

Board's Report

Dear Members,

We share with you our 57th Annual Report, together with the Audited Financial Statements for the year ended March 31, 2023.

The Directors are pleased to inform that Hindustan Zinc delivered exemplary operational performance showcasing resilience while ensuring safe operations and continued to improve on its performance of various ESG metrics. The Company has taken a proactive approach to keep its assets and people safe, while increasing engagement with the communities.

THE YEAR IN SUMMARY

The Company continued to deliver stellar results during the year, touching new operational milestones. Mine production continued to improve during the year with ore production for the full-year up 2% y-o-y to deliver a record 16.7 Mt, supported by strong production growth at Rajpura Dariba, Sindesar Khurd and Rampura Agucha mines, which were up 11%, 7% and 6% respectively. Mined metal production was up 4% y-o-y to record 1,062 kt driven by higher ore production, improved mined metal grades and operational efficiencies. The Company also recorded ever highest mine development, registering 4% growth y-o-y, crossing the 110 km mark in line with increasing production requirements and securing future resource base.

The Company crossed the 1 million tonne refined metal production mark for the first time producing ever highest 1,032 kt of refined metal supported by strong MIC production and better plant availability.

The Company diligently focussed on community upliftment in the areas of education, sustainable livelihoods, women empowerment, health, sports & culture, water & environment and community assets creation.

The Company is ranked #3 globally and #1 overall in Asia-Pacific at S&P Global Corporate Sustainability Assessment Score in metal and mining sector. The Company has also been selected as a leadership band 'A' listed company for 'Climate Change' and band 'A-' listed company for 'Water Security' in CDP 2022.

I. HEALTH, SAFETY AND ENVIRONMENT

Occupational Health & Safety

In line with our commitment to ensure zero harm to employees, the leadership has undertaken the prime responsibility of providing a safe workplace for all employees entering our premises. While committed to operate a business with 'zero harm', it is with deep grief we report the loss of lives of six business partner colleagues and one Hindustan Zinc employee in work-related incidents at our managed operations. These incidents happened despite our constant efforts

to eliminate fatalities and attain a 'zero harm' work environment. A thorough investigation was conducted to identify the causes of these incidents and share the lessons learned across Hindustan Zinc, to prevent similar incidents in the future.

LTIFR for the year was 0.70 as compared to 0.81 in FY 2021-22.

During the year, to avoid fatalities and catastrophic incidents in Hindustan Zinc, 'Vihan': a critical risk management (CRM) initiative was launched to improve managerial control over rare but potentially catastrophic events by focussing on the critical controls. We have reinforced the focus upon four critical risks i.e., fall of ground (FOG), fall of person/object from height (WAH), vehicle pedestrian interaction (VPI) and entanglement. Through these initiatives, we want to ensure that all identified critical controls are being monitored on a daily basis and systems are in place.

Safety pause was also conducted across all our operational units covering all shift employees under the theme 'stop work if it's not safe'. During this connect all recent safety incidents that happened across group companies were discussed and key learnings were shared.

A Community of Practice (CoP) on "Structure Stability" was established during the year to institute a review mechanism of all prevailing civil and mechanical structures; further a specific categorisation was established to mark the structures based on which their repair/replacement will be planned.

Second half of the year has been a period of innovation for mining operations to avoid manual intervention and related risk with inclusion of:

Digitalised drilling of production stopes during blasting operations eliminating manpower requirement, machine drills in auto mode with interlock features and digital radio frequency identification (RFID) based cap lamps along with proximity sensors to avoid man-machine interaction underground.

Training and capability building was also a core theme during the year, few such key programmes were:

First underground practical cum digitised training gallery developed at Rampura Agucha Mines (RAM) to provide all facility of surface training to underground operations team, wi-fi network available at training place so that underground manpower can connect from underground to any kind of seminars/trainings, safety leadership development programme initiated for mines frontline supervisor through ex-DGMS officials and Dupont, launch of a unique virtual reality-based simulator training for jumbo operator at RAM.



Response during any emergency is a paramount parameter to ensure safety of the people. As a proactive measure, we have conducted emergency response and crisis plan (ERCP) gap assessment study across all the sites. Further, the 51st All India Mines Rescue Competition was hosted under the aegis of DGMS at Rajpura Dariba Complex, a 10-day capacity building training programme on 'disaster management' was conducted at Zawar Mines (ZM), the training included medical first responder, collapsed structure search & rescue, fire management, chemical emergencies, etc. RAM has reaffirmed safety & rescue by establishing underground fire tender with remote operated foam unit and thermal imaging camera for blind zones.

Demonstrating the highest standards of health and safety management during the year, Dariba Smelting Complex received the prestigious 'Sword of Honour' from British Safety Council for showing excellence in the management of health and safety risks at work. Kayad Mines received 5-Star Rating Award in safety and welfare by Rajasthan Government and Jaswant Singh Gill Memorial Industrial Safety Excellence Award 2022 for underground metal mining in India.

Environment

Hindustan Zinc commits to 'long-term target to reach net-zero emissions by 2050' in line with Science Based Targets initiative (SBTi) aiming to have a clear and defined path to reduce emissions in line with the Paris Agreement goals. To achieve this target, we are working towards improving our energy efficiency, switching to low carbon energy sourcing, introducing battery operated electrical vehicles and increasing the role of renewables in our energy mixes.

We have entered into a power delivery agreement for sourcing up to 450 MW of renewable power by 2025 which will not only strengthen our commitment towards a clean future but will also help reduce emissions to the tune of 2.7 mn tCO₂e. Pantnagar Metal Plant is sourcing 100% green power for its operations thus making it a one-of-a-kind initiative, leading towards reducing emissions by 30,000 tCO₂e.

Technology and digitalisation are key to strengthening our ESG footprint and creating a net-zero future. It is our ambition to convert all our mining equipment to battery-operated electric vehicles (EVs). To make our mining operations environment-friendly, we plan to invest US\$ 1 billion over the next few years towards mitigating climate change impacts.

EVs are a globally recognised means to reduce dependence on petroleum products and thus reduce CO₂ emissions. Therefore, Hindustan Zinc signed a Memorandum of Understanding (MoU) with Epiroc Rock Drills AB, Normet Group Oy and Sandvik AB to introduce battery electric vehicles (BEV) in its underground mining operations making Hindustan Zinc the first Company in India to do so.

Hindustan Zinc has led by example by inducting an LNG powered truck for upstream and downstream transportation which shall reduce greenhouse gas (GHG) emissions. We are also using 5% biomass for power generation at our captive thermal power plants thereby reducing carbon footprint.

In line with Hindustan Zinc's policy of a green value chain, our business partners have also started operating EVs and several electric forklifts have been introduced in our multiple business units.

At Hindustan Zinc, we recognise the reality of climate change. Therefore, our risk management processes embed climate change in the understanding, identification, assessment and mitigation of risk. We have published our second task force on climate-related financial disclosures (TCFD) report during the year which sets the adoption of the TCFD framework for climate change risk and opportunity disclosure.

Endeavouring towards being a sustainable organisation we have refreshed our materiality matrix and established the ESG governance at tier 3 level as well as at SBU level to implement ESG projects on ground.

Hindustan Zinc joined the taskforce on nature-related financial disclosures (TNFD) piloting with ICMM to access the challenges in implementing the LEAP process of TNFD.

Miyawaki afforestation was completed at Dariba Smelting Complex (DSC) and Chanderiya Lead-Zinc Smelter (CLZS). 12,000 indigenous plants and 6,500 native seeds were planted in an area of 1 hectare at each of the locations to create a self-sustaining forest in the span of 3 years.

A 3 year engagement with International Union for Conservation of Nature (IUCN) has also been initiated. Under this, we have prepared an Integrated Biodiversity Assessment Tool (IBAT) report for all Rajasthan based locations identifying species present in the core area, reframed our biodiversity policy, conducted ecosystem service review across the Rajasthan based locations, completed the biodiversity risk assessment and site visit by IUCN team members done for two seasons. These studies will help Hindustan Zinc prepare a strategy to achieve 'no net loss' towards biodiversity. Green cover study has been done by the State Remote Sensing Application Centre (SRSAC), Jodhpur for all Rajasthan based locations of Hindustan Zinc.

One of the most notable achievements has been the successful commissioning of a 3,200 KLD zero liquid discharge (RO-ZLD) plant at the Dariba smelter. Apart from that, ZM and RAM ZLD projects of 4,000 KLD capacity each have also been initiated to improve recycling and strengthen the zero discharge. Like ZM, dry tailing plant at Rajpura Dariba mine is also under final stage of commissioning and will result in significant amount of water recovery from the tailings.



Site inspection and updated Global Industry Standard on Tailing Management (GISTM) Conformance Assessment completed by ATC Williams for all tailing storage facility (TSF). Published the 1st Environmental Product Declaration (EPD), a type 3 ecolabel of our zinc product thus reinforcing our commitment to sustainability, transparency, and minimising environmental footprint.

Public hearing was conducted successfully at CLZS for proposed enhancement of zinc production capacity from 504 to 630 kt and installation of induction furnace, slab casting line, raw zinc oxide (RZO) unit, change in product mix in pyro unit on total metal basis & installation of lead refinery and minor metal complex etc.

Our sustainability related activities received several endorsements during the year:

- Hindustan Zinc ranked #3 globally and #1 overall in Asia-Pacific at S&P Global Corporate Sustainability Assessment Score in metal and mining sector. Scores improved from 77 last year to 80 this year
- Hindustan Zinc won the “Industry Leadership Award - Base, Precious and Specialty Metals” and “Corporate Social Responsibility” at the prestigious S&P Global Platts Global Metal Awards
- Included in Sustainability Yearbook 2023 amongst the top 5% most sustainable organisations globally
- GreenCo rating 2022: Dariba Smelting Complex (Gold rating), Chanderiya Lead-Zinc Smelter (Gold

rating), Debari Zinc Smelter (Silver rating), Zawar Mines (Silver rating), RAM (Silver rating)

- Hindustan Zinc received the Indian Patent for in-house innovation for process to treat Antimony-bearing by-product of zinc-lead smelters and convert it into a value-added product, Potassium Antimony Tartarate (PAT). Previously, we received the patent for the same category from the US and Europe patent offices in the years 2021 & 2019 respectively
- Climate Action Programme (CAP) 2.0° - Oriented Award in the Energy, Mining and Heavy Manufacturing Sector
- Sustainability ESG scoring improved from 46.6 to 29.6, management scores improved from Average to Strong
- Hindustan Zinc awarded with CII EXIM Business Excellence Award 2022
- Hind Zinc school awarded with prestigious Platinum Certification from the Indian Green Building Council
- Hindustan Zinc selected as leadership bands A/A-listed company by CDP “Climate Change A” and “Water Security A-” in CDP 2022 and has been recognised as leaders in supply chain
- CII - ITC Sustainability award to CLZS as Outstanding accomplishment in corporate excellence and Debari Zinc Smelter (DZS) as Excellence in environment management
- Hindustan Zinc’s 4 mines received 5 Star Rated Mines’ award by the Ministry of Mines, Government of India

II. OPERATIONAL PERFORMANCE

Production performance

Production	FY 2022-23	FY 2021-22	% Change
Total mined metal (kt)	1,062	1,017	4%
Refined saleable metal production (kt)	1,032	967	7%
Refined zinc – integrated (kt)	821	776	6%
Refined lead – integrated (kt)	211	191	10%
Saleable silver production (in tonnes)	714	647	10%

Production

For the full-year, ore production was up 2% y-o-y to 16.74 Mt on account of strong production growth at Rajpura Dariba, Sindesar Khurd & Rampura Agucha mines, which were up 11%, 7% and 6% respectively. FY 2022-23 saw the best-ever mined metal production of 1,062 kt compared to 1,017 kt in the prior year in line with higher ore production across mines supported by better mined metal grades and operational efficiencies.

For the full year, we saw our ever-highest metal production, up 7% to 1,032 kt in line with consistent mined metal flow from mines and better plant availability, while silver production was 10% higher at 714 MT in line with higher lead metal production.

The Company generated 2,996 million units of thermal based power in FY 2022-23. Total green power generation was 713 million units as compared to 720 million units in FY 2021-22.

Sales

During the year, domestic refined zinc metal sales was 484 kt as against 506 kt last year, while export sales for the year stood at 337 kt as compared to 271 kt a year ago. The aggregate sales were higher by 6% than previous year, in line with production. Lead metal sales in the domestic market were 186 kt, while export sales were 25 kt leading to increase in aggregate sales by 10% from a year ago, in line with the increase in lead metal production. Silver sales were 714 MT in FY 2022-23, all in the domestic market and 10% higher than previous year.



III. FINANCIAL PERFORMANCE

Financial Information

Particulars	(₹ in crore)	
	FY 2022-23	FY 2021-22
Revenue from operations (incl. other operating income)	34,098	29,440
Other income	1,379	1,216
Profit before depreciation, interest, tax, and exceptional item	18,885	17,441
Less: Interest	333	290
Less: Depreciation and amortisation expense	3,264	2,917
Less: Exceptional Item	-	134
Profit before tax	15,288	14,100
Less: Net tax expense	4,777	4,471
Net profit	10,511	9,629
Earnings per share (₹/share)	24.88	22.79

Annual Performance

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/Investor-presentation_21042023.pdf

Revenue

The Company reported 'Revenue from operations' including other operating income of ₹ 34,098 crore, an increase of 16% y-o-y primarily on account of increase in zinc prices, higher metal and silver sales due to increase in production, strategic hedging and favourable exchange rate, partly offset by lower lead and silver prices.

The 'Other income' was ₹ 1,379 crore during the year compared to ₹ 1,216 crore in the previous year with support of higher rate of return in current year as against the previous year.

Production Cost

Zinc's cost of production (COP) excluding royalty for FY 2022-23 was ₹ 1,00,893 (US\$ 1,257) per tonne, higher by 21% y-o-y. The full year COP was higher, largely on account of higher coal prices & input commodity inflation, partly offset by higher volumes, better sulphuric acid realisation & improved operational efficiencies.

Operating Margin

The above revenue and production cost resulted in profit before depreciation, interest and tax (PBDIT) of ₹ 18,885 crore in FY 2022-23, up 8% on account of higher volumes, rise in LME prices, strategic hedging, partially offset by higher coal and input commodity prices.

Net Profit

Net profit was ₹ 10,511 crore, up 9% y-o-y where in the impact of higher PBDIT was partly offset by higher depreciation and amortisation. Effective tax rate for the year at 31.2% as compared to 31.7%.

Earnings Per Share (EPS)

The EPS for the year was ₹ 24.88 per share as compared to ₹ 22.79 per share in FY 2021-22.

Dividend

Interim dividend of 3,775%, i.e., ₹ 75.5 per share on equity share of ₹ 2 each amounting to ₹ 31,901 crore was declared in the FY 2022-23.

The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI 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, 2023, the Company's gross investments and cash & cash equivalents were ₹ 10,061 crore.



Cash Flows

Particulars	(₹ in crore)	
	FY 2022-23	FY 2021-22
Opening Cash*	20,789	22,308
Add: EBITDA**	17,590	16,289
Add: Net Interest Income	1,151	604
Less: Income Tax	3,140	2,391
Less: Dividend	31,901	7,606
Less: Capital Account Payments	3,561	2,998
Add: Borrowings	8,978	(4,315)
Add: (Increase)/Decrease in Working Capital & Others	155	(1,102)
Closing Cash*	10,061	20,789

(*) Includes Cash & 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 ₹ 3,132 crore to ₹ 2,578 crore as at March 31, 2023 primarily due to decrease in trade receivables and coal stock. The working capital cycle was 28 days in FY 2022-23 as compared to 40 days in FY 2021-22.

Gross Block

The gross block during the year increased from ₹ 37,453 crore to ₹ 40,426 crore. This was largely due to the ongoing mining projects and other sustaining capex.

Capital Employed*

The total capital employed as at March 31, 2023 was ₹ 14,712 crore, as compared to ₹ 16,315 crore at the end of previous fiscal year.

*Refer page 51 for description

Contribution to the Government Treasury

The Company has contributed ₹ 24,892 crore during FY 2022-23, in terms of royalties, dividend and taxes to the Government treasury, aggregating to approximately 73% of the total operating revenue.

IV. RESERVE & RESOURCE (R&R)

On an exclusive basis, total Ore Reserves at the end of FY 2022-23 stood at 173.49 million tonnes (net of depletion of 16.74 million tonnes during FY 2022-23) and exclusive Mineral Resources totalled 286.56 million tonnes. Total contained metal in Ore Reserves is estimated at 9.64 million tonnes of zinc, 2.7 million tonnes of lead and 310.2 million ounces of silver. The Mineral Resource contains approximately 12.8 million tonnes of zinc, 5.66 million tonnes of lead and 545.7 million ounces of silver. At current mining rates, the R&R underpins metal production for more than 25 years.

V. PROJECTS

In Hindustan Zinc journey of 1.25 Mtpa MIC expansion, only remaining project of RD beneficiation plant

revamping is under execution at RD mines which is scheduled to be commissioned in FY 2023-24. Fumer plant commissioning is delayed due to VISA issues of OEM from China. The plan is to complete commissioning of plant through OEM support in FY 2023-24. For further phase of expansion of mines and smelters, studies are under progress and results are expected in FY 2023-24.

The capacity of smelters is being enhanced by putting up a new roaster in Debari with latest technologies. The order placement is targeted by Q1 FY 2023-24.

With increasing focus on enhancing the value-added product portfolio, a new project of Alloys commissioned through a subsidiary - Hindustan Zinc Alloys Private Limited (HZAPL) in FY 2022-23, which is scheduled for completion in FY 2023-24. Hindustan Zinc is also setting up a new fertiliser plant at Chanderiya for which partner has been locked in. Project is scheduled for completion in 24 months. Through HZAPL and Hindustan Zinc Fertilisers Private Limited (HZFPL), the Company will move from a commodity-based to a product-based Company.

VI. SUBSIDIARIES/JOINT VENTURES

As on March 31, 2023, your Company had 4 wholly owned subsidiaries and 1 joint venture 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
2. Vedanta Zinc Football & Sports Foundation
3. Hindustan Zinc Fertilisers Private Limited
4. Zinc India Foundation
5. Madanpur South Coal Company Limited

During the year under review, no changes occurred in your Company's holding structure.

VII. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's CSR initiatives passionately focusses 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.

During the year, the Company spent ₹ 276.34 crore on CSR programmes, more than the 2% of CSR mandate which was ₹ 214.38 crore. For further details, refer **Annexure 3** and 'Operational Review' section of this Annual Report.

VIII. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Kannan Ramamirtham (DIN: 00227980) was appointed as Non-executive Independent Director on the Board of the Company for a period of 1 year effective from September 01, 2022 to August 31, 2023. The same was approved by the shareholders through postal ballot outcome dated October 31, 2022.

Mrs. Kiran Agarwal has ceased to be the Chairperson and Director of the Company w.e.f. January 18, 2023 (from the close of business hours) and Ms. Priya Agarwal has been appointed on the Board as Additional Director and Chairperson of the Company w.e.f. January 19, 2023. The same was approved by the shareholders through postal ballot outcome dated April 10, 2023.

Mr. Sandeep Modi, Interim Chief Financial Officer (CFO) has been elevated as Chief Financial Officer w.e.f. April 21, 2023 by the Board.

The Company's policy on appointment of Directors and their remuneration is available on the Company's website <https://www.hzliindia.com/wp-content/uploads/HZL-Nomination-Remuneration-Policy-20.1.2020.pdf>

IX. MANAGEMENT DISCUSSION AND ANALYSIS

The 'Operational Overview' section of this Annual Report gives a detailed account of the Company's operations and the market in which it operates. The 'Financial Performance' section of this Board Report and the 'Key Performance Indicators' section of this Annual Report provide a discussion on the financial performance and key financial ratios of the Company. The initiatives in the areas of human resources, sustainability and risk management are covered in the respective sections of this Annual Report.

X. CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

As a listed company, necessary measures are taken to comply with the listing agreements of the Stock Exchanges. A report on Corporate Governance forms part of this report. Further, 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. In order to maintain transparency and efficient

governance, various disclosures as required under sections 134 and 135 of the Companies Act, 2013 are annexed to this report or covered in the Corporate Governance Report, such as Related Party Transactions; information and details on conservation of energy, technology absorption, foreign exchange earnings and outgo; extract of annual return; constitution of various Board level committees; annexure on CSR, etc.

XI. 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, 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

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 FY 2022-23.

XII. BOARD EVALUATION

The Nomination and Remuneration Committee has devised a criterion 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 code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

Board evaluation is done on an annual basis by a third party.

During the year, Company engaged Deloitte Haskins & Sells LLP (DHS) for carrying out the performance evaluation of all the Board members, Board as a whole and various committees.

The criteria used by them basis which the individual Director performance evaluation has been done included:

- preparation and participation in Board meetings
- personality and conduct
- quality of value added
- understanding of the Company's mission, vision, philosophy and strategy
- understanding of the industry and the business in which the Company operates
- independence of judgement
- independent thinking ability to bring a divergent view, etc.

CEO & Whole-time Director evaluation was more focussed towards Company performance and leadership, team building and management succession, edge in execution of strategy formulated by the Board.

The evaluation of the various Board committees was more focussed towards:

- it's charter/terms of reference
- number of meetings held and its appropriateness
- timely availability of information
- committee composition
- committee decisions are adequately conveyed and implemented
- meetings are conducted in a manner that ensures open communication, meaningful participation and timely resolution of issues
- independency of committee to contribute effectively

Assessment of each Director on the Board is done by the other Directors including that of various committees. The consolidated outcome from all the Directors is prepared by the Chairman of Nomination and Remuneration Committee and presented to the Board of Directors. All the Directors had been rated excellent

and overall finding shows that the Board and its various committees are working very well. All Board members come with very strong backgrounds and add lot of value & insights to the Company by making the meetings participative and engaging.

XIII. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

XIV. RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed using the following link: https://www.hzindia.com/wp-content/uploads/HZL_RPT-Policy_Revised_21.04.2023.pdf

During the year under review, all transactions entered into with related parties were approved by the Audit Committee/Board of Directors of the Company as per the applicable case. 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. 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**.

XV. 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.

XVI. AUDITORS

The Company had appointed M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company to conduct audit of Financial Statements for the year ended March 31, 2023. The notes to Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification or reservation.

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 Vinod Kothari & Company, 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 including at least one-woman Independent Director and for which the Company is in touch with two major shareholders, which is self-explanatory.



As per provisions of section 136 of the Companies Act, 2013, the Annual Report including the audited accounts for the year will be sent to all the shareholders whose e-mail addresses are registered.

Reporting of Frauds by Auditors

During the year, none of the auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act.

XVII. VIGIL MECHANISM

The Company has a 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 SEBI Listing Regulations, to report concerns about unethical behaviour. This policy is available on the Company's website on <https://www.hzllindia.com/wp-content/uploads/HZL-WHISTLE-BLOWER-POLICY-19.10.2015.pdf>

XVIII. ANNUAL RETURN

Pursuant to section 92(3) read with section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website <https://www.hzllindia.com/investors/reports-press-releases/>

XIX. PARTICULARS OF EMPLOYEES

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 attached to this report. In terms of the provisions of section 197(12) of the Companies Act, 2013 read with rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said rules forms part of the report. However, having regard to the provisions of the first proviso to section 136(1) of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at registered office of the

Company during working hours. Any member interested in obtaining such information may write to the Company Secretary at the registered office and the same will be furnished on request. Further the details are also available on the Company's website: www.hzllindia.com.

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.

XX. 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.

XXI. ACKNOWLEDGEMENTS

We sincerely thank our customers, vendors, investors, business partners, worker unions, auditors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our continued success was made possible by their hard work, solidarity, commitment and support. We thank the Government of India, the state governments of Rajasthan, Andhra Pradesh, Gujarat, Karnataka, Tamil Nadu, Maharashtra and Uttarakhand for their continued support.

For and on behalf of the Board of Directors

Arun Misra
CEO & Whole-time Director
DIN : 01835605
Udaipur
Date: April 21, 2023

Anjani K Agrawal
Director
DIN : 08579812
Mumbai



Annexure 1

Particular of technology absorption and foreign exchange earnings and outgo, as per Section 134(3)(m) of the Companies Act, 2013 and the rules made therein and forming part of the Board's Report for the year ended March 31, 2023

A) CONSERVATION OF ENERGY

- Cooling tower makeup Variable Frequency Drive (VFD) installed in CLZS CPP (336 kW/day saving)
- VFD installation in effluent transfer pump (312 kW/day), degasser water pump (144 kW/day) and LDO forwarding pump (24 kW/day) in CLZS CPP
- Electrostatic precipitator duct leakage arrested in CLZS (1000 kW saving)
- Boiler Feed Pump – Automatic Recirculation Valve replacement in 2800 kW saving at CLZS
- In-house engineering to utilise unused VFD and installation in PA fan A for APC reduction. Project was installed in May 2022 and till FY 2022-23 closure total 0.93 MU (kW) savings achieved 2,650 kW/day saving on an average
- BFP B cartridge replacement : 3000 kW/day saving (0.57 MU FY 2022-23)
- Cooling tower fills, energy efficient shaft & carbon fiber blades partial replacement in ZM CPP: yet to completed due to material non availability

B) TECHNOLOGY ABSORPTION

a) Specific areas in which R&D has been carried out by the Company in FY 2022-23

- Enhance grade and recovery of metals during mineral processing on various circuits
- Improve recovery of metals in existing ancillary processes from the residue generated in zinc purification process
- Development of value-added products of manganese and zinc bearing residues
- Development of process for metal recovery from Jarosite
- Development of online test methods for roasting process process monitoring
- Improvement of current efficiency in electrowinning of zinc including development of test method for online process monitoring
- Metals recovery from zinc hydro plant tailings
- Geo-metallurgical performance like ore hardness, mineralogy and flotation performance for individual ore types across Hindustan Zinc mines

- Automated mineralogy equipment installed and characterisation (liberation, association & modal mineralogy) of ore samples started
- Provided technical support to mills for operational issues like high rejects from grinding mills, increased misplacements and poor concentrate quality
- Silver recovery improvement by testing of alternate reagents and enhanced gravity separation technique to improve silver metallurgy
- Utilisation of grinded blast furnace slag as a binder in paste fill plant
- Nitrate based leaching test work conducted to enhance zinc recovery and reduce the waste footprint in zinc hydro process
- Optimise the use of strontium-based reagent and explore the alternate reagent to suppress lead impurities in zinc cell house
- Optimisation of metallurgical performance at various grind characteristics
- Improvements in advanced process control for flotation circuit stability and metal recovery
- Development of model and simulation for flotation circuits
- Flotation recipe for recovery of metal values from oxide ore

b) Benefits derived as result of above R&D

- Implemented the process to improve silver recovery at Zawar by utilising silver promoter reagent
- Deployed non-hazardous flotation-reagent across sites, while simultaneously reducing costs
- Alternative low capex process for jarosite preparation for its use in cement industry, customer test planned
- Sodium based salt production from effluent stream and its use in hydro process
- Increase the current efficiency of zinc electrowinning process and improve quality of HG grade zinc in the manually operated zinc cell house



- Implemented the process of increasing metal recovery from zinc process residue at ancillary plant
 - Improve recovery of metals from copper matte and enhance copper sulphate production
 - Geo-metallurgical studies have provided advance insight of ore performance to guide flotation recipe for plant problem solving and to support mines expansion plans
 - Maintained concentrate grade and recovery from RD ore by suitable ore blend
 - Explore the impact of ions present in electrolyte during zinc electrowinning operation
 - Optimise the process conditions to achieve the highest current efficiency in electrorefining of lead
 - Explore technologies to recover silver from the zinc concentrate and jarosite
 - Development of value added high-purity products
 - Plant support with ore and mill specific mineralogical characterisation and metallurgical performance studies
 - Progress development and implementation of online monitoring tools to enhance process stability of roasting operation and Cupola furnace
 - Recover metal values from waste generated from lead smelting process
 - Explore the useful utilisation of calcium bearing residue
 - Explore replacement of flotation reagents to reduce cost with improved environmental profile and without performance deterioration
- c) Future projects for R&D in FY 2022-23**
- Development and use of process monitoring and simulation approaches to improve concentrate grade and recovery by reducing misplacements of metals and impurities
 - Progress development of processes for metal recovery from tailings
 - Feasibility and opportunity for regrinding and fines flotation technologies to improve metal recoveries
 - To evaluate opportunity for recovery of REE and strategic metals from waste streams

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange outgo was ₹ 2,806.24 crore (which includes import of capital goods, stores & spares, coal, consumables, consultancy, travelling etc.), while foreign exchange earned was ₹ 9,265.11 crore.

FORM "A"

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Particulars	Unit	Year ended	Year ended
		March 31, 2023	March 31, 2022
A Electricity, Power Generation & Fuel Consumption			
Purchase Units	Million kWh	1,640	616
Total Amount	₹ crore	1,132	475.63
Average rate of purchasing	₹/kWh	6.90	7.73
CPP - Units generated from fuel oil			
Own Generation Units (from fuel oil)	Million kWh	1.3	0.9
Quantity Consumed			
LSHS/FO	MT	0.0	0.4
HSD	KL	257	328
Total Amount	₹ crore	2.55	2.44
Average cost of fuel per Kg	₹/kg	99.00	90.57
Average cost of generation	₹/kWh	24.71	26.88
Unit generated per unit of fuel (LSHS/FO/HSD)	kWh/kg	5.05	3.37
CPP - Units generated from coal			
Own Generation Units (from coal)	Million kWh	2,739	3,584
Quantity Consumed			
Coal	MT	1,272,533	1,692,706
LDO	KL	382	476
Total Amount	₹ crore	2,402.66	1822.99



Particulars	Unit	Year ended	Year ended
		March 31, 2023	March 31, 2022
Average cost per Kg (coal)	₹/kg	18.88	8.54
Average cost per Kg (LDO)	₹/kg	72.28	86.56
Average cost of generation	₹/kWh	9.47	5.83
Unit generated per unit of fuel (coal)	kWh/kg	2.35	2.30
B) Fuel Consumption for Metal Production			
(a) L.P.G./Propane			
Quantity	Million Kg	6.91	0.11
Total Amount	₹ crore	43.78	0.61
Average cost per Kg	₹/Kg	63.32	55.18
(b) L.D.O./LSHS/FO			
Quantity	KL	22,413	20,272
Total Amount	₹ crore	172.05	105.47
Average cost per Ltr	₹/Ltr	76.76	52.03
(c) HSD			
Quantity	KL	56,280	51,805
Total Amount	₹ crore	557.16	425.32
Average cost per Ltr	₹/Ltr	99.00	82.10
(d) Coal for Steam & Others			
Quantity	MT	11,702	24,727
Total Amount	₹ crore	23.60	31.40
Average cost per MT	₹/MT	20,168	12,700
(e) Met Coke & Coke Breez			
Quantity	MT	99,048	81,159
Total Amount	₹ crore	491.06	379.51
Average cost per MT	₹/MT	49,578	46,762
(f) Gas, PNG, Process, Gas			
Quantity	M ³	5,606,314	12,537,063
Total Amount	₹ crore	34.7	45.4
Average cost per MT	₹/M ³	61.9	36.2



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

- | | |
|---|---|
| <p>1. Details of contracts or arrangements or transactions not at arm's length basis: NIL</p> <p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of the contracts/arrangements/transactions</p> <p>(c) Duration of the contracts/arrangements/transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including value, if any</p> <p>(e) Justification for entering into such contracts or arrangements or transactions</p> <p>(f) Date(s) of approval by the Board</p> <p>(g) Amount paid as advances, if any</p> <p>(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188</p> | <p>2. Details of the material contracts or arrangements or transactions at arm's length basis: NIL</p> <p>(a) Name(s) of the related party and nature of relationship</p> <p>(b) Nature of contracts/arrangements/transactions</p> <p>(c) Duration of the contracts/arrangements/transactions</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>(e) Date(s) of approval by the Board</p> <p>(f) Amount paid as advances, if any</p> |
|---|---|

For and on behalf of the Board of Directors

Arun Misra

CEO & Whole-time Director
DIN : 01835605
Place: Udaipur
Date: April 21, 2023

Anjani K Agrawal

Director
DIN : 08579812
Place: Mumbai

Note: In item 2, material is defined as greater than 10% of the turnover



Annexure 3

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2022-23

1. Brief outline on CSR Policy of the Company:

Hindustan Zinc is committed to the principles of harmonious and sustainable development, protecting human life, health and environment, ensuring social well-being and adding value to the communities. CSR policy is in line with organisation's philosophy & governance protocols wherein various aspects of geographical reach, thematic areas, execution & monitoring of programmes are well defined.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013 and amendments thereto from time to time. Details of the Company's website of the CSR policy and projects or programmes undertaken by the Company are available on links given below:

<https://www.hzindia.com/csr/overview/>

2. Composition of CSR Committee:

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during their tenure	Number of meetings of CSR Committee attended during their tenure
1	Mrs. Kiran Agarwal*	Chairperson	3	3
2	Ms. Priya Agarwal**	Chairperson	-	-
3	Mr. Akhilesh Joshi	Independent Director	3	3
4	Ms. Nirupama Kotru	NED	3	3

* Mrs. Kiran Agarwal, Chairperson and Director of the Company ceased to be Chairperson & Director w.e.f. January 18, 2023 from the close of business hours

** Ms. Priya Agarwal has been appointed as a Director & Chairperson w.e.f. January 19, 2023

During FY 2022-23, three (3) CSR Committee meetings were held as on April 18, 2022, July 18, 2022 & January 16, 2023

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

Composition of the CSR Committee shared above and is available on the Company's website on <https://www.hzindia.com/wp-content/uploads/Committee-Composition-as-on-March-31-2022.pdf>

CSR policy - <https://www.hzindia.com/csr/csr-policy/>

CSR projects - <https://www.hzindia.com/csr/csr-policy/hzl-csr-activities/>

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 FY 2022-23.

The link for accessing the same is <https://www.hzindia.com/wp-content/uploads/Consolidated-Impact-Report-IICA.pdf>

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. No.	Financial year	Amount available for set-off from preceding financial years (in ₹ crore)	Amount required to be set-off for the financial year, if any (in ₹ crore)
1	2022-23	4.24	4.24
	TOTAL	4.24	4.24



6. Average net profit of the Company as per section 135(5) - ₹ 10,719.16 crore
7. (a) Two percent of average net profit of the Company as per section 135(5) - ₹ 214.38 crore
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL
 (c) Amount required to be set off for the financial year, if any - ₹ 4.24 crore
 (d) Total CSR obligation for the financial year (7a+7b- 7c) - ₹ 210.14 crore
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ crore)	Amount Unspent (in ₹ crore)				
	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
₹ 260.91*	NIL	NA	NA	NIL	NA

* Difference of reported CSR Spent of ₹ 260.91 crore & actual CSR Spent of ₹ 276.34 crore consists of (a) Opening prepaid asset of ₹ 4.24 crore & (b) ₹ 11.18 crore absorbed by the organisation due to STP asset transfer



(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11		
S. No. of Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in years)	Amount allocated for the project (in ₹ crore)	Amount spent in the current financial year (in ₹ crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementing Agency	CSR Registration number
1	Khushi	(i)	Yes	Rajasthan	Chittorgarh, Bhilwara	4	4.79	4.79	0.00	No	CARE India Solution	CSR00000786
2	Khushi	(i)	Yes	Rajasthan	Ajmer	4	0.88	0.88	0.00	No	Gramin Avam Samajik Vikas Sanstha	CSR00003124
3	Khushi	(i)	Yes	Rajasthan	Rajsamand	4	2.12	2.12	0.00	No	JATANSANSTHAN RAILMAGRA	CSR00000529
4	Khushi	(i)	Yes	Rajasthan	Udaipur	4	5.17	5.17	0.00	No	SEVA MANDIR	CSR00000288
5	Shiksha Sambal	(ii)	Yes	Rajasthan	Udaipur, Chittorgarh, Bhilwara, Ajmer, Rajsamand	4	4.60	4.60	0.00	No	Vidya Bhawan Society	CSR000003180
6	Child Care Centers	(i)	Yes	Rajasthan	Udaipur, Rajsamand, Chittorgarh	4	0.47	0.47	0.00	No	SEVA MANDIR	CSR00000288
7	Jeevan Tarang	(ii)	Yes	Rajasthan	Udaipur, Ajmer, Bhilwara	4	0.16	0.16	0.00	No	NOIDA DEAF SOCIETY	CSR00000396
8	Jeevan Tarang	(ii)	Yes	Rajasthan	Bhilwara, Udaipur	4	0.03	0.03	0.00	Yes		
9	Jeevan Tarang	(ii)	Yes	Rajasthan	Ajmer	4	0.15	0.15	0.00	No	Badhit Bal Vikas Samiti	CSR000007782
10	Jeevan Tarang	(ii)	Yes	Rajasthan	Bhilwara	4	0.25	0.25	0.00	No	Badhir Bal Kalyan Vikas Samiti	CSR000007249
11	Unchi Udaan	(ii)	Yes	Rajasthan	Udaipur	4	2.20	2.20	0.00	No	Vidya Bhawan Society	CSR000003180
12	Unchi Udaan	(ii)	Yes	Rajasthan	Udaipur	4	1.25	1.25	0.00	Yes		
13	Support for Higher education	(ii)	Yes	Rajasthan	Udaipur, Chittorgarh, Bhilwara, Rajsamand	4	0.15	0.15	0.00	No	Vedanta Foundation	CSR00001617
14	Support for Higher education	(ii)	Yes	Rajasthan	Udaipur	4	0.044	0.044	0.00	No	Sumedha	CSR000002372
15	Company run schools	(ii)	Yes	Rajasthan	Chittorgarh, Bhilwara, Rajsamand, Udaipur	4	6.22	6.22	0.00	YES		
16	Swasthya Sewa	(i)	Yes	Rajasthan/ Uttarakhand	Udaipur, Chittorgarh, Bhilwara, Rajsamand, Ajmer, Udhham Singh Nagar	4	1.05	1.05	0.00	No	Deepak Foundation	CSR00000353
17	Swasthya Sewa	(i)	Yes	Rajasthan/ Uttarakhand	Rajsamand, Udaipur, Ajmer, udham singh nagar	4	0.41	0.41	0.00	No	Wockhardt Foundation	CSR00000161
18	Vedanta-Zinc Heart Hospital, Udaipur	(i)	Yes	Rajasthan	Udaipur	3	0.33	0.33	0.00	Yes		
19	Company Run Hospitals	(i)	Yes	Rajasthan	Udaipur, Chittorgarh, Bhilwara, Rajsamand	4	8.90	8.90	0.00	YES		



1	2	3	4	5	6	7	8	9	10	11		
S. No. Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in years)	Amount allocated for the project (in ₹ crore)	Amount spent in the current financial year (in ₹ crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementing Agency	CSR Registration number
20	Zinc Kaushal	(ii)	Yes	Rajasthan	Rajsamand, Bhilwara, Ajmer, Udaipur	4	4.03	4.03	0.00	No	Ambuja Cement Foundation.	CSR00006913
21	Zinc Kaushal	(ii)	Yes	Rajasthan/ Uttarakhand	Chittorgarh, Udhm Singh Nagar	4	0.62	0.62	0.00	No	Tata Community Initiatives Trust	CSR00002739
22	SAMADHAN	(iv)	Yes	Rajasthan	Udaipur, Rajsamand, Bhilwara, Chittorgarh, Ajmer	4	7.90	7.90	0.00	No	BAIF INSTITUTE of SUSTAINABLE LEVEL	CSR00000308
23	SAKHI	(iii)	Yes	Rajasthan/ Uttarakhand	Udaipur, Rajsamand, Chittorgarh, Bhilwara, Udhm Singh Nagar	4	5.70	5.70	0.00	No	Manjari Foundation	CSR00000074
24	Zinc Football Academy	(vii)	Yes	Rajasthan	Udaipur	1	6.47	6.47	0.00	No	Vedanta Zinc Football & sports Foundation	CSR00029273
25	STP	(iv)	Yes	Rajasthan	Udaipur	4	7.68	7.68	0.00	Yes		
26	Support for Digital Classrooms	(ii)	No	Madhya Pradesh	Gwalior	4	0.08	0.08	0.00	No	Muskaan dream Foundation	CSR00005242
27	Micro enterprises/ SME	(ii)	Yes	Rajasthan/ Uttarakhand	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer, Udhm Singh Nagar	4	4.41	4.41	0.00	No	Manjari Foundation	CSR00000074
28	Drinking water supply to community	(i)	Yes	Rajasthan	Udaipur, Rajsamand, Chittorgarh, Bhilwara, Ajmer	3	10.05	10.05	0.00	Yes		
29	Indira Gandhi Stadium Civil work	(vii)	Yes	Rajasthan	Chittorgarh	2	0.76	0.76	0.00	Yes		
30	Construction of stadium	(vii)	Yes	Rajasthan	Jaipur	2	5.03	5.03	0.00	No	Rajasthan Cricket Association	CSR00044864
31	Maintenance of stadium	(vii)	Yes	Rajasthan	Rajsamand	4	0.03	0.03	0.00	Yes		
32	Special projects	(iv)	Yes	Rajasthan	Bhilwara	2	25.05	25.05	0.00	Yes		
33	Preventive Cancer care	(i)	Yes	Rajasthan	Udaipur	2	0.56	0.56	0.00	Yes		
34	Livestock Management Projects	(iv)	Yes	Rajasthan	Bhilwara	3	0.10	0.10	0.00	No	Spars Trust	CSR00011221
35	Promotion of Traditional Art & Culture	(v)	Yes	Rajasthan	Udaipur	1	3.00	3.00	0.00	Yes		
Total							120.64	120.64	120.64			



(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11		
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (in years)	Amount allocated for the project (in ₹ crore)	Amount spent in the current financial year (in ₹ crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name	CSR Registration number
1	Health & Awareness Camp	(i)	Yes	Rajasthan	Udaipur	1	0.11	0.11	0.00	Yes		N.A.
2	Hospital Renovation (CHC Upgradation)	(i)	Yes	Rajasthan	Rajsamand	1	0.26	0.26	0.00	Yes		N.A.
3	SAMADHAN (Support for Lumpy)	(iv)	Yes	Rajasthan	Chittorgarh	1	0.07	0.07	0.00	No	BAIF Institute of Sustainable Livelihood & dev	CSR00000259
4	Coaching for Competitive Exam	(ii)	Yes	Rajasthan	Rajsamand, Bhilwara, Chittorgarh	1	0.20	0.20	0.00	No	Dr Anushka Memorial Educational Soc	CSR000029833
5	Health & Sanitation	(i)	Yes	Rajasthan	Rajsamand, Bhilwara, Udaipur, Ajmer	1	0.50	0.50	0.00	YES		
6	Special Project- Har Ghar Tiranga	(v)	Yes	Rajasthan	Udaipur, Rajsamand	1	0.46	0.46	0.00	YES		
7	Stakeholder Engagement Prog	(v)	Yes	Rajasthan	Udaipur, Ajmer	1	0.03	0.03	0.00	YES		
8	Promotion of Traditional Culture	(v)	Yes	Rajasthan	Udaipur	1	0.10	0.10	0.00	No	Srajan The Spark	CSR00009867
9	Promotion of Traditional Culture	(v)	Yes	Rajasthan	Udaipur	1	0.12	0.12	0.00	No	Tabla Wizard Pt. Chaturial Memorial Society	CSR00002154
10	Promotion of Sports & Culture	(vii)	Yes	Rajasthan	Udaipur Bhilwara, Rajsamand, Ajmer	1	1.30	1.30	0.00	Yes		
11	Zinc Football Academy	(vii)	Yes	Rajasthan	Udaipur	1	0.07	0.07	0.00	Yes		
12	Environment & safety Awareness	(iv)	Yes	Rajasthan	Udaipur	1	0.37	0.37	0.00	Yes		
13	Safety Awareness	(iv)	Yes	Rajasthan	Udaipur, Rajsamand, Bhilwara, Chittorgarh, Ajmer	1	0.03	0.03	0.00	No	JATAN SANSTHAN RAILMAGRA	CSR00000529
14	Plantation & Canal Dev	(iv)	Yes	Rajasthan	Udaipur, Rajsamand, Bhilwara, Chittorgarh, Ajmer	1	0.66	0.66	0.00	Yes		
15	Sewage Treatment Plant	(iv)	Yes	Rajasthan	Udaipur	1	117.25	117.25	0.00	Yes		



1	2	3	4	5	6	7	8	9	10	11
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Project duration (in years)	Amount allocated for the project (in ₹ crore)	Amount spent in the current financial year (in ₹ crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ crore)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name CSR Registration number
16	Solar Light Installation	(iv)	Yes	Rajasthan Rajsamand, Chittorgarh	1	1.31	1.31	0.00	Yes	
17	Rural Infra	(x)	Yes	Rajasthan Bhilwara, Chittorgarh, Ajmer, Udaipur, Rajsamand	1	10.02	10.02	0.00	Yes	
18	*Community asset creation (Education & water Infra)	(x)	Yes	Rajasthan Bhilwara, Rajsamand, Chittorgarh, Udaipur, Ajmer	1	1.17	1.17	0.00	Yes	
TOTAL							134.03			

* Adjustment of ₹ 11.18 crore on account of unabsorbed amount of STP Asset transfer value is netted against Community Asset Creation (Education & water Infra) in serial number 18 above.

- d. Amount spent in administrative overheads - ₹ 6.12 crore
- e. Amount spent on Impact assessment, if applicable - ₹ 0.12 crore
- f. Total amount spent for the financial year (8b + 8c + 8d + 8e) - ₹ 260.91 crore *

* Excludes ₹ 4.24 crore carried forward from previous year



g. Excess amount for set off, if any

S. No.	Particulars	Amount (in ₹ crore)
(i)	Two percent of average net profit of the Company as per section 135(5)	214.38
(ii)	Total amount spent for the financial year	260.91*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	46.53
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	46.53**

* Excludes ₹ 4.24 crore carried forward from previous year and an amount of ₹ 11.19 crore absorbed by the organisation due to STP asset transfer

** Total amount to carry forward for set off in succeeding financial year is 50.77 crore which includes ₹ 46.53 crore of current financial year & ₹ 4.24 crore of previous financial year

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding financial year	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	
1.	NA	NIL	NIL	NIL	NIL	NA	NIL
	TOTAL	NIL	NIL	NIL	NIL	NA	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

S. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹ crore)	Amount spent on the project in the reporting financial year (in ₹ crore)	Cumulative amount spent at the end of reporting financial year (in ₹ crore)	Status of the project - Completed/ Ongoing
1		Khushi	2020-21	36 Months	8.36	4.79	13.15	Completed
2		Khushi	2020-21	36 Months	1.89	0.88	2.77	Completed
3		Khushi	2020-21	36 Months	4.35	2.12	6.47	Completed
4		Khushi	2020-21	36 Months	12.18	5.17	17.35	Completed
5		Shiksha Sambal	2021-22	48 Months	3.07	4.60	7.67	Ongoing
6		Child Care Centers	2020-21	48 Months	0.95	0.47	1.42	Ongoing
7		Jeevan tarang	2022-23	48 Months	0	0.25	0.25	Ongoing
8		Jeevan tarang	2021-22	48 Months	0.07	0.15	0.22	Ongoing
9		Jeevan tarang	2021-22	48 Months	0	0.03	0.03	Ongoing
10		Jeevan tarang	2021-22	48 Months	0.18	0.16	0.34	Ongoing
11		Unchi udaan	2020-21	48 Months	3.83	2.20	6.03	Ongoing
12		Unchi udaan	2020-21	48 Months	2.26	1.25	3.51	Ongoing
13		Scholarship- Yashad	2020-21	36 Months	0.69	0.04	0.73	Completed
14		Support for Higher education (Ringus)	2020-21	48 Months	0.22	0.15	0.37	Ongoing
15		Company run schools	2020-21	48 Months	12.49	6.22	18.71	Ongoing
16		Company Run Hospitals	2020-21	48 Months	22.42	8.90	31.32	Ongoing
17		Zinc Kaushal	2022-23	48 Months	0	4.03	4.03	Ongoing
18		Zinc Kaushal	2021-22	48 Months	0.55	0.62	1.17	Ongoing
19		SAMADHAN	2021-22	48 Months	6.24	7.90	14.14	Ongoing
20		SAKHI	2021-22	48 Months	5.62	5.70	11.32	Ongoing
21		Zinc Football Academy	2021-22	48 Months	5.5	6.47	11.97	Ongoing
22		STP	2020-21	48 Months	15.56	7.68	23.24	Ongoing
23		Support for digital classrooms	2018-19	48 Months	1.69	0.08	1.77	Completed



S. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹ crore)	Amount spent on the project in the reporting financial year (in ₹ crore)	Cumulative amount spent at the end of reporting financial year (in ₹ crore)	Status of the project - Completed/ Ongoing
24		Micro enterprises/ SME	2021-22	48 Months	2.36	4.41	6.77	Ongoing
25		Drinking water supply to community	2021-22	48 Months	0.093	0	0.093	Completed
26		Drinking water supply to community	2020-21	48 Months	0	0	0	Completed
27		Drinking water supply to community	2019-20	48 Months	0.13	0.29	0.42	Completed
28		Sports- Maintenance of stadium	2020-21	48 Months	0.04	0.03	0.07	Ongoing
29		Preventive Cancer Care	2021-22	24 Months	0.76	0.56	1.32	Completed
30		Mobile Health Van – Smile	2018-19	48 Months	1.53	0.00	1.53	Completed
31		Swasthya Sewa	2021-22	48 Months	0.7	1.05	1.75	Completed
32		Swasthya Sewa	2021-22	48 Months	0.81	0.41	1.22	Completed
33		Water Ag	2021-22	24 Months	0.2	0.35	0.55	Completed
34		Micro enterprises/ SME - BAIF	2021-22	48 Months	0.04	0	0.04	Completed
35		Drinking water supply to community	2019-20	48 Months	0.21	0.75	0.96	Completed
36		Drinking water supply to community	2022-23	48 Months	0	0.33	0.33	Ongoing
37		Drinking water supply to community	2022-23	48 Months	0	0.01	0.01	Ongoing
38		Drinking water supply to community	2022-23	48 Months	0	0.03	0.03	Ongoing
39		Drinking water supply to community	2021-22	48 Months	0.09	0.14	0.23	Ongoing
40		Drinking water supply to community	2019-20	48 Months	0.52	0.33	0.85	Completed
Total					115.60	78.55	194.15	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **NA**

(asset-wise details):

- Date of creation or acquisition of the capital asset(s)
- Amount of CSR spent for creation or acquisition of capital asset
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. 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**

Arun Misra

(CEO & Whole-time Director)

DIN: 01835605

Date: April 21, 2023

Priya Agarwal

(Chairperson, CSR Committee)

DIN: 05162177



Annexure 4

I) DISCLOSURE ON REMUNERATION OF MANAGERIAL PERSONNEL

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of Director	Mr. Arun Misra
Mean	1:47
Median	1:68

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Annual Increment (%)
Mr. Arun Misra	49%
Mr. Sandeep Modi	65%*
Mr. Rajendra Pandwal	14%

*FY 2021-22 full year remuneration had been considered for the purpose of comparison

- (iii) The percentage increase in the median remuneration of employees in the financial year: Mean 10.2%, Median 8.9%
- (iv) The number of permanent employees on the rolls of Company: 3,472 (including 4 expats and retainers)
- (v) The explanation on the relationship between average increase in remuneration and Company performance: Based on overall industry trend and Company performance in FY 2022-23
- (vi) Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company: Remuneration of the KMPs as % of the PAT for 2022-23 is 0.13%
- (vii) Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies the variations in the net worth of the Company as at the close of the current financial year and previous financial year:

Date	Market Price in ₹	EPS* (₹)	P/E ratio	Market Capitalisation In ₹ crore	% Change
March 31, 2022	309.7	22.79	13.59	1,30,858	
March 31, 2023	293.4	24.88	11.79	1,23,971	-5.26

*EPS is on consolidated amount

Percentage increase over the last public offer price is not relevant as there has never been any public offer by the Company

- (viii) 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: 10%
 - Average increase in the remuneration of KMPs: 49%
 - Justification: Remuneration is based on the current year's performance, industry trend and overall market situation and external benchmarking
- (ix) Comparison of remuneration of each of the Key Managerial Personnel against the performance of the Company; each KMP is granted salary based on his qualification, experience, nature of job, industry benchmark, earlier salary and many other factors, comparison of one against the other is not feasible



- (x) The key parameters for any variable component of remuneration availed by the Directors: Only Whole-time Director is given variable component, which is benchmarked against Company performance
- (xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: **Nil**
- (xii) Affirmation that the remuneration is as per the remuneration policy of the Company: **Yes**

Note: For Director, only CEO & Whole-time Director has been considered. All remuneration figures are for Executives only who have completed full financial year in the Company.

CEO's compensation also considers financial returns (return on assets, equity, invested capital), total shareholder return and volume growth of integrated metal.

Note: This analysis included only those Executives who were on rolls for full financial i.e. FY 2022-23

