

Revised Independent Auditor's Report on non-applicability of paragraph 10(b) read with paragraph 10(a) of part I of SEBI master circular no. CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 ("SEBI master circular")

To,
The Board of Directors,
Hindustan Zinc Limited,
Yashad Bhawan
Udaipur, Rajasthan-313004

1. This revised report is issued in accordance with the terms of the master engagement agreement (the "MEA") and the service scope letter (the "SSL") dated October 21, 2021 between S. R. Batliboi & Co. LLP ("we" or "us" or "SRBC") and Hindustan Zinc Limited (hereinafter the "Company").
2. We have examined the accompanying Annexure 1 exhibiting undertaking by Management of the Company stating reasons on non-applicability of Para 10(a) and Para 10(b) of Part I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 ("Master Circular") in respect of Draft Scheme of Arrangement ("Draft Scheme") among the Company and its shareholders (the "Annexure"). The Annexure 1 together with our revised Report thereon is required by the Company to be submitted to the SEBI pursuant to Para 10(c) of Part I of the Master Circular and has been initialled by us for identification purposes only.
3. We are informed that the Company had filed the aforementioned Draft Scheme with the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') together with our original report dated January 21, 2022. We are issuing this revised report in response to the queries received by the Company vide letter dated February 22, 2022 in supersession of our earlier report dated January 21, 2022, which hereby stands superseded. We have received an undertaking from the management that this revised report and the fact of supersession of the original report be brought to the attention of all recipients of such previous (superseded) report and such original report shall be replaced with this revised report, wherever such original certificate has been used/distributed.

Management's Responsibility

4. The preparation of the Draft Scheme and the Annexure 1 is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The Draft Scheme has been approved by the Board of Directors.
5. The Management of the Company is also responsible for ensuring that the Company complies with the requirements of the Act, and for providing all relevant information to SEBI and any other regulatory authority in connection with the Draft Scheme.

Auditor's Responsibility

6. Pursuant to the requirements of clause 10(c) of the aforesaid SEBI Master Circular, it is our responsibility to provide a reasonable assurance in the form of an opinion based on our examination and according to information and explanations given to us as to whether the conditions stipulated under clause 10(b) read with clause 10(a) of Part I of the SEBI Master Circular are applicable to the Company.

7. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the 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.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria as mentioned in paragraph 6 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, our procedures included the following in relation to the Annexure 1:
 - a) Obtained and read the reasons provided by the management of the Company in the attached Annexure.
 - b) Obtained and read the Draft Scheme, compared the same with the list provided in para 10(b) above and verified:
 - (i) whether the Draft Scheme involves the Company and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.
 - (ii) whether the subsidiary being merged with the Company under the Draft Scheme was acquired by the Company, either directly or indirectly, from any of the Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the Company.
 - (iii) whether the Draft Scheme involves merger of an unlisted entity with the Company or not. If yes, checked whether the merger results in reduction in the voting share of pre-scheme public shareholders of the Company in the transferee / resulting company by more than 5% of the total capital of the merged entity.
 - c) Read the Draft Scheme and verified whether the Draft Scheme involves transfer of whole or substantially the whole of the undertaking of the Company and the consideration for such transfer is not in the form of listed equity shares.
 - d) Performed necessary inquiries with the management and obtained necessary representations from the management

Opinion

10. Based on the procedures performed by us under paragraph 9 above, and according to the information and explanations provided to us, along with the representations provided to us by the management, in our opinion, the requirements stipulated under clause 10(b) read with clause 10(a) of Part I SEBI Circular are not applicable to the Draft Scheme for the reasons stated in the Annexure 1.

Restriction on Use

11. This revised Report has been prepared at the request of the Company for submission to SEBI or any other authority as required under the Act. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom this report is shown or into whose hands it may come.

We have no responsibility to update this revised certificate for events and circumstances occurring after the date of this revised certificate.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Tridevlal Khandelwal
Partner
Membership Number: 501160
UDIN: 22501160ADSUUD8106

Place of Signature: Pune
Date: February 26, 2022