



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.hzindia.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
1 st Interim dividend	10	500
2 nd 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.hzindia.com/wp-content/uploads/Dividend-Policy-2016.pdf>.

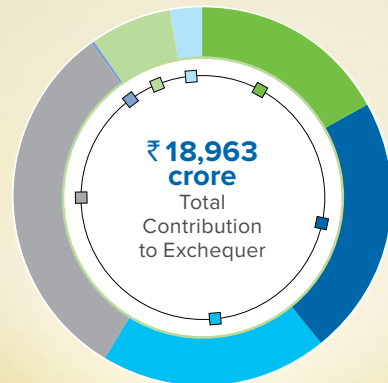
Credit Rating and Liquidity

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



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)



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 CO₂ equivalent



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)



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 tCO₂ 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



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



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.

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 MtCO₂e 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

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.

1 tCO₂e per tonne of zinc produced, about 75% lower than the global average.

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 tCO₂e 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

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



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.



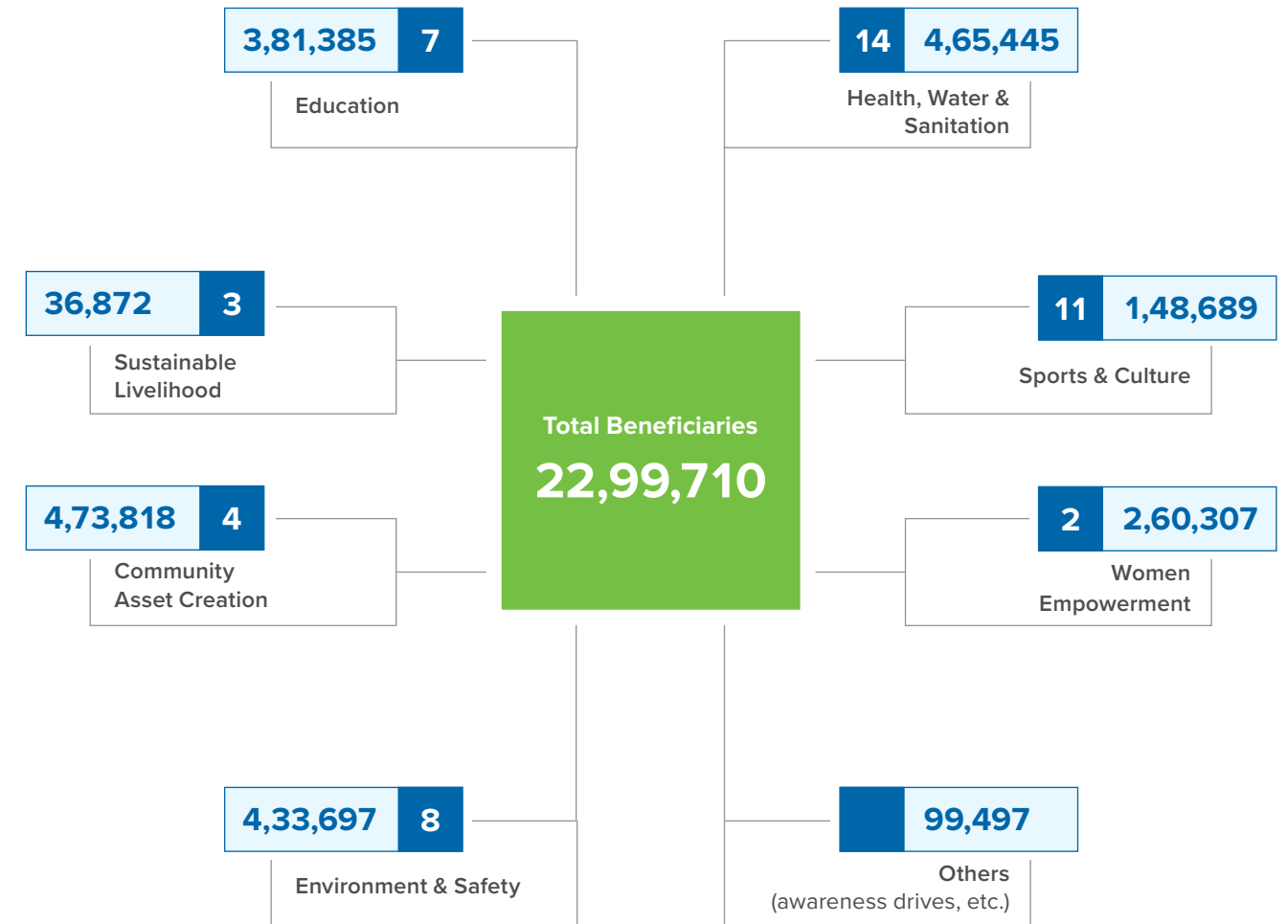
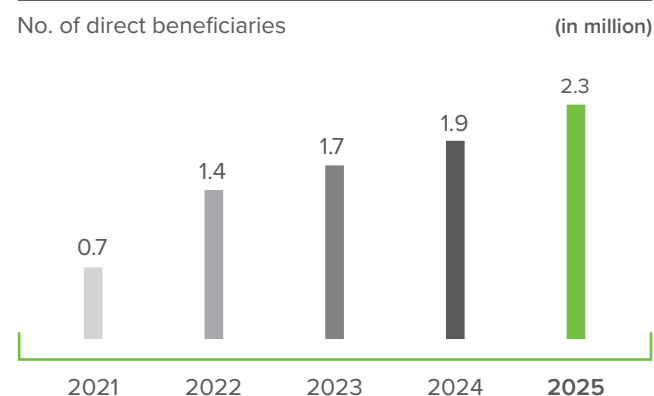
Our sustainability-related activities received several endorsements during the year:

- 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 beneficiaries
 ☒ Number of projects

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

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.

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

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



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.

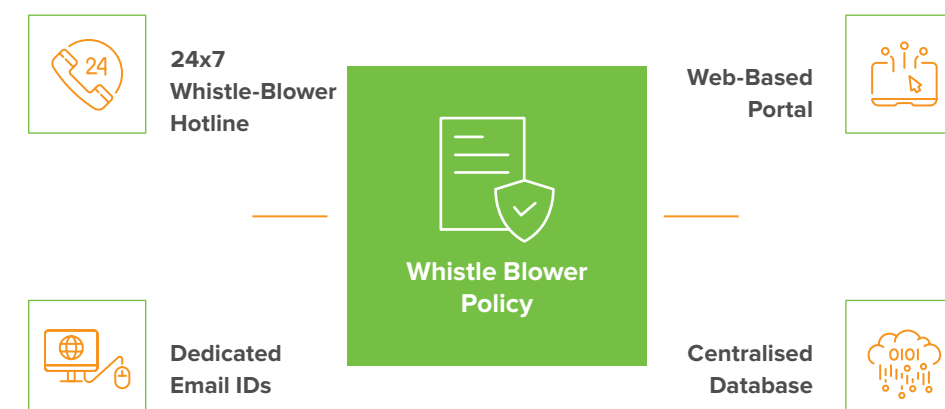
management and the relevant Board Committees, including the Audit & Risk Management Committee, the Board is of the opinion that the Company’s internal financial controls were adequate and effective during FY2025.

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.hzindia.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: -



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.hzindia.com/wp-content/uploads/HZL-Policy-for-Determining-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:

- 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.

- 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.

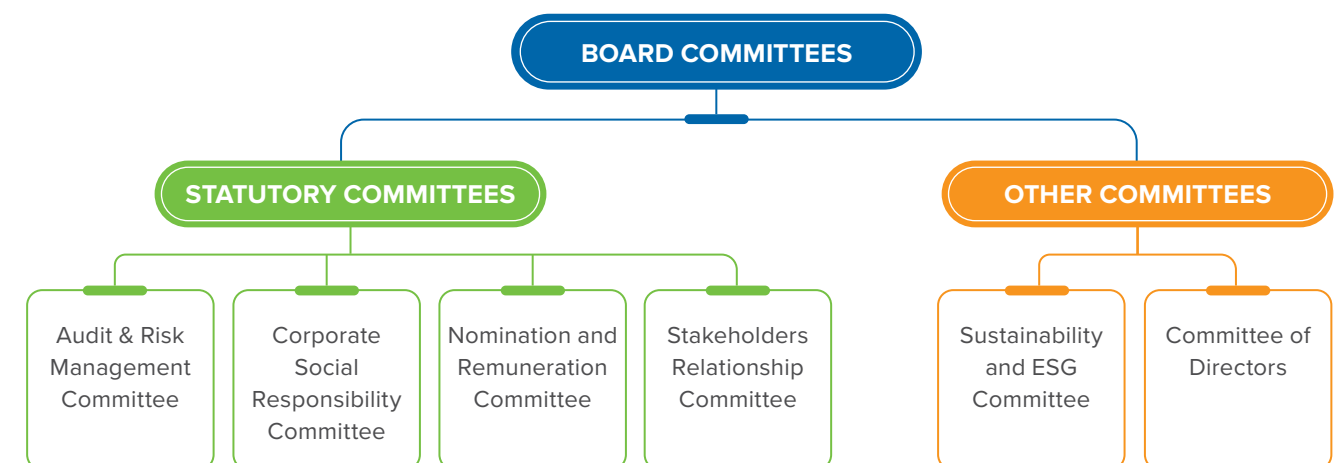
Based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Ms. Aashima V Khanna, was appointed as the Company Secretary & Compliance Officer (Key Managerial Personnel (KMP)) with effect from January 28, 2025.

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.hzindia.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.hzindia.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:

- 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.
- 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:

- 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;
- 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;
- 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;
- the annual accounts have been prepared on a 'Going Concern' basis;
- 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;
- 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, Practising 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	1 st Interim Dividend	May 07, 2024	36,21,856.00	May 23, 2024
2024-25	2 nd 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
CEO & Whole-time Director
DIN : 01835605
Udaipur

Kannan Ramamirtham
Director
DIN : 00227980
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

Particulars	Unit	Year ended March 31, 2025	Year ended March 31, 2024
(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	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	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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	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%
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:

- 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.
- CEO's compensation also considers financial returns (return on assets, equity, invested capital), total shareholder returns and volume growth of integrated metal.
- The remuneration to Directors is within the overall limits approved by the shareholders of the Company.
- #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.
- This analysis is for Executives only who were on rolls of the Company throughout FY2024 & FY2025.
- *Government Nominee Directors in the employment of the Government are not paid any remuneration.