-established and comprehensive Information Security Management Framework, integral to our Enterprise Risk Management (ERM) framework. The framework covers various relevant policies, standard operating procedures (SOPs), technology standards, and an effective security assessment and audit process for preventing cyberattacks. Implementation of security-by-design in our business and technology landscape has further strengthened the framework.

Elements of the Information Security framework:

Cyber Resilience

Our Cyber Crisis Management Plan (CCMP) covers:

- 24x7 security incident detection and monitoring plan, and response and recovery playbooks
- Handshake 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 continuous improvement of our cyber resilience

Data Privacy Readiness

Key measures taken by the Company to enhance Data Privacy Readiness include:

- Privacy information management system (PIMS), supported by privacy policies, procedures, consent management and data subject rights management
- Privacy awareness among our 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.

Social Engineering and Awareness

Our holistic and continuous cybersecurity awareness programmes enhance the team's capabilities to identify and report breaches. Some of these initiatives include:

- Mandatory cybersecurity training is integrated into the new joiners' onboarding process
- A self-service online awareness training capsule is available to all users
- Annual extensive security awareness covers all employees and business partners with access to our systems or premises
- Security awareness is communicated via posters, gamified videos, quizzes, end-to-end social engineering simulations (including scenarios such as phishing, vishing, smishing, deep-fake and digital arrest scenarios, etc.)
- Cyber Security Awareness Month (CSAM) is observed with various informative and engaging activities, featuring live demonstrations of prevalent digital frauds by external speakers

Operational Technology Security

Aimed at preventing cyber attackers from exploiting any vulnerabilities that may exist in legacy systems, we:

- Have invested significantly in the phased upgradation of our operational technology (OT) systems/plant technical systems to their latest versions
- Conduct vulnerability scanning of OT systems to identify and remediate known vulnerabilities declared by original equipment manufacturers (OEMs)
- Intend to implement a dedicated Security Operations Centre (SOC) for OT environment to ensure long-term resilience of plant technical systems

Cloud Security

- Perform risk-based remediation of security issues related to our assets, such as virtual machines, applications, services, etc., hosted in corporate IaaS (Infrastructure as a Service) cloud or SaaS (Software as a Service) applications
- Ensure that our assets are integrated with the Security Operations Centre (SOC) for 24x7 security monitoring
- Implemented a web application firewall and privileged access management, which ensures that our crown jewel applications and privileged users have an automated protection layer against cyberattacks

Third-Party Risk Management

- Systematically identified third parties posing cybersecurity risks to the organisation, with the required governance structure to address and mitigate them
- Annual risk assessment conducted for high-risk third parties (including new third-party vendors), ensuring risk measurement and mitigation
- Appropriate security clauses incorporated into third-party contracts

Data Leakage Prevention

- Thorough data flow analysis (DFA), along with our business/functional teams, is conducted to identify critical data and crown jewels
- A comprehensive data leakage prevention (DLP) capability, informed by DFA, has been implemented, covering various communication channels such as web, email, mobile devices, etc.
- Regular DLP rule-based review and fine-tuning ensure continuous alignment with DFA
- A dedicated 24x7 DLP monitoring desk monitors and manages all data leakage incidents

Governance, Risk and Compliance

As a risk-centric organisation, Hindustan Zinc has implemented a comprehensive risk management framework and conducts detailed risk assessments to identify and address a broad array of organisational risks. In line with the identified strategic areas, we regularly implement numerous cybersecurity initiatives to bolster our capabilities across businesses and minimise related risks. This risk framework guides our information security strategy and informs our long-term and short-term roadmaps.

SETTING DATA PROTECTION STANDARDS WITH DPDPA ALIGNMENT

Hindustan Zinc has defined and rolled out an ambitious privacy compliance and readiness programme to align with the Digital Personal Data Protection Act, 2023 (DPDPA). The initiative involves identifying privacy risks/footprint across processes and/or applications through detailed ROPA (Record of Processing Activities) and DFD (Data Flow Diagrams), performing gap assessment, and preparing privacy policies, procedures and templates incorporating DPDPA requirements and global privacy best practices. Alongside technical implementations, such as privacy notices/cookie banners, data masking, encryption, consent management, etc., we have also formalised an organisation of trained Privacy Champions and Business Heads, responsible for stewardship of any personal data processing as a part of their business processes, going forward.

Hindustan Zinc is certified in the ISO 31000:2018 risk management framework.

Review of Policies and Procedures

Review by the IT and Cyber Security Steering Committee

Annual review of the risk framework by the IT and Cyber Security Steering Committee, in consultation with external expert agencies, facilitates the integration of applicable regulatory requirements, prevailing industry insights, and evolving threats and risks.

Review by CIO, CISO and Information Security Function

The CIO, CISO and other competent personnel in our information security function review the information security and data governance policies and procedures every year, to keep pace with the evolving security landscape.

The approved and enforced policies are made available to all employees and business partners (BPs) through impactful communication across media.

INCIDENT MANAGEMENT AND RESPONSE

At Hindustan Zinc

- Our Security Operations Centre (SOC), data loss prevention (DLP) desk operations, and reports from both the information security function and end users detect all information security and data incidents
- There is a well-established system to track and monitor all security incidents to logical closure
- Root cause analysis is performed and mitigation plans are developed, in line with our incident management and data breach policy, to avoid future recurrence of such incidents
- A well-defined and comprehensive escalation process is also in place
- Disaster recovery drills (DR drills) are conducted twice a year as part of our business continuity plan (BCP)

Vulnerability Management

We maintain a robust vulnerability management policy that enables us to effectively identify and mitigate risks and vulnerabilities across information technology (IT), operational technology (OT) and digital environment. 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, and data security.

Vulnerability Assessment and Analysis

Multiple assessments were conducted during the year to enable vulnerability identification, threat monitoring, shortcomings and associated risk/impact analysis, tracking of mitigation actions and continuous compliance. These assessments include governance & framework review, red teaming exercise as part of physical security assessment, data governance and compliance assessment. We also engage globally reputed and recognised third-party agencies for internal and external vulnerability assessment and penetration testing (VAPT) programme, surveillance audit under various ISO frameworks and assessment of IT general controls (ITGC) by a statutory auditor under applicable financial compliance frameworks.

We employ VAPT, including simulated hacker attacks, which are conducted at least twice a year. This exercise helps us define, identify, classify, and prioritise vulnerabilities in computer systems, applications, and network infrastructures. The exercise is conducted jointly by Hindustan Zinc's information security function and group management assurance services (MAS) function. Our consistently strong performance is reflected in the fact that we are among the highest-rated entities as part of the MAS audit group.

Evaluation, Escalation And Reporting

Escalation Mechanism

As a part of our security paradigm, we facilitate 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. Subsequently, these incidents undergo due review and analysis, followed by an escalation process post triage.

Integrating Cybersecurity with Employee Performance Evaluation

At Hindustan Zinc, we leverage a multi-faceted framework for employee performance evaluation, synergising the goals and performance of IT/OT personnel with the Company's information security goals. The effectiveness of the processes and technologies is measured through multiple internal and external vulnerability assessments, management reviews, and reported incidents. Further, as part of the social engineering simulation exercises, offenders 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

	FY2025	FY2024
Total number of information security breaches	0	0
Total number of clients, customers and employees affected by the breaches	0	0

Board of Directors

Charting the course for strategic leadership

MS. PRIYA AGARWAL HEBBAR

(DIN: 05162177)
Non-Executive and Non-Independent Chairperson

C

Directorship
w.e.f. January 19, 2023

Qualification
Bachelor's in Psychology and Business Management from the University of Warwick, UK

MR. NAVIN AGARWAL

(DIN: 00006303)
Non-Executive Director

C | CD

Directorship
w.e.f. April 11, 2002

Qualification
Graduation in Commerce from Sydenham College, Mumbai, the President Management Programme from Harvard University

MR. ARUN MISRA

(DIN: 01835605)
Chief Executive Officer & Whole-time Director

SR | S | CD

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 University of New South Wales, Sydney and Diploma in General Management from CEDEP, France

MR. AKHILESH JOSHI

(DIN: 01920024)
Non-Executive Independent Director

A | C | N | S | CD

Directorship
w.e.f. August 1, 2020

Qualification
Bachelor's in Mining, 1^{st} class Mining Manager Certificate of Competency under MMR-1961 (unrestricted), Diploma from Paris School of Mines in Economic Evaluation of Mining Projects

MR. KANNAN RAMAMIRTHAM

(DIN: 00227980)
Non-Executive Independent Director

A | SR | N

Directorship
w.e.f. September 1, 2022

Qualification
Post Graduation in Mathematics from Madras University, PGDMS from Bombay University and Certified Associate of Indian Institute of Bankers with Industrial Finance

MS. PALLAVI JOSHI BAKHRU

(DIN: 01526618)
Non-Executive Independent Director

Directorship
w.e.f. August 10, 2023

Qualification
Fellow Member of the Institute of Chartered Accountants of India and Indian Institute of Corporate Affairs

MR. VIVEK KUMAR BAJPAI

(DIN: 10717439)
Non-Executive Nominee Director

SR

Directorship
w.e.f. July 24, 2024

Qualification
Bachelor of Technology in Mechanical Engineering from Gorakhpur University. Currently, Joint Secretary in the Ministry of Mines, Government of India.

MS. NIRUPAMA KOTRU

(DIN: 09204338)
Non-Executive Nominee Director

A C S

Directorship
w.e.f. July 26, 2021

Qualification
Bachelor's in Economics and a Master's in Politics and International Relations. Currently, Joint Secretary and Financial Advisor with the Ministry of Coal and the Ministry of Mines.

MR. DINESH MAHUR

(DIN: 10862645)
Non-Executive Nominee Director

SR S

Directorship
w.e.f. December 05, 2024

Qualification
Engineering, Master's in Social Studies, and Postgraduate Degree in Public Policy and Management . Currently, Joint Secretary in the Ministry of Mines, Government of India

COMMITTEE DETAILS

Audit and Risk Management Committee	A
Stakeholders Relationship Committee	SR
Corporate Social Responsibility Committee	C
Nomination and Remuneration Committee	N
Sustainability and ESG Committee	S
Committee of Directors	CD
Chairperson	

BOARD DIVERSITY

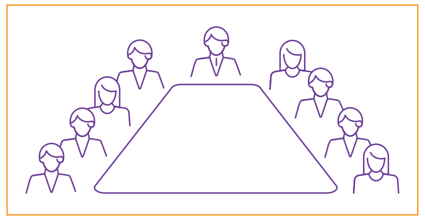
Board Composition

1
Non-Executive & Non-Independent Chairperson

4
Non-Executive & Non-Independent Director

3
Independent Director

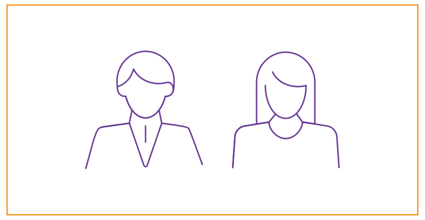
1
Executive and Whole-time Director



Gender

6
Male

3
Female



Age

1
Up to 45 years

2
46 to 55 years

6
Over 55 years

Tenure

3
Up to 2 years

3
Between 2 and 4 years

3
Over 4 years

4.82 years
Average tenure of Board of Directors

Senior Management Team

1
PRADEEP SINGH
Chief HSE Officer

2
BALWANT SINGH RATHORE
CEO - Dariba

3
DARIN COOPER
Technical Director - Smelters

4
C CHANDRU
CEO Smelters

5
RAM MURARI
CEO - Agucha

6
RUSSELL EVANS
Director - Exploration

7
DURAIRAJ M
Chief Commercial Officer

8
ANSHUL KHANDELWAL
CEO - Zawar

9
VIJAY MURTHY
Chief Marketing Officer

10
SONAL CHOITHANI
Chief Brand and Communications Officer

11
MUNISH VASUDEVA
Chief Human Resources Officer

12
ARUN MISRA
Chief Executive Officer & Whole-time Director

13
SANDEEP MODI
Chief Financial Officer

14
KISHORE S
Chief Operating Officer

15
ANUPAM NIDHI
Head CSR

16
AASHHIMA V KHANNA
Company Secretary and Compliance Officer

1

PRADEEP SINGH

Chief HSE Officer

Pradeep has over 24 years of experience in Occupational Health & Safety, Environment and Sustainability Management across non-ferrous metals, cement, and consultancy sectors.

2

BALWANT SINGH RATHORE

CEO - Dariba

With over 36 years of experience in the metal and coal industry, he has held key leadership positions, including serving as CEO of FACOR. Throughout his career, he has successfully led high-performing teams and driven sustained growth across the organisation. He brings deep expertise in strategic planning, operational excellence, and the management of complex projects. Renowned for his organisational leadership and ability to collaborate effectively with stakeholders, he consistently delivers impactful results and fosters a culture of innovation.

3

DARIN COOPER

Technical Directors - Smelters

Darin comes with 35+ years of experience in the metals and mining industry spanning operations, projects and restructuring. A senior expert with expertise in smelting and refining, Darin has led the operations of some of the world's leading zinc and lead operations.

4

C CHANDRU

CEO Smelters

Chandru has over 22 years of experience in the smelting industry, leading large-scale metallurgical operations with expertise in process optimisation, technology integration, and operational efficiency.

5

RAM MURARI

CEO - Agucha

Ram Murari has 27 years of experience in mining industry including operations, mine technical, quality control of mine, growth projects of mine, and digitalisation.

6

RUSSELL EVANS

Director - Exploration

Russell brings over 30 years of experience in managing mineral exploration from discovery to resource calculation. Previously, he held senior technical roles across Australia, Africa, and South America.

7

DURAIRAJ M

Chief Commercial Officer

Durairaj has over 21 years of cross-functional experience in procurement, supply chain, logistics, plant operations, and growth projects. He has served in various leadership roles across the Group's zinc, power sector and Group commercial.

8

ANSHUL KHANDELWAL

CEO - Zawar

Anshul started his journey at Hindustan Zinc with 17 years of rich experience across operations, technology, and transformation, leading production, digitalisation, cost optimisation, and process improvements. He has played a vital role in integrating smart mining solutions which enhanced productivity, efficiency, and safety. His deep operational understanding and strategic mindset continue to drive the ambitious Hindustan Zinc Growth 2.0 vision.

9

VIJAY MURTHY

Chief Marketing Officer

Vijay has 21 years of cross-functional experience in finance, procurement, sales & marketing and corporate strategy. He has served in leadership roles across the Group's zinc and copper business in South Africa and India. He has also held leadership positions in cement and chemicals industry.

10

SONAL CHOITHANI

Chief Brand and Communications Officer

Sonal brings over 26 years of multi-industry experience, driving strategic communication for Hindustan Zinc, cultivating a positive perception amongst key stakeholders. She also heads Market Development with a clear focus on driving new avenues for applications of zinc. Leveraging her deep market knowledge and insights, she is shaping the Company's global positioning and delivering on business priorities.

11

MUNISH VASUDEVA

Chief Human Resources Officer

Munish has over 31 years of experience in the human resources function 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.

12

ARUN MISRA

Chief Executive Officer & Whole-time Director

Arun has 37 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 in the Top 30 CEOs of India list by StartupLanes.

13

SANDEEP MODI

Chief Financial Officer

Sandeep has 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, 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.

14

KISHORE S

Chief Operating Officer

With over 27 years of extensive experience in the metals & mining industry, Kishore has played a pivotal role in transition of Rampura Agucha Mine and Zawar Group of 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 BE degree in mining from Bangalore University.

15

ANUPAM NIDHI

Head CSR

Anupam has 24 years of extensive experience in the Social Impact and Sustainability spheres. She has served large Indian conglomerates and multinational corporations in various leadership roles.

16

AASHHIMA V KHANNA

Company Secretary and Compliance Officer

Aashhima is a qualified Company Secretary with over 12 years of extensive experience in corporate governance and secretarial function, having worked across diverse sectors including manufacturing and FMCG industries.

Here's the Scoop

From on-ground impact to inspiring initiatives, our YouTube videos bring our journey to life. Watch how our people, purpose, and progress shaped the year – one story at a time. Each video captures a milestone, a movement, or a moment that mattered. Dive in to experience the energy, commitment, and vision that defined our year.

Meet the #WomenInZinc

– trailblazers who continue to break barriers and redefine leadership in the metals and mining industry. From India's first woman underground mine manager to the nation's first and second all-women underground rescue teams, their journey is a testament to resilience and excellence. With 25% gender diversity in 2025, we are dedicated to fostering an equitable workplace – one where every voice is valued and opportunities are limitless.

Women of Valor | Strength in every stride, power in every role.

– from the depths of the earth to the heights of leadership, these women are redefining what it means to lead in metals and mining. Hindustan Zinc is proud to have India's first all-women underground mine rescue team, which secured global recognition by securing second place at the International Mines Rescue Competition 2024 in Colombia. At Hindustan Zinc, inclusion isn't just a commitment – it's a movement.

Dive into the world of #MetalsForLife!

Zinc, Lead, and Silver - three metals driving progress, innovation, and sustainability. Zinc protects infrastructure, enables clean energy, and supports health; Lead powers batteries, shields radiation, and drives industrial efficiency; and Silver fuels cutting-edge technology, revolutionises healthcare, and advances renewable energy. As the world's leading producer, Hindustan Zinc is harnessing the power of these #MetalsForLife to build a smarter, stronger, and more sustainable future. Watch how!

Vedanta Zinc City Half Marathon 2024 | Official Aftermovie

Presenting the magnificent aftermovie of the Vedanta Zinc City Half Marathon by Hindustan Zinc – India's Most Beautiful marathon set against the stunning backdrop of Udaipur. Witness the unwavering spirit of runners from across the world as they unite to champion our noble #RunForZeroHunger cause. From breathtaking landscapes to the electrifying energy on the track, every moment captures the essence of strength, unity, and global purpose. Relive the grandeur, the triumphs and the joy that made this marathon truly unforgettable.

The Silver Saga

#Silver is the backbone of modern civilisation – powering renewable energy, revolutionising healthcare, driving EVs, and enabling cutting-edge technology. As the world's third-largest silver producer, Hindustan Zinc is fuelling innovation and progress. From the circuits in your devices to the solar panels lighting up cities, silver is truly a #MetalForLife. Watch how it's shaping the future!

Presenting EcoZen - Asia's 1st & World's 4th Low Carbon Green Zinc!

Here's a sneak peek into the launch of Hindustan Zinc's EcoZen - Asia's 1st & World's 4th Low-Carbon Green #Zinc! Led by Chairperson Priya Agarwal Hebbar and CEO Arun Misra, this momentous event marked a significant step towards #sustainable innovation in the #metals industry. EcoZen, with a carbon footprint of less than one tonne for each tonne of zinc produced, is set to revolutionise the industry and redefine #sustainability for us and our customers alike.

Hindustan Zinc at the Jaipur Literature Festival

Presenting a journey through culture, creativity, and impact! From quirky zinc merchandise to reviving the timeless Ajrak block printing artform, Hindustan Zinc's showcase at the Vedanta Presents Jaipur Literature Festival was a true celebration of heritage and innovation. We also highlighted our #socialimpact across #Rajasthan, empowering communities through women empowerment initiatives like Sakhi. Here's a glimpse of the magic we created!

Official #Aftermovie | Hindustan Zinc at Jaigarh Heritage Festival

Relive the Magic of the Jaigarh Heritage Festival! Experience the vibrant blend of art, culture, and heritage that unfolded during the 3-day celebration at Jaigarh in Jaipur. Hindustan Zinc proudly embraced this extraordinary platform to spotlight community initiatives and reinforce our commitment to preserving Rajasthan's rich heritage.

Official Aftermovie of Hindustan Zinc at Rising Rajasthan 2025

Stellar showcase at the Rising Rajasthan Global Investment Summit. We brought the 'core' of #energytransition to life with an exhilarating 3D augmented reality tour of our operations, immersive Virtual Reality Simulator, and the undeniable star of the show – Zincky the Robot, capturing moments and captivating #government officials, dignitaries, curious minds from schools and colleges alike. Coupled with our vast #zincportfolio and a glimpse into our transformative impact in Rajasthan, it was an unforgettable experience.

Hindustan Zinc at the Bharat Mobility Conclave - India's largest automotive event in New Delhi!

From showcasing cutting-edge products for #autocomponents industry like HZDA 3 & 5 to being at the core of the #mobility revolution, we brought the World of #Zinc to life! Catch all the energy, innovation, and unforgettable moments from the event.

The Story of Zinc - #MetalForLife

From shielding #steel against #rust to driving the #cleanenergy transition, #zinc is the backbone of modern development. It protects #bridges, #buildings, and other critical public #infrastructure - powering a sustainable future. And its legacy runs deep, tracing back 2,750 years to #Zawar, Rajasthan - the world's oldest zinc #metal & #metallurgy site. Zinc is the #metalforlife - protecting, strengthening, and shaping the world around us. Discover how zinc powers #AmaZinc progress.

Hindustan Zinc's social impact across Zawar in Rajasthan

Creating Change, Enriching Lives! Watch how our social impact initiatives in Zawar, Rajasthan are empowering communities and fostering sustainable growth.

Foundation Day | Hindustan Zinc | Official Movie

From mines to milestones, Hindustan Zinc has been transforming Rajasthan into a hub of endless possibilities for over two decades. As a global leader in metals and mining, we're not just fuelling industries with zinc and silver but also empowering & uplifting communities across Rajasthan. We are committed to making a real difference. Rajasthan – home to minerals, metals, and dreams – is now shining brighter than ever, thanks to #Zincredible initiatives that drive progress and prosperity. #HappyFoundationDay

Building a Brighter Future: Social Impact Around Rajpura Dariba Complex in Rajasthan

Transforming lives, empowering communities! Watch how our social impact initiatives around Rajpura Dariba Complex in Rajasthan are driving positive change.

Directors' Report

Dear Members,

We share with you our 59th annual report, together with the audited financial statements for the year ending March 31, 2025.

Your Directors are pleased to inform you that Hindustan Zinc has demonstrated commendable overall performance with robust operational metrics and improved ESG foothold through emphasis on safety-first culture and responsible business activities, supported by regular stakeholder engagement. With this multi-faceted proactive approach towards its hyperopic strategy, the Company has shown resilience against the strong market headwinds.

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 5 silver producers globally. With operational facilities located in the states of Rajasthan and Uttarakhand, the Company is headquartered in Udaipur, 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 50 years of operational experience, the Company's steadfast focus remains on delivery and enhancing stakeholder's 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 453.2 million tonnes and an average zinc-lead grade of c.7%, the Company's mine life is over 25 years and our fully integrated zinc operations currently hold c.77% 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 5 silver producers globally
- Among world's lowest cost producers with a strong foothold in the first decile of the global zinc mining cost curve with consistent cost optimisation of 6% during the year
- 2nd highest zinc R&R base globally with an average grade of 5.5%
- Robust EBITDA margin of c.51% backed by operational excellence, technological advancements, cost optimisation and better byproduct sales
- Consistently AAA rated by leading credit rating agencies
- Global sustainability leader with first rank in S&P corporate sustainability assessment (CSA) in Metals & Mining sector for 2nd consecutive year
- Irreplaceable resource and asset base with technologies providing flexibility of running operations based on the market landscape

Please refer to the corporate snapshot in the Integrated Annual Report, located on page 30, for further information.

Business Highlights

Your Company maintained exceptional performance throughout the year, achieving significant operational milestones. Ore production for the full year was 16.33 million tonnes, and mined metal production recorded its historic high of 1,095 kt, up 1% YoY, driven by improved mined metal grades and mills recovery. Mine development as required for catering to the production requirements and securing future resource base, stood at 96 km for the year.

The Company has achieved its ever highest refined metal production of 1,052 kt, supported by strong mined metal production, better plant availability and operational parameters. The saleable silver production stood at 687 MT during the year.

Key Operational Highlights

- Historic high annual mined metal production of 1,095 kt, up 1% YoY
- Highest ever annual refined metal production of 1,052 kt, up 2% YoY
- 4-year lowest zinc cost of production (COP) of US$ 1,052 per MT, better 6% YoY
- Saleable silver production of 687 MT, down 8% YoY

Key Financial Highlights

- Second-highest revenue from operations of ₹ 34,083 crore, up 18% YoY
- Second best EBITDA of ₹ 17,465 crore, up 28% YoY
- Second ever-highest profit after taxes of ₹ 10,353 crore, up 33% YoY
- Industry-best return on capital employed and return on equity of 58% and 73%, respectively

Operational Performance:

Production (kt)	FY2025	FY2024	% change
Total mined metal	1,095	1,079	1%
Refined saleable metal production	1,052	1,033	2%
Refined zinc – integrated	827	817	1%
Refined lead – integrated	225	216	4%
Saleable silver production (in tonnes)	687	746	(8%)

Production

For the full year, ore production was at 16.33 million tonnes, marginally down YoY, on account of lower production at Rajpura Dariba, Sindesar Khurd & Rampura Agucha mines which were down 13%, 3% and 3% respectively, partly offset by strong production growth at Zawar & Kayad, which were up 4% and 23% respectively. FY2025 saw the best-ever mined metal production of 1,095 kt compared to 1,079 kt in the previous year, driven by improved mined metal grades and mills recovery.

For the full year, we saw our highest metal production at 1,052 kt in line with consistent mined metal flow from mines, better plant availability and other operational parameters, while silver production was down 8% at 687 MT, impacted by change in mining sequence and lower silver input from Sindesar Khurd mine in line with mine grade.

The Company generated 4,033 million units of thermal based power in FY2025. Total green power generation was 667 million units as compared to 696 million units in FY2024. The Company has also sourced 307 million units of renewable energy from Serentica Renewables India Pvt. Ltd., taking the renewable energy share to c.13% of the overall power requirement during the year.

Sales

During the year, the Company achieved its highest ever domestic refined zinc metal sales of 603 kt as against 580 kt last year, up 4%, taking the domestic primary zinc market share to c.77%, while export sales for the year stood at 225 kt as compared to 238 kt a year ago. The aggregate sales increased by 1% as compared to the previous year, in line with the production. Lead metal sales in the domestic market were 166 kt, while export sales were 59 kt leading to increase in aggregate sales by 4% from a year ago, in line with the increase in lead metal production. Silver sales were 687 MT in FY2025, almost all in the domestic market.

Consolidated Financial Performance

Particulars	FY2025	FY2024
Revenue from operations (Incl. other operating income)	34,083	28,932
Other Income	983	1,074
Profit before depreciation, interest, tax, and exceptional item	18,371	14,730
Less: Interest	1,095	955
Less: Depreciation and amortisation expense	3,640	3,468
Less: Exceptional Item	83	-
Profit before tax	13,553	10,307
Less: Net tax expense	3,200	2,548
Net profit	10,353	7,759
Earnings per share (₹/share)	24.50	18.36

Details of the Company's annual financial performance as published on the Company's website and presented during the Analyst Meet, after declaration of annual results, can be accessed using the following link: https://www.hzlindia.com/wp-content/uploads/Results-Presentation-Q4FY25_v10.pdf

The above revenue and production cost resulted in profit before depreciation, interest and tax (PBDIT) of ₹ 18,371 crore in FY2025, up by 25% on account of higher metal volume, better zinc and silver prices, gains from strategic hedging initiative and favourable exchange rate partly offset by lower lead prices & lower silver volume.

Revenue

The Company reported 'revenue from operations' including other operating income of ₹ 34,083 crore, an increase of 18% YoY primarily on account of higher metal volume, better zinc and silver prices, gains from strategic hedging initiative, and favourable exchange rate partly offset by lower lead prices & lower silver volume.

The 'other income' was ₹ 983 crore during the year compared to ₹ 1,074 crore in the previous year.

Production Cost

Zinc's cost of production (COP), excluding royalty for FY2025 was ₹ 88,960 (US$ 1,052) per tonne, lower by 4% YoY (in ₹ terms). The full-year COP showed significant improvement, primarily driven by better overall metal grades, higher by-product sales, and softened coal and input commodity prices. Enhanced domestic coal materialisation and an increased supply of renewable energy further contributed to this positive outcome.

Operating margin

The above revenue and production cost resulted in profit before depreciation, interest and tax (PBDIT) of ₹ 18,371 crore in FY2025, up by 25% on account of higher metal volume, better zinc and silver prices, gains from strategic hedging initiative and favourable exchange rate partly offset by lower lead prices & lower silver volume.

Net profit

Net profit was ₹ 10,353 crore, up 33% YoY mainly on account of higher PBDIT and a lower effective tax rate of 23.6% vs 24.7% driven by one time reversal of tax provisions, partly offset by higher depreciation & amortisation, interest expense and exceptional items.

Earnings Per Share (EPS)

The EPS for the year was ₹ 24.50 per share as compared to ₹ 18.36 per share in FY2024.

Cash Flows

(₹ in crore)

Particulars	FY2025	FY2024
Opening Cash*	10,187	10,061
Add: EBITDA**	17,465	13,677
Add: Net Interest Income	(546)	(490)
Less: Income Tax	3,385	1,757
Less: Dividend	12,253	5,493
Less: Capital Account Payments	4,006	3,866
Add: Borrowings	2,185	(3,349)
Add: (Increase)/Decrease in Working Capital & Others	(165)	1,403
Closing Cash*	9,482	10,187

* 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 decreased from ₹ 2,516 crore to ₹ 2,257 crore as of March 31, 2025, primarily due to decrease in other current assets and trade receivables. The working capital cycle was 25 days in FY2025 as compared to 33 days in FY2024.

Gross Block

The gross block during the year increased from ₹ 43,684 crore to ₹ 48,425 crore. This was largely due to the ongoing mining projects and other sustaining capex.

Capital Employed

The total capital employed as of March 31, 2025, was ₹ 14,495 crore, as compared to ₹ 13,465 crore at the end of previous fiscal year.

Refer page 101 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:

- A 160 ktpa roaster project at Debari is expected to be commissioned in July 2025, further enhancing the metal volume
- The cellhouse debottlenecking project to enhance the metal capacity by 21 ktpa is in progress with completion targeted by Q2FY26 for Dariba Smelting Complex and Q3FY26 for Chanderiya Lead-Zinc Smelter
- A lead-silver recovery plant based on hot acid leaching technology is under progress in Dariba, which enables an additional recovery of 27 MTPA silver and its commissioning is expected by Q4FY26
- Work on 510 ktpa fertiliser plant in Chanderiya is under progress and the project is targeted to be completed by Q1FY27
- The Company has also received requisite regulatory approvals for Bamnia Kalan Mines in the previous year and site work started in June 2024. The peripheral boundary wall work is completed and excavation work is under progress
- Board approved a major expansion project to enhance the integrated refined metal capacity by 250 ktpa in June 2025. This expansion includes establishing a new integrated smelter with 250 ktpa capacity in Debari, along with a leaching and purification plant, a cell house, an additional 160 ktpa roaster, melting & casting, and other required infrastructure. The plan also involves concentrator expansion, several debottlenecking projects, and mining development capabilities to boost capacity and enhance mining and milling infrastructure

Dividend Distribution Policy and Dividend

During FY2025, the Company declared two interim dividends amounting to ₹ 12,253 crore, details of which are as under:

Dividend	₹ per share	% of Dividend
1st Interim dividend	10	500
2nd Interim dividend	19	950
Total	**29**	**1,450**

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is available on the Company's website on https://www.hzlindia.com/wp-content/uploads/Dividend-Policy-2016.pdf.

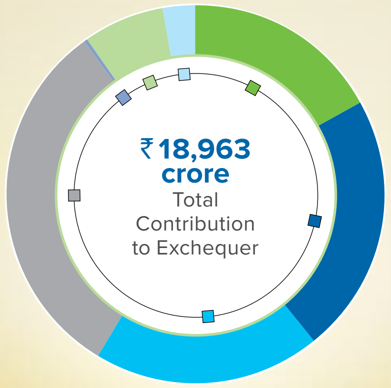
Credit Rating and Liquidity

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, 2025, the Company's gross investments and cash & cash equivalents were ₹ 9,482 crore.

Contribution to the Government Treasury

The Company has contributed ₹ 18,963 crore during FY2025, in terms of royalties, dividend and taxes to the Government treasury.



Taxes on Income (₹ 3,385 crore)	17.9%
Government Royalties (₹ 4,154 crore)	21.9%
Corporate Dividend to Govt. of India (₹ 3,619 crore)	19.1%
Indirect Taxes (₹ 5,963 crore)	31.4%
Other Indirect Contributions (₹ 69 crore)	0.3%
Withholding Taxes (₹ 1,267 crore)	6.7%
Other Taxes Borne (₹ 506 crore)	2.7%

II. SUSTAINABILITY GOALS AND HIGHLIGHTS

ESG Highlights

Sustainability Goals 2025

Biodiversity Conservation

- Plantation of 0.74 million saplings in last 5 years, 70,000 planted this year
- 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 (NNL) of biodiversity
- Implementation of Schedule 1 conservation plan in progress at Chanderiya Lead-Zinc Smelter (CLZS), Rajpura Dariba Mine (RDM), SKM & Zawar Mine (ZM)

Climate Change

Energy Transition

- Extended our renewable energy round-the-clock (RE-RTC) power delivery agreement for up to 530 MW
- Deployed 3 battery electric vehicles in underground operations at Sindesar Khurd Mine (SKM)
- Launched Asia's first low-carbon 'green' zinc, EcoZen

GHG Intensity

- 4.61 tCO_2 per tonne of metal
- 15% lower emission intensity from FY2020 baseline

Circular Economy

- 100% fly ash usage
- 6.05 lakhs MT (2 times) increase in gainful utilisation of smelting process waste like Jarosite and Jarofix from the base line 2020

Responsible Sourcing

- 378 active suppliers assessed for sustainability criteria
- Introduced Sustainable Supply Chain Program
- Developed 18 alternative local vendors
- 180 LNG vehicles successfully deployed which resulted in a reduction of 1,066.15 tonnes of CO_2 equivalent

Diversity in Workforce

- 25.5% diversity (versus 14.4% in FY2020)
- 23 people from LGBTQ community are now members of the family

Ensuring Zero Harm

- Unfortunately, we had 4 fatalities this year
- 55% reduction in TRIFR from base line 2020

Water Stewardship

Energy Transition

- Achieved 3.32 times water positivity at Hindustan Zinc
- Reduced freshwater consumption by 6% in FY2025 from base year FY2020
- Operationalised dry tailing plant at Rajpura Dariba Complex (RDC)
- Commissioned a 4,000 KLD zero liquid discharge plant at Rampura Agucha Mine (RAM)

Social Impact

- Impacted around 2.3 million lives across 2,362 villages with sustained CSR interventions
- Total CSR spend of ₹ 273.45 crore

Health, Safety and Environment

Rooted in sustainability and ESG excellence, Hindustan Zinc has consistently demonstrated its critical role as the forerunner in clean energy transition metals. We have been recognised as global ESG leader in S&P Global Corporate Assessment 2024 with us being ranked 1st globally in metals and mining sector for the second consecutive year. With an improvement in overall score to 86, Hindustan Zinc also got featured in Sustainability Yearbook 2024 amongst the top 1% most sustainable organisations globally for the second consecutive year.

With utmost commitment towards highest standards in occupational health and safety, environment, and governance, we constantly strive to uphold our position in the global sustainability landscape.

Occupational Health & Safety

At Hindustan Zinc, ensuring the safety and well-being of our employees and business partners remains our top priority. We are committed to fostering a secure work environment where every individual returns home safely. Despite our steadfast adherence to our 'Zero Harm' philosophy, we deeply regret the loss of three business partner colleagues and one Hindustan Zinc employee in work-related incidents over the past year. A thorough root cause analysis was conducted for each incident, reinforcing our continuous improvement efforts in workplace safety. Our frontline leaders and safety experts are actively involved in applying lessons from past incidents, ensuring continuous learning and improvement.

To strengthen our fatality prevention strategy, we have implemented several targeted safety initiatives. In alignment with Vedanta's vision of zero fatalities, we introduced the **Vihaan-Critical Risk Management (CRM) Program**, which proactively identifies high-risk activities and applies critical controls to prevent fatalities. We have also adopted the **Infrastructure Inframatrix**, a structured framework that assesses, monitors, and controls top infrastructure-related risks of our operations. This initiative reinforces operational safety and reliability while enhancing long-term efficiency. Complementing this, the **Structural Integrity Management Committee** plays a crucial role in identifying and mitigating structural risks. Using a criticality ranking system, we evaluate infrastructure based on condition and load, thus prioritising key risks.

Additionally, the **Suraksha Kavach** initiative has been extended to smelting operations, addressing 15 high-risk tasks in addition to 25 mining activities already covered. We also facilitate external and internal workshops, international and national recognised courses for our employees and business partners for upgrading technical and behavioural skills.

Hindustan Zinc maintains world-class rescue facilities with advanced technology and highly trained personnel. A key initiative is the inclusion of women rescuers, enhancing preparedness and inclusivity in emergency response. In FY2025, 23 women employees completed intensive training in work-at-height and confined space rescue operations.

We also prioritise **occupational health management**, conducting regular medical examinations and industrial hygiene assessments to mitigate exposure to hazardous substances, noise, and air quality risks. In FY2025, over 1,300 industrial hygiene sample assessments were conducted to ensure workplace safety.

Through proactive interventions, leadership accountability, and cutting-edge technology, Hindustan Zinc continues to set industry benchmarks in safety excellence.

During the year, we have been awarded with below awards

- **India's First All Women Rescue Team won 2nd position in 13th International Mine Rescue Competition held in Colombia**
- **Zawar's captive power plant has secured 5-star in British Safety Council Five Star Audit**
- **The Company secured the first prize at the 53rd All India Mine Rescue Competition**
- **Hindustan Zinc has been awarded Platinum in the 9th Apex India Occupational Health & Safety Awards 2024 in the Metal & Mining sector**
- **Won multiple awards at International Safety Awards 2025 by British Safety Council in the areas of automation and innovation, competency development and standardisation of safety systems**

Environment

Hindustan Zinc is committed towards environmental conservation through reducing carbon footprint, lowering air emissions, managing water and waste effectively, and fostering biodiversity, etc., which are the important aspects of our philosophy of responsible business operations.

Hindustan Zinc has received validation on its near-term and net-zero targets by the Science Based Targets initiative (SBTi). Our targets include a commitment to reduce 50% of absolute Scope 1 and 2 GHG emissions and further reduction of 25% of absolute Scope 3 GHG emissions by FY2030 from the base year FY2020 and further achieving net-zero emissions across the value chain by FY2050. These target ambitions have been approved by the SBTi in line with 1.5°C trajectory.

Hindustan Zinc also became the first in the Indian metals and mining sector to publish its Climate Action Report, aligned with International Financial Reporting Standards (IFRS) S2 – Climate-related Disclosures framework.

During the year, we have signed an incremental power delivery agreement for renewable energy to increase from 450 MW to 530 MW, and the project progress is going well. In FY2025, we sourced c.13% of the renewable energy 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.

3 Battery-Electric Vehicles (BEVs) in our underground operations at Sindesar Khurd Mine.

10 EV trucks for interunit transport of goods.

Introduction of 3 EV stations as well as deployment of 180 LNG-powered trucks in partnership with Greenline.

Our initiatives in reducing our Scope 3 emissions include deploying 3 battery-electric vehicles (BEVs) in our underground operations at Sindesar Khurd Mine, 10 EV trucks for interunit transport of goods, introduction of 3 EV stations as well as deployment of 180 LNG-powered trucks in partnership with Greenline, for upstream & downstream transportation, which has resulted in avoidance of 1,066.15 tCO_2e in FY2025.

A 4,000 KLD water treatment plant was commissioned at Rampura Agucha Mine in FY2025. The plant will result in reduction of freshwater dependency, aligning with the vision of becoming 5 times water positive by 2025. The dry tailing plant at Rajpura Dariba Mine has been operational since September 2024 and will result

in a significant amount of water recovery from the tailings, making this our second unit generating dry tailings after Zawar Mines.

We had a 3-year engagement with International Union for Conservation of Nature (IUCN) for preparing biodiversity management plans (BMPs) for all of our locations except the Pantnagar Metal Plant, supporting Hindustan Zinc to achieve its target of no net loss of biodiversity against a 2020 baseline.

The first fuming furnace which has been commissioned at Chanderiya Lead Zinc Smelter (CLZS), has helped us in improving metal recovery and reducing the generation of jarosite waste. As a significant achievement in our pursuit of reducing waste by improving efficiency, Hindustan Zinc received an Indian patent titled as 'Method for manufacturing of paver block and bricks from industrial waste'.

We have also partnered with Indian Institute of Technology (IIT) Madras and Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR) to develop sustainable energy storage solutions. IIT Madras is creating a 1 kWh rechargeable zinc-air battery prototype, offering a cost-effective and durable alternative to lithium-ion batteries. This collaboration aims 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 biodiversity, safety, materiality, etc.

We had a 3-year engagement with International Union for Conservation of Nature (IUCN) for preparing biodiversity management plans (BMPs) for all of our locations except the Pantnagar Metal Plant, supporting Hindustan Zinc to achieve its target of no net loss of biodiversity against a 2020 baseline.

Our sustainability-related activities received several endorsements during the year:

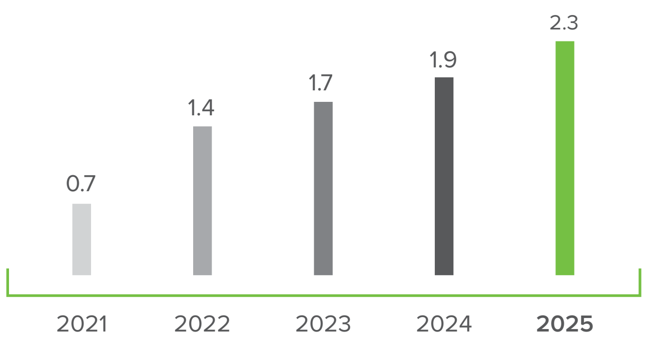
- Our Sustainability Report 2023-24 ranked 1st globally in the Materials category, earning a Platinum award in the LACP Vision Awards 2023/24
- Rajpura Dariba Complex received Scope 1 Water Positive Aspiring Company Certificate
- Hindustan Zinc was honoured with ICC Sustainability Excellence Award in Manufacturing sector
- The Company won ESG Excellence Award 2024 at KPMG ESG Conclave
- Hindustan Zinc was featured in TIME's Top 500 World's Most Sustainable Companies 2024
- The Company won BW Business World's Sustainability Awards 2024 for leading the Sustainability Charter in India's Energy and Mining Industry
- Hindustan Zinc was recognised as Green Leader Supplier by Larsen & Toubro
- The Company won Inspirational Sustainability Performance Award by Amara Raja

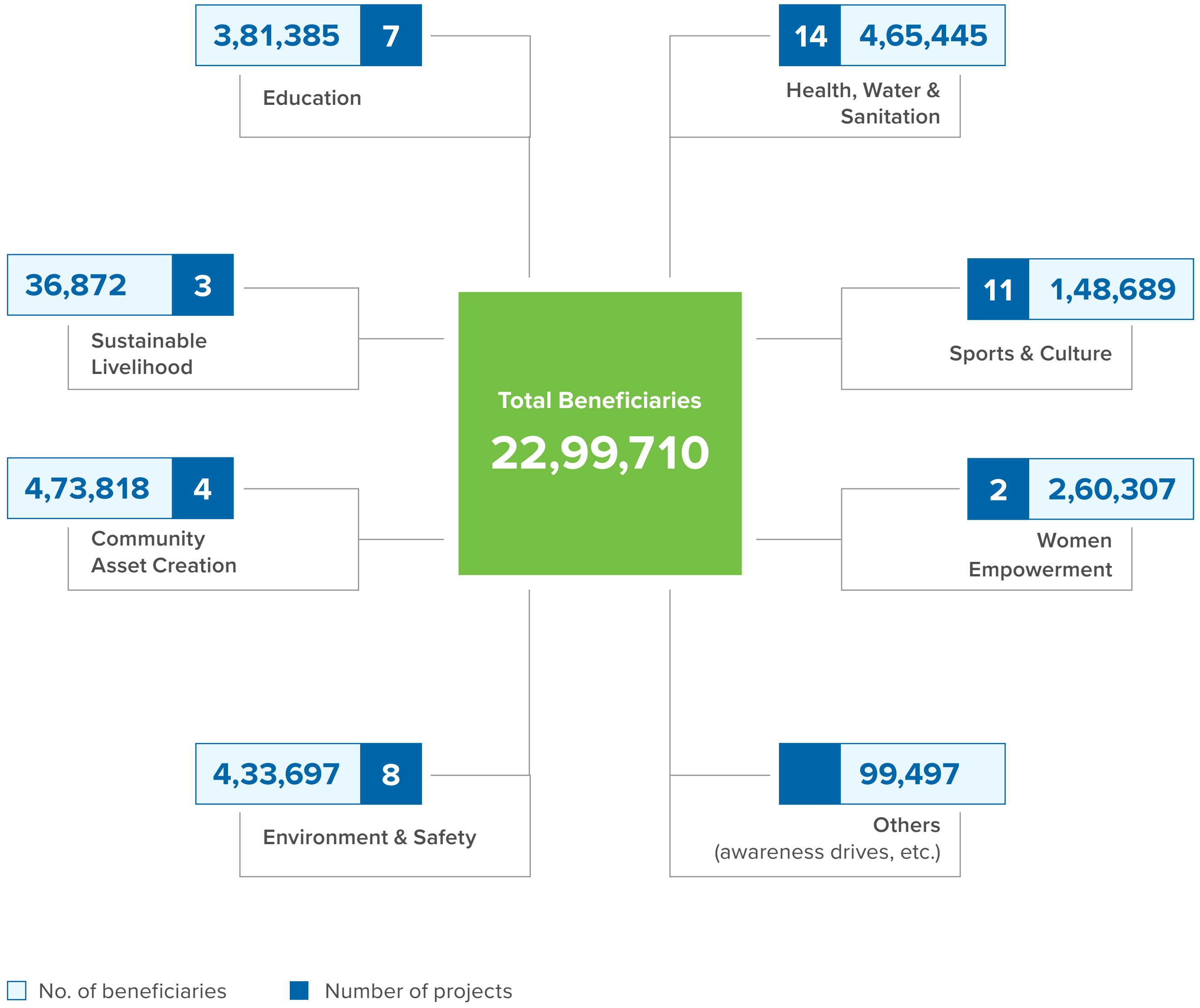
Corporate Social Responsibility (CSR)

The Company's CSR initiatives passionately focus on community upliftment by strengthening the local economy and improving the quality of life 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 186, for further information.

CSR Outreach

No. of direct beneficiaries (in million)





During the year, the Company spent ₹ 273.45 crore on CSR programmes, more than the 2% of CSR mandate which was ₹ 264.82 crore. For further details, refer Annexure III and 'Business Review' section of this annual report.

External Assessment

Indices and Ratings	Best Possible Rating/Score	2024	2023	2022	2021	2020
Sustainalytics	Negligible (0-10)	31.3*	29.9	29.6	47.0	44.0
DJSI	100	86^	85	80.0	77.0	74.0
CDP Climate	A	B+**	A-	A	B	A
CDP Water	A	A-**	A-	A-	A-	B
FTSE4 Good	5	4.4#	4.2	4.2	4.0	4.3

* Last updated in July 2025 ^Last updated in December 2024 # Last updated in July 2024

** i) Last updated in July 2025
ii) Hindustan Zinc was recognised with A- (Leadership) for Supplier Engagement Assessment

III. RESERVE AND RESOURCE (R&R)

With a strong focus on resource-to-reserve conservation during the year, we have crossed the milestone of 13.1 million tonnes of metal reserves for the first time since underground transition, increasing the total metal reserves to 3 times to 29.6 Mnt as compared to FY2020 on a net of production basis.

On an exclusive basis, total Ore Reserves at the end of FY2025 stood at 189.1 million tonnes (net of depletion of 16.3 million tonnes during FY2025) and exclusive Mineral Resources totalled 264.1 million tonnes. Total contained metal in Ore Reserves is estimated at 10.3 million tonnes of zinc, 2.8 million tonnes of lead and 304.8 million ounces of silver. The Mineral Resource contains approximately 11.5 million tonnes of zinc, 5.0 million tonnes of lead and 503.5 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 168, for further information.

HR initiatives

Diversity, Equity & Inclusion

1. Increased gender diversity in Executive Committee from 12% in FY2019 to 25% in FY2025
2. Unveiled a new policy offering up to ₹ 1 lakh for transgender employees' higher education
3. Co-partnered with the 3rd Transgender Leadership Conclave & Job Fair, with 23 employees thriving in key roles across the organisation
4. Celebrating India's first women underground mine managers and all-women rescue teams with #WomenInZinc campaign

Capability Building

1. Over 1.3 lakh training hours, including over 30k hours of digital learning
2. Collaboration with institutions like IIM Udaipur and NIT Rourkela for providing specialised expertise
3. 90+ executives graduated through our work integrated learning program in partnership with BITS Pilani and IIM Udaipur
4. Recognition through DRONA and other such awards to nurture a culture of continuous learning

Appreciation & Quality of Life

1. Partnership with Silver Oak Health to provide free mental health support, fostering emotional resilience through webinars and workshops.
2. High performance organisation with 2x increments to high performers, fast track promotions and disruptive rewards
3. 500+ employees & 200+ business partner employees rewarded over the year
4. Promote physical well-being with state-of-the-art facilities and enhance culture through community celebrations, sports, CEO townhalls, and mentorship programmes, etc.

Talent Management

1. Impacted over 250 employees, including Technical and Business Stars and Safety Champions, through Ambavgarh Dialogue.
2. Connecting employees with industry leaders and change-makers nationwide through Leaders Unplugged
3. Promoted 26 Technical and 7 Business Stars to higher roles with expanded responsibilities through ACT-UP (Accelerated Competency Tracking and Upgradation Programme)
4. Comprehensive assessments like 360-degree feedback for over 200 executives and creation of 250+ talent cards through Talent Review Council
5. Selected 31 leaders for critical roles in smelting operations and asset integrity through SHIKHAR
6. Institutionalised analytics cell, ACCELERATORS, to drive key strategic pillars like economic analysis, zinc market insights, new business opportunities, and competitor benchmarking
7. Covered over 200 anchors and proteges through our flagship mentoring program, GURU CHAKRA

PARTICULARS OF EMPLOYEES

The remuneration paid to Directors, Key Managerial Personnel, and the executive management team during FY2025 was in accordance with the Nomination and Remuneration Policy of the Company. Disclosures pertaining to remuneration and other 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 X.

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 as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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 about sexual harassment at the workplace
- Prevent sexual harassment
- 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

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.

To ensure that ICC is well acquainted with the knowledge of investigation under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Hindustan Zinc organised a 1-day training workshop for all the ICC members by an external expert.

V. RISK MANAGEMENT

The businesses are exposed to a variety of risks, which are inherent to a global natural resources organisation, and we understand that it is imperative for an 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 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 68, 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 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 FY2025.

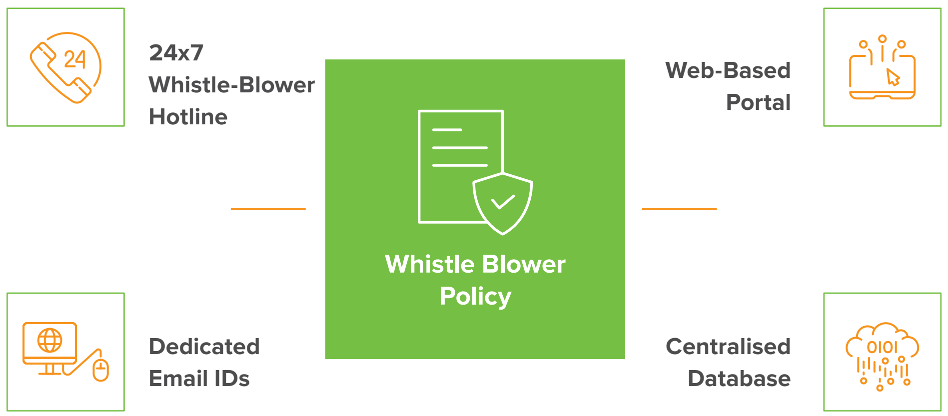
At Hindustan Zinc, we are determined to ensure that our system is robust and proactive to successfully apprehend risks and mitigate them before they play out.

Vigil Mechanism and Whistle Blower Policy

Your Company is committed towards retaining highest standards and ethical code of conduct. The Company has in place a robust vigil mechanism for reporting genuine concerns through the Company's Whistle-Blower Policy and has established the necessary vigil mechanism for Directors and employees in confirmation with section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behaviour.

This policy is available on the Company's website on https://www.hzlindia.com/wp-content/uploads/HZL-WHISTLE-BLOWER-POLICY-19.10.2015.pdf. All the 'Complaints' under this policy are reported to the Group Head - Management Assurance, who is independent of operating management and the businesses. Company has a dedicated email Id - hzl.whistleblower@vedanta.co.in, and a hotline number (000-800-100-1681) as well as web-based reporting platform https://secure.ethicspoint.eu/domain/media/en/gui/102029/index.html.

All incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy. It is completely ensured that the identity of the Complainant remains anonymous. The action taken and status reports of the same are reported to the Audit & Risk Management Committee on a quarterly basis.



VI. SUBSIDIARIES/JOINT VENTURES

As on March 31, 2025, your Company has 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: -

1. Hindustan Zinc Alloys Private Limited (WOS)
2. Vedanta Zinc Football & Sports Foundation (WOS)
3. Hindustan Zinc Fertilisers Private Limited (WOS)
4. Zinc India Foundation (WOS)
5. Hindmetal Exploration Services Private Limited (WOS)
6. Madanpur South Coal Company Limited (JV)

During the year under review, Vedanta Limited, the holding company had reduced its shareholding from 64.92% to 63.42%.

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 https://www.hzlindia.com/wp-content/uploads/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 annual report.

VII. CORPORATE GOVERNANCE

Your Company is committed to achieve the highest standard of corporate governance practices at all times by staying true to its core values of transparency and accountability in all its engagements, which are the two basic tenets of corporate governance. We consider it our inherent responsibility to protect the rights of all our stakeholders and disclose timely, adequate, and accurate information regarding our financials and performance, as well as the leadership and governance 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

As a listed company, necessary measures are taken to comply with the Listing Regulations. The Corporate Governance Report 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 and Key Managerial Personnel

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of shareholders and other stakeholders.

DIRECTORS

Appointments

The appointment of all members of the Board of Directors is made by the shareholders, either at the Annual General Meeting (AGM), Extraordinary General Meeting (EGM), or through a Postal Ballot, in accordance with the applicable governance procedures.

Mr. Vivek Kumar Bajpai (DIN: 10717439), as Government Nominee Director

During FY2025, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board through a circular resolution passed on July 24, 2024, Mr. Vivek Kumar Bajpai (DIN: 10717439) was appointed as the Government Nominee Director of the Company with effect from July 24, 2024. The same was approved by the shareholders of the Company through postal ballot resolution on September 05, 2024.

Mr. Dinesh Mahur (DIN: 10862645), as Government Nominee Director

During FY2025, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board through a circular resolution passed on December 05, 2024, Mr. Dinesh Mahur (DIN: 10862645) was appointed as the Government Nominee Director of the Company with effect from December 05, 2024. The same was approved by the shareholders of the Company through postal ballot resolution on January 19, 2025.

Cessations

Ms. Farida M. Naik as Government Nominee Director

Ms. Farida M. Naik ceased to be Government Nominee Director with effect from July 24, 2024, pursuant to the order received from the Ministry of Mines, Government of India.

Ms. Veena Kumari Dermal as Government Nominee Director

Ms. Veena Kumari Dermal ceased to be Government Nominee Director with effect from December 05, 2024, pursuant to the order received from the Ministry of Mines, Government of India.

Further changes during FY2026:

1. 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.

   The Board of Directors, based on the recommendation of the NRC, has approved the appointment of Mr. Anoop Kumar Mittal (DIN: 05177010) as a Non-Executive Independent Director for a first term of 2 years from August 1, 2025, to July 31, 2027, subject to shareholder approval at the 59th Annual General Meeting.

2. Ms. Nirupama Kotru ceased to be the Non-Executive Nominee Director effective July 25, 2025, following an order from the Ministry of Mines, Government of India. On the same date, Mr. Ashish Chatterjee (DIN: 07688473) was appointed as the Non-Executive Nominee Director, pursuant to the Ministry's order.

Director retiring by rotation

Pursuant to the provisions of section 152 of the Act, Ms. Priya Agarwal (DIN: 05162177), Chairperson, 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 Ms. Priya Agarwal forms part of the Notice convening the ensuing AGM scheduled to be held on Monday, August 25, 2025.

KEY MANAGERIAL PERSONNEL

Appointments/Cessations

In terms of Section 203 of the Act, Mr. Arun Misra, CEO & Whole-time Director and Mr. Sandeep Modi, Chief Financial Officer, continue to hold their positions as Key Managerial Personnel of the Company as on March 31, 2025.

Ms. Harsha Kedia resigned from her position as the Company Secretary & Compliance Officer with effect from the close of business hours on October 28, 2024.

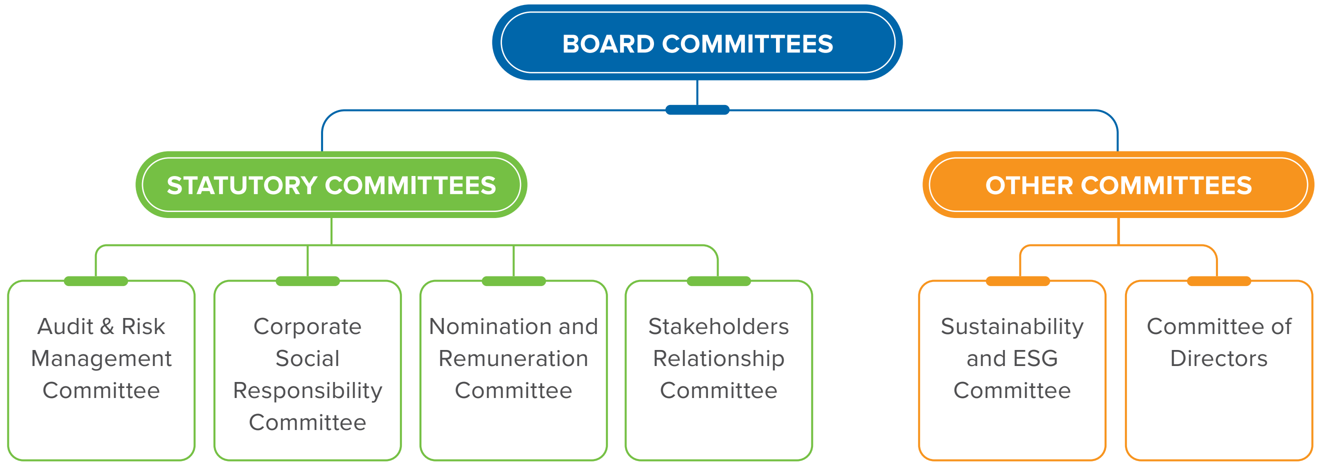
Based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Ms. Aashhima V Khanna, was appointed as the Company Secretary & Compliance Officer (Key Managerial Personnel (KMP)) with effect from January 28, 2025.

Board and Committees

The Board met seven times during the year under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations. The Committees of the Board usually meet the day before or on the day of the Board meeting, or whenever the need arises for transacting business.

A detailed update on the Board, its committees, their composition, terms and reference, meetings held during FY2025, and the attendance of each director is detailed in the Corporate Governance Report, which forms part of this Integrated Annual Report.

As on March 31, 2025, the Board has six committees.



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 Board 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 Annual Report and can also be accessed on the website of the Company at www.hzlindia.com.

Annual Board Evaluation

The NRC has devised a criteria for evaluation of the performance of the Directors including the Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communication inter se between Board members, effective participation, domain knowledge, compliance with the Code of Conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

The annual Board evaluation of the performance of the Board for FY2025 was carried out with the help of an external agency. During the year, the Company had engaged a leading consulting firm, for carrying out the performance evaluation of all the Board members, the Board as a whole and of various Committees. It was facilitated by way of an online structured questionnaire. The evaluation parameters and the process have been explained in the Corporate Governance Report.

Feedback Mechanism

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 ("NRC"), 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 Nomination and Remuneration Policy was reviewed and revised by the Board of Directors on recommendation of the Nomination and Remuneration Committee in its meeting held on April 19, 2024, with a view to align the policy with the latest legal provisions.

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 https://www.hzlindia.com/wp-content/uploads/HZL-Nomination-Remuneration-Policy_final-19.04.2024.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 Companies Act, 2013.

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.

In terms of Section 150 of the Act read with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ("IICA").

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 '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

As required under section 134(5) of the Companies Act, 2013, 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, 2025, the applicable accounting standards have been followed and there are no material departures;

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.

VIII. AUDIT REPORTS AND AUDITORS

Statutory Auditors

M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) have been appointed as the Statutory Auditors of the Company at the 55th Annual General Meeting (AGM) to hold office for a period of 5 years, i.e. until the conclusion of the 60th AGM to be held in 2026.

The auditors have confirmed that they are not disqualified from being re-appointed as statutory auditors of the Company. Further, the report of the Statutory Auditors along with notes to financial statements is enclosed to this report. The notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Statutory Auditors' report for FY2025 does not contain any qualification, reservation or adverse remarks which calls for any explanation from the Board of Directors.

Secretarial Auditors

M/s Sanjay Grover & Associates, Practicing Company Secretaries, New Delhi, (Firm Registration No.P2001DE052900) had been appointed by the Board of Directors of the Company on April 19, 2024, as Secretarial Auditors to carry out the Secretarial Audit of the Company for FY2025. The Company had received a certificate confirming their eligibility and consent to act as the Secretarial Auditors.

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.

Pursuant to SEBI Notification dated December 12, 2024, and on the recommendation of the Board of Directors, the appointment of M/s Sanjay Grover & Associates, Practicing Company Secretaries, New Delhi, (Firm Registration No. P2001DE052900) for the first term of 5 years as the Secretarial Auditors of the Company is proposed to be considered at the ensuing AGM for approval of the shareholders.

The Secretarial Audit Report for FY2025 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 director on the Board.

Internal Auditors

M/s Deloitte Touche Tohmatsu India LLP, (LLPIN: AAE-8458) had been appointed as Internal Auditors to carry out the internal audit of the Company for FY2025. 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 Cost Auditors of the Company for FY2025 to carry out 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 cost audit.

Auditors Certificate

- 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, has been issued by Sanjay Grover & Associates, practising Company Secretaries and Secretarial Auditors of the Company. 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 from Company Secretary in Practice 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.

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.

IX. OTHER DISCLOSURES

Related Party Transactions

In line with the requirements of the Act and the Listing Regulations, your Company has formulated a policy on related party transactions (RPTs) and the same can be accessed using the following link: https://www.hzlindia.com/wp-content/uploads/HZL_RPT-Policy_Revised_21.04.2023.pdf.

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**.

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.

Transfer to Reserves

The Company has NIL transfer to General Reserves out of the profits during the period of reporting.

Debentures

During FY2025, your Company raised ₹ 500 crore through issuance of Non-Convertible Debentures ("NCDs") in three 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	INE267A08020	March 20, 2025	10,000	100	01 year 01 day	March 21, 2026
	INE267A08038	March 20, 2025	10,000	100	02 years	March 20, 2027
	INE267A08046	March 20, 2025	30,000	300	03 years	March 20, 2028

Commercial Papers

The Commercial Papers (**"CPs"**) issued by the Company have been listed on NSE and have been duly redeemed on timely basis. As on March 31, 2025, Company has ₹ 1,050 crore outstanding CPs.

Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

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

The details of unclaimed/unpaid dividends transferred/credited to IEPF during FY2025 are as follows:

Financial Year	Date of declaration	Amount of Unclaimed Dividend transferred (in ₹)
2016-17 (Special interim dividend)	March 22, 2017	4,84,28,077.00
2017-18 (Interim dividend)	November 28, 2024	40,85,764.00

Details of shares transferred to IEPF Authority during FY2025 are also available on the website at https://www.hzlindia.com/investors/share-information/shares-transfer-to-iepf/

The details of dividend declared during the year on shares already transferred to IEPF are provided below:

Dividend declared during FY2025 on shares already transferred to IEPF				
Financial Year	**Type of Dividend**	**Date of declaration**	**Amount transferred to IEPF**	**Date of transfer to IEPF**
2024-25	1st Interim Dividend	May 07, 2024	36,21,856.00	May 23, 2024
2024-25	2nd Interim Dividend	August 20, 2024	68,91,533.00	September 18, 2024

Annual Return

Pursuant to section 92(3) read with section 134(3)(a) of the Act, the annual return as on March 31, 2025, is available on the Company's website https://www.hzlindia.com/investors/reports-press-releases/

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 Companies Act, 2013. 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 (31 of 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 (31 of 2016) during the period under review.

Material Changes affecting the Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of FY2025 and the date of this report.

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.

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.

X. INTEGRATED REPORT

The Company being one of the top companies in the country in terms of market capitalisation, has voluntarily provided integrated 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 employees has been provided separately under various sections of this Integrated Annual Report.

XI. 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.

XII. 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 thanks the customers, vendors, investors, business partners, worker unions, auditors and bankers for their continued support during the year. The Board places on record its appreciation of the contribution made by employees at all levels. The Company's resilience to meet challenges was made possible by their hard work, solidarity, commitment and support.

The Board thanks the Government of India, the State Government(s) where Hindustan Zinc has its operations, and other regulatory authorities and government agencies for their support and looks forward to their continued support in the future.

For and on behalf of the Board of Directors

Arun Misra	**Kannan Ramamirtham**
CEO & Whole-time Director	Director
DIN : 01835605	DIN : 00227980
Udaipur	Mumbai

Date: April 25, 2025

Annexure-1

Particulars of technology absorption and foreign exchange earnings and outgo, as per Section 134(3)(m) of the Companies Act, 2013 and the rules made therein and forming part of the Directors' Report for the year ended March 31, 2025.

A) CONSERVATION OF ENERGY

Conservation of natural resources continues to be the key focus area of your Company. Some of the important steps taken for impact on conservation of energy and for utilising alternate sources of energy are as follows:

Zawar Captive Power Plant

- Running hours optimisation of cooling water pumps, leveraging ambient temperature to achieve savings up to 12,000 units/day for 60 days operation during winter
- Forced draft fan running hours optimisation on low load conditions to achieve savings up to 1,000 units/day, integrated with part load operation
- Overhauling of below-mentioned equipment (savings per month)
  - Mill C (10,080 units since January 2025)
  - AHP 2 Compressors (13,020 units since November 2024)
  - Crusher 1A (9,610 units since December 2024)
- Replacement of high-pressure sodium vapour lights with LED with savings of up to 540 units per month since August 2024
- Optimisation of 4 mill running hours with savings up to 21,050 units per month for 90 days
- Electrostatic Precipitator Hopper heater running hours optimisation with savings of 12,000 units per month for 60 days
- Recommissioning of primary air fan variable frequency drive with savings of 3,000 units/day for 8 months

Dariba Captive Power Plant

- Forced draft fan running hours optimisation on low load conditions to achieve savings up to 1,500 units/day, integrated with part load in both units
- Out of 4 mills, 3 mills were running during low load opportunity with savings up to 1,000 units/day
- Online condenser cleaning system installed in Dariba Smelting Complex Unit-2, providing benefit of 2 gm/kWh on station specific coal consumption. In last 6 months after installation, the Company has saved 1,365 tonnes of coal

Chanderiya Captive Power Plant

- Fill pack replacement done in 25% of the cooling tower cells as per analysis of efficiency of each cell, which has yielded a savings of 1.5 gm/kWh in specific coal consumption
- Design and engineering under progress for increasing the output of WHRB STG by 1.1 MW
- Improvement of unit performance through furnace leak arresting and maintenance of BFP internals
- Mill overhauling was done after efficiency analysis which improved the station specific coal consumption by 1.5 gm/kWh

Capital investment on energy conservation equipment:

S. No.	Particulars	₹ in lakhs
1	Dariba Smelting Complex Captive Power Plant	48.5

B) TECHNOLOGY ABSORPTION

a) Specific areas in which R&D has been carried out by the Company in FY2025

- Enhance grade and recovery of zinc, lead and silver, and control impurities using selective collector/promoter during mineral processing
- Provided technical recommendation to mills (circuit surveys) for operational issues like increased misplacements, fluctuation in concentrate grades/recovery and operational assessment
- Opportunity to enrich tailing for economically viable zinc concentrate
- Process development for realisation from jarosite, jarofix and mill tailings
- Process improvements in the Waelz kiln operations and identification of opportunity for realisation from MCTP slag
- Process development for metal recovery from lead smelting slags, dusts and dross
- Explored zinc avenues in alloy and zinc battery development
- Metal realisation and effective utilisation from high grade cobalt cake, ancillary residues and zinc secondary wastes

b) Benefits derived as a result of the above R&D

- Implemented the process to improve silver recovery at Rampura Agucha and Rajpura Dariba mines by utilising silver promoter reagent
- Implemented environment-friendly iron depressant at Rampura Agucha, while simultaneously reducing costs
- Stabilisation of Rajpura Dariba mill by providing technical insights through circuit surveys and flotation tests
- Validation of low-capex process for metal recovery/realisation from jarosite
- Reduce the soda ash consumption in the water softening process in RO-ZLD plant
- Technical support to MCTP regarding correct feed optimisation to reduce bolder formation, carbon reuse from fine MCTP slag
- Decolorisation of sulphuric acid produced at zinc-lead sinter plant
- Selective zinc metal recovery from effluent treatment plant

c) Future projects for R&D in FY2026

- Plant tests and implementation of new reagent for lead and silver recovery at Sindesar Khurd Mine. Develop recipe for suitability at other mills
- Lab test and practical feasibility evaluation of approaches for improving zinc concentrate quality, pyrite concentrates from lead-zinc tailing for utilisation in lead electrorefining
- Plant support with ore and mill specific mineralogical characterisation and metallurgical performance studies
- Explore utilisation from industrial residues (jarofix, calcium residue, zinc purification residue)
- Process optimisation and recovery improvement in lead smelting, sintering and fumer plant
- Assist plant trial and monitoring at Zinc Smelter Debari Waelz Kiln for unburnt coke recycling, feed optimisation in MCTP and coarse slag utilisation
- Support towards zinc alloy and battery, critical metal extraction facility development
- Develop an eco-friendly process for magnesium and manganese removal from zinc spent solution, mercury extraction efficiency from roaster gas stream
- Reduce the chloride content in zero liquid discharge salt for internal utilisation

d) 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 for Trial run
the year of import	FY2025	FY2024	FY2025
whether the technology been fully absorbed	Currently under fine tuning	Fully absorbed	Under commissioning/ calibration

e) Expenditure on Research & Development (R&D)

(₹ in crore)

Particulars	Amount
Capital	No addition in capital in FY2025
Recurring	10.26
Total	10.26
Total R&D expenditure as a % of Total Turnover	0.035%

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange outgo was ₹ 1,498.15 crore (which includes import of capital goods, stores & spares, coal, consumables, consultancy, travelling etc.), while foreign exchange earned was ₹ 6,579.49 crore.

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Particulars	Unit	Year ended March 31, 2025	Year ended March 31, 2024
A	**Electricity, Power Generation & Fuel Consumption**			
	Purchase Units	Million kWh	566	834
	Total Amount	₹ crore	559.51	713.53
	Average rate of purchasing	₹/kWh	9.89	8.56
	CPP - Units generated from fuel oil			
	Own Generation Units (From Fuel Oil)	Million kWh	0.4	0.6
	Quantity Consumed			
	LSHS/FO	MT	0.0	0.0
	HSD	KL	167	164
	Total Amount	₹ crore	1.17	1.42
	Average cost of fuel per Kg	₹/kg	85.07	106.11
	Average cost of generation	₹/kWh	28.22	24.90
	Unit generated per unit of fuel (LSHS/FO/HSD)	kWh/kg	3.01	4.26
	CPP - Units generated from Coal			
	Own Generation Units (From Coal)	Million kWh	3,713	3,672
	Quantity Consumed			
	Coal	MT	17,09,388	16,83,542
	LDO	KL	480	456
	Total Amount	₹ crore	1,763.88	1,853.27
	Average cost per Kg (Coal)	₹/kg	10.32	11.01
	Average cost per Kg (LDO)	₹/kg	85.51	91.36
	Average cost of generation	₹/kWh	5.67	5.86
	Unit generated per unit of fuel (Coal)	kWh/kg	2.36	2.37
B	**Fuel consumption for Metal Production**			
	(a) L.P.G./Propane			
	Quantity	Million kg	6.60	7.75
	Total Amount	₹ crore	37.51	41.18
	Average cost per Kg	₹/kg	56.85	53.15
	(b) L.D.O./LSHS/FO			
	Quantity	KL	19,367	23,536
	Total Amount	₹ crore	127.94	157.04
	Average cost per Ltr	₹/Ltr	66.06	66.72
	(c) HSD			
	Quantity	KL	51,561	55,444
	Total Amount	₹ crore	399.20	452.10
	Average cost per Ltr	₹/Ltr	77.42	81.54
	(d) Coal for Steam & Others			
	Quantity	MT	21,696	22,399
	Total Amount	₹ crore	22.88	27.50
	Average cost per MT	₹/MT	10,544	12,276
	(e) Met Coke & Coke Breeze			
	Quantity	MT	1,01,373	89,042
	Total Amount	₹ crore	369.38	355.81
	Average cost per MT	₹/MT	36,437	39,960
	(f) Gas, PNG, Process			
	Quantity	m^3	16,28,569	17,32,896
	Total Amount	₹ crore	7.7	9.8
	Average cost per MT	₹/m^3	47.3	56.4

For and on behalf of the Board of Directors

Arun Misra
CEO & Whole-time Director
DIN : 01835605
Place : Udaipur

Kannan Ramamirtham
Director
DIN : 00227980
Mumbai

Date: April 25, 2025

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
DIN: 01835605
Place: Udaipur

Kannan Ramamirtham
Director
DIN: 00227980
Mumbai

Date: April 25, 2025

Annexure-3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR FY2025

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.

2. **Composition of Corporate Social Responsibility Committee ("CSR Committee") as on March 31, 2025:**

S. 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	Chairperson	2	2
2	Ms. Nirupama Kotru	Member	2	2
3	Mr. Akhilesh Joshi	Member	2	2

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/csr/overview/

http://www.hzlindia.com/wp-content/uploads/committee-composition-as-on-December-06-2024.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)**

The Impact Assessment of CSR projects is applicable for FY2025

5.	(a)	Average net profit of the Company as per section 135(5)	₹ 13,241.67 crore
	(b)	Two percent of average net profit of the Company as per section 135(5)	₹ 264.83 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	₹ 4.56 crore
	(e)	Total CSR obligation for the financial year (5b+5c-5d)	₹ 260.28 crore
6.	(a)	Amount spent on CSR Projects (both ongoing projects and other than ongoing project)	₹ 257.86 crore
	(b)	Amount spent in Administrative Overheads	₹ 10.81 crore
	(c)	Amount spent on Impact Assessment, if applicable	₹ 00.22 crore
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 268.89 crore
	(e)	CSR amount spent or unspent for the financial year	

Total Amount Spent for the Financial Year (₹)	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
Nil	NA				

(f) Excess amount for set-off, if any:

S. No.	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

7. Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year (in ₹)	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NA							

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 the Board of Directors

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Priya Agarwal
Chairperson, CSR Committee
DIN: 05162177

Date: April 25, 2025

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

S. 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	94
		Priya Agarwal	Chairperson, Non-Executive Director	2
		Navin Agarwal	Non-Executive Director	2
		Pallavi Joshi Bakhru	Independent Director	-
		Akhilesh Joshi	Independent Director	3
		Kannan Ramamirtham	Independent Director	3
		Nirupama Kotru*	Non-Executive Nominee Director	-
		Veena Kumar Dermal*	Non-Executive Nominee Director	
		Farida M. Naik*	Non-Executive Nominee Director	
		Vivek Kumar Bajpai	Non-Executive Nominee Director	
		Dinesh Mahur	Non-Executive Nominee Director	
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	6%
		Navin Agarwal	Non-Executive Director	-5%
		Akhilesh Joshi	Independent Director	-6%
		Sandeep Modi	Chief Financial Officer & KMP	22%
		Harsha Kedia#	Company Secretary & KMP	-
		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**	3,486 (including 5 expats & 632 Non-Executives)		
5	**Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**	Average increase in the remuneration of all employees excluding KMPs: 8% Average increase in the remuneration of KMPs: 10% Justification: Remuneration is based on the current year's performance, industry trend and overall market situation 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 the financial year 2024-25 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 FY2024 or FY2025. Ms. Harsha Kedia has ceased to be Company Secretary & Compliance Officer of the Company w.e.f close of business hours on October 28, 2024. Full year remuneration has been considered for the purpose of comparison.

5 This analysis is for Executives only who were on rolls of the Company throughout FY2024 & FY2025.

6 *Government Nominee Directors in the employment of the Government are not paid any remuneration.

Report on Corporate Governance FY2025

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Hindustan Zinc, our Corporate Governance philosophy is rooted in our core values and principles, ensuring trust, transparency and accountability in all its engagements which are the basic tenets of Corporate Governance. Our Corporate Governance framework ensures effective engagement with our stakeholders, adhering to ethical, transparent and fair business practices, and helps in building and enhancing long-term value creation for all of our stakeholders. The Code of Conduct of Hindustan Zinc serves as the cornerstone of our ethical business practices, advocating fairness, transparency, respect and accountability. It guides employee behaviour and our efforts toward societal impact and strong stakeholder relationships. The Company remains resolute in its commitment to doing things the right way, making business decisions that are both ethical and in compliance with applicable laws. We recognise that Corporate Governance is essential for enhancing and maintaining investor trust. This approach to value creation emanates in our belief that a sound governance system, based on relationship and trust, is integral to creating enduring value for all.

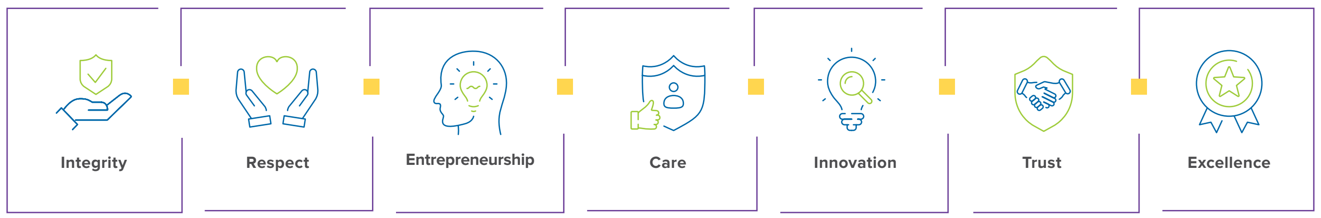
We believe that any business can be conducted ethically only when it rests on the six core values viz. Customer Value, Ownership Mindset, Respect, Fairness, Integrity, One Team One Goal. Company's Business Ethics & Code of Conduct provides the overarching philosophy of its Corporate Governance practices. Our Business Ethics & Code of Conduct inspires us to set standards which not only meet applicable legislation but goes beyond in many areas of our functioning. With a strong governance philosophy, we have a multi-tiered governance structure with defined roles and responsibilities of every constituent of the governance system which includes Board of Directors, Board Committees, Group Executive Committee, Key Global Executives and Regional & Functional Heads.

Sustainable governance is essential to uphold the highest standards of corporate conduct in our interactions with stakeholders, including the communities we engage with, and the environment we influence. This approach paves the way for steady, competitive, profitable, and responsible growth, fostering long-term value creation for all stakeholders. All Directors and employees are bound by the Code of Conduct that sets out the fundamental standards to be followed in all activities carried out on behalf of the Company.

Core Principles of Governance

1. Values and Ethics
2. Transparency and Accountability
3. Fairness and Equity
4. Management/ Board and Committees
5. Giving back to Community/ Society
6. Policies and Regulatory Frameworks

Hindustan Zinc Values



Hindustan Zinc has established a robust foundation for integrating Corporate Governance into its organisational ethos. This has been achieved by creating a Board comprising distinguished and reputable experts, assembling a core team of senior executives, recruiting skilled professionals throughout the organisation, and implementing effective systems, processes, and technologies. Hindustan Zinc stands at the forefront of adopting exemplary governance practices and strives to foster and maintain a culture rooted in the highest ethical standards, unwavering personal and professional integrity, and a steadfast commitment to its core values: Trust, Entrepreneurship, Innovation, Excellence, Integrity, Respect, and Care.

We believe that Corporate Governance is not just a destination, but a continuous journey to constantly improve our long-term sustainable value for all stakeholders, comprising the government and regulators, employees and business partners' employees, suppliers, customers, investors, NGOs, and the society at large, through ethically driven business practices. It is an upward-moving target that we collectively strive towards achieving.

The Company is compliant with the requirements as prescribed under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, and amendments thereto hereinafter referred to as the **"Listing Regulations"** or **"SEBI (LODR)"**, as applicable except as stated in the Secretarial Audit Report.

Corporate Governance

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
- All Statutory Committees of the Board are chaired by an Independent Director, except CSR Committee which is chaired by the Chairperson & Non-Executive Director of the Company
- Secured online platform for circulation of documents to Directors
- Third-party online platform for performance evaluation of Directors, Board and its Committees
- Robust whistle blower mechanism
- Additional disclosure of Tax Transparency Report ("TTR") as per Indian Accounting Standards
- Board diversity in place as a subset of Nomination & Remuneration Policy
- Proactive and substantial initiatives to enhance shareholder engagement, reduce the number of physical shareholdings and unclaimed or unpaid 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

GOVERNANCE STRUCTURE

Hindustan Zinc follows a one-tier governance structure, comprising the Board of Directors which includes both Executive Directors and Non-Executive Directors, along with Board Committees and Management Committees. Corporate Governance at Hindustan Zinc is driven by robust Board processes, well established internal control systems & processes, and strong audit mechanisms. These are underpinned by the Company's governance policies, Code of Conduct, Committee charters, and transparent disclosure and reporting practices.

BOARD OF DIRECTORS

Hindustan Zinc is a professionally managed Company operating under the overall supervision of its Board of Directors. The Board plays a pivotal role in shaping the Company's Corporate Governance practices. This belief is reflected in the Company's commitment to maintaining an effective, informed, and Independent Board that upholds the highest standard of governance.

The Directors of the Company are in a fiduciary position, empowered to oversee the management functions with a view to ensuring its effectiveness and enhancement of shareholder value. The Board also provides strategic direction and independent views, approves management's business objectives and plans, and oversees risk management. Furthermore, the Board establishes direction and implements suitable controls to ensure that the Company operates in a way that meets the expectations of stakeholders and society at large.

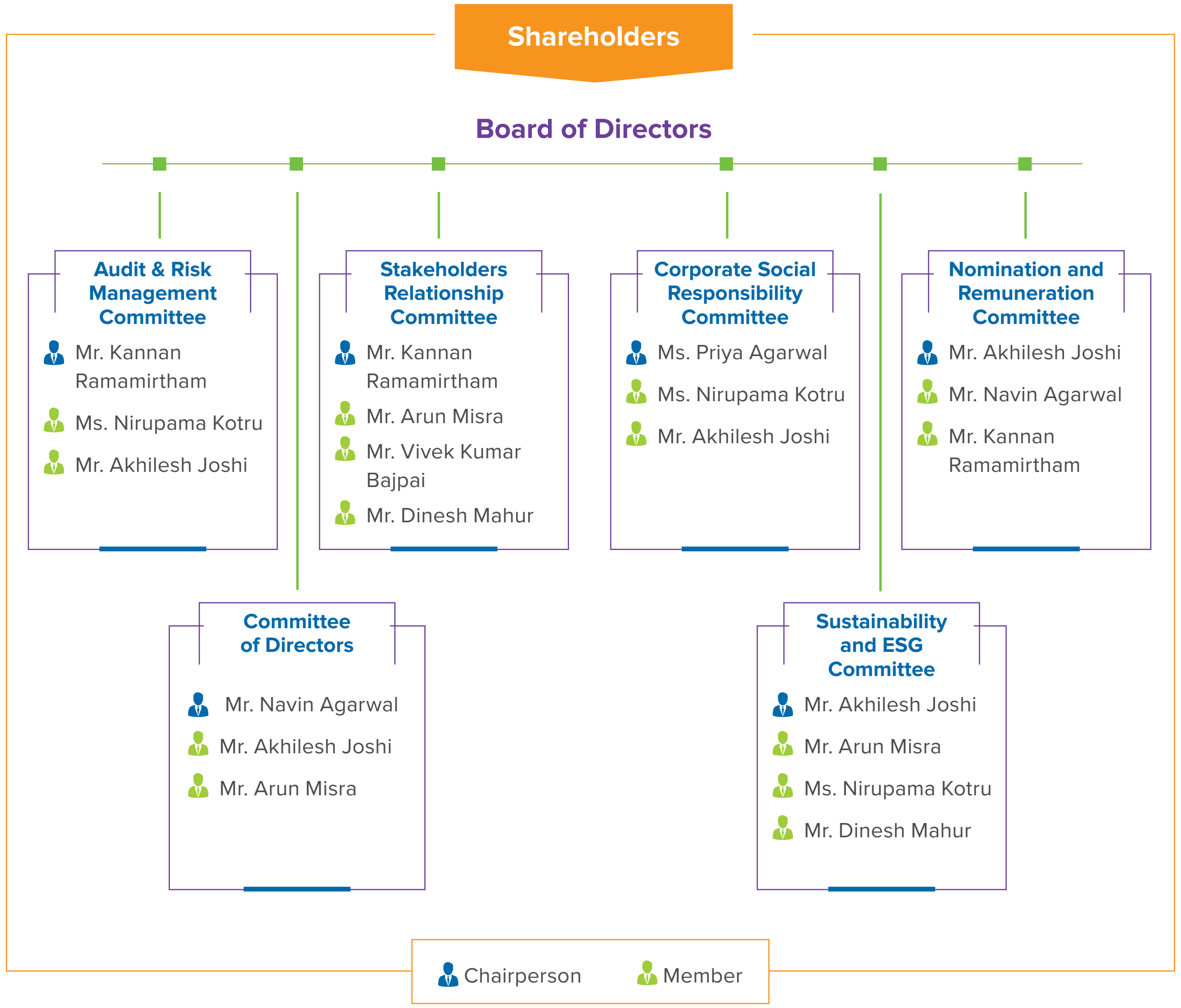
The Company recognises and embraces the importance of a diverse Board in its success. The Board is constituted with a high level of integrated, knowledgeable and committed professionals representing a confluence of complementary skills, attributes, perspectives, expertise in critical areas and diverse backgrounds. The Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to systematise the decision-making process at the meetings of the Board and its various Committees in an informed and efficient manner. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils all stakeholders' aspirations, enhanced value and societal expectations. The details of these Committees have been provided in detail in subsequent sections in this report.

The profile of the Board of Directors is available at https://www.hzlindia.com/about-hzl/leadership/board-of-directors

SEPARATE ROLE OF CHAIRPERSON AND CHIEF EXECUTIVE OFFICER & WHOLE-TIME DIRECTOR

Ms. Priya Agarwal is the Chairperson and Non-Executive Non-Independent Director and Mr. Arun Misra is the CEO & Whole-time Director of the Company. Both these positions have distinct and well-articulated roles and responsibilities as per the requirement of the Companies Act, 2013 (**"the Act"**) and SEBI (LODR). Further, the Company also has a separately designated Chief Financial Officer (**"CFO"**) and Company Secretary (**"CS"**) & Compliance Officer.

The reporting structure as shown below between the Board and the Board Committees forms the backbone of the Company's Corporate Governance framework.



CHANGES IN THE DIRECTORS/KEY MANAGERIAL PERSONNEL ("KMP") OF THE COMPANY DURING FY2025:

Director/KMP	Designation	Nature of Change (Appointment/ Re-appointment/Cessation)	Date of Change
Mr. Vivek Kumar Bajpai	Non-Executive Nominee Director	Appointment	July 24, 2024
Mr. Dinesh Mahur	Non-Executive Nominee Director	Appointment	December 05, 2024
Ms. Farida Naik	Non-Executive Nominee Director	Cessation	July 24, 2024
Dr. Veena Kumari Dermal	Non-Executive Nominee Director	Cessation	December 05, 2024
Ms. Harsha Kedia	Company Secretary & Compliance Officer	Cessation	October 28, 2024
Ms. Aashhima V Khanna	Company Secretary & Compliance Officer	Appointment	January 28, 2025

Note: Following an order from the Ministry of Mines, Government of India, Mr. Ashish Chatterjee (DIN: 07688473) was appointed as the Non-Executive Nominee Director in place of Ms. Nirupama Kotru w.e.f. July 25, 2025.

KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF THE COMPANY AS ON MARCH 31, 2025

Name	Designation
Mr. Arun Misra	CEO & Whole-time Director
Mr. Sandeep Modi	Chief Financial Officer
Ms. Aashhima V Khanna*	Company Secretary & Compliance Officer

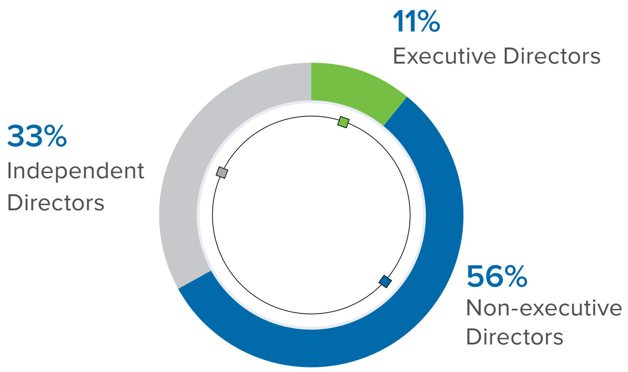
*Ms. Aashhima V Khanna was appointed as the Company Secretary & Compliance Officer w.e.f. January 28, 2025, in place of Ms. Harsha Kedia, who ceased to be the Company Secretary & Compliance Officer w.e.f. close of business hours on October 28, 2024.

BOARD COMPOSITION AND SIZE

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The Board comprised of a one-tier structure with an optimum mix of Executive, Non-Executive, Independent and Women Directors. As on March 31, 2025, the Board comprises 9 (nine) members, out of which 8 (eight) are Non-Executive Directors (including 3 (three) women Directors) and 1 (one) Executive Director. The Company has 3 (three) Independent Directors.

Board Composition as on March 31, 2025



The Chairperson of the Board is a Non-Executive Chairperson 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 by 2 (two) Independent Directors. Since as per the shareholder's agreement of the Company with the Government of India, the rest of the Independent Directors can only be appointed by the Government of India and the matter is pending with the Ministry of Mines, Government of India, for appointment of more Independent Directors.

Board members representation

Criteria	Specification	Number
By age group	Up to 45 years	1
	Between 46 and 55 years	2
	Over 55 years	6
By gender	Men	6
	Women	3
By tenure	Up to 2 years	3
	Between 2 and 4 years	3
	Over 4 years	3
Average tenure of Board members	4.82 years	

BOARD OF DIRECTORS

Ms. Priya Agarwal

Chairperson Non-Executive Director

DIN: 05162177

Age	**35 years**
Nationality	United States of America
Initial Date of Appointment	January 19, 2023
Date of Re-appointment	NA
Tenure Till	NA
Tenure as on March 31, 2025	2.2 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	2
Member/Chairperson in Committee(s)	Member: Nil Chairperson: Nil

Mr. Navin Agarwal

Non-Executive Director

DIN: 00006303

Age	**64 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, 2025	23 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	2
Member/Chairperson in Committee(s)	Member: Nil Chairperson: Nil

Mr. Vivek Kumar Bajpai

Non-Executive Nominee Director

DIN: 10717439

Age	**49 years**
Nationality	Indian
Initial Date of Appointment	July 24, 2024
Date of Re-appointment (by rotation)	NA
Tenure Till	NA
Tenure as on March 31, 2025	0.7 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
National Aluminium Company Limited - Non-Executive - Nominee Director	
No. of Directorships in Public Limited Companies	2
Member/Chairperson in Committee(s)	Member: 1 Chairperson: Nil

Mr. Arun Misra

Executive Director (Chief Executive Officer and Whole-time Director)

DIN: 01835605

Age	**59 years**
Nationality	Indian
Initial Date of Appointment	August 01, 2020
Date of Re-appointment	June 01, 2023
Tenure Till	May 31, 2025
Tenure as on March 31, 2025	4.7 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	5
Member/Chairperson in Committee(s)	Member: 3 Chairperson: Nil

Mr. Akhilesh Joshi

Non-Executive Independent Director

DIN: 01920024

Age	**71 years**
Nationality	Indian
Initial Date of Appointment	August 01, 2020
Date of Re-appointment	August 01, 2023
Tenure Till	July 31, 2025
Tenure as on March 31, 2025	4.7 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	Nil
No. of Directorships in Public Limited Companies	5
Member/Chairperson in Committee(s)	Member: 5 Chairperson: Nil

Ms. Pallavi Joshi Bakhru

Non-Executive Independent Director

DIN: 01526618

Age	**57 years**
Nationality	Indian
Initial Date of Appointment	August 10, 2023
Date of Re-appointment	NA
Tenure Till	August 09, 2025
Tenure as on March 31, 2025	1.6 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited Gabriel India Limited Neuland Laboratories Limited	Independent Director Independent Director Independent Director
No. of Directorships in Public Limited Companies	5
Member/Chairperson in Committee(s)	Member: 6 Chairperson: 3

Mr. Kannan Ramamirtham

Non-Executive Independent Director

DIN: 00227980

Age	75 years
Nationality	Indian
Initial Date of Appointment	September 01, 2022
Date of Re-appointment	September 01, 2023
Tenure Till	August 31, 2025
Tenure as on March 31, 2025	2.6 years
Relationship with other Directors	None
Shareholding	1,500 shares
Board Membership - Other Indian Listed Companies	Nil
No. of Directorships in Public Limited Companies	1
Member/Chairperson in Committee(s)	Member: 2 Chairperson: 2

Mr. Dinesh Mahur

Non-Executive Nominee Director

DIN: 10862645

Age	55 years
Nationality	Indian
Initial Date of Appointment	December 05, 2024
Date of Re-appointment	NA
Tenure Till	NA
Tenure as on March 31, 2025	0.32 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	Nil
No. of Directorships in Public Limited Companies	1
Member/Chairperson in Committee(s)	Member: 1 Chairperson: Nil

Ms. Nirupama Kotru

Non-Executive Nominee Director

DIN: 09204338

Age	56 years
Nationality	Indian
Initial Date of Appointment	July 26, 2021
Date of Re-appointment	NA
Tenure Till	NA
Tenure as on March 31, 2025	3.7 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Coal India Limited	Non-Executive – Nominee Director
No. of Directorships in Public Limited Companies	3
Member/Chairperson in Committee(s)	Member: 2 Chairperson: Nil

Notes:

- The details provided above are as on March 31, 2025
- The number of Directorships in public limited companies includes Hindustan Zinc Limited
- The number of Directorships excludes private companies, foreign companies, and companies under Section 8 of 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, high-value debt listed entities and companies under Section 8 of the Act, have been excluded
- Mr. Vivek Kumar Bajpai and Mr. Dinesh Mahur have been appointed as Non-Executive Nominee Directors of the Company effective from July 24, 2024, and December 05, 2024, respectively
- 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:**

a) 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;

b) holds directorship in more than 7 (seven) listed entities pursuant to Regulation 17A (1) of Listing Regulations;

c) acts as an Independent Director in more than 7 (seven) listed entities pursuant to Regulation 17A (1) of Listing Regulations;

d) 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;

e) is a member of more than 10 (ten) Board level Committees of Indian public limited companies;

f) 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.**

NO PERMANENT BOARD SEAT

In accordance with the amendments to the Listing Regulations, effective from April 1, 2024, the continuation of a Director on the Board requires the approval of shareholders at least once every five years from the date of their appointment or re-appointment. As on March 31, 2025, Hindustan Zinc Limited did not have any Director occupying a permanent Board seat. All Directors are appointed for fixed terms not exceeding five years and/or are subject to retirement by rotation, in compliance with the said regulations.

DIVERSITY AND INCLUSION ("D&I")

The Company continues to recognise that an appropriate mix of diversity and skills is key for introducing different perspectives into Board discussion and for better anticipating the risks and opportunities in building a long-term sustainable business. As set out below, each member of the Board offers a range of core skills and experience that is relevant to the successful operation of the Company.

KEY BOARD QUALIFICATIONS, SKILLS AND ATTRIBUTES

The Board comprises of 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:

Business Leadership

Sustainable success in business at a senior executive level

Corporate Governance

Experience with a major organisation that demonstrates rigorous governance standards

Financial Expertise & Risk Management

Proficiency in financial accounting and reporting, corporate finance and internal controls, corporate funding, and associated risks management

Government & Industry Associations/Chambers

Interaction with government and regulators and involvement in public policy advocacy

Natural Resources

Senior executive experience in large domestic/ global mining organisations involved in the discovery, acquisition, development and marketing of natural resources

Technology/Digital/ Cyber Security

A strong understanding of technology and innovation, and the development and implementation of initiatives to enhance production

Capital Projects

Experience working in an industry with projects involving large-scale long-cycle capital outlays

Mergers & Acquisition

Experience in corporate transactions and actions and joint ventures

Global Experience

Experience of working/handling multiple Indian/ global locations, exposed to a range of political, cultural, regulatory and business environments

Metals & Mining

Knowledge and experience in the metals and mining sector

Sustainability & ESG

Familiarity with issues associated with workplace health and safety, asset integrity, sustainability, environment and social responsibility and communities

In terms of requirements of the Listing Regulations, the current constitution of Board ensures that Board as a whole has a balanced mix of skill sets identified as above. The matrix of skill set based on 'core expertise' with regards to each such skill, is as under:

Name of Director	Areas of Expertise										
	Business Leadership	Financial Expertise & Risk Management	Natural Resources	Capital Projects	Global Experience	Sustainability & ESG	Corporate Governance	Mergers & Acquisition	Government & Industry Associations/ Chambers	Technology/ Digital/ Cyber Security	Metals & Mining
Ms. Priya Agarwal	√	√	√	√	√	√	√	√	√	√	√
Mr. Navin Agarwal	√	√	√	√	√	√	√	√	√	√	√
Ms. Farida M Naik*	√	√	√	√	√	√	√	-	√	√	√
Mr. Arun Misra	√	√	√	√	√	√	√	√	√	√	√
Ms. Pallavi Joshi Bakhru	√	√	-	√	-	√	√	√	-	√	√
Mr. Akhilesh Joshi	√	√	√	√	√	√	√	√	√	√	√
Mr. Kannan Ramamirtham	√	√	√	√	√	√	√	√	√	√	√
Ms. Nirupama Kotru	√	√	√	√	√	√	√	-	√	√	√
Dr. Veena Kumari Dermal**	√	√	√	-	√	√	√	-	√	√	√
Mr. Vivek Kumar Bajpai	-	-	-	√	-	-	√	-	√	-	√
Mr. Dinesh Mahur	-	-	-	√	√	√	√	-	√	√	√

Note:
* ceased as Director w.e.f. July 24, 2024
** ceased as Director w.e.f. December 05, 2024

INFORMATION SUPPLIED TO THE BOARD

The Board has full and unfettered access to all information of the Company and has been regularly provided structured and detailed information as a part of the agenda papers or as presented during the meeting. All agenda documents and meeting minutes are securely uploaded to a secure common digital platform, allowing Board and Committee members to access, review, and provide comments. Video conferencing facility is provided to facilitate Directors to participate virtually in the meetings.

In addition, the CEO and CFO present a comprehensive quarterly report during Board meetings. This report highlights key aspects of the Company's operations and financial performance for the quarter. It includes updates on major projects, future outlook, and matters related to environmental, health, and safety initiatives, corporate social responsibility efforts, investments and borrowings, as well as updates on advocacy and litigation. 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 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
- Operation/performance updates of subsidiary companies
- Sustainability and ESG
- 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 Remuneration Policy plays a vital role in fostering a fair and competitive reward system, ensuring that compensation is directly tied to the achievement of key performance objectives. It aligns with prevailing market standards and meets the expectations of shareholders, while emphasising transparency and equity. The Policy aims to strike an optimal balance in the structure and composition of Directors' remuneration, promoting a blend of fixed and variable components that motivate performance, attract top-tier talent, and retain experienced leadership. It further ensures that rewards are not only competitive but also reflective of the Company's values, long-term strategies, and sustained success. By doing so, the Policy supports the creation of a high-performing and accountable governance framework.

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 FY2025 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 FY2025	Multiplier	
				APA Rating	Fatality
1	Organisational Parameters	Volume, COP & Reserves Creation	60%		
2		EBITDA, FCF			
3		Strategic / Regulatory Objectives			
4	HSE Parameters	Safety (5%)	15%	A - 125% B - 100% C - 50% D - 0%	Nil - 100% 1 - 90% 2 - 80% >2 - 75%
5		Sustainability Vedanta Sustainability Audit Program (VSAP) (10%)			
6	People Metrics	1) Management in Place 2) Talent Retention/Development 3) Employee Engagement	5%		
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 FY2025:

1. Complete milestones of Fertiliser and Roaster project in FY2025 as per plan
2. Successful conversion of General Reserve to Retained Earnings
3. Obtaining approval of demerger of Hindustan Zinc

- **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 the individual 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 (40%)[1]				Individual Performance[2]	Management Discretion	Multiplier	
	Vol	COP	NSR	ESG / Carbon Footprint			APA Rating	Nil Fatality[3]
Hindustan Zinc	60%	15%	10%	15%	40%	20%	Sustained 3 years rating	110%

1. In November 2024 grant, the weightage has been revised 50%,
2. In November 2024 grant, the weightage has been revised 30%
3. In November 2024 grant, the weightage has been revised 105%

The target, threshold and corresponding actual performance values of business-wise metrices shall be the same as will be used for computing 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., FY2023, FY2024 and FY2025.

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., FY2023, FY2024 and FY2025.

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.

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 or payable to Directors for the year ended March 31, 2025

(in ₹)

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 2022; ESOS 2023; ESOS 2024 (Number of shares)
Chief Executive Officer and Whole-time Director							
Mr. Arun Misra	None	-	8,86,05,415	42,73,584	4,25,00,000	13,53,78,999	3,34,200
Non-Executive Independent Director							
Mr. Akhilesh Joshi	None	7,75,000	-	-	29,40,000	37,15,000	-
Mr. Kannan Ramamirtham	None	6,25,000	-	-	29,92,500	36,17,500	-
Ms. Pallavi Joshi Bakhru	None	3,75,000	-	-	29,40,000	33,15,000	-
Non-Executive Non-Independent Director							
Ms. Priya Agarwal#	Refer note#	4,00,000	-	-	31,00,000	35,00,000	-
Mr. Navin Agarwal#	Refer note#	5,25,000	-	-	29,92,500	35,17,500	-

Notes:

#Ms. Priya Agarwal is niece of Mr. Navin Agarwal

*The performance incentive to CEO & WTD is for FY2024, which was paid during FY2025

The details of shares held by the Directors in the Company as on March 31, 2025, are given above in the Board of Directors section. The Directors do not have any pecuniary relationships or transactions vis-à-vis the Company, except as mentioned above. The Company has not granted any stock options to any of its Directors.

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.

During FY2025, 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:

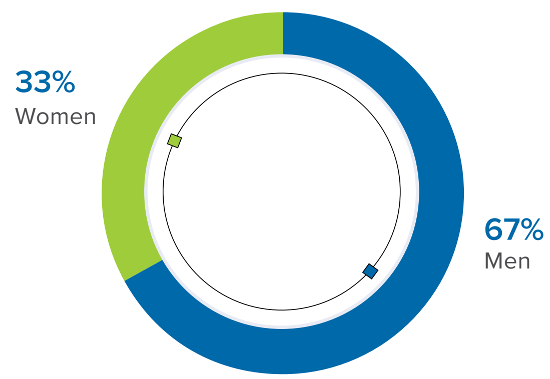
- The total managerial remuneration paid/payable for FY2025 does not exceed 11% of the net profit of the Company
- The total remuneration received by CEO & WTD of the Company does not exceed 5% of the net profit of the Company
- The total remuneration received by the Non-Executive Directors does not 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 FY2025, the Independent Directors met once without the presence of management on March 07, 2025, where all Independent Directors were present, and the meeting was chaired by Mr. Akhilesh Joshi.

We also confirm that during FY2025, none of the Non-Executive Independent Director(s) of the Company resigned before the expiry of their tenure.

DECLARATIONS FROM INDEPENDENT DIRECTORS

a.

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.

b.

The Independent Directors under Regulation 25(8) of the Listing Regulations have confirmed that 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

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The familiarisation program for our Directors is customised to suit their individual interests and area of expertise. Additionally, periodic presentations are made at the Board and Board Committee meetings, on business and performance updates of the Company, global business environment, business strategy and business risks and sustainability. These familiarisation programs aim to provide comprehensive insights into the Company and the business environment in which it operates. It enables the Directors to be updated of newer challenges, risks and opportunities relevant in the Company's context and to lend perspective on its strategic direction.

Details of the familiarisation programme are available on the website of the Company at https://www.hzlindia.com/about-hzl/corporate-governance/familiarization-program/

DIRECTORS AND OFFICERS INSURANCE

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors and Officers Liability Insurance policy.

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.

Performance evaluation criteria for Directors

The NRC has formulated a Policy for the Board, its Committees and Directors and the same has been approved and adopted by the Board. The details of Board evaluation forms part of the Board's Report. This process is in compliance with applicable laws, regulations and guidelines, reflecting the Company's commitment to governance excellence and continuous improvement.

Board evaluations are conducted annually by a third party using a structured questionnaire, with live links circulated to all Directors.

For the past three years, the Company has engaged Deloitte Haskins & Sells LLP (DHS) to perform the evaluations of individual Board members, the Board as a whole, and various Committees. DHS utilises a digital platform to facilitate these evaluations.

The consolidated outcome of the evaluation is prepared by the Chairperson of the Nomination and Remuneration Committee and presented to the Board of Directors.
All the Directors had been rated very good to excellent and overall findings show that the Board and its various Committees are working well. All Board members come with very strong backgrounds and add a lot of value to the meetings by making them participative and engaging.

COMMITTEES OF THE BOARD

The Company has six Board-level Committees – Audit & Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Sustainability and ESG Committee, and Committee of Directors. 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, 2025

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
Ms. Priya Agarwal	--	--	--	Chairperson	--	--
Mr. Navin Agarwal	--	--	Member	--	--	Chairperson
Mr. Vivek Kumar Bajpai	--	Member*	--	--	--	--
Mr. Arun Misra	--	Member	--	--	Member	Member
Mr. Akhilesh Joshi	Member	--	Chairperson	Member	Chairperson	Member
Mr. Dinesh Mahur	--	Member#	--	--	Member#	--
Mr. Kannan Ramamirtham	Chairperson	Chairperson	Member	--	--	--
Ms. Nirupama Kotru	Member	--	--	Member	Member	--
Total No. of Members	**3**	**4**	**3**	**3**	**4**	**3**

Note:

*Mr. Vivek Kumar Bajpai has been appointed as Member of Stakeholders Relationship Committee effective from July 24, 2024.

#Mr. Dinesh Mahur has been appointed as Member of Stakeholders Relationship Committee and Sustainability and ESG Committee effective from December 05, 2024.

Board and Committee Meetings held during FY2025

The meetings of the Board of Directors and its Committees are scheduled at regular intervals, with prior notice and detailed agenda papers shared well in advance to enable informed decision-making. The interval between any two consecutive Board meetings did not exceed 120 days during the year, in compliance with applicable regulations. The yearly calendar of Board and Committee meetings are finalised before the beginning of the financial year. In case of any exigency or requirement to transact an urgent business matter, a resolution by way of circulation is passed by the Board of Directors/respective Committee, which is subsequently taken on record by the Board/Committee in its subsequent meeting.

Meeting	Q1 Apr-Jun	Q2 July-Sep	Q3 Oct-Dec	Q4 Jan-March
Board	April 19, 2024 May 16, 2024	August 02, 2024 August 20, 2024	October 18, 2024	January 28, 2025 March 28, 2025
Audit & Risk Management Committee	April 19, 2024	August 02, 2024	October 18, 2024	January 28, 2025 March 20, 2025
Nomination and Remuneration Committee	April 19, 2024	August 02, 2024	October 18, 2024	January 28, 2025
Stakeholders Relationship Committee				January 24, 2025
Corporate Social Responsibility Committee	April 15, 2024		October 17, 2024	
Sustainability and ESG Committee		July 18, 2024		January 01, 2025
Committee of Directors	June 28, 2024			February 05, 2025 March 10, 2025

ATTENDANCE FOR BOARD AND COMMITTEE MEETINGS HELD DURING FY2025

Name of Director	Whether attended AGM held on July 29, 2024	Board Meeting		Audit & Risk Management Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Sustainability and ESG Committee	Committee of Directors
		(Attended/ Entitled)	% of Attendance	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)
Ms. Priya Agarwal	Yes	7/7	100	-			2/2		
Mr. Navin Agarwal	No	7/7	100	-	4/4				3/3
Ms. Farida M. Naik*	NA	2/2	100	-					
Mr. Arun Misra	Yes	7/7	100	-		1/1		2/2	3/3
Mr. Akhilesh Joshi	Yes	7/7	100	5/5	4/4		2/2	2/2	3/3
Ms. Pallavi Joshi Bakhru	Yes	7/7	100	-					
Mr. Kannan Ramamirtham	Yes	7/7	100	5/5	4/4	1/1			
Dr. Veena Kumari Dermal*	No	2/5	40	-				0/1	
Ms. Nirupama Kotru	No	5/7	71	4/5			2/2	2/2	
Mr. Vivek Kumar Bajpai#	No	4/5	80			1/1			
Mr. Dinesh Mahur#	NA	2/2	100			1/1		1/1	

* Ms. Farida M. Naik and Dr. Veena Kumari Dermal ceased to be Directors of the Company from July 24, 2024, and December 05, 2024, respectively.

\# Mr. Vivek Kumar Bajpai and Mr. Dinesh Mahur were appointed as Non-Executive Nominee Directors of the Company w.e.f. July 24, 2024, and December 05, 2024, 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 FY2025.

Average Board meeting attendance is above 75%.

AUDIT & RISK MANAGEMENT COMMITTEE

Name of the Member	Position	Sitting Fees (₹)
Mr. Kannan Ramamirtham	Chairperson	1,25,000
Mr. Akhilesh Joshi	Member	1,25,000
Ms. Nirupama Kotru	Member	-

67%
Independence

3
Members

5
Meetings

93.44%
Attendance

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

The Committee, in its meetings, in addition to the members also has the following set of invitees:

Audit & Risk Management Committee Meeting Invitees

- The Chief Executive Officer & Whole-time Director, Chief Financial Officer, Head of Management Assurance Cell
- The representatives of Statutory Auditors
- The representatives of Internal Auditors
- Representatives of Executives from several departments including Accounts, Finance, Corporate Secretarial and Internal Audit

Each of the member of the Audit & Risk Management 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 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 Statutory and Cost 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 financial statements and the 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 Statutory and Internal 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

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 FY2025 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 FY2025.

STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

Name of the Member	Position	Sitting Fees (₹)
Mr. Kannan Ramamirtham	Chairperson	25,000
Mr. Arun Misra	Member	-
Mr. Vivek Kumar Bajpai	Member	-
Mr. Dinesh Mahur	Member	-

25%
Independence

4
Members

1
Meetings

100%
Attendance

Role and function of the Stakeholders Relationship Committee :

The role, powers and terms of reference of the Stakeholders Relationship Committee (SRC) 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:

- Resolve 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 or unpaid 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 FY2025 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 FY2025.

Details of investor grievances received and addressed by the Company during FY2025 are given below:

Nature of complaints received and attended during FY2025

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 Limited/National Stock Exchange/SEBI complaint redressal system/ Online dispute resolution platform and so on	47
2	Number of complaints resolved	47
3	Number of complaints not resolved to the satisfaction of the investors as on March 31, 2025	0
4	Complaints pending as on March 31, 2025	0
5	Number of share transfers pending for approval, as on March 31, 2025	0

Note: The Company received Nil complaints with respect to Non-Convertible Debentures.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Name of the Member	Position	Sitting Fees (₹)
Ms. Priya Agarwal	Chairperson	50,000
Ms. Nirupama Kotru	Member	-
Mr. Akhilesh Joshi	Member	50,000

33%
Independence

3
Members

2
Meetings

100%
Attendance

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 Corporate Social Responsibility Policy to the Board
- 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

CSR Budget

- Decide and recommend to the Board, the amount of expenditure to be incurred on CSR activities
- Formulation of Annual Action Plan
- Evaluate and monitor expenditure towards CSR activities in compliance with the Act, and
- Evaluation of need and impact assessment of the projects undertaken by the Company

In this financial year, the Company has spent a sum of ₹ 273.45 crore (after adding carry forward of ₹ 4.56 crore from FY2024, the total spend for the year comes to ₹ 273.45 crore) on CSR activities for FY2025. 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 ₹ 264.83 crore. Hence, the Company is eligible to carry forward a sum of ₹ 8.62 crore to be adjusted against CSR expenditure to be utilised in further years.

The schedule of CSR Committee meetings held in FY2025 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 FY2025.

NOMINATION & REMUNERATION COMMITTEE (NRC)

Name of the Member	Position	Sitting Fees (₹)
Mr. Akhilesh Joshi	Chairperson	1,00,000
Mr. Navin Agarwal	Member	1,00,000
Mr. Kannan Ramamirtham	Member	1,00,000

67%
Independence

3
Members

4
Meetings

100%
Attendance

Role and function of the Nomination and Remuneration Committee:

The role, powers and terms of reference of the Nomination and Remuneration Committee covers all the areas prescribed under Section 178 of the Companies Act, 2013 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:

Board Composition and Nomination

- Formulate the criteria/policy for appointment of Directors, KMPs and SMP (as defined by the NRC) in accordance with identified criteria
- Review and appoint shortlisted candidates as Directors, KMPs and SMP (including evaluation of incumbent Directors for potential re-nomination) and make recommendations to the Board
- Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities, required for an appointment, and
- Formulate and recommend to the Board, the criteria for determining qualifications, positive attributes and independence of a Director

Remuneration

- Recommend to the Board, a policy relating to the remuneration of Directors (both Executive and Non-Executive Directors), KMPs and SMP
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully
- Ensuring remuneration to Directors, KMPs and SMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals

Evaluation of the Board, its Committees and individual Directors

- To develop, subject to approval of the Board, a process for an annual self-evaluation of the performance of the Board, its Committees and the individual Directors in the governance of the Company and to coordinate and oversee this annual self-evaluation
- To formulate a criterion for evaluation of Independent Directors, Chief Executive Officer & Whole-time Directors and the Board as a whole and carry out an evaluation of every Director's performance and present the results to the Board

Succession Planning and Governance

- Review of succession planning for Executives, Non-Executive Directors and other SMPs
- Establishing policies and procedures to assess the requirements for induction of new members to the Board
- To maintain regular interaction and collaborate with the leadership including the HR team to review the overall HR vision and people development strategy of the Company
- To develop and recommend a policy on Board Diversity

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 Companies Act, 2013 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 FY2025 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 Committee during FY2025.

SUSTAINABILITY AND ESG COMMITTEE

Name of the Member	Position	Sitting Fees (₹)
Mr. Akhilesh Joshi	Chairperson	50,000
Ms. Nirupama Kotru	Member	-
Mr. Arun Misra	Member	-
Ms. Veena Kumari D*	Member	-
Mr. Dinesh Mahur#	Member	-

*Ceased as member w.e.f. December 05, 2024

Appointment as member w.e.f. December 05, 2024

25% Independence

4 Members

2 Meetings

87% Attendance

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
- Oversight on decarbonisation roadmap for the businesses; including long-term projections and scenario planning
- Review of semi-annual GHG performance
- Inclusion of scope 3 emission calculation for business

ESG Governance

- Review of progress of ESG goals and select KPIs
- Review of the annualised roadmap of each ESG goal
- Oversight and guidance on future plans to deliver on Hindustan Zinc's ESG roadmap
- 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 FY2025 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 FY2025.

COMMITTEE OF DIRECTORS (COD)

The objective of the COD is to consider, review and approve the proposals relating to policies on financial matters, investments, securities, general authorisations, and treasury-related proposals including all borrowing proposals, including borrowing for the purpose of refinancing existing debt, including that for working capital facilities, within the overall limits as may be approved by the Board from time to time.

Name of the Member	Position	Sitting Fees (₹)
Mr. Navin Agarwal	Chairperson	75,000
Mr. Akhilesh Joshi	Member	75,000
Mr. Arun Misra	Member	-

33%
Independence

3
Members

3
Meetings

100%
Attendance

The schedule of COD meetings held in FY2025 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

SHAREHOLDERS MATTERS

DIVIDEND

During FY2025, the Company declared two interim dividends, details of which are as under:

Dividend	₹ per share	% of Dividend	Date of Declaration
1st Interim dividend	10	500	May 07, 2024
2nd interim dividend	19	950	August 20, 2024
Total	**29**	**1,450**	

Total amount of dividend declared during the FY2025 is ₹ 1,22,53,42,51,000.

Transfer of Unclaimed/Unpaid Dividend amounts to the Investor Education and Protection Fund (IEPF)

Pursuant to 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"), dividend, if not claimed for a period of seven years or more from the date of transfer to unclaimed or unpaid dividend account of the Company, are liable to be transferred to the IEPF.

Further, all the shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more from the date of transfer to unclaimed or unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority restraining any transfer of the shares.

In order to educate the shareholders and with an intent to protect their rights, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed or unpaid dividends, outstanding for seven years. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unclaimed or unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed/unpaid dividends transferred to IEPF during FY2025 are as follows:

Financial Year	Amount of unclaimed or unpaid Dividend transferred (in ₹)
2016-17 (Special interim dividend)	4,84,28,077.00
2017-18 (Interim dividend)	40,85,764.00

The Company has uploaded on its website the details of unclaimed or unpaid amounts lying with the Company as on date of the last Annual General Meeting (i.e. July 29, 2024). Details of shares transferred to IEPF Authority during FY2025 are also available on the website of the at https://www.hzlindia.com/investors/share-information/shares-transfer-to-iepf/

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

The members may note that who have a claim on the above dividends and shares including all benefits accruing on such shares, if any, may claim the same from the IEPF Authority by submitting an online application in web Form No. IEPF-5, available on the website www.iepf.gov.in, and sending a physical copy of the same, duly signed, to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred to IEPF authority.

Further, in accordance with the IEPF Rules, the Board of Directors have appointed Ms. Aashhima V Khanna as the Nodal Officer and Ms. Roopal Gupta as the 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
Second Interim Dividend 2017-18	March 16, 2018	April 21, 2025
Special Interim Dividend 2018-19	October 22, 2018	November 27, 2025
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

Procedure for Claiming Unclaimed/Unpaid Dividends and Shares

The process of claiming unclaimed or unpaid dividends and/or shares through the 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. **Dispatch 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 dispatch on MCA V3 Portal:**
   Upon dispatch, the claimant must update the date and upload proof of dispatch 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.

Niveshak Sunwai

The Investor Education and Protection Fund Authority (IEPFA) has been organising the 'Niveshak Sunwai' sessions to help investors resolve issues related to unclaimed or unpaid dividends and shares. These sessions are designed to make the claims process easier and to build investor confidence. Through this initiative, investors receive guidance and support in recovering their unclaimed or unpaid amounts.

For more information on upcoming sessions, including dates and locations, investors can visit the official IEPFA website: www.iepf.gov.in.

LISTING DETAILS

Equity Shares

The Equity Shares of the Company are listed with the following stock exchanges

Particular		Scrip Code	ISIN Code
Indian Stock Exchange	**BSE Limited ("BSE")** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	500188	INE267A01025
	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 FY2026 to all the Stock Exchanges, where the securities of the Company are listed.

Debt Securities

The unsecured, redeemable, rated, listed, nonconvertible debentures (NCDs) of the Company are listed at BSE Limited under ISIN INE267A08046, INE267A08020 and INE267A08038 (allotted on March 20, 2025). All the NCDs are in demat form.

Commercial Papers

The commercial papers issued by the Company are listed on National Stock Exchange of India Limited.

SHAREHOLDERS

Means of Communication

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, Economic Times and Maharashtra 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 www.hzlindia.com

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.

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

Integrated Annual Report and Annual General Meeting

Integrated Annual Report serves as a comprehensive document, containing audited standalone and consolidated financial statements together with Directors' 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

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

Announcement of material information

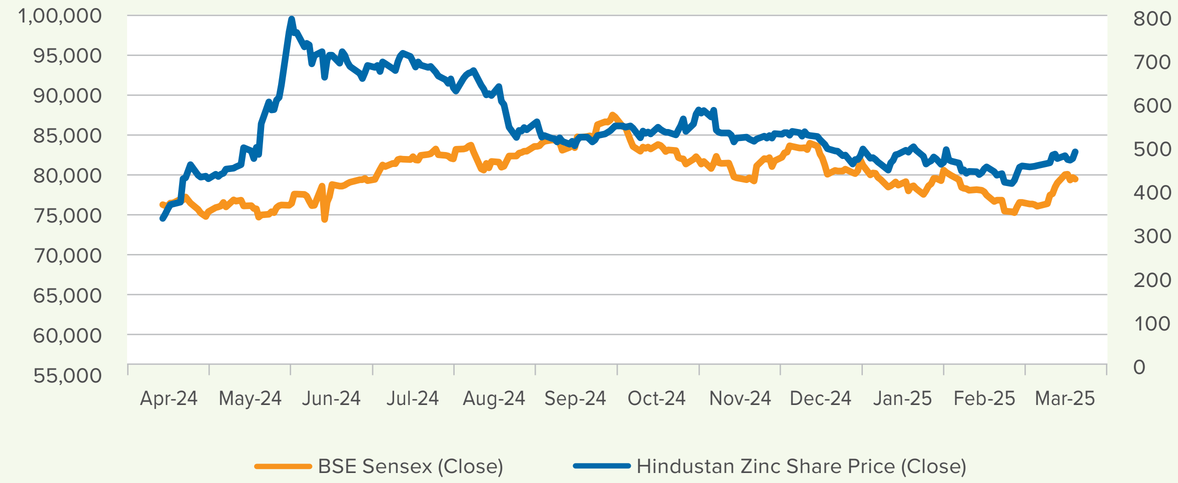
All the material information, requisite announcements and periodical filings are being submitted by the Company electronically through web portals of NSE and BSE, where the equity and debt of the Company are listed

Stock Market Data

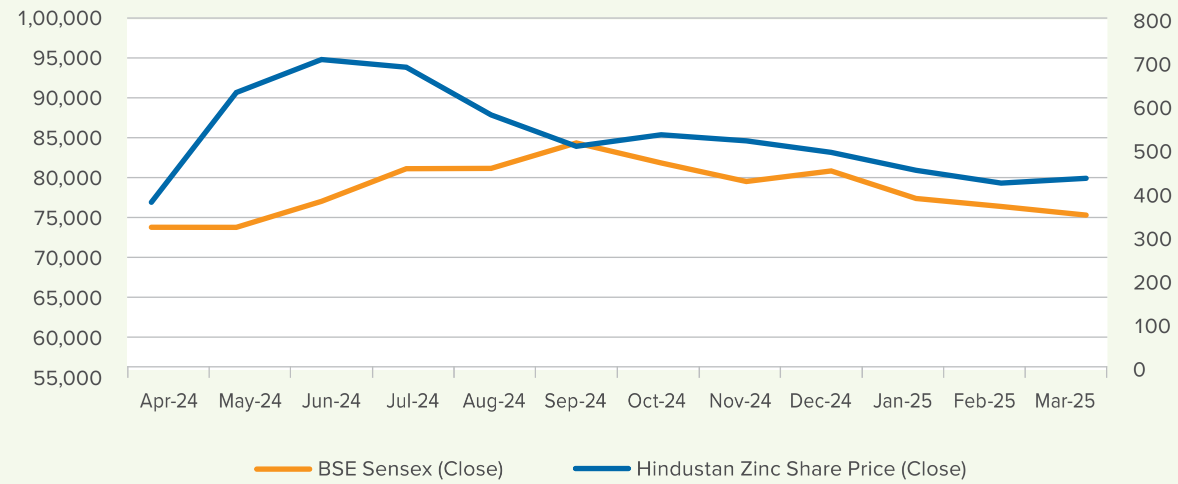
High, Lows and Volumes of the Company's Equity Shares for FY2025

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
Apr-24	442.40	295.15	88,91,369	442.55	294.15	10,93,91,407
May-24	807.00	416.50	1,20,63,449	807.70	424.20	17,65,06,781
Jun-24	735.35	595.80	18,62,419	740.00	596.80	2,35,85,086
Jul-24	717.10	600.00	13,06,466	717.00	599.00	1,58,16,862
Aug-24	664.35	488.65	1,00,19,096	663.15	488.05	11,61,56,510
Sep-24	531.25	475.55	28,02,434	531.25	475.40	4,98,89,411
Oct-24	575.00	490.05	36,40,032	575.40	490.50	5,67,56,185
Nov-24	565.00	483.25	35,12,224	565.00	483.20	5,27,55,443
Dec-24	516.00	430.25	21,97,535	516.40	429.60	2,61,44,953
Jan-25	480.30	414.85	20,12,376	480.50	414.70	2,72,26,205
Feb-25	469.35	390.00	20,95,398	469.20	390.00	2,84,90,450
Mar-25	477.65	378.65	32,50,854	477.80	378.15	4,48,31,003

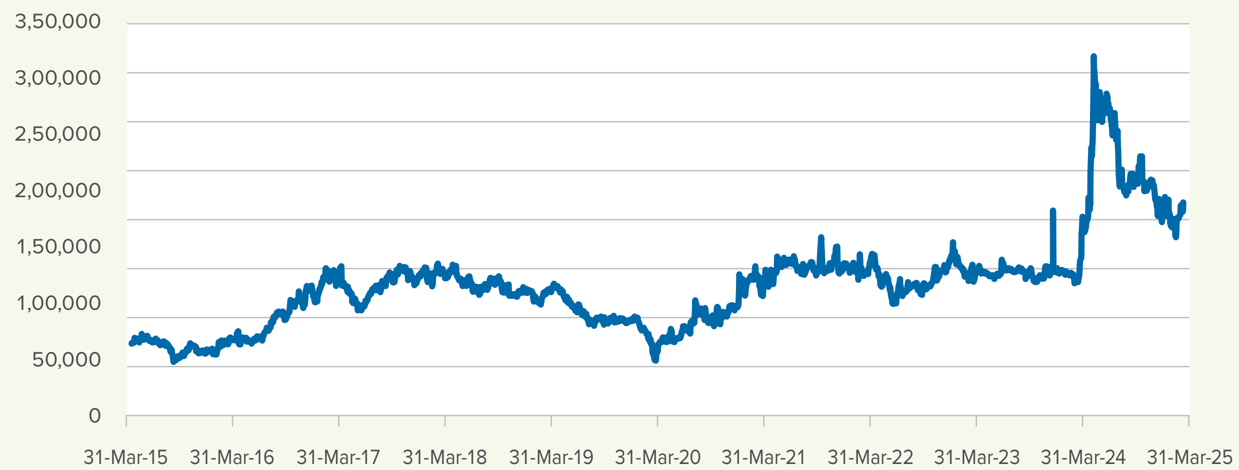
Chart: Share Performance versus BSE Sensex



Based on monthly averages



Market Capitalisation Performance from March 31, 2015, to March 31, 2025 (₹ in crore)



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, 2025.

Shareholding pattern by size on March 31, 2025

Distribution Schedule as on March 31, 2025					
S. No.	No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1	1 - 5000	7,23,518	99.16	14,96,48,032	1.77
2	5001 - 10000	3,397	0.47	2,51,26,770	0.30
3	10001 - 20000	1,384	0.19	2,05,39,828	0.24
4	20001 - 30000	450	0.06	1,12,49,928	0.13
5	30001 - 40000	265	0.04	95,33,922	0.11
6	40001 - 50000	118	0.02	53,83,324	0.06
7	50001 - 100000	218	0.03	1,57,54,632	0.19
8	100001 & Above	265	0.04	8,21,34,01,564	97.19
	Total	**7,29,615**	**100.00**	**8,45,06,38,000**	**100.00**

Shareholding pattern by ownership as on March 31, 2025

HINDUSTAN ZINC LTD (Shareholding Pattern as on March 31, 2025)				
S. No.	Description	No. of Cases	Total Shares	% Equity
1	MUTUAL FUNDS	25	72,80,965	0.17
2	BANKS (Institutions Domestic)	2	21,900	0.00
3	FOREIGN PORTFOLIO INVESTORS CATEGORY I	197	5,73,05,840	1.36
4	FOREIGN PORTFOLIO INVESTORS CATEGORY II	16	28,33,675	0.07
5	TRUSTS	44	1,63,198	0.00
6	RESIDENT INDIVIDUALS	6,91,917	10,84,89,771	2.57
7	INSURANCE COMPANIES	19	16,71,78,313	3.96
8	CENTRAL GOVERNMENT - GOI-PRESIDENT OF INDIA	1	1,17,96,36,108	27.92
9	BODIES CORPORATES (CG/SG)	2	510	0.00
10	NON-RESIDENT INDIANS	8,240	64,75,755	0.15
11	CLEARING MEMBERS	11	95,885	0.00
12	BANKS (Institutions Foreign)	1	10,000	0.00
13	PROMOTER COMPANIES	1	2,67,95,48,419	63.42
14	BODIES CORPORATES	1,795	1,05,09,235	0.25
15	NBFC	7	36,368	0.00
16	I E P F	1	5,29,684	0.01
17	H U F	10,594	48,75,231	0.12
18	FOREIGN NATIONALS	1	100	0.00
19	ALTERNATIVE INVESTMENT FUND	7	89,743	0.00
20	BODIES CORPORATES Institutions (Foreign)	2	6,000	0.00
21	QUALIFIED INSTITUTIONAL BUYER (Provident / Pension Funds)	1	2,32,300	0.01
	Total	**7,12,884**	**4,22,53,19,000**	**100.00**

Dematerialisation of Shares and NCD's

The shares and NCD's of the Company are compulsory 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, 4,223,628,270 equity shares forming 99.96% of the share capital of the Company, stand dematerialised.

Capital details as on March 31, 2025

Details	Number of shares	% of total issued capital
Held in dematerialised form in CDSL	1,23,98,54,173	29.34
Held in dematerialised form in NSDL	2,98,37,74,097	70.62
Physical	16,90,730	0.04
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 (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.

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 Indian rupees (₹) denominated unsecured, redeemable, rated, listed, non-convertible debentures of face value of ₹ 100,000 (Indian rupees one lakh only) each, aggregating up to ₹ 5,000,000,000 (Indian rupees five hundred crore only) (the "Debentures" or "NCDs"), in following three separately transferable and redeemable principal parts: (i) ₹ 1,000,000,000 (Indian rupees one hundred crore only) (**"STRPP 1"**); (ii) ₹ 1,000,000,000 (Indian rupees one hundred crore only) (**"STRPP 2"**); and (iii) ₹ 3,000,000,000 (Indian rupees three hundred crore only) (**"STRPP 3"** together with STRPP 1 and STRPP 2 **"STRPPS"**), each inclusive of anchor portion of up to 30% of the issue size.

Further, the proceeds of aforesaid NCDs have been fully utilised for the purpose for which it was raised by the Company 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 terms of Regulation 40(1) of Listing Regulations, as amended from time to time, name deletion/correction of name, transfer, transmission and transposition of securities shall be affected only in dematerialised form.

Pursuant to SEBI Circular dated January 25, 2022, the listed Companies shall issue the securities in dematerialised form only for processing any service requests from shareholders viz., issue of duplicate share certificates, claim from Unclaimed or Unpaid Suspense Account, renewal/exchange of securities certificate, endorsement, exchange/sub-division/splitting/consolidation of securities, name deletion, change/correction of name, transmission/transposition of securities. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholders shall make a request to the Depository Participant for dematerialising those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

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.

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.

In accordance with the SEBI circular dated March 16, 2023, and updated vide Master Circular dated May 17, 2023, 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

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

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: anandan.k@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, 2024	August 02, 2024
Unaudited Financial Results for the quarter and half year ended on September 30, 2024	October 18, 2024
Unaudited Financial Results for the quarter and nine months ended on December 31, 2024	January 28, 2025
Audited Financial Statements for the quarter and year ended on March 31, 2025	April 25, 2025

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 08, 2022	56th AGM	Convened through video conferencing ("VC")/ other audio-visual mode ("OAVM")	12.00 Noon
August 24, 2023	57th AGM		12.00 Noon
July 29, 2024	58th 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

There were no special resolutions passed at the 56th & 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 the FY2025, 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.	August 02, 2024	Remote e-voting period commenced at 09:00 a.m. IST on Wednesday, August 07, 2024, and ended at 5:00 p.m. IST on Thursday, September 05, 2024	September 05, 2024	September 06, 2024
2.	December 19, 2024	Remote e-voting period commenced at 09:00 a.m. IST on Saturday, December 21, 2024, and ended at 5:00 p.m. IST on Sunday, January 19, 2025	January 19, 2025	January 20, 2025

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.	Approval for borrowing limits of the Company under Section 180(1)(c) of the Companies Act, 2013	97.13	2.86
2.	Approval for creation of mortgage and/or charge on the assets of the Company under Section 180 (1)(a) of the Companies Act, 2013	99.98	0.01
3.	Approval of limit for the loan, guarantee and investment by the Company under section 186 of the Companies Act, 2013	96.60	3.39

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 Agen ('RTA')
- Mr. Manoj Maheshwari, Partner of M/s. V.M. & Associates, Practicing Company Secretary (Membership No. FCS 3355, CP No. 1971) acted as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner
- The Scrutinizer submitted his report after the completion of scrutiny and the result of the e-voting along with Scrutinizer'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 the website of Company

S. No.	Particular	Statutes	Detail	Website link of the policy
1	Related Party Transactions	Regulation 23 of Listing Regulations	The Company has implemented a Policy on Related Party Transactions (RPTs) in accordance with the provisions of the Act and the Listing Regulations, as amended from time to time. This Policy is designed to establish a robust framework for the reporting, approval, and disclosure of transactions between the Company and its related parties. During the FY2025, no material related party transactions were identified that conflicted with the interests of the Company. Prior omnibus approval is obtained from Audit & Risk Management Committee for RPTs on a yearly basis, for the transactions which are of repetitive nature and/ or entered in the ordinary course of business and are at arm's length. All RPTs entered during the year are reviewed by the Audit & Risk Management Committee on a quarterly basis. The Policy on Related Party Transactions, as approved by the Board, has been made available on the Company's official website	https://www.hzlindia.com/wp-content/uploads/HZL_RPT-Policy_Revised_21.04.2023.pdf
2	Whistle Blower Policy and Vigil Mechanism	Regulation 22 of Listing Regulations	The Company has Whistleblowing 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/wp-content/uploads/HZL-WHISTLE-BLOWER-POLICY-19.10.2015.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	HZL-Policy-for-Determing-Material-Subsidiaries.pdf (hzlindia.com)
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)	Policy-for-determination-of-materiality-of-evensUPSI-and-archival-policy.pdf (hzlindia.com)
6	Policy on Archival and Preservation of Documents	Regulation 9 of Listing Regulations	The Company has adopted this policy	HZL-Policy-for-preservation-of-Documents-21-01-16.pdf (hzlindia.com)
7	Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC / FITTC/ Cir-16/2002 dated December 31, 2002.	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/share-information/reconciliation-of-share-capital-audit-report/
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, 2025. The Integrated Annual Report of the Company contains a certificate by the CEO & Whole-time Director, on the above compliance	https://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-CODE-OF-CONDUCT-05.03.2025_Reviewed_.pdf
9	Dividend Distribution Policy	Regulation 43A of the Listing Regulations	The dividend recommended is in accordance with your 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	Dividend Policy.pdf (hzlindia.com)
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	Letter_of_Apptt_of_Independent_Director-1.pdf (hzlindia.com)
11	Familiarisation programme conducted for Independent Directors 2023-24	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/wp-content/uploads/HZL-Familiarization-Program.pdf
12	Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	The Company has complied with the 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 an 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 inquiry 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"	insider-policy-R7-SEPT-V7.pdf (hzlindia.com)
14	Nomination & Remuneration Policy	As per provisions of Companies Act, 2013 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	HZL-Nomination-Remuneration-Policy_final-19.04.2024.pdf (hzlindia.com)
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/wp-content/uploads/Anti-Bribery-and-Anti-Corruption-Policy-21.01.2022.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	HZL-Board-Diversity-Policy-final-19.04.2024.pdf (hzlindia.com)

ANNUAL GENERAL MEETING FOR FINANCIAL YEAR 2024-25

Date: August 25, 2025
Day: Monday
Time: 12:00 Noon
Venue: VC/OAVM

FINANCIAL YEAR

The Financial Year of the 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, 2025, financial results will be announced within the statutory time period provided under the Act.

SCHEME OF ARRANGEMENT BETWEEN COMPANY AND ITS SHAREHOLDERS

The Board of Directors of the Company, based on the recommendations of the Audit and Risk Management Committee and the Committee of Independent Directors, approved a Scheme of Arrangement on January 21, 2022, between Hindustan Zinc and its shareholders for capital reorganisation. The scheme includes the transfer of ₹ 10,383 crore from the General Reserves of the Company to its Retained Earnings, subject to the approval of shareholders and regulatory authorities.

Pursuant to the directions of the Hon'ble National Company Law Tribunal (NCLT), Jaipur Bench, in its order dated February 6, 2023, under Section 230(3) of the Companies Act, 2013, and Rules 6 and 7 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016, a meeting of Hindustan Zinc's equity shareholders was held on March 29, 2023, to consider the Scheme of Arrangement. The scheme was approved by the requisite majority, with 99.997% approval by value and 94.58% by number.

The Hon'ble NCLT, Jaipur Bench, which has jurisdiction over the Company, pronounced its order approving and sanctioning the Scheme of Arrangement on July 16, 2024. This scheme is pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, along with the related Rules.

Upon the scheme's effective date, July 22, 2024, ₹ 10,383 crore previously held in the General Reserves of the Company were transferred to Retained Earnings. Furthermore, the Company has to maintain a minimum net worth of ₹ 5,000 crore at all times going forward, thereby ensuring the Company's financial stability and compliance with the provisions outlined in the approved scheme.

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 SEBI (LODR). During the year, all existing executives underwent comprehensive training on the Code, while 100% of new joinees were imparted training to familiarise them with its principles and guidelines.

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/about-hzl/code-of-conduct/. 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 Companies Act, 2013, 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.

Annual Compliance Declaration

The annual compliance declaration is provided by the CEO & Whole-time Director, affirming adherence to the Code. This declaration is annexed to this Report.

Commitment to Training and Awareness

Hindustan Zinc places a strong emphasis on training and awareness to ensure that all employees, from new joinees to seasoned executives, are well-versed in the principles outlined in the Code. This proactive approach helps us maintain the highest standards of ethical conduct and corporate responsibility.

2. Internal Control System

On the recommendation of the Audit & Risk Management Committee, the Company appointed M/s Deloitte Touche Tohmatsu India LLP as the Internal Auditors of the Company for the financial year 2024-25.

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 68, 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 FY2025, 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 SEBI (LODR) 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/wp-content/uploads/HZL_RPT-Policy_Revised_21.04.2023.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 Companies Act, 2013 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 FY2023, ₹ 36,50,000 (excluding GST) in FY2024, and ₹ 36,60,000 (excluding GST) in FY2025 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, and the Company is actively following up to achieve compliance.

(d) 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) as also been provided. The same is also available on the website of the Company.

(e) 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	1
2.	Number of complaints disposed of during the financial year under review	1
3.	Number of complaints pending as on end of the financial year	0

(f) Loans and Advances

The Company has not given any loans and advances to firms/company in which Directors are interested.

(g) Code of Conduct to regulate, monitor and report trading by Designated Persons

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, Designated Persons (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 developed by the Company. Periodic emails on topics such as the Prevention of Insider Trading and associated dos and don'ts are circulated among Designated Persons. Additionally, the Company has organised awareness sessions aimed at educating employees and Designated Persons 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 Designated Person 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/wp-content/uploads/insider-policy-R7-SEPT-V7.pdf

(h) Credit rating

The Company has obtained rating from CRISIL Limited and ICRA Limited. As on March 31, 2025, 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+	-

(i) Fees paid to Statutory Auditors

Total fees for all services paid by the Company 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, 2025, is as follows:

Particulars	Amount (₹)
Statutory Audit Fee for FY2025	1,03,30,600
Limited Review Report of Q1 - Q3 FY2025	67,18,800
Audit of UK Reporting Package for September 2024	11,19,800
Audit of UK Reporting Package for March 2025	17,90,800
Consolidation Audit Fees for FY2025	6,60,000
Certification for FY2025	10,10,000
Out of Pocket Expenses	25,00,000
Total	**2,41,30,000**

(i) 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., London Metal Exchange (for zinc and lead) and London Bullion Market Association (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	2,18,86,75,52,515	MT	8,27,197.05	0%	0%	52%	0%	52%
2	Silver	61,29,91,69,635	MT	687.25	0%	0%	53%	0%	53%
3	Lead	42,26,54,53,745	MT	2,25,459.45	0%	0%	83%	0%	83%

Notes:

The term 'exposure' shall mean gross exposure of the listed entity including exposure both on the asset and liability side.

If the listed entity has exposure in non-rupee terms, the Indian rupee equivalent after conversion shall be used for the aforesaid disclosures.

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, and 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.

(k) CEO and CFO Certification

The CEO and CFO certification of the Financial Statements for FY2025 is enclosed at the end of this Report.

(l) Details of utilisation of funds raised through preferential allotment or qualified institutions placement

During FY2025, 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.

(m) Non-Convertible Debentures

During FY2025, the Company had issued and allotted the following Indian rupees (₹) denominated unsecured, redeemable, rated, listed, non-convertible debentures (NCDs) in three 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	INE267A08020	March 20, 2025	10,000	100	01 year 01 day	March 21, 2026
	INE267A08038	March 20, 2025	10,000	100	02 years	March 20, 2027
	INE267A08046	March 20, 2025	30,000	300	03 years	March 20, 2028

(n) 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.

(o) The Company has complied with all mandatory requirements of SEBI (LODR) Regulations, 2015 except as already disclosed in the earlier part of the report.

(p) The Company complies with all applicable secretarial standards.

(q) Shareholder approval is required for changes in by law.

(q) **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) READ WITH PART B OF SCHEDULE II AND REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 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;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; 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.

Sandeep Modi
Chief Financial Officer

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Place : Udaipur
Date: April 25, 2025

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, 2025:

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.	Mr. Akhilesh Joshi	01920024	August 01, 2020
6.	Ms. Pallavi Joshi Bakhru	01526618	August 10, 2023
7.	Mr. Kannan Ramamirtham	00227980	September 01, 2022
8.	Ms. Nirupama Kotru	09204338	July 26, 2021
9.	Mr. Dinesh Mahur	10862645	December 05, 2024

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, 2025 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.: 6311/2024

Neeraj Arora
Partner
CP No.:16186 /Mem. No. F10781
UDIN.: F010781G000202368

New Delhi
April 25, 2025

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under clause 17 (5) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members have confirmed compliance with the Business Ethics and Code of Conduct for the year ended on March 31, 2025.

For **Hindustan Zinc Limited**

(Arun Misra)
CEO & Whole-time Director
DIN: 01835605

Place: Udaipur
Date: April 25, 2025

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[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 Board of Directors,
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, 2025 ("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, 2025, 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, 1993 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 –

(i) the newspaper advertisement(s) about transfer of equity shares to the Investor Education and Protection Fund relating to Second Interim Dividend for the Financial Year 2017–18 was required to be published on January 21, 2025; however, it was published on January 29, 2025; and

(ii) the Company is in continues non-compliance of Regulation 17(1) of Listing Regulations. As per Regulation 17(1) of 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), 2 Directors are yet to be nominated by the GOI-MoM. As on March 31, 2025, nomination of said 2 Directors are still pending.

Further, we have been informed by the management that the Company is in the process of ensuring compliance of provisions of Regulation 6(1) of the Listing Regulations.[1]

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 through resolution passed by circulation on May 07, 2024 approved the declaration of First Interim Dividend of ₹ 10/- per equity share on face value of ₹ 2/- per equity share for the Financial Year 2024-25 amounting to ₹ 4,225.32 crore.
- the Board of Directors of the Company at its meeting held on August 2, 2024 and the members of the Company through postal ballot on September 5, 2024 approved the proposal to –
  - o enhance the Company's borrowing limits under Section 180(1)(c) of the Companies Act, 2013, up to ₹ 24,500 crore;
  - o create charges under Section 180(1)(a) of the Companies Act, 2013 upto ₹ 24,500 crore.
- the Board of Directors of the Company at their meeting held on August 02, 2024 and the members of the Company through postal ballot result on September 05, 2024 approved the proposal for enhancing the limits for giving loan, guarantee and investment by the Company under Section 186 of the Companies Act, 2013 upto ₹ 15,000 crore.
- the Board of Directors of the Company at its meeting held on August 20, 2024 approved the proposal for declaration of Second Interim Dividend of ₹ 19/- per equity share on face value of ₹ 2/- per equity share for the Financial Year 2024-25 amounting to ₹ 8,028.11 crore.

[1] We have not been provided with the relevant documents in this regard.

- The BSE Limited imposed fines of 5,36,900/-(including GST), ₹ 5,42,800/- (including GST) and ₹ 5,42,800/- (including GST) on August 21, 2024, November 21, 2024 and March 17, 2025 respectively for non-compliance of Regulation 17(1) of Listing Regulations. Similarly, the National Stock Exchange of India (NSE) Limited imposed fines on the same dates for the said non-compliance.
- the Committee of Directors at its meeting held on March 10, 2025 accorded its approval for issuance of unsecured, redeemable, rated, listed, non-convertible debentures ("NCDs"") aggregating up to ₹ 500 Crore. Further, the Committee of Directors approved the allotment of the said NCDs on March 20, 2025.

For **Sanjay Grover & Associates**
Company Secretaries
Firm Registration No.: P2001DE052900
Peer Review Certificate No.: 6311/2024

(Dr. Navrang Saini)
Partner
M. No.: FCS 2122/ CP No. 27228
UDIN: F002122G000198131

New Delhi
April 25, 2025

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,
The Board of Directors,
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.: 6311/2024

(Dr. Navrang Saini)
Partner
M. No.: FCS 2122/ CP No. 27228
UDIN: F002122G000198131

New Delhi
April 25, 2025

Business Responsibility and Sustainability Report

CEO STATEMENT

I am pleased to share the launch of Hindustan Zinc's 4th Business Responsibility and Sustainability Report (BRSR), a reflection of our unwavering commitment to environmental stewardship, inclusive community development, and ethical governance. At Hindustan Zinc, sustainability is not a parallel goal, it is embedded in our business strategy and fundamental to how we operate. Over the years, we have built a strong legacy of responsible practices, continually striving to make a meaningful difference across our operations and communities.

FY2025 has been a defining year – marked by accelerated progress, innovation, and impact. We have continued to align our ambitions with national priorities and global sustainability frameworks, guided by the principles of accountability and transparency. This year's BRSR outlines our performance across the nine principles of the BRSR framework and highlights the milestones that define our journey of creating shared value.

It is with profound sadness that we acknowledge the loss of three of our business partner colleagues and one Hindustan Zinc employee in work-related incidents this past year. Our hearts go out to their families and loved ones during this difficult time. Each life lost is a stark reminder of the responsibility we carry. In the wake of these tragedies, we conducted thorough root cause analyses and are committed to applying every learning with utmost sincerity. Strengthening our safety culture is not just a priority – it is a promise. Guided by our 'Zero Harm' vision, we continue to embed safety deeper into every layer of our operations, striving to create a workplace where everyone returns home safe, every single day.

Our efforts in sustainability have received global recognition. We are proud to be ranked first globally in the S&P Global Corporate Sustainability Assessment 2024 for the second consecutive year in the metals and mining sector, and featured in the S&P Sustainability Yearbook in the top 1% ranking.

A robust, three-tiered sustainability framework drives our strategic goals, helping us monitor progress in critical areas such as energy efficiency, carbon reduction, biodiversity conservation, water stewardship, and inclusive development. This framework continues to guide our actions as we implement and advance our 2030 sustainability goals.

Our stakeholder engagement this year was enhanced through a comprehensive double materiality assessment aligned with global standards like Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). These insights are helping us sharpen our ESG strategy and deepen our disclosures.

FY2025 has been pivotal for environmental stewardship. We have made meaningful strides in our transition to a low-carbon future, with a clear goal to achieve Net Zero by 2050 or sooner. Some key initiatives include the commissioning of zero liquid discharge plants, the adoption of electric and liquified natural gas (LNG) fleets, a power delivery agreement (PDA) for up to 530 MW of renewable energy, and innovative water management solutions. In July 2024, we proudly launched Asia's first low-carbon zinc, EcoZen, a milestone in product stewardship and sustainable innovation.

Through our CSR programmes, we have positively impacted over 2.3 million beneficiaries. Our focus areas of education, healthcare, skill development, and women empowerment, remain central to our social investment. 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 at the heart of our people strategy. From India's first all-women underground mine rescue team to progressive parenthood policies, we are building a more inclusive workplace. Our commitment also extends across our supply chain through initiatives like 'Wednesday for Transition' and sustainable sourcing frameworks.

To strengthen social accountability, we have established the Social Performance Management Committee at the corporate level. This will further enable effective stakeholder management and reinforce our focus on social performance.

At Hindustan Zinc, sustainability is not just a metric, it is a strategic imperative that fuels our growth and resilience. We remain committed to leading with responsibility, guided by our values and our belief that long-term business success is achieved by creating shared prosperity for all.

Best Regards,

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, 2024 to March 31, 2025
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited 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 for the Group comprising 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 FY 2024-25 • The details of waste management with respect to the corporate offices, guest houses, and colonies of entities/sites considered under the Reporting Boundary have not been considered, based on our assessment of being immaterial 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	94.60%

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	27204	64.22%
2	Lead	27209	12.40%
3	Silver	27205	17.99%

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)	28

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

The contribution of exports (metals) is 19.53% of the total turnover of the entity.

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
- Hindustan Zinc Alloys Private Limited (a wholly-owned subsidiary of Hindustan Zinc) has set up a new melting and casting facility of 30 ktpa zinc alloy

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)*	2,846	2,116	74.35%	728	25.58%	2	0.07%
2.	Other than Permanent (E)	8	8	100%	0	0.0%	0	0.0%
3.	Total Employees (D + E)	2,854	2,124	74.42%	728	25.51%	2	0.07%
Workers								
4.	Permanent (F)**	632	619	97.94%	13	2.06%	0	0.0%
5.	Other than Permanent (G)***	22,045	21,730	98.57%	294	1.33%	21	0.10%
6.	Total Workers (F + G)	22,677	22,349	98.55%	307	1.35%	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)*	4	3	75%	1	25%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%	0	0%
3.	Total Differently abled Employees (D + E)	4	3	75%	1	25%	0	0%
Differently abled Workers								
4.	Permanent (F)**	7	7	100%	0	0%	0	0%
5.	Other than Permanent (G)***	11	11	100%	0	0%	0	0%
6.	Total Differentlyabled Workers (F + G)	18	18	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	3	33.33%
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)

	FY 2024-25				FY 2023-24				FY 2022-23			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	18%	15%	0%	18%	14%	17%	NA	15%	17%	19%	NA	17%
Permanent Workers	18%	14%	NA	18%	17%	18%	NA	17%	12%	15%	NA	12%

No other gender employee in FY2024 & FY2023

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	63.42*	Yes
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

* After offer for sale by Vedanta Limited in Q2FY25

** During the quarter ended September 30, 2024, the Company has sold its assets (sole under-construction plant) based on fair value determined by independent valuer

***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	33,969
Consolidated	34,083
(iii) Net worth	
Standalone	13,290
Consolidated	13,326

*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)	FY 2024-25			FY 2023-24		
		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	78	9	Employment, Environment & CSR related	63	4#	Employment, Environment & CSR related
Investors & Shareholders	Yes HZL Whistle Blower Policy Hindustan Zinc Contact Details	47	0	Dividend & Share related	48	0	Dividend & Share related
Employees and Workers	Yes Business Ethics Code of Conduct HZL Whistle Blower Policy	1	0	Sexual Harassment related (POSH)	6	3	Sexual Harassment related (POSH)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2024-25			FY 2023-24		
		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
Customers	Yes https://vedantametalbazaar.moglix.com/	44	2	Customer's grievances on varied issues	28	2	Customer's grievances on varied issues
Value Chain Partners	Yes Supplier Code of Conduct HZL Whistle Blower Policy Vendor Grievance Redressal Portal	5	0	Suppliers' and Service providers' grievances on varied issues	55	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 FY2024 and are pending for resolution, have been resolved in FY2025

These grievances have been investigated and the complainants are being kept informed of the progress on a regular basis

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:

This year, Hindustan Zinc Limited (HZL) conducted a comprehensive double materiality assessment, 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 HZL.

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 will enable us to align our sustainability strategy and disclosures with stakeholder expectations in a way that creates and preserves long-term value for HZL.

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 key institutional investors to understand their priorities. On the impact materiality dimension, we engaged with Hindustan Zinc's leadership and 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 this forms a part of agenda of the Sustainability & ESG Committee meeting discussion and has been part of 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.

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)
Environment					
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	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
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.	Failing of tailings dams can cause a huge environmental 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 • Onboarded independent tailings review boards (ITRBs) and Engineering of Record (EOR) for TSF facility • Collection and recycling of supernatant water • Conducting periodic TSF risk assessments and developing mitigation plans to minimise associated risks • Surveillance of TSFs • Effectiveness of emergency planning and response • Utilisation of tailings in backfilling • Replacement of wet tailing disposal system with dry tailing disposal • Dam break analysis and emergency preparedness • Company introduced a novel, 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 bi-annually • Critically reviewing monsoon management	There may be negative financial consequences 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. 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 and have reduced the freshwater consumption by 6% from base year 2020. 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 zero liquid discharge 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 dry tailings plants to re-use tailings water • 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, due to initiatives, we are reducing dependency on fresh water, hence positive impact is also considered
4.	**Circularity & Waste Management**	Risk Opportunity	Waste generated from our operations poses challenge for us in terms of increasing our cost of production for disposal, its storage & risk of non-compliance.	• At Hindustan Zinc, we believe in 'Zero Waste' 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
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 extended the power-purchase agreement up to 530 MW from previously signed 450 MW	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
		Opportunity	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.	• Replacing diesel-fuelled transportation vehicles with electric vehicles. We have introduced India's first underground mining electric vehicle • Introduced 180 LNG-powered trucks and 10 electric trucks for upstream and downstream transportation • 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 • 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	Safety remains a critical material topic due to the inherently hazardous nature of mining and smelting operations. Incidents in these environments can lead to severe injuries, fatalities, and long-term health impacts such as respiratory diseases and hearing loss, significantly disrupting operations and eroding stakeholder trust. The engagement of a large contractor workforce further amplifies the complexity of safety management. Any lapses in safety protocols can result in reputational damage, financial penalties, and operational delays, underscoring the need for proactive and robust risk mitigation strategies.	• Implementation of health and safety management system for cultural transformation across HZL Critical risk management to ensure that all critical controls are in place for business high risks • Infrastructure Inframatrix implementation to ensure that all critical risks are effectively managed across operational and project sites • 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 HZL • 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 programmes	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 cognizant 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
8.	**Diversity, Equal Opportunity & Inclusion**	Risk Opportunity	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 • Sensitisation and awareness on these policies, external and internal pulse surveys are taken care at central as well as independent business unit level to ensure mitigation of the mentioned risks • Strategically, we focus on having a strong representation of women across levels and our diversity candidates currently constitutes 25% 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 V-Build, V-Lead, ACT-UP, She-Leads, V-Aspire, Winspire, and Zinclusion, 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 2025, aligning them with UN Sustainable Development Goals. Following a formal materiality analysis process and extensive internal and external stakeholder dialogue in 2020, we identified 8 high priority material issues and subsequently set ambitious sustainability goals for 2025 as mentioned below:

Sustainability Goals 2025*

Goal 1:
- Achieving Net-Zero Emissions by 2050 or sooner
- 0.5 mn tCO_2e GHG emission savings in our operations by 2025

Goal 2:
- Become 5x water-positive Company and achieve 25% reduction in freshwater usage by 2025
- Complete transition from wet tailing to dry tailing disposal by 2025

Goal 3:
- 3x Increase in gainful utilisation of smelting process waste by 2025

Goal 4:
- Positively impacting 1 million lives through social, economic and environmental initiatives by 2025

Goal 5:
- Protect and enhance biodiversity throughout the life cycle
- 1 million plantation drive by 2025

Goal 6:
- Inclusive and diverse workplace with 30% diversity by 2025

Goal 7:
- Zero work-related fatalities
- 50% reduction in total recordable injury frequency rate (TRIFR) by 2025

Goal 8:
- 100% responsible sourcing in the supply chain by 2025

*Except climate change (baseline 2017), 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.

Goals	Action Taken	Performance KPI's
Goal 1 • Achieving Net-Zero Emissions by 2050 or sooner • 0.5 mn tCO_2e GHG emission savings in our operations by 2025	• Power delivery agreement has been extended up to 530 MW round the clock renewable energy (307 MU of RE power received from this project in FY2025) • 100% RE power consumption at Pantnagar Metal Plant • Use of biomass in power plants • Energy-efficiency programmes/ISO 50001 certification • Switching to electric mobility • Alternate fuel (LNG) use for transportation	• 0.67 mn tCO_2e GHG emission savings • 15% emission intensity decrease from FY2020
Goal 2 • Become 5x water-positive Company and achieve 25% reduction in freshwater usage by 2025	• Utilisation of Municipality sewage treated water • Maintaining zero liquid discharge across sites • Water recycling through integrated wastewater treatment facilities ETP/RO/MEE/MVR plants • Dry tailing plant • Rainwater harvesting • Water risk assessment	• 6% reduction in freshwater consumption from FY2020 • 3.32 times water positive company
Goal 3 • 3x Increase in gainful utilisation of smelting process waste by 2025	• 100% utilisation of Jarosite in cement from Debari Zinc Smelter • Jarofix utilisation in road construction • Metal recovery from waste	• 100% fly ash usage • 2x increase in gainful utilisation of smelting process waste (over 6 lakhs tonne of gainful utilisation of smelting process waste)
Goal 4 • Positively impacting 1 million lives through social, economic and environmental initiatives by 2025	• Outreach 3,000+ villages; ~2.3 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	• 2.3 million lives impacted positively

Goals	Action Taken	Performance KPI's
Goal 5 • Protect and enhance biodiversity throughout the life cycle • 1 million plantation drive by 2025	• 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	• Plantation of 0.74 million achieved additionally in last 5 years • Biodiversity Management Plan to achieve no net loss across sites prepared
Goal 6 • Inclusive and diverse workplace with 30% diversity by 2025	• Improving diversity of gender, sexual orientation, specially abled, and regional diversity. LGBTQ+ 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 increased from 14.4% in FY2020 to 25.5%
Goal 7 • Zero work-related fatalities • 50% reduction in total recordable injury frequency rate (TRIFR) by 2025	• Critical Risk Management • Community of Practice: Structural Integrity • Industrial Hygiene Qualitative Exposure Assessment and Quantitative Exposure Assessment • Inframatrix Implementation • Business Partner Upliftment	• 4 fatalities in FY2025 • TRIFR decreased by 55% from baseline FY2020
Goal 8 • 100% responsible sourcing in the supply chain by 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	• 89% material/services sourced directly from India • 95% of total supplier by value (total 378 suppliers) have been assessed by third party for sustainable sourcing and ESG criteria during the year

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 26 of the Integrated Annual Report FY2025 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. 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 leading sustainable metal & mining company. Committee Composition Mr. Akhilesh Joshi - Non-Executive - Independent Director - Chairperson Mr. Arun Misra - Executive Director - Member Ms. Nirupama Kotru - Non-Executive - Nominee Director - Member Mr. Dinesh Mahur - Non-Executive - Nominee 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	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 performance is reviewed periodically by Audit and Risk Management Committee (ARC) and Sustainability & ESG Committee								
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								

	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
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.	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Yes. Vedanta undertakes an annual audit exercise, known as the Vedanta Sustainability Assurance Process audit, conducted by an external agency PricewaterhouseCoopers 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**	10	• 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 • Cybersecurity awareness session • ESG awareness session • Risk management awareness session	100%
2	**Key Managerial Personnel**	20	• 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 • Cybersecurity awareness session • ESG awareness session • Risk management awareness session • Overview of mining, smelting, power, marketing, ESG, fertiliser project, risk management, etc. • Training on climate change, water positivity standard, TCFD, BRSR and BRSR Core requirement, WEF risks, concept of no net loss, concept of double materiality, etc. • Trainings on ICMM principles & position statements • Training on Human rights & social performance	100%
3	**Employees other than BoD and KMPs**	3,658	• Safety, governance, legal, technology, ESG, behavioural training covered	99%
4	**Workers**	7,701	• Legal, technical, behavioural, health safety & environment upskilling training	59%

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):**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/Fine*	Principle-1	BSE & NSE	39,52,800	1. Non-compliance related to minimum number of Independent Directors on Board. Penalty of ₹ 39,52,800	No
	Principle-1	Office of Deputy Excise & Taxation Commissioner, Haryana	20,000	2. On account of procedural issue	No
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Non-Monetary				
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	

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.**

   Hindustan Zinc has adopted the anti-corruption or anti-bribery 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:**

	FY 2024-25	FY 2023-24
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. **Details of complaints with regard to conflict of interest:**

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	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:**

	FY 2024-25	FY 2023-24
Number of days of accounts payables	64	50

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". The values for previous year are hence not comparable with current year disclosure.

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	FY 2024-25	FY 2023-24
Concentration of purchases	a. Purchases from trading houses as % of total purchases	1.59%	1.25%
	b. Number of trading houses where purchases are made from	11	6
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	99.75%	100%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	40.33%	43%
	b. Number of dealers/distributors to whom sales are made	91	97
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	62.62%	58%
Share of RPTs in	a. Purchases (Purchases with related parties/Total purchases)	7.35%	3.05%
	b. Sales (Sales to related parties/Total sales)	0.77%	0.35%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0%	0%
	d. Investments (Investments in related parties/Total Investments made)	6.43%	3.93%

Note: The methodology for calculating purchase has been updated as per the new guidelines issued by the Industry Standards Forum on December 20, 2024 which revised the definition for "purchases". The values for previous year are hence not comparable with current year disclosure.

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
65	BRSR, Carbon Emission & Climate Change & ARIBA (Supplier Platform), TNFD, Materiality Assessment, Health & Safety, Energy Conservation, Water Stewardship, No Net Loss of biodiversity	• 100% of new suppliers given training on ARIBA (Supplier portal) • 52% suppliers (on spend basis) were given training on ESG topics

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.

   Annually, all Board members are required to disclose their directorships and interests in other entities. Any changes to these annual disclosures are communicated separately as they occur. The policy is placed on the Company's website- https://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-CODE-OF-CONDUCT-22.04.2022.pdf

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.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D	100%	100%	Hindustan Zinc's Research and Development (R&D) cell consistently focuses on process innovations and promoting sustainable approaches towards achieving circular economy goals. R&D team's innovative efforts, in collaboration with external technical expertise, are driving significant progress and positioning us at the forefront of industry advancements. Additionally, we have developed novel floatation reagents [i.e., cyanide reagent replacement] in mills and done modifications in hydro & pyrometallurgical circuits for improving the concentrate grade and metal purity. Further, to reduce our ecological footprint and recover valuable resources from waste, we have taken multiple waste/dross recycling initiatives including optimising metal recovery, secondary materials and reducing carbon footprint in our Waelz kiln operation in Zinc Smelter Debari. Additionally, R&D's initiative towards mine site reclamation via hydroseeding technique has been a commendable step towards sustainability. The Company's dedication to sustainable innovation has been further affirmed by the acquisition of 2 Indian patents IN 530897 and IN 541547 in FY2025. These advanced technologies are designed to enhance silver recovery and optimise waste recycling in smelting and electrowinning processes, thereby significantly improving the Company's operational efficiency and fulfilling goals towards sustainable industrial processing. In FY2025, R&D has filed an Indian patent on boosting lead and silver recovery from industrially generated wastes.
Capex	13%	12%	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 dry tailing storage facility at Rajpura Dariba Complex • Development of seismic monitoring system at mines • Tail gas treatment plant for Hydro 1 Roaster • Steam turbine generator upgradation at sites • Extension 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 conducts business in a manner that improves welfare, health and safety of workers across our supply chain, ensures compliance with the law and adherence to ethical standards of governance and sustainability. 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 suppliers 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. We are committed to working with our Tier-1 suppliers through collaborations and improvement in their process for responsible procurement based on global best practices. To ensure responsible sourcing Hindustan Zinc has established effective internal management of due diligence system to identify, assess and manage potential risks associated with our supply chains. 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?**

95% of our materials and services are sustainably sourced through our robust supply chain processes, i.e., 95% of our Tier-1 suppliers (by value) were 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.**

No, it is not applicable for our product/product packaging.

However, EPR is applicable for the plastic being received as packaging material for imported material goods. These 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.
27204	Zinc	64.22%	Cradle-to-grave	Yes	Environment Product Declaration
27209	Lead	12.40%	Cradle-to-gate	Yes	Life Cycle Assessment Study (Refer page 166)
27205	Silver	17.99%	Cradle-to-gate	Yes	Life Cycle Assessment Study (Refer page 166)

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 dry tailing plant (DTP) at Zawar Mines which recirculates more than 80% of the process water present in tailings. In FY2024, a DTP 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 • >8.7 MCM/annum total groundwater recharge potential created in Rampura Agucha Mines • HZL 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	
	FY 2024-25	FY 2023-24#
Lead Bullion, Cobalt Cake, Zinc Sulphate, Copper Cement	6.69%	5.70%

* Recycled input material to total associated process material

This number has been restated

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:

	FY 2024-25			FY 2023-24		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

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	2,116	2,116	100%	2,116	100%	NA	NA	2,116	100%	2,116	100%
Female	728	728	100%	728	100%	728	100%	NA	NA	728	100%
Other	2	2	100%	2	100%	2*	100%	NA	NA	2	100%
Total	**2,846**	**2,846**	**100%**	**2,846**	**100%**	**730**	**25.65%**	**2,116**	**74.35%**	**2,846**	**100%**
Other than Permanent Employees											
Male	8	8	100%	8	100%	NA	NA	8	100%	8	100%
Female	0	0	0%	0	0%	0	0	0	0%	0	0%
Other	0	0	0%	0	0%	0	0	0	0%	0	0%
Total	**8**	**8**	**100%**	**8**	**100%**	**NA**	**NA**	**8**	**100%**	**8**	**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	619	619	100%	619	100%	NA	NA	NA	NA	619	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	**632**	**632**	**100%**	**632**	**100%**	**13**	**2.06%**	**NA**	**NA**	**632**	**100%**
Other than Permanent Workers											
Male	21,730	21,730	100%	21,730	100%	NA	NA	NA	NA	21,730	100%
Female	294	294	100%	294	100%	294	100%	NA	NA	294	100%
Other	21	21	100%	21	100%	21*	100%	NA	NA	21	100%
Total	**22,045**	**22,045**	**100%**	**22,045**	**100%**	**315**	**1.43%**	**NA**	**NA**	**22,045**	**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 -**

	FY 2024-25	FY 2023-24
Cost incurred on wellbeing measures as a % of total revenue of the company	0.14%	0.14%

2) **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2024-25			FY 2023-24		
	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	99.90%	100%	Y
Gratuity	99.72%	100%	Y	99.88%	100%	Y
Employees State Insurance (ESI)*	NA	NA	NA	NA	NA	NA
Others - (Death Benefits & Medical Assistance)	100%	100%	NA	100%	100%	NA

* Permanent Employees and Permanent Workers

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, 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.

Equal Opportunity Policy Link- https://www.hzlindia.com/wp-content/uploads/Equal-Opportunity-Policy-2024.pdf

We are guided by our Code of Conduct Policy which clearly specifies that we have zero tolerance policy against discrimination against any disability.

Business Ethics and Code of Conduct link- https://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-CODE-OF-CONDUCT-22.04.2022.pdf

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.

Diversity, Equality and Inclusion Policy link- https://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf

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%	87.88%	NA	NA
Female*	100%	100%	NA	NA
Other	NA	NA	NA	NA
Total	**100%**	**97.25%**	**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 Other than Permanent Workers Permanent Employees Other than Permanent Employees	**Yes, there are mechanisms available to receive and redress grievances of employees and workers which are as below:** **Grievance Redressal Committees:** They are institutionalised across locations for redressal of complaints from internal as well as external stakeholders. **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. **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:**

Category	FY 2024-25 Total employees/ workers in respective category (A)	FY 2024-25 No. of employees/ workers in respective category, who are part of association(s) or Union (B)	FY 2024-25 % (B/A)	FY 2023-24 Total employees/ workers in respective category (C)	FY 2023-24 No. of employees/ workers in respective category, who are part of association(s) or Union (D)	FY 2023-24 % (D/C)
Total Permanent Employees	2,846	0	0%	2,798	0	0%
- Male	2,116	0	0%	2,191	0	0%
- Female	728	0	0%	607	0	0%
- Other	2	0	0%	0	0	0%
Total Permanent Workers*	632	632	100%	759	759	100%
- Male	619	619	100%	744	744	100%
- Female	13	13	100%	15	15	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	FY 2024-25					FY 2023-24*				
	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	2,124	2,124	100%	2,101	98.92%	2,197	1,773	80.70%	2,178	99.14%
Female	728	728	100%	719	98.76%	608	462	75.99%	598	98.36%
Other	2	2	100%	2	100%	0	0	0%	0	0%
Total	2,854	2,854	100%	2,822	98.88%	2,805	2,235	79.68%	2,776	98.97%
Workers										
Male	22,349	22,349	100%	12,884	57.65%	20,681	11,208	54.19%	11,065	53.50%
Female	307	307	100%	190	61.89%	310	168	54.19%	166	53.55%
Other	21	21	100%	21	100%	0	0	0%	0	0%
Total	22,677	22,677	100%	13,095	57.75%	20,991	11,376	54.19%	11,231	53.55%

* Others included in female numbers for FY2024

9) **Details of performance and career development reviews of employees and workers**

Category	FY 2024-25 Total (A)	FY 2024-25 No. (B)	FY 2024-25 % (B/A)	FY 2023-24 Total (C)	FY 2023-24 No. (D)	FY 2023-24 % (D/C)
Employees						
Male	2,124	2,124	100%	2,197	2,197	100%
Female	728	728	100%	608	608	100%
Other	2	2	100%	0	0	0%
Total	2,854	2,854	100%	2,805	2,805	100%
Workers						
Male	22,349	NA	NA	NA	NA	NA
Female	307	NA	NA	NA	NA	NA
Other	21	NA	NA	NA	NA	NA
Total	22,677	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 45001, and the 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 & Whole-time Director, 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 HZL 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 across all levels of operation
- Our 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
- Since its inception in 2013, Hindustan Zinc's flagship programme for achieving safety excellence, Aarohan Safety Management, has been a cornerstone of our safety initiatives. This programme, developed in collaboration with DuPont, focuses on embedding a safety-first mindset across our workforce. Through training, awareness campaigns, and the establishment of robust safety processes, we strive to foster a proactive safety culture. Our efforts are aimed at minimising health and safety risks, enhancing compliance, and achieving operational excellence across all our sites. This partnership with DuPont has significantly contributed to elevating our safety standards, enabling us to protect our workforce and create a safer working environment

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 Vedanta 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 14 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 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 HZL 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	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employees	0.42	1.22
	Workers*	0.56	0.83
Total recordable work-related injuries	Employees	6	10
	Workers*	85	114
No. of fatalities	Employees	1**	0
	Workers*	3	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	2
	Workers*	2	2

*contract workforce

**Fatality at Vedanta Zinc Football & Sports Foundation (Subsidiary of HZL)

12) Describe the measures taken by the entity to ensure a safe and healthy workplace.

- The Aarohan Safety Management System forms the foundation of our safety initiatives and includes key elements such as incident management, safety interaction programmes, standard rules and procedures, process safety management, and contractor safety management. These elements are implemented systematically to establish a robust and effective safety management framework across all our operations
- Our Critical Risk Management (CRM) programme has been launched to address the top 15 identified risks across our business operations. This programme focuses on mitigating high-priority risks through a structured approach, ensuring consistent risk management practices across all sites
- We have also implemented Infrastructure Inframatrix for managing high-risk activities. This system provides a structured framework for identifying, assessing, and controlling risks associated with infrastructure-related tasks, ensuring safe execution and compliance with safety protocols
- 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 programmes for employees. These include internationally and nationally recognised certification programmes delivered by competent third-party organisations. These initiatives ensure that our employees remain up to date with the latest safety practices and standards
- We have conducted five safety pauses across our business units in this financial year, which serve as focused initiatives to reinforce our commitment to a "safety-first" culture. These pauses involve comprehensive safety discussions and awareness sessions to realign everyone toward achieving our safety goals
- 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:

	FY 2024-25			FY 2023-24		
	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	329	42	-	659	40	-
Health & Safety	353	49		357	22	

* 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
Rampura Agucha Mine Fatality (man machine interaction)	Review of existing vehicle and personnel movement and elimination or reduction of the vehicle and personnel interaction as much as practicable.
	Vehicle and personal tracking system for every mines through dedicated control room.
	Availability of adequate passenger carrier vehicles to cater to 100% of workforce visiting mines (underground + surface) and avoidance of people walking especially in vehicle movement areas.
	Comprehensive review of manhole standard design in underground mines w.r.t size, spacing, access etc., and establish minimum requirements for new/existing manholes.
	Develop & implement positive communication protocol for underground and opencut mines and define in transport rules.
Sindesar Khurd Mine Fatality (Jumbo operator along with helper fell into open stope)	RFID sensor-triggered stoppage (along with interlocks and alarms) of the engine/equipment/individual upon proximity to a barrier or critical hazard (by risk and applicability)
	Revision of engineering standard for barriers based on risk assessment of all activities which need to have access controls, considering international best practice and statutory requirements to prevent any such incident in future.
	Revision and updation of "Barricades and Area Access SOP" in line with engineering standard.
	Initial audits of all barricades & signage and it should be made part of periodic verification programme to ensure compliance with the above requirements for ongoing basis.
Zinc Football Academy Fatality (Structural collapse)	All current and future activities outside plant or mine boundaries, including CSR, exploration, and township maintenance, etc. (whether performed directly or by contractors), will comply with Vedanta Safety Standard (VSS) requirements. a. preparation of scope of work, selection of vendor, ordering and execution of above-mentioned activities shall be done by respective plant engineering team and respective CEO will ensure the same. b. Dismantling must be performed by experienced, competent vendors.
	Framework for clear line of responsibility/accountability for all CSR programmes (including flagship programme) is established.
	All CSR personnel to be trained on Vedanta safety performance standards, and they shall ensure its compliance during engagement in CSR activities.

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	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	1	2	0	2
Workers	5	2	3	1

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 programme 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.

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*	95%
Working Conditions*	95%

* 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 a part of our strategy to prevent health & safety incidents with our service providers, we carry out Contractor Field Safety Audits (CFSAs) to ensure safety measures & proper working conditions are in place. Subsequently, we implement corrective and preventive actions based on audit findings. These observations are categorised into various buckets like procedures, tools and equipment, plant up-keep, PPEs and positions of people.

We also take supplier's undertaking on ESG parameters, including their acceptance towards creating and maintaining a safe and healthy workplace that is free of injuries, fatalities, and illnesses for each commercial enquiry through online platform.

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
Suppliers	No	• Contract negotiations, supplier code of conduct, policies & standards • Regular supplier meetings and site-visits • Vendor due diligence and pre-qualification meetings • On-site quality audits of critical suppliers • Supplier sustainability desktop assessment • Helpdesk for speedy resolution of supplier queries • Webinars and training sessions for supplier engagement through programmes like "Wednesdays for Transition" • Tracking business partners suggestions for possible implementation • Focused discussion on ESG goal alignment with critical suppliers • Vendor Grievance Process is introduced which can be accessed through ROBOS mobile app	Continuous and Regular engagement	• Critical to ensure operational efficiency through timely supply & logistical efficiency • Vital to our goals of sustainability and responsible sourcing • Safety of workers and workplace
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 - Impact assessment survey and perception studies • Communication via newsletters, leaflets, hoardings, print and social media, 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 • Reduction in the environmental & social impacts that may affect communities • 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 • 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 • 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, investor conferences, non-deal roadshows • 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 • Appraising 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 hall 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 - Impact assessment survey and perception studies • Communication via newsletters, leaflets, hoardings, print and social media, etc. • Review & Governance Mechanisms	As per defined frequency	• To onboard & engage experts in the field for effective and sustainable implementation of the CSR programmes and to regularly discuss & share updates to strengthen the existing programmes

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. Stakeholder consultation is carried out regularly by business heads/unit heads, who oversee & monitor each unit's stakeholder engagement plan. Feedback & identified concerns/issues are presented to the Board of Directors by the CEO during the quarterly Board meetings. 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 the year, we have reassessed our material issues in consultation with our stakeholders.

Process for the consultation with different stakeholders

Local Communities:

There is a continuous dialogue with the communities, which are reviewed at business unit levels at our 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 have the opportunity to engage with 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 Hindustan Zinc 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, 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

Together, these platforms make stakeholder consultation not just a compliance requirement, but a core business practice.

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/development 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% low-quality 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 strive 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 and Risk Analysis (SHIRA) 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 and improving the quality of life
- 30,000 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-contacting 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 2024-25. For more details, refer page 186 of the Integrated Annual Report 2024-25

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	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	2,846	2,598	91.29%	2,798	2,479	88.60%
Other than permanent	8	8	100%	7	4	57.14%
Total Employees	2,854	2,606	91.31%	2,805	2,483	88.52%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent*	831	831	100%	886	886	100%
Total Workers	831	831	100%	886	886	100%

* Only security personnel are accounted here

2) Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25					FY 2023-24				
	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	2,846	-	-	2,846	100%	2,798	-	-	2,798	100%
Male	2,116	-	-	2,116	100%	2,191	-	-	2,191	100%
Female	728	-	-	728	100%	607	-	-	607	100%
Other	2	-	-	2	100%					
Other than Permanent	8	-	-	8	100%	7	-	-	7	100%
Male	8	-	-	8	100%	6	-	-	6	100%
Female	-	-	-	-	100%	1	-	-	1	100%
Other	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	632	-	-	632	100%	759	-	-	759	100%
Male	619	-	-	619	100%	744	-	-	744	100%
Female	13	-	-	13	100%	15	-	-	15	100%
Other	-	-	-	-	-	-	-	-	-	-
Other than Permanent	22,045	-	-	22,045	100%	20,232	-	-	20,232	100%
Male	21,730	-	-	21,730	100%	19,937	-	-	19,937	100%
Female	294	-	-	294	100%	279	-	-	279	100%
Other	21	-	-	21	100%	16	-	-	16	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	13,64,98,410	0	0	0	NA
Key Managerial Personnel (KMP)[##]	1	4,62,18,160	0	0	0	NA
Employees other than BoD and KMP[#]	2,116	14,72,557	728	10,58,421	2	14,60,000
Workers [#]	619	29,07,936	13	22,22,640	0	NA

Note:

[$] Only 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 from consideration in KMP headcount and median Remuneration as she was onboarded during the year w.e.f. January 14, 2025.

[#] Only Permanent employees and workers who are employed with the Company as on March 31, 2025 are considered for the purpose of median remuneration. Also, the salary for the above purpose excludes the Retirement benefits & ESOPs.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to female as % of total wages*	12%	9%

*Permanent employees, other than permanent employees and permanent workers are included for calculations

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, Social Performance Officer, 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.

Human Rights Policy link- https://www.hzlindia.com/wp-content/uploads/Human_Rights_Policy.pdf

6) Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	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	1	0	The case is upheld & closed	6	3	3 cases upheld and 3 are under investigation
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	-

* Sexual Harassment cases which are reported in FY2024 and are pending for resolution, have been resolved in FY2025

7) **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	6*
Complaints on POSH as a % of female employees/workers	0.15%	0.96%
Complaints on POSH upheld	1	3

* Sexual Harassment cases which are reported in FY2024 and are pending for resolution, have been resolved in FY2025

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 -** Most of our Value Chain 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 FY2023, wherein an extensive assessment was conducted on current readiness and compliance with respect to human rights regulations and policies across the Company through third party. The main focus on the said assessment was two-fold:

A. Identifying the risk areas

B. Formulating the mitigation plan for those highlighted areas

We used another tool (the Global Compact Self-Assessment Tool) for human rights assessment. This tool was developed by the Danish Institute for Human Rights, the Confederation of Danish Industries, the Ministry of Economic and Business Affairs. The tool gives an assessment of our performance against 5 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 FY2025 as no such complaints were received during the year.

2) **Details of the scope and coverage of any Human rights due diligence conducted.**

Hindustan Zinc is committed to respecting and upholding the basic principles of human rights of all its stakeholders, including executives, workers, business partner workers, and suppliers at Hindustan Zinc premises. The Company has implemented various policies and procedures, including Human Rights Policy. It follows zero tolerance to child, forced or compulsory labour, non-discrimination, freedom of association and collective bargaining, health and safety, working hours, and equal opportunity.

The Grievance Redressal Committee/Complaint Officers under various statutes are responsible for respective human rights due diligence for all respective categories of stakeholders. This Committee/Complaint Officers assess the respective concerns and provide the corrective course of action. Furthermore, VSAP/Compliance audit is also conducted by external/internal agencies to ensure adherence to all the standards and protocols, covering above mentioned Human Rights.

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	95%
Discrimination at Workplace	95%
Child Labour	95%
Forced Labour/Involuntary Labour	95%
Wages	95%
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:

Parameter	FY 2024-25	FY 2023-24
From renewable sources (GJ)		
Total electricity consumption (A)	14,95,989	3,94,710
Total fuel consumption (Biomass) (B)	2,14,179	7,32,942
Energy consumption through other sources (WHRB) (C)	8,20,392	7,66,017
Total energy consumed from renewable sources (A+B+C)	25,30,560	18,93,669
From non-renewable sources		
Total electricity consumption (D)	19,10,385	28,55,102
Total fuel consumption (E)	4,60,60,960	4,44,89,600
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	4,79,71,345	4,73,44,702
Total energy consumed (A+B+C+D+E+F)	5,05,01,905	4,92,38,370
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	0.000148	0.000170
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP) *	0.00306	0.003808
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)	47.99	47.63

*PPP adjusted revenue in US$

PPP Factor = 20.66; 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

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.

Hindustan Zinc Limited, being in mining sector and producing Zinc has been identified as a high energy intensity industry. The targets under CCTS Scheme are yet to be assigned to Hindustan Zinc, and baseline study by BEE assigned auditors is currently underway.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,51,93,065	1,42,70,892#
(ii) Groundwater	38,21,972	45,45,953
(iii) Third-party water (Municipal water supply)	2,841	2,603#
(iv) Seawater/desalinated water	-	-
(v) Others (Municipal Sewage Treated Water)	87,38,856	93,43,641#
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,77,56,734	2,81,63,089
Total volume of water consumption (in kilolitres)	2,59,78,248	2,61,62,252
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	0.0000762	0.0000904
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP) *	0.00157	0.002025
Water intensity in terms of physical output		
Water intensity (optional) - the relevant metric may be selected by the entity (Water consumed/tonne of metal)	24.69	25.31

*PPP adjusted revenue in US$

PPP Factor = 20.66; 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

#This number has been reinstated, basis change in calculation methodology

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
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	FY 2024-25	FY 2023-24
NOx	MT	6,606	7,033
SOx	MT	26,753	25,199
Particulate matter (PM)	MT	1,247	1,261
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)- Hg	MT	BDL*	BDL*
Others - please specify	-	-	-

*Below detectable level

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:

Parameter	Unit	FY 2024-25	FY 2023-24
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	44,67,830	42,51,360
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	3,85,798	5,62,715
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	Total Scope 1 and Scope 2 GHG emissions/Revenue from operations	0.00001424	0.00001664
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*	0.000294	0.000373
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	4.61	4.66

*PPP adjusted revenue in US$

PPP Factor = 20.66; 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, the Company has undertaken various projects related to reducing Green House Gas emission, as mentioned below:

Some projects namely –

- Received 307 million units power from 530 MW RE-RTC, resulting in reduction of 0.3 mn tCO_2e
- Cellhouse rating improvement from 6.52 to 7.16 at Zinc Smelter Debari (ZSD)
- Upgradation of zinc final tailing pump in stream 4 at Rampura Agucha Mine (RAM)
- Reduction of specific oil consumption from 37.0L/MT to 36.2L/MT on bullion consumption
- Replacement of cooling tower pumps 4311 A & B with lower capacity energy-efficient pumps
- Elimination of dual pump operation of zinc 4th cleaner pump at RAM
- Optimisation of grinding area power by consistent mill operation at rated throughput at Rajpura Dariba Mine

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	9	8
E-waste **(B)**	44	35
Bio-medical waste **(C)**	4	4
Construction and demolition waste **(D)**	0	80
Battery waste **(E)**	103	111
Radioactive waste **(F)**		
Other Hazardous waste. Please specify, if any. **(G)**	1,07,801	1,03,165
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition, i.e., by materials relevant to the sector)	1,96,48,857	2,01,39,407
Total (A + B + C + D + E + F + G + H)	1,97,56,818	2,02,42,809
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.0000580	0.00006997
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) * (Total waste generated/Revenue from operations adjusted for PPP)	0.00120	0.00157
Waste intensity in terms of physical output		
Waste intensity (optional) - the relevant metric may be selected by the entity	18.78	19.58
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	1,91,532	175763#
(ii) Re-used	57,75,739	60,60,663
(iii) Other recovery operations	83,630	87,712
Total	60,50,901	63,24,137
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	392	19
(ii) Landfilling	1,40,13,010	1,39,18,629
(iii) Other disposal operations	71	24
Total	1,40,13,473	1,39,18,672

*PPP adjusted revenue in US$

PPP Factor = 20.66; 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 reinstatement of the number follows the bifurcation of waste recovered

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.

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

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:

Not applicable, since none of the entity's operations/offices are located in/around Ecologically Sensitive Areas (ESA) which have been identified and notified by the Ministry of Environment, Forests and Climate Change (MoEFCC) since 1989. However, Hindustan Zinc's Zawar Mines has obtained Forest Clearance (FC) in 2015.

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
No environmental impact assessments of projects were undertaken by the company during the current financial year. Hence, this requirement is not applicable.					

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 is compliant with all the applicable environmental laws/regulations/guidelines in India.

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 taken, if action 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	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	1,51,83,051	1,42,58,545#
(ii) Groundwater	37,81,726	45,14,375
(iii) Third party water (Municipal water)	2,841	2,603
(iv) Seawater/desalinated water	-	-
(v) Others (Municipal sewage treated water)	87,38,856	93,43,641
Total volume of water withdrawal (in kilolitres)	2,77,06,474	2,81,19,164
Total volume of water consumption (in kilolitres)	2,59,28,370	2,61,16,135
Water intensity per rupee of turnover (Water consumed/turnover)	0.0000761	0.0000903
Water intensity (optional) - the relevant metric may be selected by the entity	24.64	25.26
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	FY 2024-25	FY 2023-24
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	15,39,762	15,99,955
Total Scope 3 emissions per rupee of turnover	Total Scope 3 GHG emissions/ Revenue from operations	0.00000452	0.00000553
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	Total Scope 3 GHG emissions/ Tonnes of metal produced	1.46	1.55

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.

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.**

Not applicable as the Company does not have any operations in ecologically sensitive areas.

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	**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	**Dry Tailing Plant**	India's first dry tailing plant was set up at the Zawar Mines in Rajasthan and in 2024 at Rajpura Dariba Mine. The dry 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 dry 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.
3	**4 MLD Zero Liquid Discharge (ZLD) at Zawar**	Treatment of poor-quality excess water at Zawar Mines by installation of 4000 cum/day effluent treatment plant with zero liquid discharge and recycling in the process.	1. Reduction of freshwater intake from Tidi Dam on daily basis of c. 3800 cum/day.
4	**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 meter/annum
5	**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. 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	**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 tailing dam
7	**Ancillary Plant**	It treats residues produced during smelting process, leading to in-house production of a few key consumables and byproducts, 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	**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	Development of green belt in an area of 6.25 hectares (10,000 plants). Provides overall stability to waste dump and dump failure due to heavy rains, ensuring safe and stable dump. Further, Phase 2 of area restoration of 16 hectares is under progress.
9	**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
10	**Resource Efficiency**	Company has been able to bring improvement in its metal recovery from beneficiation plant through digitalisation. Three Advanced Process Control Systems were implemented for grinding & flotation operation (lead and zinc) in mills at Rampura Agucha and Sindesar Khurd Mines. Other initiatives include installation of silver channel and dual-dart valve and usage of di-thiophosphate at Rampura Agucha Mine	• 10% increase in silver recovery in Rampura Agucha Mill
11	**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 38,682 MT in FY2025 • 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
12	**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 – 1,62,371 MT • Jarofix used in road construction - 2,82,644 MT
13	**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

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
14	**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 mn tCO_2e carbon emissions annually by 2028.
15	**EV trucks for Inter unit Transport**	Hindustan Zinc has taken a significant leap towards sustainable logistics by signing a contract with Inland EV Green Services Pvt Ltd, marking the deployment of 10 electric vehicle (EV) trucks, each boasting a capacity of 55 metric tonnes and dedicated to the inter-operations transport of concentrates. We have further introduced 3 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.

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.
- 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.

Hindustan Zinc assesses the significant adverse impact of their Tier-1 suppliers on the environment through due-diligence process every year. During the year, no high-impact case has been identified based on the assessment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

95% of Tier 1 suppliers (by value of business done with such partners) were assessed for environmental impacts. 378 commercial vendors undergone due diligence & rest are under progress.

8. How many Green Credits have been generated or procured:

None

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.

10

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	Federation of Indian Mineral Industries	National
2	Confederation of Indian Industry	National & State
3	Federation of Indian Chambers of Commerce & Industry	National & State
4	Indian Chamber of Commerce	National
5	India Lead Zinc Development Association	National
6	Udaipur Chambers of Commerce	National
7	Gujmin Industry Association of Gujarat	National
8	Global Compact Network - INDIA	National
9	Mining Engineers Association of India	National
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.

Not Applicable, as the Company has not received any adverse orders from any regulatory authorities.

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	The matter has been considered for advocacy through the State Mines department as well as the Industry Association for the benefit of pioneer companies for getting more area for enhancement of production and reduce imports.	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

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
2	Critical associated minerals mining and processing	Representations through National level industry associations, NITI and Think Tanks.	Proposed amendment for public consultation by Ministry of Mines	NA	https://mines.gov.in/admin/download/6773801c-c9ae81735622684.pdf
3	Contiguous mining of deep-seated minerals	Representations through National level industry associations, NITI and Think Tanks.	Proposed amendment for public consultation by Ministry of Mines	NA	https://mines.gov.in/admin/download/6773801c-c9ae81735622684.pdf
4	Lease validity extension	Representations through National level industry associations.	NA	NA	NA
5	Policy incentives for greening of mining operations and mineral processing	Direct representation through industrial consultation process and indirect representation through National level industrial associations.	NA	NA	NA
6	Protecting domestic market and restructuring of imports	Direct representation through industrial consultation process and indirect representation through National level industrial associations.	Proposed amendment for public consultation by Ministry of Mines	NA	https://mines.gov.in/admin/download/672480a0b46d71730445472.pdf https://mines.gov.in/admin/download/672480a0b46d71730445472.pdf

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, it 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 FY24

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 FY24

3) Describe the mechanisms to receive and redress grievances of the community.

Aligning with our Technical Standards (TS-04), structured grievance 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), Organisation for Economic Cooperation and Development (OECD) and United Nations Environment Programme (UNEP) Standards for responsible stewardship, United Nations Global Compact (UNGC) Principles & Vedanta 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*:

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/small producers	14%	21%
Directly from within India	90%	88%

* Tier 1 suppliers are covered

Note: The methodology for calculating total purchase has been updated as per the new guidelines issued by the Industry Standards Forum on December 20, 2024 which revised the definition for "purchases". The values for previous year are hence not comparable with current year disclosure.

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

Location	FY 2024-25	FY 2023-24
Rural	81%	88%
Semi-Urban	0%	0%
Urban	16%	12%
Metropolitan	2%	1%

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	44,74,716

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 14% from MSMEs & 92% from India as a fraction of the overall procurement spend.

(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	356	100
2	Nand Ghar		3,64,770	100
3	Shiksha Sambal		12,686	100
4	Unchi Udaan		213	100
5	Vedanta College		137	100
6	Company Run Schools		1,699	100
7	Jeevan Tarang	Healthcare	1,524	100
8	Rural Infra	Rural Infrastructure	4,73,818	100
9	Drinking Water Project	Drinking Water & Sanitation	2,66,564	100
10	Environment Conservation (including plantation and sewage treatment)	Environment	4,63,649	100
11	Swasthya Seva (Health)	Healthcare	63,290	100
12	Sanitation Initiative		41,100	100
13	Company Run Hospitals		1,35,591	100
14	Samadhan	Livelihoods	34,642	100
15	Microenterprise	Livelihoods	347	100
16	Zinc Kaushal	Skill Development	1,883	100
17	Zinc Football Academy & Cluster-based Sports	Sports & Culture	12,522	100
18	Promotion of Art and culture	Sports & Culture	1,36,167	25
19	Sakhi	Women Empowerment	26,844	100
20	Uthori		2,33,463	100
21	Community Safety	Healthcare	28,445	100
Total			**22,99,710**	

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 through the following link: https://vedantametalbazaar.moglix.com/#/login

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, since we provide services in a B2B market and such information on products is provided by the final end product manufacturers.
Safe and responsible usage	100% product label explicitly state the safe and responsible usage of the product.
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:**

	FY 2024-25			FY 2023-24		
	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)	44	2	The given number is of formal complaints logged by customers in the Company's portal related to quality.	28	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 FY2024 and are pending for resolution, have been resolved in FY2025

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 through below-mentioned link –

Approach to Cyber Security

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
- 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
- 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/bussiness/products-2/products/
- https://www.hzlindia.com/prodfactsheet/
- https:www.lbma.org.uk/membership/current-membership#-
- 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.**

All the customers are provided with the Material Safety Data Sheet along with the delivery of the products, which has all the relevant information about the products and its usages. 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 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)**

With respect to products manufactured by Hindustan Zinc, there is no Indian regulatory mandate to display any product information thereon, hence, this requirement is not applicable.

However, some of our products 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.

Hindustan Zinc carried out a consumer/customer/buyer satisfaction survey in FY2024 with the help of Feedback Insights Agency relating to the major products manufactured by Hindustan Zinc 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.

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Haryana, India

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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 "March 04, 2025", 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, 2025 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, 2024 to March 31,2025	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, 2024 to March 31,2025	Limited	

3. Our reasonable and limited assurance engagement was with respect to the year ended March 31, 2025 information only and we have not performed any procedures with respect to earlier periods and, therefore, do not express any opinion or conclusion thereon.

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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

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.

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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 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, 2025 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:

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- 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;
    - Data and information outside the defined reporting period i.e., April 01, 2024 – March 31, 2025;
    - The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Group.

Reasonable assurance Opinion

12. 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, 2025 are prepared in all material respects, in accordance with the criteria (as stated under "Identified Sustainability Information and Criteria").

Limited assurance Conclusion

13. 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, 2025 are not prepared, in all material respects, in accordance with the criteria (as stated under "Identified Sustainability Information and Criteria").

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Restriction on use

14. 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

S.R. Batliboi & Co. LLP Gurugram

Amit Chugh

Partner
Membership No.: 505224
UDIN: 25505224BMLADK3906
Place of Signature: Gurugram
Date: 10 July 2025

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Sensitivity: Internal (C3)

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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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Sensitivity: Internal (C3)

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, 2025, 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, 2025, its profit including other comprehensive income, 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.

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, 2025. 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. Further, 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. Accordingly, this matter has been identified as a key audit matter.	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 among others, the payment of strategic services and brand fee, 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 material information relating to aforesaid transactions not getting disclosed in the standalone financial statements.	Our audit procedures included the following: • Obtained and read the Company's policies, processes and procedures in respect of identification of such related parties 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. • 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 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, 2025 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 except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

    (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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g)

    (g) 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;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2025 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.

(i) 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 Note 42, 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 Note 42, 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.

vi. 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 except that, audit trail feature for direct changes to data in certain database tables was enabled for part of the year from March 03, 2025 , 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 relevant prior year has been preserved by the company 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 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: 25501160BMOMYA8770

Place of Signature: Ahmedabad
Date: April 25, 2025

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 identified 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, 2025.

(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, 2025. 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	-	-	119	-
- Others	-	-	1	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	66	-	120	-
- Others	-	-	2	-

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Limited Liability Partnerships or any other parties.

(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:

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	3	1998-99 to 2003-2004, 2013-14 and 20214-15	Commissioner of Income tax (Appeals)
		7,759	1988-1989 to 1990-1991, 1992-1993, 1997-98, 1999-00 to 2001-02, 2004-05 to 2010-2011 and 2012-13 to 2015-16	Income tax appellate Tribunal
		5,577	1989-90 to 2011-12, 2016-17 and 2017-18	High Court / Supreme Court
Customs Act, 1962	Custom Duty	49	2008-09 to 2019-20	CESTAT
		1	2015-16 to 2022-23	Commissioner
		0	2017-18	Commissioner Appeal
Central Excise Act, 1944	Excise Duty	106	1989-90 to 2017-18	CESTAT
		3	2000-01 to 2004-05 and 2008-09 to 2016-17	Commissioner and Commissioner Appeal
		253	1997 to 2013 and 2015-16	High Court
Finance Act, 1994	Service Tax	32	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	49	2009 to 2011, 2012 to 2019 and 2020-21	Commissioner and Commissioner Appeal
		14	2007-2008	High Court
		-	1985-1986	Supreme Court
		6	1998 to 2000, 2001 to 2004 and 2009 to 2014	Tax Board
Goods and Service Tax Act, 2017	GST	2	2017-18	GSTAT
		115	2017-18 to 2023-24	Commissioner and Commissioner Appeal
		712	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
		20	2020-21 to 2024-25	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.

(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: 25501160BMOMYA8770

Place of Signature: Ahmedabad
Date: April 25, 2025

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, 2025 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 Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) ("COSO 2013 Criteria") and 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, 2025, 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: 25501160BMOMYA8770

Place of Signature: Ahmedabad
Date: April 25, 2025

Standalone Balance Sheet

as at March 31, 2025

(₹ in Crore)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	18,358	17,875
b) Capital work-in-progress	4A	2,552	1,529
c) Intangible assets			
i) Exploration intangible assets under development	5	73	109
ii) Other intangible assets	5	57	71
d) Financial assets			
i) Investments	9	823	578
ii) Loans	6	86	417
iii) Other financial assets	13	95	146
e) Income tax assets		140	145
f) Other non-current assets	7	591	341
Total Non-current assets		**22,775**	**21,211**
Current assets			
a) Inventories	8	1,882	1,924
b) Financial Assets			
i) Investments	9	9,148	9,874
ii) Trade receivables	10	112	161
iii) Cash and cash equivalents	11	94	51
iv) Other Bank balances	12	81	122
v) Loans	6	36	51
vi) Other financial assets	13	43	97
d) Income tax assets		0	-
e) Other current assets	7	247	413
Total Current assets		**11,643**	**12,693**
TOTAL		**34,418**	**33,904**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14	845	845
b) Other equity		12,445	14,388
Total Equity		**13,290**	**15,233**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	5,990	4,246
ii) Lease Liabilities	33	177	178
iii) Other financial liabilities	16	342	0
b) Provisions	17	200	199
c) Deferred tax liabilities (net)	32	2,293	2,318
d) Other non-current liabilities	18	951	912
Total Non-current liabilities		**9,953**	**7,853**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,661	4,210
ii) Lease Liabilities	33	136	88
iii) Operational buyers' credit/ suppliers' credit	19	569	399
iv) Trade payables	20		
a) Total outstanding dues of Micro Enterprises and Small Enterprises		148	86
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,060	2,016
v) Other financial liabilities	16	1,698	1,396
b) Other current liabilities	18	1,572	2,124
c) Provisions	17	19	22
d) Current tax liabilities (net)		312	477
Total Current liabilities		**11,175**	**10,818**
TOTAL		**34,418**	**33,904**

See accompanying notes to financial statements.

As per our report on even date

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160
Date: April 25, 2025
Place: Ahmedabad

Sandeep Modi
Chief Financial Officer
Date: April 25, 2025
Place: Udaipur

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517
Date: April 25, 2025
Place: Udaipur

Standalone Statement of Profit and Loss

for year ended March 31, 2025

(₹ in Crore)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations			
a. Revenue	21A	32,927	28,084
b. Other Operating revenue	21B	1,042	850
Total Revenue from operations (a+b)		**33,969**	**28,934**
Other income	22	996	1,103
Total Income		**34,965**	**30,037**
Expenses:			
Change in inventories of finished goods and work-in-progress	23	(62)	(156)
Employee benefits expense	24	878	826
Power and fuel		2,696	2,843
Mining Royalty		4,103	3,517
Finance costs	25	1,111	955
Depreciation and amortization expense	26	3,634	3,466
Other expenses	27	9,058	8,243
Total expenses		**21,418**	**19,694**
Profit before tax and exceptional items		**13,547**	**10,343**
Exceptional Items	28	(83)	-
Profit before tax		**13,464**	**10,343**
Tax expense :			
Current tax	32	3,217	2,549
Deferred tax (credit)/charge	32	(32)	7
Total tax expenses		**3,185**	**2,556**
Profit for the year		**10,279**	**7,787**
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		8	(8)
(b) Tax (expense)/credit		(4)	3
B) Items that will be reclassified to profit or loss in subsequent period			
(a) Net gain on FVTOCI debt investments		30	2
(b) Tax (expense)		(3)	-
Total other comprehensive income /(loss) for the year		**31**	**(3)**
Total comprehensive income for the year		**10,310**	**7,784**
Earnings per share Attributable to the owners of the Company			
(nominal value of shares ₹ 2 (March 31, 2024: ₹ 2)			
- Basic earnings per share (₹)	29	24.33	18.43
- Diluted earnings per share (₹)	29	24.33	18.43

See accompanying notes to financial statements.

As per our report on even date

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160
Date: April 25, 2025
Place: Ahmedabad

Sandeep Modi
Chief Financial Officer
Date: April 25, 2025
Place: Udaipur

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517
Date: April 25, 2025
Place: Udaipur

Standalone Statement of Cash Flow

for year ended March 31, 2025

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	13,464	10,343
Adjustments to reconcile profit to net cash provided by operating activities:		
Exceptional item	56	-
Depreciation and amortization expense	3,634	3,466
Interest expense	1,111	955
Interest and dividend income	(719)	(790)
Foreign Exchange loss/(gain)	9	(13)
Amortization of deferred revenue arising from government grant	(175)	(179)
Net Loss/ (Gain) on investments measured at FVTPL (refer note 27(4))	27	(64)
Net Loss on sale of property, plant and equipment	43	20
Net (Gain) on sale of financial asset investments	(62)	(37)
Operating profit before working capital changes	**17,388**	**13,701**
Working capital changes:		
Decrease/(Increase) in Inventories	42	(62)
Decrease in Trade receivables	48	219
Decrease/(Increase) in Other current assets	230	(41)
(Increase) in Other non current assets	(77)	(18)
Increase in Trade and Other payables	275	108
(Decrease)/Increase in Other liabilities	(403)	1,193
Cash flows from operations	**17,503**	**15,100**
Income taxes paid (net of refund)	(3,376)	(1,757)
Net cash flows from operating activities	**14,127**	**13,343**
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of Property, plant and equipment (including intangibles, CWIP and Capital Advances)	(4,320)	(3,539)
Interest received	678	568
Dividend received	-	4
Deposits made during the year	(984)	(92)
Deposits matured during the year	1,022	-
Inter-corporate loans given to related party	(119)	(356)
Inter-corporate loans repaid by related party	466	-
Purchase of Non current investments	(230)	(306)
Purchase of current investments	(23,711)	(23,242)
Proceeds from sale of current investments	24,533	23,507
Proceeds from sale of Property, plant and equipment	7	51
Net cash flows (used) in/generated from investing activities	**(2,658)**	**(3,405)**
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and other finance charges paid	(1,225)	(1,029)
Proceeds from short term borrowings	9,965	6,620
Repayment of short term borrowings	(9,536)	(13,307)
(Repayments)/Proceeds from working capital loan (net)	(8)	8
Proceeds from long term borrowings	4,547	5,442
Repayment of long term borrowings	(2,783)	(2,112)
Principal payment of lease liabilities	(105)	(59)
Interest payment of lease liabilities	(28)	(16)
Dividend paid	(12,253)	(5,493)
Net cash flows (used) in financing activities	**(11,426)**	**(9,946)**
Net Increase/(Decrease) in Cash and cash equivalents	43	(8)
Cash and cash equivalents at the beginning of the year	51	59
Cash and cash equivalents at the end of the year (refer note 11)	**94**	**51**

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.

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 25, 2025
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 25, 2025
Place: Udaipur

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517
Date: April 25, 2025
Place: Udaipur

Standalone Statement of Changes in Equity

for year ended March 31, 2025

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, 2023	**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, 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**

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, 2023	**1**	**1,743**	**10,383**	**-**	**(30)**	**12,097**
Profit for the year	-	7,787	-	-	-	7,787
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	-	3	-	-	-	3
(b.) Gain on cash flow hedges recognised during the year	-	-	-	-	-	-
Tax effect on above	-	-	-	-	-	-
(c.) Net gain on FVTOCI Investments	-	-	-	-	2	2
Tax effect on above	-	-	-	-	-	-
Total Other comprehensive income/(loss) for the year	-	(5)	-	-	2	(3)
Total comprehensive income/(loss) for the year	**-**	**7,782**	**-**	**-**	**2**	**7,784**
Dividend declared - Paid [1]	-	(5,493)	-	-	-	(5,493)
Balance as at March 31, 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 FVOCI 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 year ended March 31, 2025

(1) During the year, the company has declared and paid interim dividend of ₹ 12,253 Crore (₹ 29 per share) (March 31, 2024: ₹ 5,493 Crore (₹ 13 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 current 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 has come 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.

See accompanying notes to financial statements.

As per our report on even date	For and on behalf of the Board of Directors CIN - L27204RJ1966PLC001208	
For **S.R. Batliboi & Co. LLP** Chartered Accountants ICAI Firm Registration No.: 301003E/E300005	**Arun Misra** CEO & Whole-time Director DIN: 01835605	**Kannan Ramamirtham** Director DIN: 00227980 Place: Mumbai
per **Tridevlal Khandelwal** Partner ICAI Membership No.: 501160	**Sandeep Modi** Chief Financial Officer	**Aashhima V Khanna** Company Secretary ICSI Membership No.: A34517
Date: April 25, 2025 Place: Ahmedabad	Date: April 25, 2025 Place: Udaipur	Date: April 25, 2025 Place: Udaipur

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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 63.42% of the Company's equity as at March 31, 2025 (March 31, 2024: 64.92%).

The financial statements were approved for issue by the Board of Directors on April 25, 2025. 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

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, 2025

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 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.

(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

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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 the net book value of the capitalised costs

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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)
Factory buildings	30 years
Residential buildings	60 years
Roads (included in buildings)	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

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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 instument-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.

- 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

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  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.

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

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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

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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) Immaterial by-products, 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

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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.

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,

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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.

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 period. 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.

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(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

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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 seperate 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 company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 had no impact on the company's standalone financial statements.

(ii) Amendment to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendment does not have any impact on the company's financial statements.

Standards notified but not yet effective

There are no standards that are notified and not yet effective as on date.

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

Notes forming part of the standalone financial statements
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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, 2025.

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 Equipments:

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).

(iv) Climate Change

The Company aims to achieve net carbon neutrality by 2050 or sooner & committed to reduce its GHG emission (Scope 1 & 2) by 50% & Scope 3 by 25% by 2030 from 2020 baseline, 5 times water positive by 2025 from current 2.41 times etc.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 TCFD 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, risk of physical harm 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 Zero Liquid Discharge plants, Sewage Treatment Plant, Dry 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 decarbonisation 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

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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 benefits is remote, refer note 30.

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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(3))	Right of use [2]	Total
At Cost										
As at April 1, 2023	**292**	**2,250**	**22,260**	**36**	**52**	**402**	**94**	**12,358**	**267**	**38,011**
Additions [1&2]	8	174	1,459	1	3	37	-	1,855	237	3,774
Disposals/ adjustments	-	14	234	-	3	4	-	-	-	255
Transfer/Reclassification (from)/to	-	(39)	37	-	2	-	-	84	-	84
As at March 31, 2024	**300**	**2,371**	**23,522**	**37**	**54**	**435**	**94**	**14,297**	**504**	**41,614**
Additions [1&2]	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**
Accumulated depreciation										
As at April 1, 2023	-	**755**	**10,844**	**27**	**31**	**289**	**48**	**8,449**	**40**	**20,483**
Depreciation charge for the year	-	76	1,324	2	5	37	5	1,950	55	3,454
Disposals/ adjustments	-	22	171	-	2	3	-	-	-	198
As at March 31, 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**
Net Book Value										
As at March 31, 2025	**312**	**1,647**	**11,963**	**7**	**29**	**85**	**35**	**3,848**	**433**	**18,358**
As at March 31, 2024	**300**	**1,562**	**11,525**	**8**	**20**	**112**	**41**	**3,898**	**409**	**17,875**

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(1) Addition to property, plant & equipment includes finance cost capitalised of ₹ 84 Crore. (March 31, 2024: ₹67 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, 2023	**60**	**3**	**204**	**267**
Additions	227	-	10	237
Disposal/Transfers	-	-	-	-
As at March 31, 2024	**287**	**3**	**214**	**504**
Additions	158	3	-	161
Disposals/ adjustments	28	-	-	28
Transfer/Reclassfication (from)/to	-	-	(4)	(4)
As at March 31, 2025	**417**	**6**	**210**	**633**
Accumulated Depreciation				
As at April 1, 2023	**12**	**1**	**27**	**40**
Charge for the year	47	1	7	55
Disposal/Adjustments	-	-	-	-
As at March 31, 2024	**59**	**2**	**34**	**95**
Charge for the year	117	1	7	125
Disposal/Transfers	19	-	1	20
As at March 31, 2025	**157**	**3**	**40**	**200**
Net Book Value				
As at March 31, 2025	**260**	**3**	**170**	**433**
As at March 31, 2024	**228**	**1**	**180**	**409**

4(A) Capital work in progress

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amount of Capital work in progress [1]	2,552	1,529

Movement of Capital work in progress (CWIP) during the year:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	1,529	2,107
Additions during the year	4,707	2,838
Capitalised in PPE during the year	(3,684)	(3,416)
Balance at the end of the year	**2,552**	**1,529**

CWIP Ageing Schedule

(₹ in Crore)

Amount in CWIP for a period of	As at March 31, 2025			As at March 31, 2024		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	2,132	-	**2,132**	835	-	**835**
1-2 years	186	-	**186**	336	-	**336**
2-3 years	84	-	**84**	147	-	**147**
More than 3 years	150	-	**150**	211	-	**211**
Total	**2,552**	**-**	**2,552**	**1,529**	**-**	**1,529**

Notes forming part of the standalone financial statements

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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, 2025				As at March 31, 2024			
	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								
Fumer Project	-	-	-	-	31	-	-	-
RD Mill Project	-				6			
Dewatering project	-				129			
Others	61				47			
Total	**61**	**-**	**-**	**-**	**213**	**-**	**-**	**-**

(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, 2025	As at March 31, 2024
Power and fuel charges	35	45
Repairs and Others	388	350
Consumption of stores and Spare parts	257	273
Employee Benefit Expenses	126	125
Finance Cost	128	75
Insurance	-	2
Miscellaneous expenses	1	0
Total	**935**	**870**

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, 2023	**51**	**67**	**-**	**58**	**176**
Additions	1	-	48	135	184
Disposals/ adjustments	-	-	-	-	-
Transfer (from)/to	-	-	-	(84)	(84)
As at March 31, 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**
Accumulated depreciation					
As at April 1, 2023	**47**	**37**	**-**	**-**	**84**
Charge for the year	2	4	6	-	12
Disposals/ adjustments	-	-	-	-	-
As at March 31, 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**
Net Book Value					
As at March 31, 2025	**3**	**22**	**32**	**73**	**130**
As at March 31, 2024	**3**	**26**	**42**	**109**	**180**

(1) includes cloud server on lease

(2) ₹ 157 Crore (March 31, 2024: ₹ 84 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 ₹ 13 Crore (March 31, 2024: ₹ 9 Crore)

(4) There are no overdue balances as at March 31, 2025 (March 31, 2024: Nil).

Notes forming part of the standalone financial statements

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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, 2025			As at March 31, 2024		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	55	-	55	72	-	72
1-2 years	1	-	1	22	-	22
2-3 years	2	-	2	7	-	7
More than 3 years	15	-	15	8	-	8
Total	**73**	**-**	**73**	**109**	**-**	**109**

6. LOANS

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Unsecured, considered good		
Loan to related party (refer note 37 & 39)	85	417
Loans to employees	1	0
Total	**86**	**417**
Current		
Unsecured, considered good		
Loan to related party (refer note 37 & 39)	35	50
Loans to employees	1	1
Total	**36**	**51**

7. OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Secured, considered good		
Advances for supplies to related party (refer note 37)	63	49
Unsecured, considered good		
Capital advances	306	196
Claims and other receivables[1]	171	96
Advances for supplies to related party (refer note 37)	51	-
	591	**341**
Unsecured, credit impaired		
Claims and other receivables	7	7
Provision on doubtful deposits and claims	(7)	(7)
	-	-
Total	**591**	**341**

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Secured, considered good		
Advances for supplies to related party (refer note 37)	5	1
Unsecured, considered good		
Advance given to vendors for supply of goods and services	93	92
Advances for supplies to related party (refer note 37)	7	-
Balance with government authorities	78	130
Claims and other receivables[2]	64	190
Total	**247**	**413**

(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, 2025	As at March 31, 2024
a. Work in progress		
Ore	74	106
Mined Metal	877	744
Others#	516	546
b. Finished goods[1]	9	18
c. Fuel Stock	155	196
[Including goods in transit ₹ 64 Crore (March 31, 2024: ₹ 83 Crore)]		
d. Stores and spare parts	251	314
[Including goods in transit ₹ 21 Crore (March 31, 2024: ₹ 17 Crore)]		
Total	**1,882**	**1,924**

* 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 ₹ 2 Crore (March 31,2024: ₹ 5 Crore). The write down on this inventory of Nil (March 31, 2024: 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 ₹ 12 Crore (March 31, 2024: ₹ 5 Crore) has been reversed on account of consumption of respective slow moving/ non-moving inventories during the year and has been recognized in the Statement of Profit and Loss.

9. INVESTMENTS

Non Current (₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
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, 2024 : 1,00,000) of ₹ 10 each)	0	0
Vedanta Zinc Football & Sports Foundation (1,000 equity shares (March 31, 2024 : 1,000) of ₹ 100 each)	0	0
Zinc India Foundation (1,000 equity shares (March 31, 2024 : 1,000) of ₹ 100 each)	0	0
Hindustan Zinc Fertilisers Private Limited (1,00,000 equity shares (March 31, 2024 : 1,00,000) of ₹ 10 each)	0	0

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

Particulars		As at March 31, 2025	As at March 31, 2024
Hindmetal Exploration services Private Limited (1,00,000 equity shares (March 31, 2024 : Nil) of ₹ 1 each)		0	-
	(A)	**0**	**0**
Joint Venture - Unquoted			
Madanpur South Coal Company Limited (1,14,391 equity shares(March 31, 2023: 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, 2024: 18.05%) of ownership interest. During the year 2013-14, 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, 2025	As at March 31, 2024
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, 2024: 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, 2024: 9,82,50,000) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)		328	98
	(C)	**552**	**322**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds - quoted		182	167
Investment in Equity shares - unquoted			
Serentica Renewables India 4 Private Limited [(1)] (5,60,00,000 (March 31, 2024: 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, 2024: 3,30,00,000) Equity shares of class B of ₹ 10 each)		33	33
	(D)	**271**	**256**
Total	(A+B+C+D)	**823**	**578**

(1) During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA') 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 Crore (March 31, 2024: ₹ 175 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 70 Crore to 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 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.

(2) During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA') 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, 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 ₹ 230 Crore (March 31, 2024: ₹ 131 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 77 Crore to be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 33 Crore worth of OCPRS are converted into equity shares of Serentica 5 as per terms of the PDA in previous year.

Notes forming part of the standalone financial statements

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Current (₹ in Crore)

Particulars		As at March 31, 2025	As at March 31, 2024
Measured at fair value through profit and loss			
Investment in bonds-quoted*		1,499	1,540
Investment in perpertual bonds- quoted		2,265	2,256
Investment in mutual funds-unquoted		1,590	1,651
	(A)	**5,354**	**5,447**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds- quoted		1,692	2,330
Investment in perpetual bonds- quoted		2,102	2,097
	(B)	**3,794**	**4,427**
Total	(A+B)	**9,148**	**9,874**
Aggregate amount of quoted investment at market value thereof		7,558	8,223
Aggregate amount of unquoted investment		1,590	1,651

*Investments amounting to ₹ 949 Crore (March 31, 2024: ₹ 2,033 Crore) are pledged as security for repurchase liability (refer note 15(6)). 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)(3)]

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good[(2)]	112	161
Trade receivables- credit impaired	2	2
	114	**163**
Provision for doubtful trade receivables	(2)	(2)
Total	**112**	**161**

Trade receivables Ageing Schedule*

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed - considered good		
Not Due	23	119
Less than 6 months	85	38
6 months – 1 year	1	1
1-2 years	-	3
2-3 years	3	-
More than 3 years	-	-
Total	**112**	**161**
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, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed - Credit Impaired		
Not Due	-	-
Less than 6 months	-	-
6 months – 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	2	2
Total	**2**	**2**
Less: Provision for doubtful trade receivables	(2)	(2)
Total Trade receivables	**112**	**161**

*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, 2024: zero to one hundred twenty days). Interest is charged on trade receivables for the credit period, from the date of the invoice at 8% to 10.55%. (March 31, 2024: 8% to 10.55%) per annum on the outstanding balance

(2) Unsecured considered good includes ₹ 19 Crore (March 31, 2024: ₹ 22 Crore) due from wind energy segment's trade receivables. Unsecured trade receivables of ₹ 8 Crore (March 31, 2024: 49 Crore) are covered against Letter of credit and Bank Guarantees

(3) There are no outstanding receivables due from directors or other officers of the Company. 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, 2025	As at March 31, 2024
Balances with banks		
On current accounts	94	51
Total	**94**	**51**

12. OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank deposits having original maturity of more than 3 months but not more than 12 months[(1)]	55	93
Earmarked unpaid dividend accounts	26	29
Total	**81**	**122**

(1) Includes margin money amounting to ₹ 55 Crore (March 31, 2024 : ₹ 92 Crore)

13. OTHER FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Unsecured, considered good		
Security Deposits	89	126
Receivable from related party (refer note 37)	0	15
Bank Deposits with remaining maturity more than 12 months	6	5
Unsecured, credit impaired		
Security Deposits	27	27
Provision for doubtful deposits	(27)	(27)
Total	**95**	**146**
Current		
Unsecured, Considered Good		
Interest accrued on deposits	6	7
Derivative assets (refer note 35)	9	11
Receivable from related party (refer note 37)	6	40
Other receivable*	22	39
Unsecured, credit impaired		
Receivable from related party (refer note 37)	28	28
Provision for doubtful receivable	(28)	(28)
Total	**43**	**97**

* 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, 2025	As at March 31, 2024
A. Authorized equity share capital		
Equity shares of ₹ 2 (March 31, 2024: ₹ 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, 2024: ₹ 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)	268	274
% of Holding	63.42%	64.92%
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)	268	274
% of Holding	63.42%	64.92%
Government of India - President of India		
No. of Shares (In Crore)	118	125
% of Holding	27.92%	29.54%

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
F. Details of shares held by promoters		
Vedanta Limited		
No. of shares at the beginning of the year (In Crore)	274	274
Change during the year (In Crore)	(6.00)	-
No. of shares at the end of the year (In Crore)	268	274
% of Total Shares*	63.42%	64.92%
% change during the year	(1.5%)	-

*As at March 31, 2025, 9.19% (March 31, 2024: 13.75%) 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, 2025	As at March 31, 2024
At amortised cost		
Unsecured		
Non-convertible debentures(1)	499	-
Term-loan from banks(2)(3)	8,213	6,944
Total Non-current borrowings	**8,712**	**6,944**
Less: Current maturities of long-term borrowings	(2,722)	(2,698)
Total (Net)	**5,990**	**4,246**

Current

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Unsecured		
Commercial Paper(4)	1,036	-
Current maturities of long-term borrowing	2,722	2,698
Working Capital Loans from banks(5)	-	8
	3,758	**2,706**
Secured		
Repurchase liability(6)	903	1,504
	903	**1,504**
Total	**4,661**	**4,210**

(1) During the current year, the Company has issued 50,000 Unsecured, Rated, Non-convertible debentures (NCDs) of face value of ₹ 1,00,000 each at an interest rate of 7.75%, aggregating upto ₹ 500 Crore. The NCDs are due for repayment in yearly installments of ₹ 100 Crore each in March 2026 and March 2027 and ₹ 300 Crore in March 2028.

(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 8.29% p.a. (March 31, 2024 : 8.12% p.a). Balance outstanding as at March 31, 2025 carries interest rate of 7.98% (March 31, 2024: 8.44% p.a).

(3) The company has complied with the financial covenant 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, 2025

As at March 31, 2025

Particulars	< 1year	1-3 years	> 3 years
Non current term loan from banks*	2625	5592	-

As at March 31, 2024

Particulars	< 1year	1-3 years	> 3 years
Non current term loan from banks*	2701	3999	250

* the above maturity profile is based on total principal outstanding gross of issue expense

(4) During the year average effective interest rate was 7.73% p.a. (March 31, 2024: 7.78% p.a). Balance outstanding as at March 31, 2025 carries interest rate of 7.63% p.a.

(5) 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 7.90% p.a. (March 31, 2024: 7.94% p.a). As at March 31, 2025, there is nil outstanding balance of WCDL.

(6) Repurchase liability as on March 31, 2025 are secured by current investments amounting to ₹ 949 Crore (March 31, 2024 : ₹ 2033 Crore)and are repayable in 365 days (March 31, 2024: 365 days) from the date of borrowings through repurchase obligation. During the year, average effective interest rate was 8.45% p.a. (March 31, 2024 8.43% p.a.). Balance outstanding as at March 31, 2025 for repurchase liability carries interest rate of 8.10% p.a. (March 31, 2024: 8.61% 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, 2023	8,230	3,611	**11,841**
Net Cash inflow/(outflow)	(6,718)	3,330	(3,388)
Other non cash changes	-	3	3
As at March 31, 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**

*Including current maturities of long-term borrowings & unamortized borrowing fees.

#Interest paid during the year of ₹ Nil (March 31, 2024: ₹ 39 Crore) on commercial paper outstanding as at the beginning of the year, is shown under interest and other finance charges paid in cashflow statement. Interest accrued on commerical paper of ₹ 6 Crore (March 31, 2024: Nil) is part of short term borrowings.

16. OTHER FINANCIAL LIABILITIES

Non-current

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Security deposits and other liabilities	0	0
Capital creditors(2)	342	-
Total	**342**	**0**
Current		
Derivatives - Liabilities (refer note 35)	7	12
Capital creditors(2)	926	748
Due to related party (refer note 37)	40	23
Deposits from vendors	249	198
Interest accrued but not due	62	84
Unclaimed dividend (1)	26	29
Other liabilities (Includes employee benefits, royalty etc.)	388	302
Total	**1,698**	**1,396**

(1) Represents the unclaimed dividend for a period less than 7 years.

(2) Includes acceptances of ₹ 626 Crore (March 31, 2024 : ₹ 343 Crore) against current and non-current capital creditors. Acceptances are given for invoices payable upto 2 years against Letter of Credit and are non-interest bearing.

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

17. PROVISIONS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for mine restoration & decomissioning [a]	200	199
Total	**200**	**199**

(a) (₹ in Crore)

Particulars	Provision for mine restoration[1]	Provision for decommissioning[2]	Total
As at April 1, 2023	**200**	**1**	**201**
Addition during the year/(revision during the year)	(4)	-	(4)
Unwinding of discount	14	-	14
Utilized	-	-	-
As at March 31, 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**
Classification as at March 31, 2024			
Non-current	199	-	**199**
Current	11	1	**12**
Classification as at March 31, 2025			
Non-current	200	-	**200**
Current	11	1	**12**

(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, 2025	As at March 31, 2024
Provision for gratuity (refer note 31)	1	0
Provision for compensated absenses	6	10
Provision for mine restoration & decomissioning (refer (a) above)	12	12
Total	**19**	**22**

18. OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Deferred government grant[2]	895	912
Statutory liabilities (refer note 28)	56	-
Total	**951**	**912**

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Advance from customers[3]	1,149	1,537
Statutory and other liabilities[1]	247	416
Deferred government grant[2]	176	171
Total	**1,572**	**2,124**

(1) Statutory and other liabilities mainly includes Goods and Service Tax (GST), contribution to Provident Fund (PF), TDS, amount payable to District Mineral Fund (DMF), National Mineral Exploration Trust (NMET) etc.

(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, 2023 was ₹ 461 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, 2025	As at March 31, 2024
Operational buyers/suppliers credit from banks [1]	569	399
Total	**569**	**399**

(1) Operational Buyers' Credit is availed in foreign currency from offshore branches of Indian banks. During the year average effective interest rate was 5.41% p.a. (March 31, 2024: 5.95% p.a). Balance outstanding as at March 31, 2025 carries interest rate of 4.66% p.a.(March 31, 2024: 5.87% 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 interest rate of 7.42% p.a. as at March 31, 2025 (March 31, 2024: 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, 2025	As at March 31, 2024
Total outstanding dues of Micro Enterprises and Small Enterprises	148	86
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises[1][2]	2,060	2,016
Total	**2,208**	**2,102**

(1) Trade payables are majorly non-interest bearing and are normally settled upto 180 days (March 31, 2024: 180 days).

(2) ₹ 33 Crore out of above is relating to related parties. Refer note 37 for details of related party balances and terms and conditions.

Trade payables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed dues- Micro Enterprises and Small Enterprises		
Unbilled dues	126	-
Less than 1 year	22	86
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total[1]	**148**	**86**

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed dues- Other than Micro Enterprises and Small Enterprises		
Unbilled dues	1,622	1,718
Less than 1 year	365	271
1-2 years	68	25
2-3 years	4	0
More than 3 years	1	2
Total[(1)]	**2,060**	**2,016**

(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, 2025 (March 31,2024: Nil).

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
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	148	86
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, 2025	For the year ended March 31, 2024
Sale of products	32,789	27,928
Income from wind energy	138	156
Total [(1)]	**32,927**	**28,084**

(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, 2025 comprises of revenue from contracts with customers of ₹ 34,028 Crore (March 31, 2024: ₹ 29,493 Crore), discount/rebate and a net loss on mark to market of ₹ 1,101 Crore (March 31, 2024: ₹ 1,409 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 ₹ 1,537 Crore for which contract liabilities existed at the beginning of the year. Contract liabilities as at March 31, 2025 are ₹ 1,149 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.

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(B) OTHER OPERATING INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of scrap and residuals	662	482
Export incentives	183	198
Others (liquidated damages, fines and penalties,unclaimed amount etc.)	197	170
Total	**1,042**	**850**

22. OTHER INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income on	-	
Bank deposits measured at amortized cost	2	6
Investments measured at FVTOCI	327	369
Investments measured at FVTPL	295	303
Other financial assets measured at amortised cost	95	109
Dividend Income from Investment [(1)]	-	4
Other non-operating income		
Net gain on investments measured at FVTPL	-	64
Net gain on sale of current investments	62	37
Net gain on foreign currency transactions	40	32
Amortization of deferred revenue arising from government grant	175	179
Total	**996**	**1,103**

(1) Dividend of ₹ Nil (March 31, 2024: ₹ 4 Crore) is received from dividend declared by Joint Venture entity Madanpur South Coal Company Limited where HZL holds 18.05% of ownership interest (refer note 9).

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Opening inventory			
Finished goods		18	28
Work in progress :-			
Ore		106	96
Mined metal		744	677
Others		546	457
(includes various semi-finished goods having Zinc, Lead & Silver content)			
Total	**(A)**	**1,414**	**1,258**
Closing inventory			
Finished goods		9	18
Work in progress :-			
Ore		74	106
Mined metal		877	744
Others		516	546
(includes various semi-finished goods having Zinc, Lead & Silver content)			
Total	**(B)**	**1,476**	**1,414**
Changes in Inventory	**(A- B)**	**(62)**	**(156)**

Notes forming part of the standalone financial statements
as at and for the year ended March 31, 2025

24. EMPLOYEE BENEFIT EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus [(1)]	656	615
Contribution to provident and other funds (refer note 31)	63	55
Share based compensation[(2)]	14	23
Staff welfare expenses [(1)]	145	133
Total	**878**	**826**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on May 03, 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant

(1) Includes Corporate social responsibility expenditure of ₹ 6 Crore and ₹ 27 Crore (March 31, 2024: ₹ 5 Crore and ₹ 20 Crore) towards salaries,wages and bonus and towards company run schools & hospitals respectively.

(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, 2025 and year ended March 31, 2024 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 agreement between the Parent and the Company, the cost recognised towards ESOS scheme is recovered by the Parent from the Company.

25. FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on financial liabilities at amortised cost[(1) (2)]	868	798
Other interest	128	87
Bill discounting charges	56	26
Bank charges	16	6
Other finance costs[(3)]	43	38
Total	**1,111**	**955**

(1) Interest expenses on lease liabilities is ₹ 28 Crore (March 31, 2024: ₹ 16 Crore).

(2) Interest rate of 8.33% 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, 2025 (March 31, 2024: 7.62%).

(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, 2025	For the year ended March 31, 2024
Depreciation on Property, Plant and Equipments (refer note 4)	3,619	3,454
Amortization on intangible assets (refer note 5)	15	12
Total	**3,634**	**3,466**

27. OTHER EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spare parts	1,984	1,823
Repairs and Maintenance:		
- Plant and equipment[(4)]	2,556	2,344

Notes forming part of the standalone financial statements
as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
- Building	125	100
- Others	0	0
Carriage inwards	143	166
Mine expenses	1,997	1,954
Other manufacturing and operating expenses	546	442
Strategic service & brand fees[(2)]	658	561
Rates and taxes	2	2
Conveyance and travelling expenses	28	26
Directors sitting fees and commission	2	2
Payment to auditors[(1)]	2	2
Carriage outwards	330	268
Grass root exploration expenses	22	9
Legal and professional expenses	40	29
Allowance for doubtful debts/receivables	0	0
Research and development expenditure	12	11
Corporate social responsibility (refer note 34)	232	239
Loss on sale of property, plant and equipment (net)	43	20
Net loss on investments measured at FVTPL	28	-
Miscellaneous expenses[(3)]	308	245
Total	**9,058**	**8,243**

[(1)] Remuneration to auditors:	3,619	3,454
- 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 ("Holding company") at 2% of the consolidated turnover of the Company effective from October 01, 2022.

Further, during the current 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. The Company contractually pays such fee in advance at the beginning of the year, based on its estimated consolidated annual turnover.

(3) Includes donation of ₹ 30 Crore (March 31, 2024: ₹ 25 Crore) to Bharatiya Janata Party and ₹ 10 Crore to All India Congress Committee during the year.

(4) includes operations and maintenance of plant.

28. EXCEPTIONAL ITEMS

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Environment and Health Cess[(1)]	56	-
Land tax[(2)]	27	
Total	**83**	**-**

(1) The State of Rajasthan had levied Environment and Health Cess (EHS) through a notification in 2008 on major minerals including lead and zinc which later got rescinded in 2017. 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 has taken a provision of ₹ 56 Crore relating to liability towards EHS in the current year. However, the company has not received any demand notice post Supreme Court judgement in the above-referred MADA matter. The ongoing litigation with respect to imposition of EHS is currently pending for final hearing before the Supreme Court, and the interim protection granted to HZL continues to exist as on date.

(2) During the current year, 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 has taken a charge of ₹ 27 Crore. Furthermore, the State of Rajasthan vide the same notification has exempted land tax payable on all classes of land with effect from February 8, 2024.

Notes forming part of the standalone financial statements

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29. EARNINGS PER SHARE

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic earnings per share (₹)	24.33	18.43
Diluted earnings per share (₹)	24.33	18.43
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)	10,279	7,787
Earnings used in the calculation of basic earnings for the year (in ₹Crore)	10,279	7,787
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, 2025	As at March 31, 2024
a. Contingent liabilities(1)		
Claims against the Company not acknowledged as debts		
- Suppliers and contractors	16	17
- Ex-employees and others	3	3
- Land acquisition	3	3
- Mining cases(2)	-	334
- Government : Electricity Duty	9	74
: Road Tax	15	15
: Environmental Cess(3)	-	142
Guarantees issued by the banks	381	270
Sales tax demands	68	68
Income tax demands(5)	720	720
Excise Duty, Custom duty, Service tax and GST demand (4)	582	553

(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 Department of Mines and Geology of the State of Rajasthan issued several show cause notices in August, September and October 2006 to HZL, amounting to ₹ 334 Crore. These notices alleged unlawful occupation and unauthorised mining of associated minerals other than zinc and lead at HZL's Rampura Agucha, Rajpura Dariba and Zawar mines in Rajasthan during the period from July 1968 to March 2006. HZL believes that the likelihood of this claim is not probable and thus no provision has been made in the financial statements. HZL had filed writ petitions in the High Court of Rajasthan in Jodhpur and had obtained a stay in respect of these demands. The High Court restrained the Department of Mines and Geology from undertaking any coercive measures to recover the penalty. In January 2007, the High Court issued another order granting the Department of Mines and Geology additional time to file their reply and also ordered the Department of Mines and Geology not to issue any order cancelling the lease. Affidavit of the Central Government is awaited. The State Government filed for an early hearing application in the High Court. The High Court has passed an order rejecting the application stating that Central Government should file their replies. During the year, as per the management assessment and based on the opinion of external counsel, case has been classified under remote category.

(3) 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 has taken a provision of ₹ 56 Crore relating to liability towards EHS in the current year. However, the company has not received any demand notice post Supreme Court judgement judgement in the above-referred MADA matter. The ongoing litigation with respect to imposition of EHS is currently pending for final hearing before the Supreme Court, and the interim protection granted to HZL continues to exist as on date (refer note 28).

(4) Various demands raised on the Company towards CENVAT, service tax, excise, customs, GST and sales tax for FY 1991-92 to 2020-21. The Company has paid an amount of ₹ 20 Crore (March 31, 2024:₹ 19 Crore) against these demands under protest and is confident of the liability not devolving on the Company

(5) 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).

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b. The Department of Mines and Geology (DMG) of the State of Rajasthan initiated the royalty assessment process from January 2008 to 2019 on certain question of law and 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 on similar questions of law. The Company has challenged (the show cause notice or/and) computation mechanism of the 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, High court has granted a stay on the notice and directed DMG not to take any coercive action. State Government has also been directed to not take any coercive action in order to recover such miscomputed dues. Inspite of the High court stay order, the State Government raised a revised demand of ₹ 1,423 Crore vide order dated March 16, 2022 for the same period. The Company challenged this notice before the Revisionary Authority ("RA") and also moved an application in RA against the earlier demand raised by DMG for recovery of ₹ 311 Crore. RA has granted a stay on the recovery of ₹ 1,423 Crore vide its order dated June 15, 2022, and on the recovery of ₹ 311 Crore, vide its order dated September 07, 2022 respectively. During the year, the company has 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, hence have been considered as remote. On July 25, 2024 RA has 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 HC's directions, and deposited the directed amount under protest on July 30, 2024. The matter before the High Court is pending for final hearing. On October 30, 2024 the Company 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 revision application is disposed off accordingly. 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.

c. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 4,011 Crore (March 31, 2024: ₹ 2,381 Crore).

d. Other Commitments

(i) During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA') 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, 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, 2024: ₹ 175 Crore) and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA (see Note 9).

During the year ended March 31, 2023, the Company had entered into Power delivery agreement ('PDA') 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, Company is expected to infuse equity of approximately ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Company has made an investment of approximately ₹ 230 Crore (March 31, 2024: ₹ 131 Crore) and pending committed investment of approximately ₹ 77 Crore ito be made basis fulfilment of conditions of the PDA (see note 9).

(ii) During the year, 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) 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 approximately ₹ 327 Crore for a minimum of twenty six percent in Serentica.

(iii) 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, 2025. (March 31, 2024: ₹ 66 Crore)

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(iv) During the year ended March 31, 2023, the Company under its Corporate Social Responsibilities ('CSR') initiative had signed a Memorandum of Understanding('MOU') with Rajasthan Cricket Association ('RCA') for development of international cricket stadium at Jaipur (Rajasthan). As per the terms of MOU, the Company has committed to contribute ₹ 300 Crore against which ₹ 60 Crore (till March 31, 2024: ₹ 60 Crore) has been contributed as at March 2025.

(v) Export obligations

The Company has Nil export obligations (March 31,2024: 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 purchase). The Company has given bonds of ₹ 254 Crore (March 31, 2024: ₹ 441 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 ₹ 4 Crore (March 31, 2024: ₹ 5 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 ₹ 3 Crore (March 31,2024: ₹ 4 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 ₹ 44 Crore (March 31, 2024: ₹ 32 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 ₹ 12 Crore in this regard in the current year. During the previous year, the Company had made good the deficiency of ₹ 10 Crore. 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, 2025	As at March 31, 2024
Plan assets fair valued	1,686	1,667
Present value of benefit obligation at period end	1,696	1,677
Net Plan Assets/(Liability)	(10)	(10)

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(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
% allocation of plan assets by category		
Central government securities	4%	5%
State government securities(including PSU Bond)	60%	60%
Private Sector Bonds, Mutual funds	36%	35%
Principal actuarial assumptions		
Financial Assumptions		
Discount rate	7.03%	7.10%
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% - 18%	3% - 20%
From 31 to 44 years	2% - 11%	2% - 8%
Above 44 years	1%-7%	1%-5%

Gratuity plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. 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, 2025	As at March 31, 2024
Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:		
Financial Assumptions		
Discount rate	7.03%	7.10%
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% - 18%	3% - 20%
From 31 to 44 years	2% - 11%	2% - 8%
Above 44 years	1%-7%	1%-5%

Notes forming part of the standalone financial statements

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(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Amount recognized in the balance sheet consists of:		
Fair value of planned assets	222	241
Present value of defined benefit obligations	(223)	(241)
Net assets/(Net unfunded liability)	**(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, 2025	For the year ended March 31, 2024
Opening Balance	241	239
Service cost	9	13
Benefits paid	(36)	(35)
Interest cost	17	17
Acturial (Gain)/Loss on obligation	(8)	7
Closing Balance	**223**	**241**

The movement during the year in the fair value of plan assets was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	241	232
Employer Contributions	0	29
Benefits paid	(36)	(35)
Interest Income	17	16
Remeasurement gain/(loss) arising from return on plan assets	-	(1)
Closing Balance	**222**	**241**

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, 2025	For the year ended March 31, 2024
Current service cost	9	13
Net Interest cost	-	1
Total charge to Statement of Profit and Loss	**9**	**14**

Amounts recognized in Other Comprehensive Income in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Remeasurement (Gain) / Loss arising from Change in Demographic Assumption	(4)	4
Remeasurement (Gain) / Loss arising from Change in Financial Assumption	1	3
Remeasurement (Gain) / Loss arising from Experience Adjustment	(5)	(0)
Loss/(Gain) on plan assets	-	1
Components of defined benefit costs recognised in other comprehensive income	**(8)**	**8**

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

Expected contribution for the next annual reporting period of March 31, 2025:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Service Cost	14	15
Net Interest Cost	0	-
Expected contribution for the next annual reporting period of March 31, 2025	**14**	**15**

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, 2025	As at March 31, 2024
Impact of change in discount rate		
Increase by 0.50%	(6)	(7)
Decrease by 0.50%	6	7
Impact of change in salary increase rate		
Increase by 0.50%	6	7
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.

Maturity Profile of Defined Benefit Obligation

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Year:		
0 to 1 Year	37	37
1 to 2 Year	16	38
2 to 3 Year	39	36
3 to 4 Year	27	26
4 to 5 Year	21	19
5 to 6 Year	15	14
6 Year onwards	68	72

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.

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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, 2025 and March 31, 2024 are indicated below:

(₹ in Crore)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
a.	**Tax charge recognised in Profit and Loss**		
	Current tax:		
	Current tax on profit for the year	3,459	2,624
	Adjustment in respect of earlier years(1)	(242)	(75)
	Total Current tax	**3,217**	**2,549**
	Deferred tax:		
	Reversal and origination of temporary differences	(48)	7
	Adjustment in respect of earlier years	16	-
	Total Deferred tax	**(32)**	**7**
	Tax expense for the year	**3,185**	**2,556**
	Effective income tax rate (%)	23.66%	24.71%
	(1) true up of tax provisions in line with routine assessment orders amounting to ₹ 218 Crore in current year.		
b.	**Statement of other comprehensive income**		
	Deferred tax (credit) / charge on:		
	Cash flow hedges recognised during the year	-	-
	Net Gain/(Loss) on FVTOCI investments	3	-
	Remeasurement of defined benefit obligation	4	(3)
	Total	**7**	**(3)**

(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, 2025	For the year ended March 31, 2024
Accounting profit before tax (after exceptional item)	13,464	10,343
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	3,389	2,603
Disallowable expenses	73	83
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	(32)	(24)
Adjustments in respect of prior years*	(226)	(75)
Indexation benefit on capital Gains	-	(3)
Total	**3,185**	**2,556**

*true up of tax provisions in line with routine assessment orders amounting to ₹ 218 Crore in current year.

Notes forming part of the standalone financial statements

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(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 March 31, 2020, based on the favorable orders from Income Tax Appellate Tribunal relating to AY 2009-10 to AY 2012-13, 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. Currently, for AY 2013-14 to AY 2016-17, the department has filed appeals before the Tribunal, which are pending for disposal. In July 2024, the company has received Assessment Order for AY 2020-21, where similar demands were raised on account of 80-IA and 80-IC. Against the said order, the company had filed appeal before the Tribunal and the favourable order from the Tribunal was received in January 2025 which is in line with the past years' orders. The department is yet to file an appeal before the High Court against the said order. The department had filed appeals before the Hon'ble Rajasthan High Court in FY 2017-18 (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. 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, 2025 is ₹ 12,411 Crore (March 31, 2024: ₹ 12,447 Crore) plus applicable interest upto the date of settlement of the dispute.

(d) Significant components of deferred tax assets and (liabilities) recognized in the balance sheet are as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Property, plant and equipment, Exploration and evaluation and intangible assets	(2,382)	(2,400)
Fair valuation of financial assets/liabilities	(39)	(60)
Voluntary retirement scheme	1	9
Other temporary differences (43B disallowances, inventory valuation reserves etc.)	127	133
Deferred Tax (Liabilities) (net)	**(2,293)**	**(2,318)**

Deferred tax income of ₹ 25 Crore (March 2024 : Deferred tax expense of ₹ 4 Crore) is recorded as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Through Other Comprehensive Income		
Net Gain/(Loss) on FVTOCI debt investments	3	-
Remeasurements of defined benefit obligations	4	(3)
	7	**(3)**
Through Profit and Loss		
Property, plant and equipment, exploration and evaluation and intangible assets	(18)	(26)
Fair valuation of financial assets/liabilities	(21)	25
Voluntary retirement scheme	8	5
Other temporary differences (43B disallowances, inventory valuation reserves etc.)	(1)	3
	(32)	**7**
Total	**(25)**	**4**

(e) Reconciliation of Net Deferred tax liabilities:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(2,318)	(2,314)
Tax (expense)/income recognised in profit or loss during the period	32	(7)
Tax (expense)/income recognised in other comprehensive income during the period	(7)	3
Closing Balance	**(2,293)**	**(2,318)**

Notes forming part of the standalone financial statements

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33. LEASES

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liability against ROU assets:		
Non current	177	178
Current	136	88
Total	**313**	**266**

(a) Following are the amounts recognised in Statement of Profit & Loss account:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Depreciation expense for right-of-use assets (refer note 4 & 5)	135	61
b) Interest expense on lease liabilities (refer note 25)	28	16
c) Expense relating to short-term leases	0	0
Total amount recognised	**163**	**77**

(b) The movement in lease liabilities is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Opening balance	266	40
b) Additions (refer note 4 & 5)	161	285
c) Reversal/ Adjustments	(9)	-
d) Interest accrued	28	16
e) Repayments (Principal & interest)*	(133)	(75)
Closing balance	**313**	**266**

* Interest paid on lease liabilities during the year is ₹ 28 Crore (March 31, 2024 : ₹ 16 Crore)

(c) Lease liabilities carry an effective interest rate of 5.03 % to 17.55% (March 31, 2024: 5.03% to 17.55%)

(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, 2023	**40**
Non-cash changes	301
Cash changes	(75)
As at March 31, 2024	**266**
Non-cash changes	189
Cash changes	(133)
As at March 31, 2025	**322**

(i) Non cash changes includes additions/deletions in ROU assets and interest accrual on lease liabilties.

(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 ₹ 265 Crore for the year ended March 31, 2025 and March 31, 2024 respectively.

(₹ 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)(2)]	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.		
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.	28	-	28
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, 2024		
	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	547	-	547
iii) Amount spent during the year on:			
- Construction/acquisition of any assets	-	-	-
- On purposes other than (i) above[(1)]	240	29	269
	Community upliftment through Education, Sustainable Livelihoods, Women Empowerment, Health & Water, Sports & Culture, Environment and Community Assets Creation.		
iv) Nature of CSR activities			
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.	23	-	23
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 ₹ 33 Crore (March 31, 2024 ₹ 25 Crore).

(2) Amount spent during the year includes ₹ 4 Crore prepaid CSR spend relating to previous year.

(b) The Company has an excess CSR spent of ₹ 9 Crore (March 31, 2024: ₹ 4 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	Opening Balance	CSR spent during the year: Required to be spent	CSR spent during the year: Actual spent (Net of opening excess spent and other adjustments)	Closing balance
For the year ended March 31, 2025	4	265	270	9
For the year ended March 31, 2024	51	265	218	4

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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, 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**
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	51	51	51
Other bank balances	-	-	122	122	122
Investments	5,769	4,683	0	10,452	10,452
Trade receivables	4	-	157	161	161
Other Current financial assets and loans	11	-	137	148	148
Other Non-current financial assets and loans	-	-	563	563	563
Total	**5,784**	**4,683**	**1,030**	**11,497**	**11,497**
Financial liabilities					
Borrowings	-	-	8,456	8,456	8,456
Lease Liabilities	-	-	266	266	266
Trade payables	-	-	2,102	2,102	2,102
Operational buyers' credit/ suppliers' credit	-	-	399	399	399
Other Current financial liabilities	12	-	1,384	1,396	1,396
Total	**12**	**-**	**12,607**	**12,619**	**12,619**

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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 Black Sholes 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 rates of commodities actively traded on the listed metal exchange i.e. London Metal Exchange, 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, 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
Commodity contracts	-	-	-
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	-	-	-
Total	**-**	**7**	**-**

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(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2024			
Financial Assets			
At fair value through profit and loss			
Investments	1,651	3,796	411
Derivatives financial Assets*			
Forward foreign currency contracts	-	-	-
Commodity contracts	-	11	-
Trade receivables	-	4	-
At fair value through Other Comprehensive Income			
Investments		4,594	
Total	**1,651**	**8,405**	**411**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial Liabilities*			
Forward foreign currency contracts	-	11	-
Commodity contracts	-	1	-
Derivatives designated as hedging instruments			
Derivatives financial Liabilities*			
Commodity contracts	-	-	-
Total	**-**	**12**	**-**

* Refer section - "Derivative financial instruments"

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2025 and March 31, 2024:

(₹ in Crore)

Financial Liabilities	Level-1	Level-2	Level-3
As at March 31, 2025			
Borrowings	-	10,652	-
Total	**-**	**10,652**	**-**
As at March 31, 2024			
Borrowings	-	8,456	-
Total	**-**	**8,456**	**-**

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, 2025		For the year ended March 31, 2024	
	FVTPL	FVTOCI	FVTPL	FVTOCI
Balance at the beginning of the year	**322**	**89**	**105**	**-**
Additions during the year	230	-	306	89
Fair value changes recognised during the year	-	-	-	-
Sale/reductions during the year*	-	-	(89)	-
Reclassification during the year	-	-	-	-
Balance at the end of the year	**552**	**89**	**322**	**89**

*represents investment in optinally convertible preference shares converted into equity shares as per the terms of conversion during the year.

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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.

Valuation technique used for valuation of financial instruments in level 3:

Valution of preference and equity shares in level 3 are done using Black Scholes 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 Committee. The Audit Committee is aided by the Risk Management Committee, 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 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.

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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, 2025 and March 31, 2024. The sensitivity analyses have been prepared on the basis that the amount of net debt, 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 commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Company produces 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 prices for a month or a year, average realized prices may not necessarily reflect the LME 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, 2025 were ₹ 189 Crore (March 31, 2024: ₹ 30 Crore), ₹ 74 Crore (March 31, 2024: ₹ 181 Crore) and Nil (March 31, 2024: Nil) respectively. 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, 2025 is ₹ 19 Crore, ₹ 4 Crore and Nil respectively and as at March 31, 2024 is ₹ 3 Crore, ₹ 9 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, 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**
As at March 31, 2024					
Trade and other payables	3,807	-	-	-	3,807
Lease Liabilities#	88	149	51	88	376
Derivative financial liabilities	12	-	-	-	12
Borrowings*	4,869	4,434	260	-	9,563
Total	**8,776**	**4,583**	**311**	**88**	**13,758**

*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, 2025			
Less than 1 year	14,127	12,024	2,103
More than 1 year	-	-	-
Total	**14,127**	**12,024**	**2,103**
As at March 31, 2024			
Less than 1 year	12,423	9,887	2,536
More than 1 year	-	-	-
Total	**12,423**	**9,887**	**2,536**

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.

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The carrying amount of the Company's financial assets and liabilities in different currencies is as follows:

(₹ in Crore)

Particulars	As at March 31, 2025		As at March 31, 2024	
Currency exposure	Financial Asset	Financial Liability	Financial Asset	Financial Liability
US Dollar	68	540	78	494
Euro	-	479	-	274
Australian Dollar	-	0	-	1
SEK	-	-	-	14
Others	-	0	-	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, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
US Dollar	472	416	47	42
Euro	479	274	48	27
Australian Dollar	0	1	0	0
SEK	-	14	-	1
Others	0	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, 2025				
Financials assets	10,517	1,599	8,011	907
Financial liabilities	15,781	8,213	3,662	3,906
As at March 31, 2024				
Financials assets	11,497	1,691	9,082	724
Financial liabilities	12,619	6,952	2,169	3,498

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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 net debt position as at March 31, 2025 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, 2025 is ₹ 33 Crore, ₹ 66 Crore and ₹ 132 Crore and for year ended March 31, 2024 is ₹ 26 Crore, ₹ 53 Crore and ₹ 105 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, 2025 and March 31, 2024 are ₹ 10,517 Crore and ₹ 15,627 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, 2025, that defaults in payment obligations will occur.

Of the year end trade receivables, loans and other financial assets, following balances were past due but not impaired as at March 31, 2025 and March 31, 2024:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Neither impaired nor past due	274	819
Past due but not impaired		
Less than 1 month	64	27
Between 1-3 months	9	-
Between 3-12 months	13	12
Greater than 12 months	3	3
Total	**363**	**861**

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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.

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.

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

- 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, 2025.

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, 2025.

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 (for the period ended March 31, 2025) 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, 2025		As at March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Current				
Non - qualifying hedges				
Commodity contracts	4	-	11	1
Forward foreign currency contracts	5	7	-	11
Total	**9**	**7**	**11**	**12**

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, 2025						
Zinc						
Notional qty (in tonnes)	-	-	-	-	-	-
Notional amount (in ₹ Crore)	-	-	-	-	-	-
Average hedged rate (in $ per tonne)	-	-	-	-	-	-
At March 31, 2024						
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, 2025

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Commodity forward contracts		
Notional amount (in ₹ Crore)	-	-
Carrying amount (in ₹ Crore)	-	-
Line item in the Balance Sheet that's includes Hedging Instruments	NA	NA
Change in fair value used for measuring ineffectiveness for the period - Gain/(Loss)	-	-

Hedge Items

The impact of the Hedged Items on the Balance Sheet is as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Highly probable forecast sales		
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	-	-
Change in value of the hedged items used for measuring ineffectiveness for the period	-	0

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, 2025	As at March 31, 2024
Commodity forward contracts		
Cash flow Hedge Reserve at the beginning of the year	-	-
Total hedging gain/(loss) recognised in OCI	124	-
Income tax on above	(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	(124)	-
Income tax on above	**31**	**-**
Cash flow Hedge Reserve at the end of the year	-	-
Line item in the statement of profit or loss that includes the reclassification adjustments	NA	NA

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, 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

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(In Crore)

Currency	Foreign currency	Indian Rupees	Buy / Sell	Cross Currency
As at March 31, 2024				
USD	16	1,370	Buy	INR
EUR	0	21	Buy	INR
GBP	-	-	Buy	INR
EUR	5	407	Buy	USD
SEK	2	14	Buy	USD
JPY	40	22	Buy	USD
AUD	0	8	Buy	USD
GBP	0	6	Buy	USD

B. **The following are the outstanding position of commodity hedging open contracts as at March 31, 2025 :-**

Zinc forwards/futures (sale)/buy for (3,730) MT (2024: 3,236 MT)

Lead forwards/futures (sale)/buy for (3,634) MT (2024: (9,087) MT)

Silver forwards/futures (sale)/buy for Nil Oz (2024: 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, 2025	As at March 31, 2024
Debtors	68	78
Creditors	546	437

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. The Company is not subject to any externally imposed capital requirement.

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents (see note 11)	94	51
Other Bank balances[1] (see note 12)	-	1
Current investments (see note 9)	9,148	9,874
Non Current investments[2] (see note 9)	182	167
Total cash (a)	**9,424**	**10,093**
Non Current borrowings (see note 15)	5,990	4,246
Current borrowings (see note 15)	4,661	4,210
Total debt (b)	**10,651**	**8,456**
Net debt (c = (b-a))	**1,227**	**-**
Equity (d) (See Statement of changes in Equity)	**13,290**	**15,233**
Total Capital (e = equity + net debt)	**14,517**	**15,233**
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

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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) Subsidiaries :

Hindustan Zinc Alloys Private Limited (Wholly owned subsidiary)

Vedanta Zinc Football & Sports Foundation (Section 8 company) (Wholly owned subsidiary)

Zinc India Foundation (Section 8 company) (Wholly owned subsidiary incorporated on August 05, 2022)

Hindustan Zinc Fertilisers Private limited (Wholly owned subsidiary incorporated on September 07, 2022)

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

Namzinc (Pty) Limited

Vizag General Cargo Berth Private Limited

Ferro Alloys Corporation Limited

Serentica Renewables India 5 Private Limited

Serentica Renewables India 4 Private Limited

Sterlite Technologies Limited

STL Digital Limited

(iv) Related Party having a Significant Influence

Government of India - President of India

(v) Other related party

Anil Agarwal Foundation Trust

Vedanta Foundation

Vedanta Foundation

Minova Runaya Private Limited

Runaya Greentech Private Limited

Hindustan Zinc Limited Employee's Contributory Provident Fund Trust

Hindustan Zinc Limited Employee's Group Gratuity Trust

Hindustan Zinc Limited Superannuation Trust

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

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, 2025	For the year ended March 31, 2024
Short-term employee benefits (1)	19	18
Sitting fee and commission to directors	0	2
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, 2024 : 29.54%). 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, 2025 and March 31, 2024 are as follows:

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Goods & Services		
Fujairah Gold FZC	71	59
Vedanta Limited	1	1
Malco Energy Limited	4	-
Runaya Greentech Private Limited	185	43
Hindustan Zinc Alloys Private Limited	166	17
Total	**427**	**103**
Purchase of Goods		
Vedanta Limited	12	24
Bharat Aluminium Company Limited	63	45
Minova Runaya Private Limited	225	216
Malco Energy Limited	98	86
Runaya Greentech Private Limited	223	46
Black Mountain Mining (Pty) Limited	-	1
Hindustan Zinc Alloys Private Limited	6	-
Total	**627**	**418**
Purchase of services		
STL Digital limited (IT Service)	18	21
Sterlite Technologies Limited (IT Service)	7	8
Runaya Greentech Private Limited (O&M Service)	48	21
Hindmetal Exploration Services Private Limited	62	-

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Serentica Renewables India 4 Private Limited (Power)	108	-
Total	**243**	**51**
Purchase of property, plant and equipment		
Vedanta Limited	0	-
FACOR	0	0
Talwandi Sabo Power Limited	-	0
Total	**0**	**0**
Transfer of Asset to subsidiary		
Hindustan Zinc Fertlisers Private Limited	71	-
	71	**-**
Transfer of Asset from subsidiary		
Hindustan Zinc Fertlisers Private Limited	418	-
Total	**418**	**-**
Sale of property, plant and equipment		
Vedanta Limited	0	-
Runaya Greentech Private Limited	17	43
FACOR	0	0
Talwandi Sabo Power Limited	-	0
STL Digital limited	0	-
Hindustan Zinc Fertlisers Private Limited	-	89
Total	**17**	**132**
Strategic services and Brand fees		
Vedanta Limited	658	561
Total	**658**	**561**
Interest on Loan given		
Hindustan Zinc Alloys Private Limited	14	13
Hindustan Zinc Fertilisers Private limited	14	16
Hindmetal Exploration Services Private Limited	0	-
Total	**28**	**29**
Interest on Business Advance & Asset Sale		
Runaya Greentech Private Limited	10	2
Total	**10**	**2**
Other recoveries & reimbursements		
Vedanta Limited	15	28
ESL Steel Limited	0	0
Bharat Aluminium Company Limited	0	(0)
Talwandi Sabo Power Limited	(0)	0
Ferro Alloys Corporation Limited	0	0
Black Mountain Mining (PTY) Limited	(2)	(4)
Sterlite Technologies Limited	(0)	(0)

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
STL Digital Limited	(0)	(0)
Vizag General Cargo Berth Private Limited	(0)	0
Meenakshi Energy Private Limited	0	-
Runaya Greentech Private Limited	(1)	(1)
Minova Runaya Private Limited	(1)	(1)
Hindustan Zinc Alloys Private Limited	(3)	(4)
Vedanta Zinc Football & Sports Foundation	(0)	(0)
Zinc India Foundation	(0)	(2)
Hindustan Zinc Fertilisers Private limited	(0)	(0)
Hindmetal Exploration Services Private Limited	(5)	-
Total	**3**	**16**
Dividend Paid		
Vedanta Limited	7,834	3,566
Government of India	3,619	1,622
Total	**11,453**	**5,188**
Dividend Received		
Madanpur South Coal Company Limited (jointly controlled entity)	-	4
	-	**4**
Donations		
Vedanta Zinc Football & Sports Foundation	11	8
Zinc India Foundation	17	15
Anil Agarwal Foundation Trust	50	49
Total	**78**	**72**
Investments made		
Serentica Renewables India 4 Private Limited	-	175
Serentica Renewables India 5 Private Limited	230	131
Total	**230**	**306**
Loan Given		
Hindustan Zinc Alloys Private Limited	2	70
Hindustan Zinc Fertilisers Private limited	116	286
Hindmetal Exploration Services Private Limited	1	-
Total	**119**	**356**
Contribution to :		
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	42	36
Hindustan Zinc Limited Employee's Group Gratuity Trust	3	29
Hindustan Zinc Limited Superannuation Trust	3	4
Total	**48**	**69**

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
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	98
Total	**641**	**411**

e. The balances receivable/payable as at year end:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Receivable From		
Vedanta Limited*	-	-
Talwandi Sabo Power Limited	0	0
Black Mountain Mining (PTY) Limited	2	2
Fujairah Gold FZC	6	15
Runaya Greentech Private Limited	125	58
Sterlite Technologies Limited	-	1
Ferro Alloys Corporation Limited	0	-
Vizag General Cargo Berth Private Limited	0	-
Vedanta Zinc Football & Sports Foundation	-	0
Zinc India Foundation	-	0
Hindustan Zinc Alloys Private Limited - loans receivable	118	181
Hindustan Zinc Alloys Private Limited - interest receivable	1	-
Hindustan Zinc Alloys Private Limited - Others	3	9
Hindustan Zinc Fertilisers Private Limited - loans receivable	1	286
Hindustan Zinc Fertilisers Private Limited - interest receivable	0	15
Hindustan Zinc Fertilisers Private Limited - Other receivable	0	36
Hindmetal Exploration Services Private Limited - loans receivable	0	-
Hindmetal Exploration Services Private Limited - interest receivable	0	-
Total	**256**	**603**

*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.") (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. 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 Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline.

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses		
Vedanta Limited	-	116
	-	**116**
Business advance given		
Runaya Greentech Private Limited	55	4
	55	**4**
Payable To		
Vedanta Limited	20	5
ESL Steels limited	0	-
Bharat Aluminium Company Limited	3	2
Malco Energy Limited	12	3
Ferro Alloys Corporation Limited	-	-
Minova Runaya Private Limited	11	12
STL Digital	0	0
Sterlite Technologies Limited	1	-
Serentica Renewables India 4 Private Limited	5	-
Sterlite Power Transmission Limited	0	0
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	9	8
Hindustan Zinc Limited Employee's Group Gratuity Trust	1	0
Vedanta Zinc Football & Sports Foundation	1	-
Zinc India Foundation	3	-
Hindmetal Exploration Services Private Limited	11	-
Sitting fee and commission to directors	-	1
Total	**77**	**31**
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))	76	306
Serentica Renewables India 14 Private Limited (Refer note 30(d)(ii))	327	-
Total	**473**	**376**

f. Terms and conditions of related party transactions:

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, 2025

38. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance*
Current ratio	Current Assets	Current Liabilities (excluding current maturities of long term borrowings)	1.38	1.56	(12%)
Debt- Equity Ratio	Debt [Debt is long term borrowing (current & non current portion) and Short Term Borrowing]	Shareholder's Equity	0.80	0.56	44%
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	4.58	4.57	0%
Return on Equity ratio	Net Profit after tax (PAT) before exceptional items(net of tax)	Average Shareholder's Equity	72%	55%	30%
Inventory Turnover ratio	Revenue from operations - Earning before Interest, Tax, Depreciation & Amortisation (EBITDA) and exceptional items	Average Inventory	8.72	8.06	8%
Trade Receivable Turnover Ratio	Revenue from operations (including Other operating income)	Average Trade Receivable	248.86	106.96	133%
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	7.68	7.31	5%
Net Capital Turnover Ratio	Revenue from operations (including Other operating income)	Working capital = Current assets – Current liabilities excluding current maturities of long term borrowing	10.65	6.33	0.68
Net Profit ratio	Net Profit after tax (PAT) before exceptional items(net of tax)	Revenue from operations (including Other operating income)	30%	27%	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]	58%	42%	37%
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)	8%	8%	4%

*Reason for Variance more than 25%

1. **Debt Equity ratio:** Debt Equity ratio is higher on account of increase in borrowings during the year and lower shareholder's equity.
2. **Return on equity ratio:** Return on equity ratio is higher on account of increase in profit after tax and lower shareholder's equity.
3. **Trade receivable turnover ratio:** Trade receivable turnover ratio is higher on account of reduction in outstanding trade receivables as at year end.
4. **Return on capital employed ratio:** return on capital employed ratio is higher due to higher earnings and lower average capital.

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

39. 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, 2025	As at March 31, 2024
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.	183	118	181
Hindustan Zinc Fertilisers Private Limited	Wholly owned subsidiary				402	1	286
Hindmetal Exploration Services Private Limited	Wholly owned subsidiary				1	0	-

All the above loan amount have been given for business purpose

40. SUBSEQUENT EVENTS

There are no other material adjusting events which requires adjustment, except as already disclosed.

41. AUDIT TRIAL NOTE

(i) 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 except that audit trail feature was enabled in the SAP application for direct changes to data in certain database tables for part of the year i.e. from 3rd March,2025. Further no instance of audit trail feature being tampered with was noted in respect of the software. Additionally, the Company has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the financial year 2024 to the extent it was enabled.

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.

(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.

Notes forming part of the standalone financial statements

as at and for the year ended March 31, 2025

(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).

See accompanying notes to 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 25, 2025
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer

Date: April 25, 2025
Place: Udaipur

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517
Date: April 25, 2025
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, 2025, 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, 2025, their consolidated profit including other comprehensive income, 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.

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, 2025. 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. Further, 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. Accordingly, this matter has been identified as a key audit matter.	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 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)*	
The Holding Company has undertaken transactions with related parties including parent company, fellow subsidiaries and other related parties. Such transactions, includes among others, the payment of strategic services and brand fee, 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 material information relating to aforesaid transactions not getting disclosed in the consolidated financial statements.	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 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. • 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, 2025 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 ₹ 2,699 lakhs as at March 31, 2025, and total revenues of ₹ 8,918 lakhs and net cash inflows of ₹ 6 lakhs for the year ended on that date. These financial statement 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, 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 except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);

   (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, 2025 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, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g)

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) 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, 2025 has been paid / provided by the Holding Company, its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) 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 as also 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, 2025;

      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, 2025. 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, 2025.

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 Note 42, 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 Note 42, 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 dividends 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, 2025.

vi) Based on our examination which included test checks and that performed by the respective auditor of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 41 to the consolidated financial statements, 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 auditor of the above referred subsidiaries did not come across any instance of audit trail feature being tampered in respect of other accounting software. Additionally, the audit trail of relevant prior year 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: 25501160BMOMYB9927

Place of Signature: Ahmedabad
Date: April 25, 2025

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: 25501160BMOMYB9927

Place of Signature: Ahmedabad
Date: April 25, 2025

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, 2025, 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 4 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 Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) ("COSO 2013 Criteria") and 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, 2025, 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 these 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: 25501160BMOMYB9927

Place of Signature: Ahmedabad
Date: April 25, 2025

Consolidated Balance Sheet

as at March 31, 2025

(₹ in Crore)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	18,485	17,971
b) Capital work-in-progress	4A	2,606	1,696
c) Intangible assets	5		
i) Exploration intangible assets under development		65	109
ii) Other intangible assets		58	71
d) Investments in joint venture	9	-	-
e) Financial assets			
i) Investments	9	823	578
ii) Loans	6	1	0
iii) Other financial assets	13	95	131
f) Income tax assets		140	145
g) Other non-current assets	7	591	569
Total Non-current assets		**22,864**	**21,270**
Current assets			
a) Inventories	8	1,889	1,926
b) Financial Assets			
i) Investments	9	9,149	9,874
ii) Trade receivables	10	117	155
iii) Cash and cash equivalents	11	96	53
iv) Other Bank balances	12	81	122
v) Loans	6	1	1
vi) Other financial assets	13	41	59
d) Income tax assets		1	-
e) Other current assets	7	251	435
Total Current assets		**11,626**	**12,625**
TOTAL ASSETS		**34,490**	**33,895**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14	845	845
b) Other equity		12,481	14,350
Total Equity		**13,326**	**15,195**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	5,990	4,246
ii) Lease Liabilities	33	178	178
iii) Other financial liabilities	16	342	0
b) Provisions	17	200	199
c) Deferred tax liabilities (net)	32	2,292	2,311
d) Other non-current liabilities	18	963	925
Total Non-current liabilities		**9,965**	**7,859**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,661	4,210
ii) Lease Liabilities	33	138	88
iii) Operational buyers' credit/ suppliers' credit	19	569	399
iv) Trade payables	20	2,204	2,106
v) Other financial liabilities	16	1,717	1,414
b) Other current liabilities	18	1,579	2,126
c) Provisions	17	19	21
d) Current tax liabilities (net)		312	477
Total Current liabilities		**11,199**	**10,841**
TOTAL EQUITY AND LIABILITIES		**34,490**	**33,895**

See accompanying notes to 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 25, 2025
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer
Date: April 25, 2025
Place: Udaipur

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517
Date: April 25, 2025
Place: Udaipur

Consolidated Statement of Profit and Loss

for year ended March 31, 2025

(₹ in Crore)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
a. Revenue	21A	33,041	28,082
b. Other Operating revenue	21B	1,042	850
Total Revenue from operations (a+b)		**34,083**	**28,932**
Other income	22	983	1,074
Total Income		**35,066**	**30,006**
Expenses:			
Change in inventories of finished goods and work-in-progress	23	(64)	(157)
Employee benefits expense	24	886	828
Power and fuel		2,702	2,843
Mining Royalty		4,103	3,517
Finance costs	25	1,095	955
Depreciation and amortization expense	26	3,640	3,468
Other expenses	27	9,068	8,245
Total expenses		**21,430**	**19,699**
Profit before exceptional items and tax		**13,636**	**10,307**
Exceptional Items	28	(83)	-
Profit before tax		**13,553**	**10,307**
Tax expense :			
Current tax	32	3,226	2,549
Deferred tax (credit)	32	(26)	(1)
Total tax expenses		**3,200**	**2,548**
Profit for the year		**10,353**	**7,759**
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		8	(8)
(b) Tax (expense)/credit		(4)	3
B) Items that will be reclassified to profit or loss in subsequent period			
(a) Net gain on FVTOCI debt investments		30	2
(b) Tax (expense)		(3)	-
Total other comprehensive income /(loss) for the year		**31**	**(3)**
Total comprehensive income for the year		**10,384**	**7,756**
Earnings per share Attributable to the owners of the Company (nominal value of shares ₹ 2 (March 31, 2024: ₹ 2)			
- Basic earnings per share (₹)	29	24.50	18.36
- Diluted earnings per share (₹)	29	24.50	18.36

See accompanying notes to 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 25, 2025
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer
Date: April 25, 2025
Place: Udaipur

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517
Date: April 25, 2025
Place: Udaipur

Consolidated Statement of Cash Flow

for year ended March 31, 2025

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	13,553	10,307
Adjustments to reconcile profit to net cash provided by operating activities:		
Exceptional item	56	-
Depreciation and amortization expense	3,640	3,468
Interest expense	1,095	955
Interest and dividend income	(705)	(761)
Amortization of deferred revenue arising from government grant	(176)	(179)
Net Loss/(Gain) on investments measured at FVTPL (refer note 27(4))	28	(64)
Net Loss/(Gain) on foreign exchange	9	(13)
Net Loss on sale of property, plant and equipment	43	20
Net (Gain) on sale of financial asset investments	(63)	(37)
Operating profit before working capital changes	**17,480**	**13,696**
Working capital changes:		
Decrease/(Increase) in Inventories	37	(64)
Decrease in Trade receivables	38	225
Decrease/(Increase) in Other current assets	212	(66)
(Increase) in Other non current assets	(91)	(3)
Increase in Trade and other payables	269	109
(Decrease)/Increase in Other liabilities	(400)	1,206
Cash flows from operations	**17,545**	**15,103**
Income taxes paid (net of refund)	(3,385)	(1,757)
Net cash flows from operating activities	**14,160**	**13,346**
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of Property, plant and equipment (including intangibles, CWIP and capital advances)	(4,006)	(3,866)
Interest received	663	538
Dividend received (refer note 9)	-	4
Deposits made during the year	(984)	(92)
Deposits matured during the year	1,022	-
Purchase of Non current investments	(230)	(306)
Purchase of current investments	(23,902)	(23,242)
Proceeds from sale of current investments	24,724	23,507
Proceeds from sale of Property, plant and equipment	7	51
Net cash flows used in investing activities	**(2,706)**	**(3,406)**
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and other finance charges paid	(1,209)	(1,028)
Proceeds from short term borrowings	9,965	6,620
Repayment of short term borrowings	(9,536)	(13,307)
(Repayments)/Proceeds of working capital loan (net)	(8)	8
Proceeds from long term borrowings	4,547	5,442
Repayment of long term borrowings	(2,783)	(2,112)
Principal payment of lease liabilities	(106)	(60)
Interest payment of lease liabilities	(28)	(16)
Dividend paid	(12,253)	(5,493)
Net cash used in financing activities	**(11,411)**	**(9,946)**
Net Increase/(Decrease) in Cash and cash equivalents	43	(6)
Cash and cash equivalents at the beginning of the year	53	59
Cash and cash equivalents at the end of the year (refer note 11)	**96**	**53**

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.

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 25, 2025
Place: Ahmedabad

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 25, 2025
Place: Udaipur

Date: April 25, 2025
Place: Udaipur

Consolidated Statement of Changes in Equity

for year ended March 31, 2025

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, 2023	**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, 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**

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, 2023	**1**	**1,733**	**10,383**	**-**	**(30)**	**12,087**
Profit for the year	-	7,759	-	-	-	7,759
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	-	3	-	-	-	3
(b.) Gain on cash flow hedges recognised during the year	-	-	-	-	-	-
Tax effect on above	-	-	-	-	-	-
(c.) Net (loss) on FVTOCI investments	-	-	-	-	2	2
Tax effect on above	-	-	-	-	-	-
Total Other comprehensive income/(loss) for the year	-	(5)	-	-	2	(3)
Total comprehensive income/(loss) for the year	**-**	**7,754**	**-**	**-**	**2**	**7,756**
Dividend declared - Paid	-	(5,493)	-	-	-	(5,493)
Balance as at March 31, 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.) 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	**-**	**20,740**	**(10,383)**	**-**	**27**	**10,384**
Dividend declared - Paid	-	(12,253)	-	-	-	(12,253)
Balance as at March 31, 2025	**1**	**12,481**	**-**	**-**	**(1)**	**12,481**

Standalone Statement of Changes in Equity

for year ended March 31, 2025

(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 mandatory 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 current 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 has come 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.

See accompanying notes to financial statements.

As per our report on even date	For and on behalf of the Board of Directors CIN - L27204RJ1966PLC001208	
For **S.R. Batliboi & Co. LLP** Chartered Accountants ICAI Firm Registration No.: 301003E/E300005	**Arun Misra** CEO & Whole-time Director DIN: 01835605	**Kannan Ramamirtham** Director DIN: 00227980 Place: Mumbai
per **Tridevlal Khandelwal** Partner ICAI Membership No.: 501160 Date: April 25, 2025 Place: Ahmedabad	**Sandeep Modi** Chief Financial Officer Date: April 25, 2025 Place: Udaipur	**Aashhima V Khanna** Company Secretary ICSI Membership No.: A34517 Date: April 25, 2025 Place: Udaipur

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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 63.42% of the Company's equity as at March 31, 2025 (March 31, 2024: 64.92%).

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 arewere approved for issue by the Board of Directors on April 25, 2025. 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).

The consolidated financial statements are approved for issue by the Board of Directors on April 25, 2025. 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 Act.

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

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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 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 crores. 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 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.

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 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 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.

(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.

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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 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 critieria 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 derecognized 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 equipment 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 are 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)
Factory buildings	30 years
Residential buildings	60 years
Roads (included in buildings)	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 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. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

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.

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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.

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:

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  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.

  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 FVOCI, 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.

- **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. The Group has not invested in any equity instruments.

  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

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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.

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

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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.

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

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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.

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) Immaterial by-products, 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:

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- 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

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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.

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 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.

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

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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.

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 period. 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 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 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

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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 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 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 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.

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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 seperate 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 April 01, 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) **Ind AS 117 Insurance Contracts**

The Ministry of corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated August 12, 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 01, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 had no impact on the Group's consolidated financial statements.

(ii) **Amendment to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback**

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 01, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendment does not have any impact on the Group's financial statements.

Standards issued but not yet effective

There are no standards that are notified and not yet effective as on date

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 consolidated 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

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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, 2023.

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 Equipments:

The Group reviews the useful lives and consumption pattern of Property, Plant and Equipment at the end of each reporting period.

(ii) 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, 5 times water positive by 2025 from current 2.41 times etc.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, risk of physical harm 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 Group have also taken certain measures towards water management such as commissioning of Zero Liquid Discharge plants, sewage treatment plant, dry 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 decarbonisation measures may impact the Company's significant judgments and key estimates and result in changes to financial

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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 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)))	Right of use (2)	Total
At Cost										
As at April 1, 2023	**294**	**2,250**	**22,260**	**36**	**52**	**402**	**94**	**12,358**	**267**	**38,013**
Additions (1&2)	8	199	1,526	1	3	40	-	1,856	237	3,870
Disposals/ adjustments	-	14	234	0	3	4	-	-	-	255
Transfer/Reclassfication (from)/to	-	(39)	37	-	2	-	-	84	-	84
As at March 31, 2024	**302**	**2,396**	**23,589**	**37**	**54**	**438**	**94**	**14,298**	**504**	**41,712**
Additions (1&2)	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**
Accumulated depreciation										
As at April 1, 2023	-	**755**	**10,844**	**27**	**31**	**289**	**48**	**8,449**	**40**	**20,483**
Depreciation charge for the year	-	76	1,326	2	5	37	5	1,950	55	3,456
Disposals/ adjustments	-	22	171	-	2	3	-	-	-	198
As at March 31, 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**
Net Book Value										
As at March 31, 2025	**313**	**1,670**	**12,061**	**6**	**28**	**84**	**36**	**3,850**	**437**	**18,485**
As at March 31, 2024	**302**	**1,587**	**11,590**	**8**	**20**	**115**	**41**	**3,899**	**409**	**17,971**

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(1) Addition to property, plant & equipment includes finance cost capitalised of ₹ 84 Crore. (March 31, 2024: ₹67 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, 2023	**60**	**3**	**204**	**267**
Additions	227	-	10	237
Disposal/Transfers	-	-	-	-
As at March 31, 2024	**287**	**3**	**214**	**504**
Additions	162	3	-	165
Disposals/ adjustments	28	-	-	28
Transfer/Reclassfication (from)/to	-	-	(4)	(4)
As at March 31, 2025	**421**	**6**	**210**	**637**
Accumulated Depreciation				
As at April 1, 2023	**12**	**1**	**27**	**40**
Charge for the year	47	1	7	55
Disposal/Adjustments	-	-	-	-
As at March 31, 2024	**59**	**2**	**34**	**95**
Charge for the year	117	1	7	125
Disposal/Transfers	19	-	1	20
As at March 31, 2025	**157**	**3**	**40**	**200**
Net Book Value				
As at March 31, 2025	**264**	**3**	**170**	**437**
As at March 31, 2024	**228**	**1**	**180**	**409**

4(A) Capital work in progress

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amount of Capital work in progress (1)	2,606	1,696

Movement of Capital work in progress (CWIP) during the year:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	**1,696**	**2,237**
Additions during the year	4,630	2,952
Capitalised in PPE during the year	(3,720)	(3,493)
Balance at the end of the year	**2,606**	**1,696**

CWIP Ageing Schedule

(₹ in Crore)

Amount in CWIP for a period of	As at March 31, 2025			As at March 31, 2024		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	2,130	-	**2,130**	929	-	**929**
1-2 years	187	-	**187**	409	-	**409**
2-3 years	139	-	**139**	147	-	**147**
More than 3 years	150	-	**150**	211	-	**211**
Total	**2,606**	**-**	**2,606**	**1696**	**-**	**1,696**

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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, 2025				As at March 31, 2024			
	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								
Fumer Project	-	-	-	-	31	-	-	-
RD Mill project	-	-	-	-	6	-	-	-
Dewatering Project	-	-	-	-	129	-	-	-
Zinc Dust plant	56	-	-	-	81	-	-	-
Others	61	-	-	-	47	-	-	-
Total	**117**	**-**	**-**	**-**	**294**	**-**	**-**	**-**

(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, 2025	As at March 31, 2024
Power and fuel charges	35	45
Repairs and Others	388	350
Cost of material consumed	-	1
Consumption of stores and Spare parts	257	273
Employee Benefit Expenses	126	125
Finance Cost	128	75
Insurance	-	2
Miscellaneous expenses	1	0
Total	**935**	**871**

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, 2023	**51**	**67**	**-**	**58**	**176**
Additions	1	-	48	135	184
Disposals/adjustments	-	-	-	-	-
Transfer (from)/to	-	-	-	(84)	(84)
As at March 31, 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**
Accumulated depreciation					
As at April 1, 2023	**47**	**37**	**-**	**-**	**84**
Charge for the year	2	4	6	-	12
Disposals/adjustments	-	-	-	-	-
As at March 31, 2024	**49**	**41**	**6**	**-**	**96**
Charge for the year	1	4	10	-	15
Disposals/adjustments	-	-	-	-	-
As at March 31, 2025	**50**	**45**	**16**	**-**	**111**
Net Book Value					
As at March 31, 2025	**4**	**22**	**32**	**65**	**123**
As at March 31, 2024	**3**	**26**	**42**	**109**	**180**

(1) Includes cloud server on lease

(2 ₹ 157 Crore (March 31, 2024: ₹ 84 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 ₹ 13 Crore (March 31, 2024: ₹ 9 Crore).

(4) There are no overdue balances as at March 31, 2025 (March 31, 2024: 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, 2025			As at March 31, 2024		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	47	-	47	72	-	72
1-2 years	1	-	1	22	-	22
2-3 years	2	-	2	7	-	7
More than 3 years	15	-	15	8	-	8
Total	**65**	**-**	**65**	**109**	**-**	**109**

6. LOANS

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Unsecured, considered good		
Loans to employees	1	0
Total	**1**	**0**
Current		
Unsecured, considered good		
Loans to employees	1	1
Total	**1**	**1**

7. OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Secured, considered good		
Advances for supplies to related party (refer note 37)	63	49
Unsecured, considered good		
Capital advances	306	424
Claims and other receivables[1]	171	96
Advances for supplies to related party (refer note 37)	51	-
	591	**569**
Unsecured, credit impaired		
Claims and other receivables	7	7
Provision on doubtful deposits and claims	(7)	(7)
	-	**-**
Total	**591**	**569**
Current		
Secured, considered good		
Advances for supplies to related party (refer note 37)	5	1
Unsecured, considered good		
Advance given to vendors for supply of goods and services	95	92
Advances for supplies to related party (refer note 37)	12	1
Balance with government authorities	80	152
Claims and other receivables[2]	59	189
Total	**251**	**435**

(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.

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8. INVENTORIES*(2)

(₹ in Crore)

	Particulars	As at March 31, 2025	As at March 31, 2024
a.	Work in progress		
	Ore	74	106
	Mined Metal	877	744
	Others#	519	547
b.	Finished goods(1)	9	18
c.	Fuel Stock	155	196
	[Including goods in transit ₹ 64 Crore (March 31, 2024: ₹ 83 Crore)]		
d.	Stores and spare parts	255	315
	[Including goods in transit ₹ 21 Crore (March 31, 2024: ₹ 17 Crore)]		
Total		**1,889**	**1,926**

* 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 ₹ 2 Crore (March 31,2024: ₹ 5 Crore). The write down on this inventory of Nil (March 31, 2024: 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 ₹ 13 Crore (March 31, 2024: ₹ 5 Crore) has been reversed on account of consumption of respective slow moving/ non-moving inventories during the year and has been recognized in the Statement of Profit and Loss.

9. INVESTMENTS

Non Current

(₹ in Crore)

Particulars		As at March 31, 2025	As at March 31, 2024
Investment in equity shares (fully paid up)			
Joint Venture - Unquoted			
Madanpur South Coal Company Limited (1,14,391 equity shares (March 31, 2024: 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, 2024: 18.05%) of ownership interest. During the year 2013-14, 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, 2025	As at March 31, 2024
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, 2024: 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, 2024: 9,82,50,000) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)		328	98
	(B)	**552**	**322**

Notes forming part of the consolidated financial statements

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(₹ in Crore)

Particulars		As at March 31, 2025	As at March 31, 2024
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds- quoted		182	167
Investment in Equity shares - Unquoted			
Serentica Renewables India 4 Private Limited (5,60,00,000 (March 31, 2024: 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, 2024: 3,30,00,000) Equity shares of class B of ₹ 10 each)		33	33
	(C)	**271**	**256**
Total Non Current Investments	(A+B+C+D)	**823**	**578**

(1) During the year ended March 31, 2023, the Group had entered into Power delivery agreement ('PDA') 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 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 Crore (March 31, 2024: ₹ 175 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 70 Crore to 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 in previous year. All the Group investments in Serentica 4 have been pledged by Serentica Group fir financing the project as per the terms of the PDA.

(2) During the year ended March 31, 2023, the Group had entered into Power delivery agreement ('PDA') 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, 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 ₹ 230 Crore (March 31, 2024: ₹ 131 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 77 Crore to be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 33 Crore worth of OCPRS are converted into equity shares of Serentica 5 as per terms of the PDA in previous year.

Current

(₹ in Crore)

Particulars		As at March 31, 2025	As at March 31, 2024
Measured at fair value through profit and loss			
Investment in bonds-quoted*		1,499	1,540
Investment in perpetual bonds-quoted		2,266	2,256
Investment in mutual funds-unquoted		1,590	1,651
	(A)	**5,355**	**5,447**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds-quoted		1,692	2,330
Investment in perpetual bonds-quoted		2,102	2,097
Total	(B)	**3,794**	**4,427**
Total Current Investments	(A+B)	**9,149**	**9,874**
Aggregate amount of quoted investment at market value thereof		7,559	8,223
Aggregate amount of unquoted investment		1,590	1,651

*Investments amounting to ₹ 949 Crore (March 31, 2024: ₹ 2,033 Crore) are pledged as security for repurchase liability (refer note 15(6)). 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.

10. TRADE RECEIVABLES(1)(4)

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
Considered good(2)(3)	99	155
Trade receivables-credit impaired	2	2
	119	**157**
Provision for doubtful trade receivables	(2)	(2)
Total	**117**	**155**

Notes forming part of the consolidated financial statements

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Trade receivables Ageing Schedule*

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed - considered good		
Not Due	27	111
Less than 6 months	86	40
6 months-1 year	1	1
1-2 years	-	3
2-3 years	3	-
More than 3 years	-	-
Total	**117**	**155**
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	2
Total	**2**	**2**
Less: Provision for doubtful trade receivables	(2)	(2)
Total Trade receivables	**117**	**155**

*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, 2024: zero to one hundred twenty days). Interest is charged on trade receivables for the credit period, from the date of the invoice at 8% to 10.55%. (March 31, 2024: 8% to 10.55%) per annum on the outstanding balance.

(2) Unsecured considered good includes ₹ 18 Crore (March 31, 2024: ₹ 22 Crore) due from wind energy segment's trade receivables. Unsecured trade receivable of ₹ 16 Crore (March 31, 2024: ₹ 45 Crore) are covered against Letter of credit and Bank Guarantees.

(3) Out of the total, ₹ 25 Crore is relating to related parties. Refer note 37 for details of related party balances and terms and conditions.

(4) There are no outstanding receivables due from directors or other officers of the Group.

11. CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
On current accounts	96	53
Total	**96**	**53**

12. OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank deposits having original maturity of more than 3 months but not more than 12 months[(1)]	55	93
Earmarked unpaid dividend accounts	26	29
Total	**81**	**122**

(1) Includes margin money amounting to ₹ 55 Crore (March 31, 2024 : ₹ 92 Crore)

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

13. OTHER FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Unsecured, considered good		
Security Deposits	89	126
Bank Deposits with remaining maturity more than 12 months	6	5
Unsecured, credit impaired		
Security Deposits	27	27
Provision for doubtful deposits	(27)	(27)
Total	**95**	**131**
Current		
Unsecured, Considered Good		
Interest accrued on deposits	6	7
Derivative assets (refer note 35)	9	11
Receivable from related party (refer note 37)	4	2
Other receivable*	22	39
Unsecured, credit impaired		
Receivable from related party (refer note 37)	28	28
Provision for doubtful receivable	(28)	(28)
Total	**41**	**59**

* includes amount receivable from financial institutions on account of hedging transactions entered into by the group as per the policy.

14. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
A. Authorized equity share capital		
Equity shares of ₹ 2 (March 31, 2024: ₹ 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, 2024: ₹ 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)	268	274
% of Holding	63.42%	64.92%
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)	268	274
% of Holding	63.42%	64.92%
Government of India - President of India		
No. of Shares (In Crore)	118	125
% of Holding	27.92%	29.54%

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
F. Details of shares held by promoters		
Vedanta Limited		
No. of shares at the beginning of the year (In Crore)	274	274
Change during the year (In Crore)	(6)	-
No. of shares at the end of the year (In Crore)	268	274
% of Total Shares*	63.42%	64.92%
% change during the year	(1.50%)	-

*As at March 31, 2025, 9.19% (March 31, 2024: 13.75%) 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, 2025	As at March 31, 2024
At amortised cost		
Unsecured		
Non-convertible debentures[(1)]	499	-
Term-loan from banks[(2)(3)]	8,213	6,944
Total Non-current borrowings	**8,712**	**6,944**
Less: Current maturities of long-term borrowings	(2,722)	(2,698)
Total (Net)	**5,990**	**4,246**

Current

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Unsecured		
Commercial Paper[(4)]	1,036	-
Current maturities of long-term borrowing	2,722	2,698
Working Capital Loans from banks[(5)]	-	8
	3,758	**2,706**
Secured		
Repurchase liability[(6)]	903	1,504
	903	**1,504**
Total	**4,661**	**4,210**

(1) During the current year, 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 upto ₹ 500 Crore. The NCDs are due for repayment in yearly installments of ₹ 100 Crore each in March 2026 and March 2027 and ₹ 300 Crore in March 2028.

(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 8.29% p.a. (March 31, 2024 : 8.12% p.a). Balance outstanding as at March 31, 2025 carries interest rate of 7.98% p.a (March 31, 2024: 8.44% p.a).

(3) The Group has complied with the financial covenant as per the terms of the borrowings and repayment schedule is tabulated below:

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

As at March 31, 2025

Particulars	< 1year	1-3 years	> 3 years
Non current term loan from banks*	2,625	5,592	-

As at March 31, 2024

Particulars	< 1year	1-3 years	> 3 years
Non current term loan from banks*	2,701	3,999	250

* the above maturity profile is based on total principal outstanding gross of issue expense.

(4) During the year average effective interest rate was 7.73% p.a. (March 31, 2024: 7.78% p.a). Balance outstanding as at March 31, 2025 carries an interest rate of 7.63% p.a.

(5) 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 7.90% p.a. (March 31, 2024: 7.94% p.a).As at March 31, 2025, there is nil outstanding balance of WCDL.

(6) Repurchase liability as on March 31, 2025 are secured by current investments amounting to ₹ 949 Crore (March 31, 2024: ₹ 2,033 Crore) and are repayable in 365 days (March 31, 2024: 365 days) from the date of borrowings through repurchase obligation. During the year, average effective interest rate was 8.45% p.a. (March 31, 2024 8.43% p.a.). Balance outstanding as at March 31, 2025 carries an interest rate of 8.10% p.a. (March 31, 2024: 8.61% 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, 2023	8,230	3,611	**11,841**
Net Cash inflow/(outflow)	(6,718)	3,330	(3,388)
Other non cash changes	-	3	3
As at March 31, 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**

*Including current maturities of long-term borrowings & unamortized borrowing fees.

#Interest paid during the year of ₹ Nil (March 31, 2024: ₹ 39 Crore) on commercial paper outstanding as at the beginning of the year, is shown under interest and other finance charges paid in cashflow statement. Interest accrued on commerical paper of ₹ 6 Crore (March 31, 2024: Nil) is part of short term borrowings.

16. OTHER FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Security deposits and other liabilities	0	0
Capital creditors[(2)]	342	-
Total	**342**	**0**
Current		
Derivatives - Liabilities (refer note 35)	7	12
Capital Creditors[(2)]	944	765
Due to related party (refer note 37)	40	23
Deposits from vendors	250	198
Interest accrued but not due	62	84
Unclaimed dividend[(1)]	26	29
Other liabilities (Includes employee benefits, royalty etc.)	388	303
Total	**1,717**	**1,414**

(1) Represents the unclaimed dividend for a period less than 7 years.

(2) Includes acceptances of ₹ 626 Crores (March 31, 2024 : ₹ 343 Crores) against current and non-current capital creditors. Acceptances are given for invoices payable upto 2 years against Letter of Credit and are non-interest bearing.

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

17. PROVISIONS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for mine restoration & decomissioning [a]	200	199
Total	**200**	**199**

(a)

(₹ in Crore)

Particulars	Provision for mine restoration[1]	Provision for decommissioning[2]	Total
As at April 1, 2023	**200**	**1**	**201**
Addition during the year/(revision during the year)	(4)	-	(4)
Unwinding of discount	14	-	14
Utilized	-	-	-
As at March 31, 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**
Classification as at March 31, 2024			
Non-current	199	-	**199**
Current	11	1	**12**
Classification as at March 31, 2025			
Non-current	200	-	**200**
Current	11	1	**12**

(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.

Current

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (refer note 31)	1	0
Provision for compensated absenses	6	9
Provision for mine restoration & decomissioning (refer (a) above)	12	12
Total	**19**	**21**

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

18. OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Non-Current		
Deferred government grant[2]	907	925
Statutory and other liabilities (refer note 28)	56	-
Total	**963**	**925**
Current		
Advance from customers[3]	1,155	1,538
Statutory and other liabilities[1]	248	417
Deferred government grant[2]	176	171
Total	**1,579**	**2,126**

(1) Statutory and other liabilities mainly includes Goods and Service Tax (GST), contribution to Provident Fund (PF), TDS, amount payable to District Mineral Fund (DMF) , National Mineral Exploration Trust (NMET) etc.

(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, 2023 was ₹ 461 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, 2025	As at March 31, 2024
Operational buyers/suppliers credit from banks [1]	569	399
Total	**569**	**399**

(1) Operational Buyers' Credit is availed in foreign currency from offshore branches of Indian banks. During the year average effective interest rate was 5.41% p.a. (March 31, 2024: 5.95% p.a). Balance outstanding as at March 31, 2025 carries interest rate of 4.66% p.a. (March 31, 2024: 5.87% 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 interest rate of 7.42% p.a. as at March 31, 2025 (March 31st 2024: 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, 2025	As at March 31, 2024
Trade Payables[1][2]	2,204	2,106
Total	**2,204**	**2,106**

(1) Trade payables are majorly non-interest bearing and are normally settled upto 180 days (March 31, 2024: 180 days).

(2) Out of the total, ₹ 16 Crore is relating to related parties. Refer note 37 for details of related party balances and terms and conditions.

Trade payables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed dues		
Unbilled Dues	1,753	1,721
Less than 1 year	378	358
1-2 years	68	25
2-3 years	4	-
More than 3 years	1	2
Total[1]	**2,204**	**2,106**

(1) Outstanding for above mentioned periods from date of transaction (except for unbilled dues).

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

21. (A) REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products	32,904	27,926
Income from wind energy	137	156
Total [(1)] (also refer note 34)	**33,041**	**28,082**

(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, 2025 comprises of revenue from contracts with customers of ₹ 34,158 Crore (March 31, 2024: ₹ 29,491 Crore), discount/rebate and net loss on mark to market of ₹ 1,117 Crore (March 31, 2024: ₹ 1,409 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 ₹ 1,538 Crore for which contract liabilities existed at the beginning of the year. Contract liabilities as at March 31, 2025: ₹ 1,155 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, 2025	For the year ended March 31, 2024
Sale of scrap and residuals	662	482
Export incentives	183	198
Others (liquidated damages, fines and penalties, unclaimed amount etc.)	197	170
Total	**1,042**	**850**

22. OTHER INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income on		
Bank deposits measured at amortized cost	2	6
Investments measured at FVTOCI	327	369
Investments measured at FVTPL	295	303
Other financial assets measured at amortised cost	81	80
Dividend Income from Investments[(1)]	-	4
Other non-operating income:		
Net gain on investments measured at FVTPL	-	64
Net gain on sale of current investments	63	37
Net gain on foreign currency transactions	40	32
Amortization of deferred revenue arising from government grant	175	179
Total	**983**	**1,074**

(1) Dividend of ₹ nil (March 31, 2024: ₹ 4 Cr) is received from dividend declared by Joint Venture entity Madanpur South Coal Company Limited where HZL holds 18.05% of ownership interest (refer note 9).

Notes forming part of the consolidated financial statements

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23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
Opening inventory			
Finished goods		18	28
Work in progress :-			
Ore		106	96
Mined metal		744	677
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		547	457
Total	**(A)**	**1,415**	**1,258**
Closing 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	**(B)**	**1,479**	**1,415**
Changes in Inventory	**(A- B)**	**(64)**	**(157)**

24. EMPLOYEE BENEFIT EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus [(1)]	664	617
Contribution to provident and other funds (refer note 31)	63	55
Share based compensation[(2)]	14	23
Staff welfare expenses [(1)]	145	133
Total	**886**	**828**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on May 03, 2023. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

(1) Includes Corporate social responsibility expenditure of ₹ 6 Crore and ₹ 27 Crore (March 31, 2024: ₹ 5 Crore and ₹ 20 Crore) towards salaries,wages and bonus and towards Group run schools & hospitals respectively.

(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 Company 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, 2025 and year ended March 31, 2024 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 agreement between the Parent and the Company, the cost recognised towards ESOS scheme is recovered by the Parent from the Company.

25. FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on financial liabilities at amortised cost[(1) (2)]	868	798
Other interest	112	87
Bill discounting charges	56	26
Bank charges	16	6
Other finance costs[(3)]	43	38
Total	**1,095**	**955**

(1) Interest expenses on lease liabilities is ₹ 29 Crore (March 31, 2024: ₹ 17 Crore)

(2) Interest rate of 8.33% 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, 2025 (March 31, 2024: 7.62% p.a.).

(3) Includes finance charge on unwinding of provisions and interest on credit instruments.

Notes forming part of the consolidated financial statements

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26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on Property, Plant and Equipments (refer note 4)	3,625	3,456
Amortization on intangible assets (refer note 5)	15	12
Total	**3,640**	**3,468**

27. OTHER EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spare parts	1,994	1,823
Repairs and Maintenance:		
- Plant and equipment [3]	2,562	2,345
- Building	125	100
- Others	-	0
Carriage inwards	143	166
Mine expenses	1,997	1,954
Other manufacturing and operating expenses	546	442
Strategic services & brand fees[1]	658	561
Rates and taxes	2	2
Conveyance and travelling expenses	28	26
Directors sitting fees and commission	2	2
Payment to auditors	2	2
Carriage outwards	333	268
Grass root exploration expenses	20	9
Legal and professional expenses	40	29
Allowance for doubtful debts/receivables	-0	-
Research and development expenditure	12	11
Corporate social responsibility	229	238
Loss on sale of property, plant and equipment (net)	43	20
Net loss on investments measured at FVTPL	28	-
Miscellaneous expenses[2]	304	247
Total	**9,068**	**8,245**

(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 ("Holding company") at 2% of the consolidated turnover of the Company effective from October 01, 2022. Further, during the current 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 annual consolidated turnover of the Company with effect from April 01, 2025. The Company contractually pays such fee in advance at the beginning of the year, based on its estimated annual consolidated turnover.

(2) Includes donation of ₹ 30 Crore (March 31, 2024: ₹ 25 Crore) to Bharatiya Janata Party and ₹ 10 Crore to All India Congress Committee during the year.

(3) includes operations and maintenance of plant

28. EXCEPTIONAL ITEMS

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Environment and Health Cess[1]	56	-
Land tax[2]	27	-
Total	**83**	**-**

(1) The State of Rajasthan had levied Environment and Health Cess ('EHS') through a notification in 2008 on major minerals including lead and zinc which later got rescinded in 2017. 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 has taken a provision of ₹ 56 Crore relating to liability towards EHS in the current year. However, the Group has not received any demand notice post Supreme Court judgement in the above-referred MADA matter. The ongoing litigation with respect to imposition of EHS is currently pending for final hearing before the Supreme Court, and the interim protection granted to HZL continues to exist as on date.

(2) During the current year, the Group 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 Group has taken a charge of ₹ 27 Crore. Furthermore, the State of Rajasthan vide the same notification has exempted land tax payable on all classes of land with effect from February 8, 2024.

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29. EARNINGS PER SHARE

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic earnings per share (₹)	24.50	18.36
Diluted earnings per share (₹)	24.50	18.36
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)	10,353	7,759
Earnings used in the calculation of basic earnings for the year (in ₹ Crore)	10,353	7,759
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, 2025	As at March 31, 2024
a. Contingent liabilities[1]		
Claims against the Company not acknowledged as debts		
- Suppliers and contractors	16	17
- Ex-employees and others	3	3
- Land acquisition	3	3
- Mining cases[2]	-	334
- Government : Electricity Duty	9	74
: Renewable Energy	-	-
: Road Tax	15	15
: Environmental Cess[3]	-	142
Guarantees issued by the banks	394	283
Sales tax demands	68	68
Income tax demands[5]	720	720
Excise Duty, Custom duty , Service tax and GST demand [4]	582	553

(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 Department of Mines and Geology of the State of Rajasthan issued several show cause notices in August, September and October 2006 to HZL, amounting to ₹ 334 Crore. These notices alleged unlawful occupation and unauthorised mining of associated minerals other than zinc and lead at HZL's Rampura Agucha, Rajpura Dariba and Zawar mines in Rajasthan during the period from July 1968 to March 2006. HZL believes that the likelihood of this claim is not probable and thus no provision has been made in the financial statements. HZL had filed writ petitions in the High Court of Rajasthan in Jodhpur and had obtained a stay in respect of these demands. The High Court restrained the Department of Mines and Geology from undertaking any coercive measures to recover the penalty. In January 2007, the High Court issued another order granting the Department of Mines and Geology additional time to file their reply and also ordered the Department of Mines and Geology not to issue any order cancelling the lease. Affidavit of the Central Government is awaited. The State Government filed for an early hearing application in the High Court. The High Court has passed an order rejecting the application stating that Central Government should file their replies. During the year, as per the management assessment and based on the opinion of external counsel, case has been classified under remote category.

(3) 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 Group has taken a provision of ₹ 56 Crore relating to liability towards EHS in the current year. However, the Group has not received any demand notice post Supreme Court judgement in the above-referred MADA matter. Additionally, it is to be noted that the ongoing litigation with respect to imposition of EHS is currently pending for final hearing before the Supreme Court, and the interim protection granted to HZL continues to exist as on date (refer note 28).

(4) Various demands raised on the Group towards CENVAT, service tax , excise, Customs and Sales tax for FY 1991-92 to 2017-18. The Group has paid an amount of ₹ 20 Crore (March 31, 2024: ₹ 19 Crore) against these demands under protest and is confident of the liability not devolving on the Group.

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(5) 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 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 initiated the royalty assessment process from January 2008 to 2019 on certain question of law and 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 on similar questions of law. The Group has challenged (the show cause notice or/and) computation mechanism of the 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, High court has granted a stay on the notice and directed DMG not to take any coercive action. State Government has also been directed to not take any coercive action in order to recover such miscomputed dues. Inspite of the High court stay order, the State Government raised a revised demand of ₹ 1,423 Crore vide order dated March 16, 2022 for the same period. The Group challenged this notice before the Revisionary Authority(“RA”) and also moved an application in RA against the earlier demand raised by DMG for recovery of ₹ 311 Crore. RA has granted a stay on the recovery of ₹ 1,423 Crore vide its order dated June 15, 2022, and on the recovery of ₹ 311 Crore, vide its order dated September 07, 2022 respectively. During the year, the Group has 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, hence have been considered as remote. On July 25, 2024 RA has decided the case against the company for demand raised of ₹ 311 Cr 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 INR 100 Cr., under protest. The Group ensured compliance with the HC’s directions, and deposited the directed amount under protest on July 30, 2024. The matter before the High Court is pending for final hearing. On October 30, 2024 the Group received an order from RA against the demand of ₹ 1925 Cr 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 revision application is disposed off accordingly. Based on the opinion of external counsel, the Group believes that it has strong grounds of a successful appeal against the demand of ₹ 311 Cr.

c. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 4,026 Crore (March 31,2024: ₹ 3,725 Crore).

d. Other Commitments

(i) During the year ended March 31, 2023, the Group had entered into Power delivery agreement (‘PDA’) 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, 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 Crore (March 31, 2024: ₹ 175 Crore) and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA (see Note 9).

Further during the year ended March 31, 2023, the Group had entered into Power delivery agreement (‘PDA’) 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, Group is expected to infuse equity of approximately ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Group has made an investment of approximately ₹ 230 Crore (March 31, 2024: ₹ 131 Crore) and pending committed investment of approximately ₹ 77 Crore to be made basis fulfilment of conditions of the PDA (see note 9).

(ii) During the 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) 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.

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(iii) 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, 2025. (March 31, 2024: ₹ 66 Crore)

(iv) During the year ended March 31, 2023 the Group under its Corporate Social Responsibilities (‘CSR’) initiative had signed a Memorandum of Understanding(‘MOU’) with Rajasthan Cricket Association (‘RCA’) for development of international cricket stadium at Jaipur (Rajasthan). As per the terms of MOU, the Group has committed to contribute ₹ 300 Crore against which ₹ 60 Crore (till March 31, 2024: ₹ 60 Crore) has been contributed till March, 2025.

(v) Export obligations

The Group has ₹ 70 Crore export obligations (March 31, 2024: ₹ 75 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 purchase). If the Group is unable to meet these obligations, its liabilities would be ₹ 13 Crore (March 31, 2024: ₹ 13 Crore) reduced in proportion to actual export. The Group has given bonds/Bank guarantees of ₹206 Crore (March 31, 2024: ₹ 454 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 ₹ 4 Crore (March 31, 2024: ₹ 5 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 ₹ 4 Crore (March 31,2024: ₹ 3 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.

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 ₹ 44 Crore (March 31, 2024: ₹ 32 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 ₹ 12 Crore in this regard in the current year. During the previous year, the Group had made good the deficiency of ₹ 10 Crore. 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.

Notes forming part of the consolidated financial statements

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The details of fund and plan asset position are given below:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Plan assets fair valued	1,686	1,667
Present value of benefit obligation at period end	1,696	1,677
Net Plan Assets/(Liability)	(10)	(10)
% allocation of plan assets by category		
Central government securities	4%	5%
State government securities(including PSU Bond)	60%	60%
Private Sector Bonds, Mutual funds	36%	35%
Principal actuarial assumptions		
Financial Assumptions		
Discount rate	7.03%	7.10%
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% - 18%	3% - 20%
From 31 to 44 years	2% - 11%	2% - 8%
Above 44 years	1%-7%	1% - 5%

Gratuity plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. 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 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, 2025	As at March 31, 2024
Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:		
Financial Assumptions		
Discount rate	7.03%	7.10%
Expected rate of increase in compensation level of covered employees	6% - 10.5%	6% - 10.5%

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(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
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% - 18%	3% - 20%
From 31 to 44 years	2% - 11%	2% - 8%
Above 44 years	1%-7%	1%-5%
Amount recognized in the balance sheet consists of:		
Fair value of planned assets	222	241
Present value of defined benefit obligations	(223)	(241)
Net assets/(Net unfunded liability)	**(1)**	**0**
% 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, 2025	For the year ended March 31, 2024
Opening Balance	241	239
Service cost	9	13
Benefits paid	(36)	(35)
Interest cost	17	17
Acturial (Gain)/Loss on obligation	(8)	7
Closing Balance	**223**	**241**

The movement during the year in the fair value of plan assets was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	241	232
Employer Contributions	0	29
Benefits paid	(36)	(35)
Interest Income	17	16
Remeasurement gain/(loss) arising from return on plan assets	(0)	(1)
Closing Balance	**222**	**241**

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, 2025	For the year ended March 31, 2024
Current service cost	9	13
Net Interest cost	-	1
Total charge to Statement of Profit and Loss	**9**	**14**

Notes forming part of the consolidated financial statements

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Amounts recognized in Other Comprehensive Income in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Remeasurement (Gain) / Loss arising from Change in Demographic Assumption	(4)	4
Remeasurement (Gain) / Loss arising from Change in Financial Assumption	1	3
Remeasurement (Gain) / Loss arising from Experience Adjustment	(5)	(0)
(Gain)/loss on plan assets	0	1
Components of defined benefit costs recognised in other comprehensive income	**(8)**	**8**

Expected contribution for the next annual reporting period of March 31, 2025:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Service Cost	14	15
Net Interest Cost	0	-
Expected contribution for the next annual reporting period of March 31, 2025	**14**	**15**

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, 2025	As at March 31, 2024
Impact of change in discount rate		
Increase by 0.50%	(6)	(7)
Decrease by 0.50%	6	7
Impact of change in salary increase rate		
Increase by 0.50%	6	7
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.

Maturity Profile of Defined Benefit Obligation

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Year:		
0 to 1 Year	37	37
1 to 2 Year	16	38
2 to 3 Year	39	36
3 to 4 Year	27	26
4 to 5 Year	21	19
5 to 6 Year	15	14
6 Year onwards	68	72

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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 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 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, 2025 and year ended March 31, 2024 are indicated below:

(₹ in Crore)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a.	**Tax charge recognised in Profit and Loss**		
	Current tax:		
	Current tax on profit for the year	3,468	2,624
	Adjustment in respect of earlier years[(1)]	(242)	(75)
	Total Current tax	**3,226**	**2,549**
	Deferred tax:		
	Reversal and origination of temporary differences	(42)	(1)
	Adjustment in respect of earlier years	16	-
	Total Deferred tax	**(26)**	**(1)**
	Tax expense for the year	**3,200**	**2,548**
	Effective income tax rate (%)	23.61%	24.72%
	[(1)] true up of tax provisions in line with routine assessment orders amounting to INR 218 Crore in current year.		
b.	**Statement of other comprehensive income**		
	Deferred tax (credit) / charge on:		
	Cash flow hedges recognised during the year	-	-
	Net gain/(loss) on FVTOCI debt investments	3	-
	Remeasurement of defined benefit obligation	4	(3)
	Total	**7**	**(3)**

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(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, 2025	For the year ended March 31, 2024
Accounting profit before tax (after exceptional item)	13,553	10,307
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	3,411	2,594
Disallowable expenses	73	83
Non-taxable income and capital gains	(28)	(28)
Effect of tax rate differences of subsidiaries operating at other tax rates	(8)	1
Effect of changes in tax laws (refer (i) below)	9	-
Impact of tax rate differences on capital gains	(31)	(24)
Adjustments in respect of prior years*	(226)	(75)
Indexation benefit on capital Gains	-	(3)
Total	**3,200**	**2,548**

*true up of tax provisions in line with routine assessment orders amounting to ₹ 218 Cr in current 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 14-15 to AY 16-17, which were earlier disallowed and has granted refund of amounts deposited under protest. Currently, for AY 2013-14 to AY 2016-17, the department has filed appeals before the Tribunal, which are pending for disposal. In July 24, the Group has received Assessment Order for AY 2020-21, where similar demands were raised on account of 80-IA and 80-IC. Against the said order, the Group had filed appeal before the Tribunal and the favourable order from the Tribunal was received in Jan'25 which is in line with the past years' orders. The department is yet to file an appeal before the High Court against the said order. 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. 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, 2025 is ₹ 12,411 Crore (March 31, 2024: ₹ 12,447 Crore) plus applicable interest upto the date of settlement of the dispute.

(d) Significant components of deferred tax assets and (liabilities) recognized in the balance sheet are as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Property, plant and equipment, Exploration and evaluation and intangible assets	(2,381)	(2,396)
Fair valuation of financial assets/liabilities	(39)	(60)
Voluntary retirement scheme	1	9
Other temporary differences (43B disallowances, inventory valuation reserve, etc.)	127	137
Deferred Tax (Liabilities) (net)	**(2,292)**	**(2,311)**

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Deferred tax income of ₹ 19 Crore (March 2024: ₹ 4 Crore) is recorded as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Through Other Comprehensive Income		
Net gain/(loss) on FVTOCI investments	3	-
Remeasurements of defined benefit obligations	4	(3)
	7	**(3)**
Through Profit and Loss		
Property, plant and equipment, Exploration and evaluation and intangible assets	(16)	(30)
Fair valuation of financial assets/liabilities	(21)	25
Voluntary retirement scheme	8	5
Other temporary differences (43B disallowances, inventory valuation reserve, etc.)	3	(1)
	(26)	**(1)**
Total	**(19)**	**(4)**

(e) Reconciliation of Net Deferred tax liabilities:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	(2,310)	(2,314)
Tax (expense)/income recognised in profit or loss during the period	26	1
Tax (expense)/income recognised in other comprehensive income during the period	(7)	3
Closing Balance	**(2,291)**	**(2,310)**

33. LEASES

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liability against ROU assets:		
Non current	178	178
Current	138	88
Total	**316**	**266**

(a) Following are the amounts recognised in Statement of Profit & Loss account:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Depreciation & amortization expense for right-of-use assets (refer note 4 & 5)	135	61
b) Interest expense on lease liabilities (refer note 25)	29	17
c) Expense relating to short-term leases	0	0
Total amount recognised	**164**	**78**

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(b) The movement in lease liabilities is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Opening balance	266	40
b) Additions (refer note 4 & 5)	165	285
c) Reversal/Adjustments	(10)	-
c) Interest accrued	29	17
d) Repayments (Principal & interest)*	(134)	(76)
Closing balance	**316**	**266**

* Interest paid on lease liabilities during the year is ₹ 29 Crore (March 31, 2024 : ₹ 17 Crore)

(c) Lease liabilities carry an effective interest rate of 5.03 % to 17.55 %. (March 31, 2023: 5.03% to 23.25%).

(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, 2023	**40**
Non cash changes	302
Cash changes	(76)
As at March 31, 2024	**266**
Non cash changes	184
Cash changes	(134)
As at March 31, 2025	**316**

(i) Non cash changes includes additions/deletions in ROU assets and interest accrual on lease liabilties.

(ii) Cash changes includes contractual lease payments.

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 Company'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 who has been identified as its CODM 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."

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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, 2025	For the year ended March 31, 2024
Revenue		
Zinc, Lead, Silver & others		
(i) Zinc, Lead and others	26,774	22,558
(ii) Silver	6,130	5,368
Wind Energy	137	156
Segment revenue	**33,041**	**28,082**
Segment Results		
Zinc, Lead, Silver & others		
(i) Zinc, Lead and others	8,617	5,652
(ii) Silver *	5,322	4,655
Wind Energy	62	82
Segment Results	**14,001**	**10,389**
Less: Finance costs	1,095	955
Add: Interest income	705	758
Add: Other unallocable income net of unallocable (expenditure)	25	115
Profit before tax and exceptional items	**13,636**	**10,307**
Exceptional item (for Zinc, Lead, Silver & others)	(83)	-
Profit before tax	**13,553**	**10,307**
Tax expenses	3,200	2,548
Profit for the year	**10,353**	**7,759**
Depreciation & amortisation Expense		
Zinc, Lead ,Silver and others	3,612	3,440
Wind Energy	28	28
Total	**3,640**	**3,468**

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.

Below table summarises the disaggregated revenue from contracts with customers:

(₹ in Crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Zinc	22,839	19,257
Lead	4,359	4,290
Silver	6,094	5,371
Wind Energy	161	195
Others	705	378
Revenue from contracts with customers	**34,158**	**29,491**
Gains/(losses) on provisionally priced contracts (net) (refer note 21)	(1,117)	(1,409)
Total Revenue	**33,041**	**28,082**

Notes forming part of the consolidated financial statements
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(₹ in Crore)

Particulars	Zinc, Lead, Silver & others	Wind energy	Unallocated	Total
As at March 31, 2025				
Assets and liabilities				
Assets				
Segment assets	23,741	426	33	24,200
Financial assets investments	-	-	9,972	9,972
Cash and cash equivalent	-	-	96	96
Other bank balances	-	-	81	81
Income Tax Assets	-	-	141	141
Total assets	**23,741**	**426**	**10,323**	**34,490**
Liabilities				
Segment liability	7,803	16	90	7,909
Borrowings	-	-	10,651	10,651
Deferred tax liabilities (Net)	-	-	2,292	2,292
Income Tax liabilities	-	-	312	312
Total liabilities	**7,803**	**16**	**13,345**	**21,164**
As at March 31, 2024				
Assets and liabilities				
Assets				
Segment assets	22,643	449	31	23,123
Financial assets investments	-	-	10,452	10,452
Cash and cash equivalent	-	-	53	53
Other bank balances	-	-	122	122
Income Tax Assets	-	-	145	145
Total assets	**22,643**	**449**	**10,803**	**33,895**
Liabilities				
Segment liability	7,314	17	125	7,456
Borrowings	-	-	8,456	8,456
Deferred tax liabilities (Net)	-	-	2,311	2,311
Income Tax liabilities	-	-	477	477
Total liabilities	**7,314**	**17**	**11,369**	**18,700**

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, 2025	4,948	-	**4,948**
For the year ended March 31, 2024	3,758	-	**3,758**

Notes forming part of the consolidated financial statements
as at and for the year ended March 31, 2025

II. Information based on Geography

(₹ in Crore)

Geographical Segments	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue by geographical segment		
India	26,383	21,405
Asia (excluding India)	6,372	6,232
Rest of the World	286	445
Total	**33,041**	**28,082**

Non-current assets[(1)]

(₹ in Crore)

Geographical Segments	As at March 31, 2025	As at March 31, 2024
India	21,945	20,561
Total	**21,945**	**20,561**

(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, 2025	For the year ended March 31, 2024
India	4,948	3,758
Total	**4,948**	**3,758**

Information about major customer

No customer accounted for more than 10% revenue during the year. (March 31, 2024: None)

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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, 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 Current 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**
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	53	53	53
Other bank balances	-	-	122	122	122
Investments	5,769	4,683	-	10,452	10,452
Trade receivables	4	-	151	155	155
Other Current financial assets and loans	11	-	49	60	60
Other Non-current financial assets and loans	-	-	131	131	131
Total	**5,784**	**4,683**	**506**	**10,973**	**10,973**
Financial liabilities					
Borrowings	-	-	8,456	8,456	8,456
Lease Liabilities	-	-	266	266	266
Trade payables	-	-	2,106	2,106	2,106
Operational buyers' credit/ suppliers' credit	-	-	399	399	399
Other Current financial liabilities	12	-	1,402	1,414	1,414
Total	**12**	**-**	**12,629**	**12,641**	**12,641**

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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 Black Sholes 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 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 rates of commodities actively traded on the listed metal exchange i.e., London Metal Exchange, 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, 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
Derivatives designated as hedging instruments			
Derivatives financial Assets*			
Commodity contracts	-	-	-
Total	**1,590**	**7,794**	**641**

Notes forming part of the consolidated financial statements

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(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
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**	**-**
As at March 31, 2024			
Financial Assets			
At fair value through profit and loss			
Investments	1,651	3,796	322
Derivatives financial Assets*			
Forward foreign currency contracts	-	-	-
Commodity contracts	-	11	-
Trade receivables	-	4	-
At fair value through Other Comprehensive Income			
Investments	-	4,594	89
Total	**1,651**	**8,405**	**411**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial Liabilities*			
Forward foreign currency contracts	-	11	-
Commodity contracts	-	1	-
Total	**-**	**12**	**-**

* Refer section - "Derivative financial instruments"

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2025 and March 31, 2024:

(₹ in Crore)

Financial Liabilities	Level-1	Level-2	Level-3
As at March 31, 2025			
Borrowings	-	10,652	-
Total	**-**	**10,652**	**-**
As at March 31, 2024			
Borrowings	-	8,456	-
Total	**-**	**8,456**	**-**

There were no transfers between Level 1, Level 2 and Level 3 during the year.

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Reconciliation of Level 3 fair value measurement is as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	FVTPL	FVTOCI	FVTPL	FVTOCI
Balance at the beginning of the year	**322**	**89**	**105**	**-**
Additions during the year	230	-	306	89
Fair value changes recognised during the year	-	-	-	-
Sale/reductions during the year*	-	-	(89)	
Reclassification during the year	-	-	-	-
Balance at the end of the year	**552**	**89**	**322**	**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:

Valution of preference and equity shares in level 3 are done using Black Scholes Option Pricing Method in current year and Net asset value method [a level 3 technique] in previous year, making assumptions about unobservable market data.

Risk management framework

Risk management

The Group'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 Group's Audit Committee. The Audit Committee is aided by the Risk Management Committee, 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 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.

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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, 2025 and March 31, 2024. The sensitivity analyses have been prepared on the basis that the amount of net debt, 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.

Commodity price risk

The Group is exposed to the movement of base metal commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Group produces 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 prices for a month or a year, average realized prices may not necessarily reflect the LME 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. The Group also enters into hedging arrangements for its zinc and lead sales to realize month of sale LME prices.

Total exposure on provisionally priced Zinc, Lead & Silver contracts as at March 31, 2025 were ₹ 189 Crore (March 31, 2024: ₹ 30 Crore), ₹ 74 Crore (March 31, 2024: ₹ 181 Crore) and Nil (March 31, 2024: Nil) respectively. 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, 2025 is ₹ 19 Crore, ₹ 4 Crore and Nil respectively and as at March 31, 2024 is ₹ 3 Crore, ₹ 9 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.

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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, 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**
As at March 31, 2024					
Trade and other payables	3,829	0	-	-	3,829
Lease Liabilities#	88	149	51	88	376
Derivative financial liabilities	12	-	-	-	12
Borrowings*	4,869	4,434	260	-	9,563
Total	**8,798**	**4,583**	**311**	**88**	**13,780**

*Includes non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

*Includes non-current and current lease liabilities, committed interest payments.

The Group had access to following funding facilities.

(₹ in Crore)

Funding facility	Total facility	Drawn	Undrawn
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**
As at March 31, 2024			
Less than 1 year	12,476	9,893	2,583
More than 1 year	-	-	-
Total	**12,476**	**9,893**	**2,583**

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

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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, 2025		As at March 31, 2024	
Currency exposure	Financial Asset	Financial Liability	Financial Asset	Financial Liability
US Dollar	68	549	78	494
Euro	-	479	-	274
Australian Dollar	-	0	-	1
SEK	-	-	-	14
Others	-	0	-	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.

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, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
US Dollar	481	416	48	42
Euro	479	274	48	27
Australian Dollar	0	1	0	0
SEK	-	14	-	1
Others	0	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.

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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, 2025				
Financials assets	10,404	1,606	7,893	905
Financial liabilities	15,799	8,213	3,665	3,921
As at March 31, 2024				
Financials assets	10,973	1,691	8,615	667
Financial liabilities	12,641	6,944	2,177	3,520

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 net debt position as at March 31, 2025 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, 2025 is ₹ 33 Crore, ₹ 66 Crore and ₹ 132 Crore and for year ended March 31, 2024 is ₹ 26 Crore, ₹ 53 Crore and ₹ 105 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, 2025 and March 31, 2024 are ₹ 10,404 Crore and ₹ 10,973 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, 2025, that defaults in payment obligations will occur.

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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, 2025 and March 31, 2024:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Neither impaired nor past due	156	291
Past due but not impaired		
Less than 1 month	65	20
Between 1-3 months	9	12
Between 3-12 months	13	9
Greater than 12 months	3	3
Total	**246**	**335**

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.

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.

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.

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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, 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, 2025.

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 (for the period ended March 31, 2025) 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, 2025		As at March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Current				
Cash flow hedges*				
Commodity contracts	-	-	-	-
Non - qualifying hedges				
Commodity contracts	4	-	11	1
Forward foreign currency contracts	5	7	-	11
Total	**9**	**7**	**11**	**12**

*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, 2025						
Zinc						
Notional qty (in tonnes)	-	-	-	-	-	-
Notional amount (in ₹ Crore)	-	-	-	-	-	-
Average hedged rate (in $ per tonne)	-	-	-	-	-	-
At March 31, 2024						
Zinc						
Notional qty (in tonnes)	-	-	-	-	-	-
Notional amount (in ₹ Crore)	-	-	-	-	-	-
Average hedged rate (in $ per tonne)	-	-	-	-	-	

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Commodity forward contracts		
Notional amount (in ₹ Crore)	-	-
Carrying amount (in ₹ Crore)	-	-
Line item in the Balance Sheet that includes Hedging Instruments	NA	NA
Change in fair value used for measuring ineffectiveness for the period - Gain/(Loss)	-	-

Hedge Items

The impact of the Hedged Items on the Balance Sheet is as follows:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Highly probable forecast sales		
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	-	-
Change in value of the hedged items used for measuring ineffectiveness for the period	-	-

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, 2025	As at March 31, 2024
Commodity forward contracts		
Cash flow Hedge Reserve at the beginning of the year	-	-
Total hedging gain/(loss) recognised in OCI	124	-
Income tax on above	(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	(124)	-
Income tax on above	31	-
Cash flow Hedge Reserve at the end of the year	-	-
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, 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

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

(In Crore)

Currency	Foreign currency	Indian Rupees	Buy / Sell	Cross Currency
As at March 31, 2024				
USD	16	1,370	Buy	INR
EUR	0	21	Buy	INR
GBP	-	-	Buy	INR
EUR	5	407	Buy	USD
SEK	2	14	Buy	USD
JPY	40	22	Buy	USD
AUD	0	8	Buy	USD
GBP	0	6	Buy	USD

B. **The following are the outstanding position of commodity hedging open contracts as at March 31, 2025 :-**

Zinc forwards/futures (sale)/buy for (3,730) MT (2024: 3,236 MT)

Lead forwards/futures (sale)/buy for (3,634) MT (2024: (9,087) MT)

Silver forwards/futures (sale)/buy for Nil Oz (2024: Nil Oz)

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, 2025	As at March 31, 2024
Debtors	68	78
Creditors	546	476

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. The Group is not subject to any externally imposed capital requirement.

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents (See Note 11)	96	53
Other Bank balances[1] (See Note 12)	-	1
Current investments (See Note 9)	9,149	9,874
Non Current investments[2] (See Note 9)	182	167
Total cash (a)	**9,427**	**10,095**
Non Current borrowings (See Note 15)	5,990	4,246
Current borrowings (See Note 15)	4,661	4,210
Total debt (b)	**10,651**	**8,456**
Net debt (c = (b-a))	**1,224**	**-**
Equity (d) (See Statement of changes in Equity)	**13,326**	**15,195**
Total Capital (e = equity + net debt)	**14,550**	**15,195**
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.

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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) **Subsidiaries :**

Hindustan Zinc Alloys Private Limited (Wholly owned subsidiary)

Vedanta Zinc Football & Sports Foundation (Section 8 company) (Wholly owned subsidiary)

Zinc India Foundation (Section 8 company) (Wholly owned subsidiary)

Hindustan Zinc Fertilisers Private limited (Wholly owned subsidiary)

Hindmetal Exploration Services Private Limited (Wholly owned subsidiary)

(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

Namzinc (Pty) Limited

Vizag General Cargo Berth Private Limited

Ferro Alloys Corporation Limited

Serentica Renewables India 5 Private Limited

Serentica Renewables India 4 Private Limited

Sterlite Technologies Limited

STL Digital Limited

(iv) **Related Party having a Significant Influence**

Government of India - President of India

(v) **Other related party**

Anil Agarwal Foundation Trust

Vedanta Foundation

Madanpur South Coal Company Limited (jointly controlled entity)

Minova Runaya Private Limited

Runaya Greentech Private Limited

Hindustan Zinc Limited Employee's Contributory Provident Fund Trust

Hindustan Zinc Limited Employee's Group Gratuity Trust

Hindustan Zinc Limited Superannuation Trust

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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, 2025	For the year ended March 31, 2024
Short-term employee benefits [1]	19	18
Sitting fee and commission to directors	0	2
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 Group.

c. **Transactions with Government having significant influence:**

Central government of India holds 27.92% (March 31, 2024: 29.54%) shares in HZL. During the year, Group 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 Group, for the period ended March 31, 2025 and March 31, 2024 are as follows:

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Goods & Services		
Fujairah Gold FZC	71	59
Vedanta Limited	1	1
Malco Energy Limited	4	-
Runaya Greentech Private Limited	185	43
Total	**261**	**103**
Purchase of Goods		
Vedanta Limited	23	24
Bharat Aluminium Company Limited	63	45
Minova Runaya Private Limited	225	216
Malco Energy Limited	98	86
Runaya Greentech Private Limited	223	46
Black Mountain Mining (Pty) Limited	-	1
Total	**632**	**418**
Purchase of services		
STL Digital limited (IT Service)	18	21
Sterlite Technologies Limited (IT Service)	7	8
Runaya Greentech Private Limited (O&M Service)	48	21
Serentica Renewables India 4 Private Limited (Power)	108	-
Total	**181**	**51**
Purchase of property, plant and equipment		
Vedanta Limited	0	-
FACOR	0	0

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Talwandi Sabo Power Limited	-	0
Total	**0**	**0**
Sale of property, plant and equipment		
Vedanta Limited	0	-
Runaya Greentech Private Limited	17	43
FACOR	0	0
Talwandi Sabo Power Limited	-	0
STL Digital limited	0	-
Total	**17**	**43**
Strategic services and Brand fees		
Vedanta Limited	658	561
Total	**658**	**561**
Interest on Business Advance & Asset Sale		
Runaya Greentech Private Limited	10	2
Total	**10**	**2**
Other recoveries & reimbursements		
Vedanta Limited	15	28
ESL Steel Limited	0	0
Bharat Aluminium Company Limited	0	(0)
Talwandi Sabo Power Limited	(0)	0
Ferro Alloys Corporation Limited	0	0
Black Mountain Mining (PTY) Limited	(2)	(4)
Sterlite Technologies Limited	(0)	(0)
STL Digital Limited	(0)	(0)
Vizag General Cargo Berth Private Limited	(0)	0
Meenakshi Energy Private Limited	0	-
Runaya Greentech Private Limited	(1)	(1)
Minova Runaya Private Limited	(1)	(1)
Total	**11**	**22**
Dividend Paid		
Vedanta Limited	7,834	3,566
Government of India	3,619	1,622
Total	**11,453**	**5,188**
Dividend Received		
Madanpur South Coal Company Limited (jointly controlled entity)	-	4
	-	**4**
Donations		
Anil Agarwal Foundation Trust	50	49
Total	**50**	**49**
Investments made		
Serentica Renewables India 4 Private Limited	-	175
Serentica Renewables India 5 Private Limited	**230**	131

Notes forming part of the consolidated financial statements

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(₹ in Crore)

Nature of transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Total	**230**	**306**
Contribution to :		
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	42	36
Hindustan Zinc Limited Employee's Group Gratuity Trust	3	29
Hindustan Zinc Limited Superannuation Trust	3	4
Total	**48**	**69**

e. The balances receivable/payable as at year end:

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Receivable From		
Vedanta Limited*	-	-
Talwandi Sabo Power Limited	0	0
Black Mountain Mining (PTY) Limited	2	2
Fujairah Gold FZC	6	15
Runaya Greentech Private Limited	125	58
Sterlite Technologies Limited	-	1
Ferro Alloys Corporation Limited	0	-
Vizag General Cargo Berth Private Limited	0	-
Total	**133**	**76**

*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.")(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 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 Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline.

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses		
Vedanta Limited	-	116
	-	**116**
Business advance given		
Runaya Greentech Private Limited	55	4
	55	**4**
Payable To		
Vedanta Limited	20	5
ESL Steels limited	0	-
Bharat Aluminium Company Limited	3	2
Malco Energy Limited	12	3
Ferro Alloys Corporation Limited	-	-
Minova Runaya Private Limited	11	12
STL Digital	0	0
Sterlite Technologies Limited	1	-
Serentica Renewables India 4 Private Limited	5	-

Notes forming part of the consolidated financial statements
as at and for the year ended March 31, 2025

(₹ in Crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Sterlite Power Transmission Limited	0	0
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	9	8
Hindustan Zinc Limited Employee's Group Gratuity Trust	1	0
Sitting fee and commission to directors	-	1
Total	**63**	**31**
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	98
Total	**641**	**411**
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))	76	306
Serentica Renewables India 14 Private Limited (Refer note 30(d)(ii))	327	-
Total	**473**	**376**

f. **Terms and conditions of related party transactions:**

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).

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 %) March 31, 2025	March 31, 2024
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	-
Madanpur South Coal Company Limited	Coal mining	Joint Venture	India	18.05	18.05

39. SUBSEQUENT EVENTS

There are no other material adjusting events which requires adjustment, except as already disclosed.

Notes forming part of the consolidated financial statements
as at and for the year ended March 31, 2025

40. FINANCIAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the entity	Net Assets (Total assets less total liabilities) As at March 31, 2025		Share in profit and loss For the year ended March 31, 2025		Share in Other comprehensive income (OCI) For the year ended March 31, 2025		Share in Total comprehensive income (TCI) 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)
Hindmetal Exploration Services Private Limited	0.02%	3						
Joint Venture								
Madanpur South Coal Company Limited	0.00%	-	0.00%	-	-	-	0.00%	-
Consolidation Adjustments/ Eliminations	(0.15%)	(20)	0.08%	8	-	-	0.08%	8
Total	**100.00%**	**13,326**	**100.00%**	**10,353**	**100.00%**	**31**	**100.00%**	**10,384**

Name of the entity	Net Assets (Total assets less total liabilities) As at March 31, 2024		Share in profit and loss For the year ended March 31, 2024		Share in Other comprehensive income (OCI) For the year ended March 31, 2024		Share in Total comprehensive income (TCI) For the year ended March 31, 2024	
	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	100.25%	15,233	100.36%	7,787	100.00%	3	100.36%	7,784
Subsidiaries incorporated in India								
Hindustan Zinc Alloys Private Limited	(0.06%)	(10)	(0.11%)	(8)	-	-	(0.11%)	(8)
Vedanta Zinc Football & Sports Foundation	(0.01%)	(1)	0.00%	0	-	-	0.00%	0
Zinc India Foundation	(0.01%)	(2)	0.02%	2	-	-	0.02%	2
Hindustan Zinc Fertilisers Private Limited	(0.00%)	(0)	(0.00%)	(0)	-	-	(0.00%)	(0)
Joint Venture								
Madanpur South Coal Company Limited	0.00%	-	0.00%	-	-	-	0.00%	-
Consolidation Adjustments/ Eliminations	(0.17%)	(25)	(0.28%)	(21)	-	-	(0.28%)	(21)
Total	**100.00%**	**15,195**	**100.00%**	**7,759**	**100.00%**	**3**	**100.00%**	**7,756**

Notes forming part of the consolidated financial statements

as at and for the year ended March 31, 2025

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 except that audit trail feature was enabled in the SAP application for direct changes to data in certain database tables for part of the year i.e. from March 03, 2025. Further no instance of audit trail feature being tampered with was noted in respect of the software. Additionally, the Group has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the financial year 2024 to the extent it was enabled.

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.

(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.)

See accompanying notes to 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 25, 2025
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 25, 2025
Place: Udaipur

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 25, 2025
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

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	54	222	167	-	277	78	13	64	-	100%
2	Vedanta Zinc Football & Sports Foundation	April -March	INR	December 21, 2021	0	(0)	1	1	-	-	1	-	1	-	100%
3	Zinc India Foundation	April -March	INR	August 05, 2022	0	0	3	3	-	-	2	-	2	-	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	3	21	18	0.11	62	5	1	3	-	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

Sandeep Modi
Chief Financial Officer

Date: April 25, 2025
Place: Udaipur

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Aashhima V Khanna
Company Secretary
ICSI Membership No.: A34517

Date: April 25, 2025
Place: Udaipur

GLOSSARY

Short form	Name
AAF	Anil Agarwal Foundation
ACT-UP	Accelerated Competency Tracking And Upgradation Programme
AGM	Annual General Meeting
AI/ML	Artificial Intelligence/Machine Learning
AIFF	All India Football Federation
APCD	Air Pollution Control Devices
ARM	Audit and Risk Management Committee
BEV	Battery-Electric Vehicle
BFP	Boiler Feed Pump
BISLD	Baif Institute for Sustainable Livelihoods And Development
BMP	Biodiversity Management Plan
BP	Business Partner
BRSR	Business Responsibility & Sustainability Report
BU	Business Unit
CAHRA	Conflict Affected and High-Risk Areas
Capex	Capital Expenditure
CAR	Climate Action Report
CARO	Companies (Auditors Report) Order
CBAM	Carbon Border Adjustment Mechanism
CDP	Carbon Disclosure Project
CENVAT	Central Value Added Tax
CFSAs	Contractor Field Safety Audits
CG	Corporate Governance
CGG	Continuous Galvanising Grade
CGU	Cash Generating Unit
CII	Confederation of Indian Industry
CLZS	Chanderiya Lead-Zinc Smelter
COBIT	Control Objectives For Information and Related Technology
CODM	Chief Operating Decision Maker
COP	Cost of Production
COSO	Committee of Sponsoring Organisations
CPCB	Central Pollution Control Board
CPP	Captive Power Plants
CRISIL	Credit Rating Information Services of India Limited
CRM	Critical Risk Management
CRRI	Central Road Research Institute

Short form	Name
CSA	Corporate Sustainability Assessment
CSA	Certified Security Analyst
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
DEI	Diversity, Equity and Inclusion
DGFT	Directorate General of Foreign Trade
DGMS	Directorate General of Mine Safety
DIN	Directors Identification Number
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
DSC	Dariba Smelting Complex
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
EOT	Electric Overhead Traveling
EPC	Engineering, Procurement, and Construction
EPCG	Export Promotion Capital Goods
EPD	Environmental Product Declaration
EPR	Extended Producer Responsibility
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ESOP	Employee Stock Ownership Plan
ESOS	Employee Stock Option Scheme

Short form	Name
ETP	Effluent Treatment Plant
EV	Electric Vehicle
EVA	Economic Value Added
EWAP	Employee Well-Being and Assistance Programmes
EXCO	Executive Committee
FCF	Free Cash Flow
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/t	Grams Per Tonne
GCMP	Ground Control Management Plan
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
GEMI	Global Environmental Management Initiative
GHG	Greenhouse Gas
GIS	Geographic Information System
GISTM	Global Industry Standard on Tailings Management
GJ	Giga Joules
GOI-MOM	Government of India, Ministry of Coal and Mines
GRC	Governance, Risk and Compliance
GRI	Global Reporting Initiative
HDH	Hemidihydrate
HDPE	High-Density Polyethylene
HEMM	Heavy Earth Moving Machinery
HIRA	Hazard Identification & Risk Assessment
HR	Human Resources
HRMS	Hr Management System
HSD	High Speed Diesel
HSE	Health, Safety and Environment
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

Short form	Name
ICAI	Institute of Chartered Accountants of India
ICC	Internal Complaints Committee
ICMM	International Council on Mining and Metals
IEPF	Investor Education and Protection Fund
IEX	Indian Energy Exchange
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
IMMC	Integrated Minor Metals Complex
IMRB	International Mines Rescue Body
IMS	Integrated Management System
InSAR	Interferometric Synthetic Aperture Radar
INTUC	Indian National Trade Union Congress
IPPB	India Post Payments Bank
IR	Integrated Report
IRR	Internal Rate of Return
ISF	Imperial Smelting Furnace
ISO/IEC	International Organization for Standardization/International Electrotechnical Commission
ITGC	It General Control
ITMC	Insider Trading Monitoring Committee
IUCN	International Union for Conservation of Nature
IZA	International Zinc Association
JORC Code	Joint Ore Reserve Committee
JSA	Job Safety Analysis
KL	Kilo Litre
KLD	Kilo Litres Per Day
KM	Kayad Mine
KMP	Key Managerial Personnel
KPIs	Key Performance Indicators
KRI	Key Risk Indicator
kt	Kilotonnes
ktpa	Kilotonnes Per Annum
Kv	Kilovolt
L.D.O./ LSHS/FO	Light Diesel Oil/Low Sulphur Heavy Stock/ Furnace Oil
LACP	League of American Communications Professional

Short form	Name
LBMA	London Bullion Market Association
LCA	Lifecycle Assessment
LCOE	Lower Levellised Cost of Energy
LDO	Light Diesel Oil
LGBTQIA+	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual
LiDAR	Light Detection and Ranging
LIMS	Laboratory Information Management System
LME	London Metal Exchange
LMVs	Light Motor Vehicles
LNG	Liquified Natural Gas
LODR	Listing Obligations and Disclosure Requirements
LPDT	Low-Profile Dump Trucks
LSR	Life Saving Rules
LTIFR	Lost Time Injury Frequency Rate
LTS	Long Term Settlement
ManCom	Management Committee
MAS	Management Assurance Services
MAT	Minimum Alternate Tax
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
MVR	Mechanical Vapour Recompression
MW	Mega Watt
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAV	Net Asset Value

Short form	Name
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
OCRPS	Optionally Convertible Redeemable Preference Shares
ODR Portal	Online Dispute Resolution Portal
OECD	Organisation for Economic Cooperation and Development
OEM	Original Equipment Manufacturer
OGT	Outlet Gas Temperature
OHSAS 18001	Occupational Health and Safety Assessment Series
ONDC	Open Network for Digital Commerce
OT	Operational Technology
PAPR	Powered Air Purifying Respirators
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	Personal Protective Equipment
PPE	Property Plant Equipment
PPP	Purchasing Power Parity
PSM	Process Safety Management
PTS	Plant Technical System
PW	Prime Western

Short form	Name
QRA	Quantitative Risk Assessment
R&D	Research & Development
R&R	Resources & Reserves
RA	Revisionary Authority
RAM	Rampura Agucha Mine
RCA	Rajasthan Cricket Association
RDC	Rajpura Dariba Complex
RDM	Rajpura Dariba Mine
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
RPM	Revolutions Per Minute
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
SK	Sindesar Khurd
SKM	Sindesar Khurd Mine
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
SPSCs	Social Performance Steering Committees
SRC	Stakeholders Relationship Committee
SSR	Structural Stability Report
STP	Sewage Treatment Plant
TACO	The Animal Care Organisation

Short form	Name
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
UG	Underground
UG BEV	Underground Battery Electric Vehicle
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
VAP	Value-Added Products
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
ZFA	Zinc Football Academy
ZIF	Zinc India Foundation
ZLD	Zero Liquid Discharge
ZM	Zawar Mines
ZSD	Zinc Smelter Debari

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Zinc & Silver of India

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