HZL/2024-25/SECY/42 July 02, 2024

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

Kind Attn: General Manager – Department of Corporate Services

Scrip Code: 500188

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

Kind Attn: Head Listing & Corporate Communication

Trading Symbol: "HINDZINC"

Dear Sir/Madam,

Sub: Notice of 58th Annual General Meeting ("AGM"), Integrated Report and Annual Accounts for the Financial Year 2023-24

We wish to inform you that the 58th AGM of the Company is scheduled to be held on Monday, July 29, 2024 at 12:00 Noon IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in compliance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ("**SEBI**"), to transact the businesses as set forth in the Notice convening the AGM ("**Notice**").

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

Particulars	Details
Day, date and time of AGM	Monday, July 29, 2024 at 12:00 Noon IST
Mode of AGM	VC/OAVM
Helpline number for participation through VC/OAVM	022-4886 7000
Cut Off Date for e-Voting	Monday, July 22, 2024
Remote e-Voting Start Date	From 9:00 A.M. (IST) on Wednesday, July 24, 2024
Remote e-Voting End Date	Upto 5:00 P.M. (IST) on Sunday, July 28, 2024
E-voting website of NSDL	https://www.evoting.nsdl.com/

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, please find enclosed herewith the Integrated Report including the Annual Accounts and the Business Responsibility and Sustainability Report ("**BRSR**") for the Financial Year 2023-24 ("**Integrated Annual Report**") along with the Notice of AGM being sent to all Members in electronic mode.

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

Pursuant to Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management and Administration) Rules, 2014 and the provisions of Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, July 24, 2024 to Sunday, July 28, 2024 (both days inclusive) for the purpose of the AGM.

We request you to please take the above on record.

Thanking You,

Yours faithfully,

For **Hindustan Zinc Limited**

HARSHA VISHAL KEDIA

Digitally signed by HARSHA VISHAL KEDIA
Date: 2024.07.02 13:04:09 +05'30'

Harsha Kedia
Company Secretary & Compliance Officer

Enclosed: As above

Copy to:

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

HINDUSTAN ZINC
Zinc & Silver of India

HINDUSTAN ZINC LIMITED

CIN: L27204RJ1966PLC001208
Registered Office: Yashad Bhawan, Yashadgarh, Udaipur, Rajasthan -313004 IN
E-mail ID: hzl.secretarial@vedanta.co.in, Website: www.hzlindia.com
Tel.: +91 294 6604000-02

NOTICE OF THE 58TH ANNUAL GENERAL MEETING

Notice is hereby given that the **58th** Annual General Meeting ("**AGM/Meeting**") of the Members of Hindustan Zinc Limited ("**Company**") will be held on **Monday, July 29, 2024 at 12:00 Noon (IST)** through Video Conferencing ("**VC**")/Other Audio-Visual Means ("**OAVM**") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon; and in this regard, to consider and pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon laid before this meeting be and are hereby received, considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, and the report of the Auditors thereon; and in this regard, to consider and pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, and the report of the Auditors thereon laid before this meeting be and are hereby received, considered and adopted."

3. To confirm the interim dividend(s) for the financial year ended March 31, 2024, and in this regard, to consider and pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** the first interim dividend of ₹ 7 per equity share i.e., 350% and second interim dividend of ₹ 6 per equity share i.e., 300 %, aggregating to a sum of ₹ 13 per equity share on face value of ₹ 2/- each fully paid up for the Financial Year 2023-24 approved by the Board of Directors of the Company respectively and already paid, be and is hereby confirmed."

4. To re-appoint Mr. Navin Agarwal (DIN: 00006303), who retires by rotation and being eligible, seeks re-appointment, as per Article 70 of the Articles of Association of the Company; and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152, and other applicable provisions of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 70 of the Articles of Association of the Company, Mr. Navin Agarwal (DIN: 00006303), who retires by rotation at this meeting and being eligible seeks re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

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

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

SPECIAL BUSINESS:

6. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2025 and in this regard, to consider and pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s K.G.

Goyal & Company, Cost Accountants (Firm Registration No. 000017) appointed by the Board of Directors of the Company on the recommendation of the Audit and Risk Management Committee, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2024-25, amounting to ₹ 2.65 lacs (Two lacs sixty-five thousand only) excluding applicable taxes and out of pocket expenses, if any as incurred in connection with the aforesaid audit be and is hereby confirmed, ratified and approved.

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

Registered Office:
Yashad Bhawan, Yashadgarh, Udaipur,
Rajasthan -313004
CIN: L27204RJ1966PLC001208
E-mail ID: hzl.secretarial@vedanta.co.in
Website: www.hzlindia.com
Tel.: +91 294 6604000-02

By Order of the Board of Directors

Harsha Kedia
Company Secretary & Compliance Officer
Membership No: ACS 21520

Place: Udaipur
Date: April 19, 2024

NOTES

1. Pursuant to the General Circular No. 09/2023 dated 25 September 2023 issued by the Ministry of Corporate Affairs ("**MCA**") read together with previous circulars issued by the MCA in this regard (collectively to be referred to as "**MCA Circulars**") and Circular No. CFD-PoD-2/P/CIR/2023/167 dated 07 October 2023 issued by the Securities and Exchange Board of India ("**SEBI**") read together with other circulars issued by SEBI in this regard (collectively to be referred to as "**SEBI Circulars**"), Companies are allowed to hold Annual General Meeting ("**AGM**") through Video Conferencing ("**VC**") or Other Audio-Visual Means ("**OAVM**"), without the physical presence of Members at a common venue till 30 September 2024. Hence, in compliance with the said circulars and provisions of the Companies Act, 2013 (**the "Act**") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the AGM of the Company is being held through VC/OAVM.

   The deemed venue for the AGM shall be the registered office of the Company.

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

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

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

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

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

7. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, July 24, 2024 to Sunday, July 28, 2024 (both days inclusive) for the purpose of the AGM.

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

8. In terms of the MCA Circulars and SEBI Circulars, the Company is sending this AGM Notice along with the Integrated Annual Report FY 2023-24 in electronic form only to those Members whose email IDs are registered with the Company/Depository Participants **("DPs")**. The Company shall send the physical copy of the Integrated Annual Report FY 2023-24 only to those Members who specifically request for the same at hzl.secretarial@vedanta.co.in mentioning their Folio No/DP ID and Client ID.

9. The Members may note that the Notice calling the AGM along with Integrated Annual Report FY 2023-24 has been uploaded on the website of the Company at www.hzlindia.com. The Notice and Integrated Annual Report FY 2023-24 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

10. Members whose E-mail ID is not registered and who wish to receive the Notice of the AGM, Integrated Annual Report 2023-24 and all other communications by the Company, from time to time, may get their E-mail ID registered by submitting Form ISR-1 to KFintech at einward.ris@kfintech.com or to the Company at hzl.secretarial@vedanta.co.in. However, for the shares held in demat form, Members are requested to write to their respective DPs.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM

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

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

13. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit & Risk Management Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

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

PROCEDURE FOR SPEAKER REGISTRATION OR TO RAISE QUESTIONS / QUERIES

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

16. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker shareholder on or before Monday, July 22, 2024, 5:00 P.M. (IST), and send their request mentioning their name, demat account number/folio number, email id, mobile number at hzl.secretarial@vedanta.co.in.

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

PROCEDURE FOR INSPECTION OF DOCUMENTS

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

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

IEPF

20. Pursuant to Section 124(6) and Section 125 of the Act read with Investor Education and Protection Fund ("**IEPF**") Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto ("**IEPF Rules**"), the amount of unpaid/unclaimed dividend for a period of seven (7) years from the date of transfer to the Unpaid Dividend account is required to be transferred to IEPF established by the Central Government. The Company has transferred the unpaid or unclaimed dividends declared up to the financial year 2016-17 from time to time on the respective due dates, to IEPF. Additionally, all the shares in respect of which dividend

has not been paid/claimed for a period of seven (7) consecutive years or more shall be transferred to IEPF.

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

GENERAL

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

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

SCRUTINIZER AND VOTING RESULTS

24. The Board of Directors have appointed CS Manoj Maheshwari Practicing Company Secretary (M. No.: FCS 3355; CP No.: 1971) as the Scrutinizer and failing him CS Priyanka Agarwal Practicing Company Secretary (M. No.: FCS 11138; CP No.: 15021), as the Alternative Scrutinizer to scrutinize the voting process in a fair and transparent manner.

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

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

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

27. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e., Monday, July 22, 2024 only shall be entitled to avail the facility of remote e-voting/e-voting at the AGM.

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

Commencement of Remote e-Voting	From 9:00 A.M. (IST) on Wednesday, July 24, 2024
End of Remote e-Voting	At 5:00 P.M. (IST) on Sunday, July 28, 2024

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

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

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

d) Any person holding shares in physical form and non-individual shareholders, who acquire shares of the Company and become a Member of the Company after the Notice is sent through E-mail and holding shares as of the cut-off date i.e. Monday, July 22, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if you are already registered with NSDL for Remote e-Voting, then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you could reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com. In case of Individual Shareholders holding securities in demat mode, who acquire shares of the Company and become a Member of the Company after the Notice is sent through E-mail and holding shares as of the cut-off date i.e. Monday, July 22, 2024, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system";

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

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

g) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) i.e. closure of Monday, July 22, 2024;

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

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

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see **e-Voting** services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

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

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

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

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

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

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

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

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 128928 then user ID is 128928001***

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

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

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

   c) How to retrieve your 'initial password'?

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

General Guidelines for shareholders

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Item No. 6: To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2025

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have the audit of its cost records conducted by a cost accountant in practice and the remuneration of ₹ 2.65 Lacs (Two lacs sixty five thousand only) excluding applicable taxes and out of pocket expenses, if any, payable to the Cost Auditors has to be ratified by the shareholders of the Company.

The Board, on the recommendation of the Audit & Risk Management Committee, has approved the re-appointment and remuneration of M/s K.G. Goyal & Company (Firm Registration No. 000017), Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025 at a remuneration of ₹ 2.65 Lacs (Two Lacs sixty five thousand only) excluding applicable taxes and out of pocket expenses, if any payable to the Cost Auditors which has to be ratified by the shareholders of the Company.

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

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

Pursuant to Section 148(3) of the Act, approval by the Members is required for the payment of above remuneration to the cost auditor. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at **Item No. 6** of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

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

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

Registered Office:
Yashad Bhawan, Yashadgarh, Udaipur,
Rajasthan -313004
CIN: L27204RJ1966PLC001208
E-mail ID: hzl.secretarial@vedanta.co.in
Website: www.hzlindia.com
Tel.: +91 294 6604000-02

By Order of the Board of Directors

Harsha Kedia
Company Secretary & Compliance Officer
Membership No: ACS 21520

Place: Udaipur
Date: April 19, 2024

ANNEXURE TO THE NOTICE OF AGM

Information of Director seeking re-appointment at the 58th Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, and in terms of the Companies Act, 2013 and Secretarial Standard – 2 on the General Meetings issued by the Institute of Company Secretaries of India.

Name	Mr. Navin Agarwal
DIN No.	00006303
Designation/ Category of Directorship	Non-Executive Director
Date of birth (Age)	January 11, 1961 (63 years)
Qualification	Graduate in commerce from Sydenham College, Mumbai, and has completed the President Management Program from Harvard University
Brief resume/ Experience (including expertise in specific functional area)	Mr. Agarwal has been associated with the Vedanta Group since inception and has four decades of strategic executive experience. Under his stewardship, the Company has achieved leadership position in non-ferrous metal. Over the years, he has been instrumental in building a highly successful meritocratic organization. He has spearheaded the Company's strategy through a mix of organic growth and value-accretive investments. He is passionate about developing leadership talent and has been responsible for creating a culture of excellence through the application of advanced technologies, digitalisation, global best practices and highest standards of corporate governance. His vision is to gradually unlock the enormous potential of the natural resources sector and make it an engine of growth for India. In recognition of his exceptional distinction in the fields of business, entrepreneurship and contribution to the natural resources sector, he was conferred the 'Industrialist of the Year' award by the Bombay Management Association in 2018. He is a fervent advocate of sustainable development and remains committed to inclusive growth of communities and promotion of culture and sports at all levels.
Shareholding in the Company as on March 31, 2024 (including shareholding as Beneficial Owner)	Nil
Directorship in other Companies as on March 31, 2024	**Public Companies** 1. Vedanta Limited (Listed) **Private Limited Companies** 1. Hare Krishna Packaging Private Limited **Foreign Companies:** 1. Vedanta Resources Limited (UK)
Listed Entities from which resigned in past three years	None
Membership / Chairmanship of Committees of the other Boards as on March 31, 2024	Vedanta Limited – Committee of Directors – Chairperson Hindustan Zinc Limited – Nomination & Remuneration Committee – Member Hindustan Zinc Limited – Committee of Directors - Chairperson
Inter se relationship with other Directors / Key Managerial Personnel/ Managers	Relative of Ms. Priya Agarwal
Date of first appointment on the Board	April 11, 2002
Terms and Conditions of re-appointment	Mr. Navin Agarwal has been appointed as a Non-Executive Director of the Company and is liable to retire by rotation
Remuneration last drawn (including sitting fees, if any)	Please refer to the Report on Corporate Governance forming part of the Integrated Annual Report FY 2023-24
Remuneration proposed to be paid	Commission and sitting fees as approved by the Board.
No. of meetings of the Board attended during the FY 2023-24	Eight (8)

vedanta
transforming for good

HINDUSTAN ZINC
Zinc & Silver of India

FORGING AHEAD

INTEGRATED
ANNUAL REPORT
2023-24

SAFE SMART SUSTAINABLE

Contents

https://www.hzlindia.com/wp-content/uploads/Integrated-Annual-Report-2023-24.pdf

Our Approach to Integrated Reporting

ABOUT THE REPORT

This is the fifth Integrated Report of Hindustan Zinc Limited (Hindustan Zinc). It has been developed in line with the guiding principles of the Integrated Reporting <IR> framework of the International Integrated Reporting Council (IIRC), now part of the IFRS Foundation. It serves as a window for our stakeholders to get a complete understanding of the Company's value creation process, which is driven by the six capitals and our sustained investments in the same.

In line with our transparent reporting practices, we provide a holistic disclosure of the operating context and prospects through this report. We also transparently share information on the key material issues impacting our business, our stakeholders and our strategy. Detailed information about our transparent and ethical governance practices ensures accuracy and reliability in our disclosures. Such transparency enables our investors to make informed decisions and guides the extent of their engagement with the Company.

REPORTING SCOPE AND BOUNDARY

This Report covers information for the period April 1, 2023 - March 31, 2024. In terms of its reporting scope and boundary, it relates to the financial and sustainability disclosure made by the Company. These pertain to the Company's operational framework, which encompasses its mining and smelting locations as well as the refinery. Other key aspects covered are the consolidated financial information, as well as key material issues that are relevant to our operations and our value chain partners, customers, communities and other stakeholders.

We strive to give investors a complete understanding of our value-creation process through this Report. For this purpose, we provide a five-year trend, wherever relevant, for the Key Performance Indicators (KPIs), including the Environmental, Social and Governance (ESG) Indicators.

REPORTING PRINCIPLES

This Integrated Report complies fully with the guidelines of IIRC's <IR> framework. Some of the data related to <IR> could be management estimates, and should be treated as such. All the statutory sections in this Report comply with the regulations of the Companies Act, 2013; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and the prescribed Secretarial Standards. These include the Board's Report, the Corporate Governance Report and the Business Responsibility and Sustainability Report of Hindustan Zinc.

For detailed disclosures on the key non-financial aspects of our business, readers should refer to our Sustainability Report, which can be accessed on our website www.hzlindia.com.

APPROACH TO MATERIALITY

Given the importance of considering issues, opportunities and challenges that can have any material impact on our business and our ability to create stakeholder value, we base the disclosures in our Integrated Report on the issues. We have identified the key material issues and opportunities by applying the principles of materiality, which involve gathering and collation of inputs from all our business units and key stakeholders. Besides identifying the material matters, this helps in ranking them in order of their relevance and potential impact on our stakeholders, strategy and value creation ability. It enables us to determine our business strategies and goals, ensuring that they remain relevant in the continually evolving operating environment.

Read more on our material topics on page 84 of this Report.

BOARD AND MANAGEMENT ASSURANCE

The Board of Directors and the Management of Hindustan Zinc have applied their collective knowledge and understanding in the development of this Report, and take responsibility for the integrity of the information contained in it. It is their sincere belief that the Report captures all the key material issues, and accurately and fairly communicates the integrated performance of Hindustan Zinc and its impact.

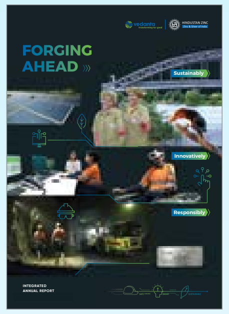
FORWARD-LOOKING STATEMENTS

This Integrated Report contains information to help investors and shareholders, debenture and other security holders to properly assess our prospects and take informed investment decisions. This Report and other statements - written and oral - that we periodically make, contain information that set out anticipated results based on the Management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that all projections will be fulfilled, although we believe we have been judicious in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should any known or unknown risk or uncertainty materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should take this into consideration. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Transparent and Ethical Reporting Practices

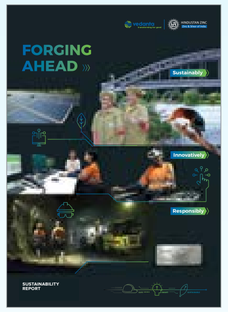
OUR REPORTING SUITE

The reporting suite of the Company is aligned with its consistent practice of sharing proper disclosures with its stakeholders ethically and transparently. Our reporting suite for FY 2023-24 comprises this Integrated Report, which has been published and is available on our website. In addition, the digital versions of our Digital Report, Tax Transparency Report, Sustainability Report, Climate Action Report and the Taskforce on Nature-related Financial Disclosures (TNFD) Report will also be available soon for access.

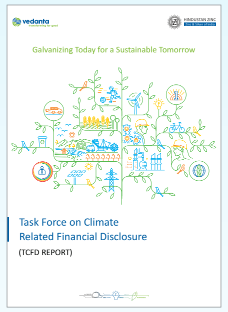


Integrated Annual Report

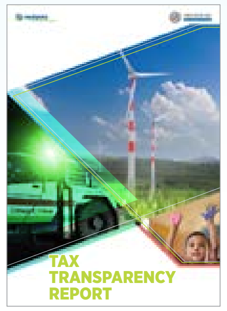
Digital Integrated Annual Report



Sustainability Report



Climate Action Report



Tax Transparency Report

TNFD Report

Hindustan Zinc's reports are ranked high in the assessments undertaken by various external agencies, thus underscoring the robustness of their disclosures and integrity.

All our reports are shared with our stakeholders and are also made available on our website and official social media handles.

Integrated Thinking at Hindustan Zinc

Our value creation process and framework are driven by active consideration of all the resources (six capitals) and relationships (stakeholders). We are cognisant of the importance of understanding their interconnectedness and interdependencies for sustained long-term and inclusive value creation. Such value creation extends beyond the Company's financial capital and its shareholders, debenture and other security holders, and encompasses a holistic cogitation of all our resources, relationships, material issues and strategic priorities. This integrated thinking approach facilitates us in working continually towards our mission to "Enhance stakeholder value through exploration, innovation, operational excellence, safety and sustainability". It leads to integrated decision-making and actions for propelling business success, while creating shared value for all stakeholders in a safer and more sustainable environment.

OUR INTEGRATED APPROACH TOWARDS VALUE CREATION IS

POWERED BY

Our Mission

- Enhance stakeholder value through exploration, innovation, operational excellence, safety and sustainability
- Be a globally lowest cost producer
- Maintain market leadership and customer delight

Our Vision

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

ESG at the core of value creation

We have embedded the Environment, Social and Governance (ESG) ethos into our business model.

Read more on page 72

GUIDED BY OUR VALUES

Entrepreneurship
Our people are our most important assets. We actively encourage their development and support them in pursuing their goals

Excellence
Our primary focus is delivering value of the highest standard to our stakeholders. We are constantly motivated to improve our costs and quality of production in each of our businesses through a culture of best practice benchmarking

Trust
We actively foster a culture of mutual trust in our interactions with our stakeholders and encourage an open dialogue that ensures mutual respect

Innovation
We embrace a conducive environment for encouraging innovation that leads to a zero harm environment and exemplifying optimal utilisation of natural resources, improved efficiencies and recoveries of by-products

Integrity
We place utmost importance on engaging ethically and transparently with all our stakeholders, taking accountability for our actions to maintain the highest standards of professionalism and complying with international policies and procedures

Respect
We lay consistent emphasis on human rights, respect the principle of free, prior, informed consent, while our engagements with stakeholders allow local communities to voice their opinions and concerns

Care
As we continue to grow, we are committed to the triple bottom line of 'People', 'Planet' and 'Prosperity' to create a sustainable future in a zero-harm environment for our communities

STRENGTHENED BY

The core strengths of our business

Fully integrated and responsible metals and mining company.

Operations driven by a strong sustainability ethos, and supported by a robust governance framework.

Steered by technology and innovation, and powered by strong people practices.

The integration of our strategy into our business model

Our integrated thinking approach empowers us to make the right strategic choices at the right time. It enables us to pursue strategic priorities and consistently invest in boosting capitals, stakeholder relations and ESG impact. This drives value creation, alongside amplifying the positive outcomes and mitigating the adverse effects of our business model.

STRATEGIC PRIORITIES

S1 Maintaining a portfolio of mines with long life

S2 Expansion of capacities

S3 Strengthening cost leadership

S4 Expansion of product portfolio through customer-centricity

S5 Progressing towards a sustainable future

Read more on page 106

Our sustained focus on critical external factors and trends

MACROECONOMIC SCENARIO
We closely monitor the various external developments and accordingly align our strategy and business model.

Read more on page 66

STAKEHOLDER EXPECTATIONS AND CONCERNS
Our value delivery hinges on robust relationships with stakeholders.

Read more on page 76

RISKS AND OPPORTUNITIES
We identify material risks and related opportunities by assessing our external environment, stakeholder relationships and resource requirements.

Read more on page 88

MATERIAL ISSUES IMPACTING BUSINESS
We consider all the above-mentioned external factors to identify the material matters that can impact our value creation.

Read more on page 84

THE OUTCOME OF OUR INTEGRATED APPROACH IS MANIFEST IN OUR HOLISTIC VALUE CREATION:

We map our value creation outcomes across the key benchmarks of our capitals, stakeholder communities and the ESG metrics.

Six capitals

We continuously monitor and measure our impact on each of the six capitals employed in our operations. We aim to continually enhance our outcomes across these capitals through targeted initiatives, investments and inputs.

- Financial Capital
- Manufactured Capital
- Intellectual Capital
- Human Capital
- Social & Relationship Capital
- Natural Capital

Value delivery for our stakeholders

Stakeholders play a critical role in implementing strategy and executing business operations. They are also impacted by our operations. Given this symbiotic relationship, we remain focussed on augmenting value for them.

- Customers
- Business Partners
- Communities
- Government
- Employees & Business Partners' Employees
- Shareholders, debenture and other security holders
- Development Organisations

Positive societal and environmental impact

We are committed to delivering a positive impact on society, through sustained progress on our ESG goals, aligned with the United Nations Sustainable Development Goals (UN SDGs) to enable more holistic and sustainable outcomes.

Our inclusive and responsible growth strategy

VALUE CREATION STRATEGY

- Investments in mineral resources and reserves, as well as activities to support India's self-sufficiency in metals, and create direct and indirect employment
- Long-term mining lease agreements and continuous investments in mining assets development
- Multiple mine licences to ensure uninterrupted continuity
- Seamless logistics and transportation
- Trained, qualified and committed workforce, aligned with the organisational goals

VALUE DELIVERY STRATEGY

- Integrated business approach and cost leadership
- Agility and excellence
- Technological and digital advancements
- Customer centricity
- Consistent fiscal growth
- Sustainability initiatives spanning own operations and value chain
- Focus on circular economy and waste management enhancing metal recovery, and generating wealth from waste
- Contribution to national progress

VALUE SUSTENANCE STRATEGY

- Strong operational and capital efficiencies
- Visionary leadership
- Optimal utilisation of natural resources
- Focus on sustainability, safety and social development
- Robust ethics and governance framework
- Effective risk management and harnessing of opportunities
- Sustained stakeholder engagement
- People and talent development

MEASURING THE VALUE CREATION

The outcomes of our integrated approach are measured in the form of the value we create, sustain and deliver to our stakeholders. During FY 2023-24, we posted remarkable growth across all the key metrics of the six capitals.

Read more on page 72

Our value impact for stakeholders in FY 2023-24

Value Created
₹ 33,221 crore
Gross income (including GST) (₹ 39,079 crore)

Value Retained
₹ 3,994 crore
Retained earnings (₹ 1,733 crore)

Value delivered to stakeholders:

Returns to shareholders

₹ 5,493 crore
Dividend (₹ 31,901 crore)

₹ 123,485 crore
Market capitalisation (₹ 123,971 crore)

Sustaining communities and environment

₹ 269 crore
CSR contribution (₹ 276 crore)

1.91+ mn
CSR beneficiaries (1.72+ mn)

3,685*
villages benefitted through CSR interventions (237 villages)

2.41x
water positive index (2.41x)

6.32 mn MT
waste recycled (6.54 mn MT)

2.51 MGJ
renewable energy generated (2.53 MGJ)

18.41 mn m³
water recycled (18.40 mn m³)

*Also includes villages benefitted through Nandghar initiative in FY 2023-24

Contributing to Indian economy

₹ 10,273 crore*
taxes (₹ 13,491 crore)

16,633
employment created (11,448)

* Gross contribution to exchequer ₹ 13,195 crore including dividend of ₹ 1,622 crore to GoI

Value to customers

12
different product offerings (13)

19.7%
value-added products (15.5%)

Value to Suppliers

₹ 9,848 crore
procurements (₹ 10,515 crore)

64%*
local procurement (56%)

* Spend on local suppliers includes procurement spending in Rajasthan and Uttarakhand

Providing safe and inclusive employment opportunities

₹ 828 crore
in wages and benefit (₹ 845 crore)

21.7%
women representation (19.5%)

122,107 hours
of learning and development (116,109 hours)

0.88
LTIFR (0.70)

ZERO
Fatality (7)

■ Value created ■ Value eroded ■ Value preserved

Figures in brackets are for FY 2022-23

FORGING AHEAD »

Sustainably. Innovatively. Responsibly.

AN ORGANISATION'S JOURNEY TO SUCCESS DOES NOT CULMINATE IN A SINGLE MILESTONE ACHIEVEMENT. IT CONTINUES TO GET STRONGER WITH EVERY LANDMARK CROSSED, DRIVEN BY A STRONG ORGANISATIONAL FOCUS ON SUSTAINABLE, INNOVATIVE AND RESPONSIBLE GROWTH.

FY 2023-24 saw Hindustan Zinc forge actively ahead to become bigger, better and stronger, at the back of its various targeted initiatives and innovations.

It was a year of robust growth for the Company, with record-breaking production levels, powered by our enhanced focus on cost and operational optimisation to deliver sustained stakeholder value.

A year of our emergence as the 3rd largest silver producer globally, propelled by our silver maximisation strategy.

FY 2023-24 was, for us at Hindustan Zinc, a year of ramp-up of our efficiencies, capabilities and capacities.

A year of expanding our operations, with the commissioning of our new fumer and zinc alloy facilities, and sustained progress on developing a new roaster and fertiliser plant.

It was a year of digging deeper into our core, with our conscious efforts to expand our exploration horizons and diversify our product portfolio.

It was a year of moving actively towards realising our short and long-term goals through responsible behaviour and actions across the key Environmental, Social and Governance (ESG) metrics.

A year of scaling our sustainability-led ethos, with a landmark renewable energy (RE) power delivery agreement, marking the commencement of the initial transmission of RE power in May 2024.

It was a year of reinforcing our commitment to zero waste and zero discharge with the commissioning of the fumer plant and technical tie-ups for the treatment of jarofix and tailing.

FY 2023-24 proved to be an iconic year in the progressive journey of Hindustan Zinc, as we strengthened our efforts to promote gender diversity and inclusion across the organisation. Enhanced safety interventions, backed by new-age technologies, the latest digital and automation tools and impactful innovations, enabled us to deliver fatality-free operations. At the same time, we expanded the frontiers of our CSR initiatives to reach out to a larger base of the most underprivileged populations of the country.

TODAY, AS WE SURGE TOWARDS THE NEXT STAGE OF OUR PROGRESSIVE TRAJECTORY, WE SEE A GROWING LANDSCAPE OF EXCITING OPPORTUNITIES, WAITING TO BE MAXIMISED. THROUGH THE WINDOWS OF OUR PAST ACCOMPLISHMENTS, WE SEE NEW POSSIBILITIES OF NOTCHING BIGGER MILESTONES OF FUTURE SUCCESS. WE SEE THE POTENTIAL TO ENTER A NEW ERA OF SUSTAINABLE AND RESPONSIBLE GROWTH AND EXPANSION, THROUGH GAME-CHANGING INITIATIVES AND INNOVATIONS.

Corporate Overview

Message from the Chairperson

Dear Stakeholders,

Just over a year ago, I had the privilege of taking over as Chairperson of Hindustan Zinc. Today, as I share the Company's performance for FY 2023-24, I feel humbled to be a part of a remarkable journey of sustainable growth and holistic stakeholder value creation. Hindustan Zinc is a national asset and it occupies pride of place among global peers. We stand for all round excellence. Today, our market capitalisation is the highest among all mining & metals companies in India. We have had a record-breaking year in metal production. We have optimised costs and maximised efficiencies in a year in which global zinc prices were moderate. Beyond business, we have emerged as a role model in ESG, rated the best in the world in our category of business. Our CSR initiatives touched the lives of millions in our communities, transforming lives and livelihoods.

All of this is made possible by your unwavering trust and the dedicated hard work of our people. On behalf of the Board, I would like to thank all of you for your continued support.

RAISING THE BAR OF EXCELLENCE

FY 2023-24 was an exceptional year for Hindustan Zinc. We witnessed a massive scale-up in our operational efficiencies and a remarkable reduction in the cost of production. We once again delivered industry-leading production growth, with the best-ever annual metal production.

Further, it is a matter of immense pride that Hindustan Zinc is now the third largest silver producer globally, with the highest silver annual production till date, up 5% year-on-year. During the year, we also moved into the first decile of the global zinc mines cost curve and posted the lowest annual cost of production in the last three years at US$ 1,117 per tonne.

These remarkable feats have been made possible because of the expertise and experience of the stellar team at Hindustan Zinc. Our strategic focus on cost became a key driver in maintaining margins and delivering stakeholder value in the face of strong headwinds.

PUTTING SAFETY FIRST

We believe our people are integral to the growth of the Company. With best-in-class progressive people practices, Hindustan Zinc has won several awards including the prestigious CII National HR Excellence Award, and the Apex India Occupational Health and Safety Award 2023.

Safety is a key priority across the organisation, and I am happy to announce six consecutive quarters of fatality-free operations. This is a feat we will strive to maintain at all costs, and we are continuously taking measures to enhance our safety proposition across all hierarchical levels. We have in place several initiatives and programmes to sensitise our employees, business partners and the surrounding communities on the subject. The well-deserved recognition of Hindustan Zinc at the prestigious International Safety Awards by the British Safety Council is an acknowledgement of our best-in-class safety standards and practices. It is our constant endeavour to promote people safety across all our facilities through well-established policies, and the latest technologies and upgrades.

Safety is a key priority across the organisation, and I am happy to announce six consecutive quarters of fatality-free operations. This is a feat we will strive to maintain at all costs, and we are continuously taking measures to enhance our safety proposition across all hierarchical levels.

ENHANCING INCLUSIVITY & DIVERSITY

Diversity and inclusivity are key facets in our journey of building a progressive workplace, where every employee feels valued, supported, and empowered to excel.

With 600 women employees, including 200 engineers, Hindustan Zinc is pioneering the participation of women in a male-dominated sector like mining. Currently, we have c.22% women in executive positions and 21% in the Executive Committee of the Company. Another example of the indomitable spirit of the women of Hindustan Zinc, is the first all women underground mining rescue team of India, which is now ready to compete in international competitions. We now also have the second team at Hindustan Zinc itself.

I am also pleased to share that Hindustan Zinc has been conferred the prestigious 3rd National Transgender Award 2024, also known as 'Ardhnarishwar' – a commendation of our efforts in breaking societal barriers within the workplace. The award also validates the Company's industry-leading initiatives like the Zinclusion programme, Gender Affirmation Policy, and comprehensive Parenthood Policy, aimed at ensuring a fair and equitable work environment, free from bias and discrimination.

SURGING SUSTAINABLY AHEAD

Sustainability, for us at Hindustan Zinc, is the overarching ethos of our business strategy and actions. The Company's ranking as #1 globally and the (A-) Leadership Band scores received from the Carbon Disclosure Project (CDP) for climate change and water security excellence are examples of global recognition received for our sustainability efforts. As the only Indian company in the mining sector with validated and approved SBTi targets in alignment with the 1.5°C Paris Agreement goal, Hindustan Zinc has emerged as a torchbearer for the industry's long-term sustainable growth.

With the commissioning of India's first fumer and the remarkable progress made on our renewable energy power delivery agreement (PDA), we touched new milestones in our journey towards green mining. The deployment of EV trucks and LNG-powered trucks made us among the first in the industry to pioneer sustainable logistics. We are committed to attaining net-zero carbon emissions by 2050 or sooner and will continue to adopt innovative and impactful tools to steer this journey.

GRASSROOTS IMPACT

The deep sense of purpose and responsibility that is embedded in the organisational fabric of Hindustan Zinc finds many manifestations, with our Corporate Social Responsibility (CSR) charter being an important facet of the same. We make regular investments in growing the expanse and reach of our community development programmes to ensure more inclusive and sustainable growth for the nation. We have now expanded our CSR footprint to over 3,500 villages, benefitting 1.9 million people, through projects in the areas of women empowerment, sustainable livelihood, skill development, healthcare, safety, sports, and culture.

During FY 2023-24, we undertook an important initiative to foster economic growth and bring financial inclusion into the rural community, through an MoU with the India Post Payments Bank, ensuring financial assistance for over 3.5 lakh accounts. The Zinc Football Academy (ZFA), which remains a crown jewel of our CSR efforts, continued to earn accolades, being awarded the topmost Elite 3-star rating by the All India Football Federation. ZFA's Mohammed Kaif made us proud by playing a pivotal role in India's victorious campaign at the SAFF Under-16 Championship in Bhutan.

With 600 women employees, including 200 engineers, Hindustan Zinc is pioneering the participation of women in a male-dominated sector like mining.

GROWTH OUTLOOK

The multitude of recognitions and awards earned by Hindustan Zinc during the year bear testimony to the success of our focussed investments and initiatives to drive India's economic and social growth. Forging ahead, our efforts will be centred around building our capabilities and capacities through innovative strategies and actions, backed by our unwavering focus on responsible and sustainable growth.

The world is undergoing an energy transition and the climate-friendly technologies of the future are highly mineral intensive. Our Company and the mining sector have a big role to play to support the economy of the future. India too is undergoing a massive transformation and soon it will be the third largest economy in the world. Demand for minerals is growing in double digits. Mining and metals is a sunrise sector once again. At Hindustan Zinc, we are committed to be future-ready, for India and for the world. We look forward to your continued support in all our endeavours.

Sincerely,

Priya Agarwal Hebbar

Q&A
WITH CEO & WTD

For us, at Hindustan Zinc, growth is more than the numbers we notch on the scoreboard of our performance at the end of the year. It is the value we deliver to our stakeholders year-on-year and the strengths we nurture progressively to create such value. Sustainability, responsibility and innovation are the key pillars on which we have built the edifice of our long-term growth. They are the cornerstones of our journey towards the realisation of our goals and targets.

FY 2023-24 saw Hindustan Zinc reinforce these three pillars of sustainability, responsibility and innovation to forge ahead towards bigger accomplishments. It was a year of sustaining our industry-leading position through operational excellence, backed by strong cost resilience and driven by marked progress on our sustainability journey.

Through this brief question and answer session, Mr. Arun Misra, CEO and Whole-time Director of Hindustan Zinc, has detailed the highlights of the year and the factors that contributed to the Company's success in maintaining its margin and staying on course with its expansion plans. He has provided insights into the initiatives that exemplified the Company's unwavering focus on responsible and sustainable growth, aided by its growing innovation thrust. These insights will serve to give our stakeholders a bird's-eye view of the year that went by, and also the confidence in Hindustan Zinc's deep-rooted ability to sustain its holistic growth momentum in the years to come.

Q. Hindustan Zinc witnessed some remarkable milestone achievements during FY 2023-24. Can you highlight some of the feats?

A. FY 2023-24 was a year of solid growth for Hindustan Zinc. We delivered our guidance and sustained our margins despite the volatility in zinc prices as we navigated the market challenges with agility. We also continued to maintain a strong liquidity position, supported by healthy free cash flow from operations.

I am happy to inform you that we've had the highest historic production levels across our business segments. Mined metal, refined metal and silver posted record numbers of production. I am proud to share that Hindustan Zinc is now the 3rd largest silver producer globally, as per the World Silver Survey 2024 conducted by The Silver Institute, USA. Our Sindesar Khurd Mine now stands as the world's 2nd largest silver-producing mine, moving up from last year's 4th position. We increased our silver production by 5% over the previous fiscal to achieve the highest annual silver production of 746 MT. We hold the second largest zinc reserves and resources globally. Our total ore reserves, as of March 31, 2024, stand at 175.1 Mt (net of production of 16.5 Mt during the year).

Our industry-leading production growth rate, with the best-ever annual metal production, is another highlight of our performance for the year. Refined metal production for the full year stood at its highest ever, reaching 1,033 kt, while mined metal production went up by 2% y-o-y to reach the best-ever production of 1,079 kt. Refined lead production for FY 2023-24 was at 216 kt, up 3% from the previous fiscal year. With the successful commissioning of the fumer plant and the Rajpura Dariba mill, we took another major step towards improving our metal recovery. The commencement of commercial production at our 30 ktpa alloy facility further marked the beginning of a new phase in our growth and expansion trajectory.

I am also happy to share that Hindustan Zinc is in the 1st decile of the global zinc mines cost curve, with the lowest annual zinc cost of production (COP) in the last three years, at US$ 1,117 per MT. The Company has been ranked first globally in S&P Corporate Sustainability Assessment in metals and mining sector, underscoring our strong commitment to sustainable growth.

The recognition of our Pantnagar silver refinery by the London Bullion Market Association (LBMA) and inclusion in the 'London Good Delivery' list underscores the adherence of our silver refinery at Pantnagar Metal Plant to international quality standards, marked by LBMA certification of 99.99% pure silver. Operating on 100% renewable power, our silver refinery aligns seamlessly with the Company's pledge towards achieving net-zero emissions by 2050 or sooner.

I am happy to inform you that we've had the highest historic production levels across our business segments. Mined metal, refined metal and silver posted record numbers of production.

Q. What were the key market challenges in which the Company operated during the year, and do you foresee these easing in the coming months?

A. It was a difficult year for the industry on account of a number of global challenges, which impacted our financial performance in terms of absolute numbers. Despite suspension or closure of mining activity in many parts of the world, zinc prices continued to slide. On a year-on-year basis, zinc prices came down by 25% during FY 2023-24. This led to subdued demand and a huge pile-up in zinc stocks. However, beginning April 2024, zinc prices have started to rise, with the rebound in global manufacturing activity causing the prices of all commodities, including zinc, to rise on account of the increased global demand and supply disruptions.

In the domestic market, stronger Purchasing Managers' Index (PMI) has led to 20% year-on-year increase in zinc consumption, and we expect the demand to remain robust as the steel market continues to expand and grow on the back of India's economic growth, rapid urbanisation, and a growing focus on quality infrastructure.

Lead prices softened during FY 2023-24 owing to lower demand and on account of the fact that automobile sales saw a dip at the start of the year before picking up later. The Indian lead market has not been seriously impacted by the demand decline as a result of the enhanced focus on infrastructure and the additional spend on EV charging, as per the budget for FY 2024-25.

We see significant improvement happening in both the zinc and lead markets, going forward, and these augur well for the Company, which has the capacities and capabilities to efficiently harness the demand opportunity. Silver demand is also expected to increase significantly, given the headroom that exists for the development of industrial use-cases like EVs and 5G, etc. Hindustan Zinc's silver maximisation strategy has placed it in an ideal position to capitalise on this growth potential in the coming years.

Q. Hindustan Zinc has been at the forefront of India's sustainable development efforts. What progress did the Company make during FY 2023-24 on its sustainability goals?

A. Sustainability is extremely close to our hearts, with our commitment to propelling sustainable growth as an important pillar of our business strategy. Apart from its #1 ranking in the metals and mining industry in S&P Global Corporate Sustainability Assessment 2023, Hindustan Zinc has become the first Indian metal & mining company to have its near-term and long-term net zero targets validated by SBTi. We have also been recognised with leadership band scores (A-) in Climate Change & Water Security by CDP (Carbon Disclosure Project).

> It gives us immense satisfaction to note that Hindustan Zinc has had six consecutive quarters of fatality-free operations, as of March 31, 2024.

We made major strides towards our sustainability goals during the year, with several impactful initiatives contributing to our journey towards achieving net zero targets. We advanced significantly towards the execution of our RE power delivery agreement and successfully advanced the first phase of delivery to May 2024. We also flagged off 10 EV trucks and 41 LNG trucks for inter-unit and finished goods transportation. The commissioning of a 4,000 KLD zero liquid discharge plant at Zawar Mines marked another milestone in our sustainability journey.

The fumer plant, we have indigenously commissioned for our hydro smelters, also underlines our sustainability focus. In addition to boosting the silver production at Hindustan Zinc, it is helping to convert jarosite into environment-friendly slag, used by the cement industry. This initiative is in line with our philosophy of circular economy and waste reduction. We aim to develop our recycling business further, going forward. We shall also continue to enhance our biodiversity enrichment efforts, to protect the natural ecosystem in our areas of operation.

Q. Can you share some details on the steps taken to promote people safety, inclusivity and welfare in the Company during the year?

A. The safety and well-being of our people is a key priority of our ESG journey and we continue to enhance our investments in the same, year-on-year. It gives us immense satisfaction to note that Hindustan Zinc has had six consecutive quarters of fatality-free operations, as of March 31, 2024. Our people safety commitment, which also extends to our business partners and their employees, is uncompromising and we shall continue to work towards further strengthening the safety environment at the mines.

In line with this focus, we organised 'Wednesday for Transition', a training series for equipping suppliers with critical knowledge on ESG topics, facilitating ESG risk management throughout the value chain. In addition to our ongoing safety programmes such as 'Aarohan', we have introduced a series of other initiatives to promote safety across our operations. These include critical risk management, safety pause, emergency response training and deploying cutting-edge technologies such as tele-remote operations and underground drones.

We have also established India's 1st all women underground mine rescue team, thus seamlessly integrating our safety proposition with our diversity and inclusion focus. Promoting diversity, equity and inclusion is paramount to us, and the launch of #Zinclusion programme strengthened this proposition by enabling us to bring 16 LGBTQIA+ members into the Hindustan Zinc team.

The various awards we have won for our people and safety practices clearly endorse our exemplary focus on these areas, and we shall continue to strengthen our efforts to raise the bar of our people safety further.

I want to mention here that our empowerment focus is not limited to our own people but also to the employees of our business partners. In line with the government's focus on promoting the MSME sector, Hindustan Zinc has taken a lead and prioritised payments to its MSME business partners, with an average payment cycle better than the statutory requirement by 22% for FY 2023-24. This marked another strong endorsement of our commitment to ESG and our dedicated efforts to enhance the sustainability focus in our supply chain partnership through social responsibility.

Q. Could you give us some insights into the Company's outlook for FY 2024-25?

A. We are quite positive about Hindustan Zinc's prospects in the coming year in light of the recovery we are seeing in the zinc and lead markets and the significant potential for growth in the silver market.

Though inflation persists in the US services sector, and Europe's construction and manufacturing sectors continue to be weak, commodity prices started surging since April 2024, with silver touching its highest value in rupee terms. The silver growth was on account of expectations of interest rate cuts by the US Fed, coupled with geopolitical tensions between Iran and Israel. The global manufacturing PMI also has been indicating a sustained expansion in output since February 2024, and India is leading the expansion among the major economies with its manufacturing PMI recording its 16-year high at 59.1 in March 2024. Global steel demand is forecasted to grow in FY 2024-25, with India contributing the most with a projected growth of 8.2%.

> The progress of our expansion projects, including our 160,000 tonnes per annum roaster and 510,000 tonnes per annum fertiliser plant, is on track and we have also recently received regulatory approvals with respect to Bamnia Kalan mine, which is expected to become operational soon.

Our initiatives and investments of FY 2023-24, including ramp-up of all major projects commissioned in the previous year and better capacity utilisation, have equipped us to leverage the expected upswing in the market. We expect both mined metal and refined metal production in FY 2024-25 to be higher than last year, while the saleable silver production is projected to be between 750-775 MT.

We expect the zinc cost of production to be between US$ 1,050-1,100 per MT in FY 2024-25, which will continue to help the Company sustain its margins. Our robust resources and reserves, which have increased by about 35% in the last five years, helps us to ensure an overall mine life of 25+ years. The progress of our expansion projects, including our 160,000 tonnes per annum roaster and 510,000 tonnes per annum fertiliser plant, is on track and we have also recently received regulatory approvals with respect to Bamnia Kalan mine, which is expected to become operational soon.

Our foundations are robust and, driven by our growing capacities and capabilities, they give us the confidence that we shall continue to forge progressively ahead on the path of long-term growth and value creation.

Arun Misra

Chief Executive Officer & Whole-time Director

CFO's Statement

Dear Shareholders

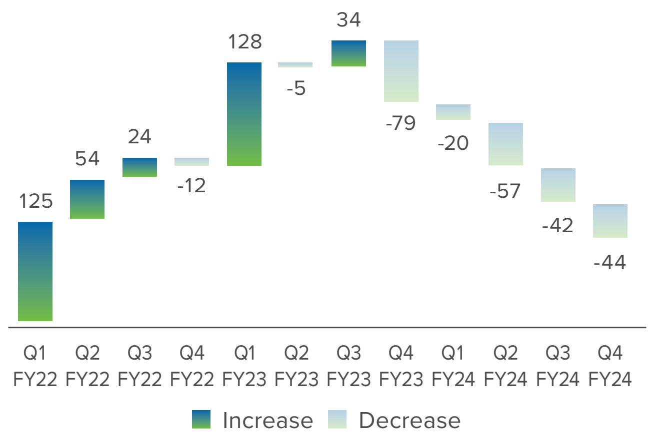
A resilient core, driven by the ability to harness new opportunities, is the key engine propelling Hindustan Zinc's sustained progress. It is enabling us to continuously forge ahead on the path of sustained growth and value creation. This ability helps us to step out of our comfort zone and embrace the future with a renewed sense of responsibility, backed by an enhanced focus on innovation and sustainability.

FY 2023-24 was a year of renewed vigour and dynamic growth for Hindustan Zinc. It was a year of effectively leveraging our strengths to respond efficaciously to the transformations and challenges in the industry and the market. In a volatile external environment marked by plunging metal prices, we delivered solid growth. We sustained our EBITDA margins at 47% by successfully navigating various obstacles through our targeted initiatives and game-changing innovations. Our concerted efforts to drive operational efficiencies and cost optimisation yielded exceptional results. They enabled the Company to maintain its industry-leading position while staying on track with its growth and expansion plans across its business segments.

FINANCIAL STRATEGY FOCUSSED ON COST OPTIMISATION AND HEALTHY BALANCE SHEET

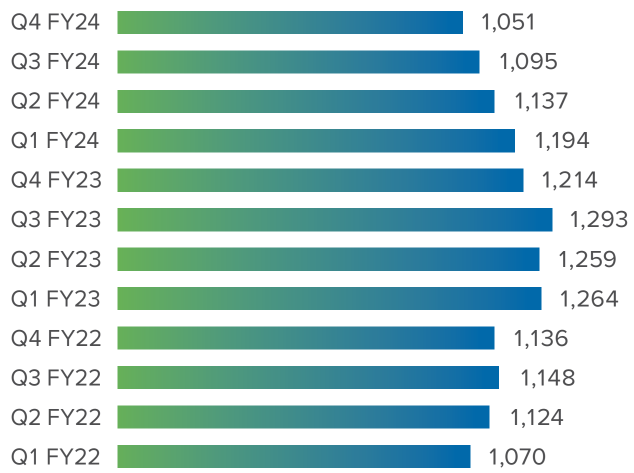
It gives me immense pleasure to share that we delivered the highest ever production levels during the year in terms of mined metal, refined metal and silver. We successfully achieved cost better than the lower band of FY 2023-24 annual guidance of US$ 1,125-1,175/MT, with a full year COP of US$ 1,117/MT. This has put Hindustan Zinc in the first decile of the global zinc mines cost curve and in the first quartile of the global zinc smelters cost curve – a remarkable achievement which we shall strive to improve further.

Sequential change in Zinc COP* (US$/MT)



*COP without royalty

Zinc COP* (US$/MT)



The sustained cost reduction we achieved over five consecutive quarters with a cumulative improvement of c.US$ 240/MT, was driven by a host of factors, some of which are listed below:

- Improved operational efficiencies
- Better linkage coal availability and utilisation
- Softened input commodity prices
- Contracting strategy
- Transforming operations through automation & digitalisation

Our efforts during the year remained focussed on maintaining a strong liquidity position and healthy free cash flow from operations. Our investment in high-quality debt instruments was a key enabler of these efforts, which were endorsed by the consistent AAA rating for the Company by CRISIL Ratings Limited.

I would like to underline here that our strategic focus on improving operational and cost efficiencies helped Hindustan Zinc to withstand the market headwinds during the year. It ensured the preservation of margins and shareholder value, while strengthening our resilience and fortitude.

BUILDING ON OUR RESOURCE RESILIENCE

Our enhanced global resources and reserves was another notable metric of our robust performance in FY 2023-24. At current mining rates, our R&R underpins metal production of more than 25 years. In the last five years, the R&R has increased by 35% (incremental ore of 118 Mt) considering production of 65.1 Mt of ore in this period, which gives us a strong edge in the global mining industry.

We also continued our focus on resource-to-reserve conversion, leading to an increase in the total ore reserves. We have strategically incorporated 'Hindmetal Exploration Services Private Limited' as a wholly-owned subsidiary to explore, discover, develop and tap mineral resources, aligning with the Indian government's focus and vision. This decision is aligned with our strategy to ensure long-term reserves for sustained business growth and value creation.

SILVER MAXIMISATION STRATEGY

During the year, we made a conscious decision to maximise our silver production to harness the increasing demand potential and the soaring silver prices. This was in line with our strategic focus on investing in the right levers of growth and the Government of India's 'Atmanirbhar Bharat' campaign.

Given the pace at which the solar RE transition is taking place, we see the demand for silver going up exponentially in the coming years. Additionally, the proliferation of electrical appliances, electronics and gadgets has also catalysed silver demand, as silver finds use in conductive materials and components owing to its exceptional conductivity. Demand for silverware and silver jewellery in India is also on the uptick, driven by the country's robust economic growth and rising disposable incomes.

Hindustan Zinc is positioned in the sweet spot to make the most of this growth potential, as validated by our 5% year-on-year production growth and our leadership status as a key player in the global silver market. Innovative technologies and sustainable mining practices will continue to help us in optimising the silver production process while minimising its environmental impact.

ESG WITH ECONOMIC PRUDENCE

At Hindustan Zinc, we have placed sustainability at the centre of our business model and built our ESG strategy on the foundation of economic prudence. This helps us to ensure that our initiatives deliver both positive societal impact and robust financial performance.

Our renewable energy power delivery agreement (PDA) for 450 MW provides us better cost visibility as the procurement is at a fixed rate in dollar terms for 25 years, insulating us from any interest rate and exchange rate fluctuations. We have initiated the deployment of battery-electric vehicles in our underground mining operations and electric vehicle (EV) trucks to pioneer sustainable logistics in the mining industry. This will also lead to a remarkable decline in the ventilation requirements in the underground mines, facilitating further expansion while reducing ventilation costs. These initiatives with economic prudence will also help in maintaining our cost leadership position globally.

Hindustan Zinc has set an industry benchmark with 50% diversity in its Finance function. The Company has been recognised by CXO Genie as part of 'CFO Impact Awards' for 'Exemplary Contribution in Diversity, Equity, and Inclusion in Finance domain'. Our Finance function also has three members from the LGBTQIA+ community, underlining our inclusive development focus.

KEY FINANCE TRANSFORMATIONS

At Hindustan Zinc, transformation is a way of life, encompassing all its key functions. The Finance function has also witnessed several game-changing transformations including use of analytics and data to drive continuous efficiencies through agile decision-making and to improve transparency in reporting. As a testament to this transparency and our ethical tax practices, we were honoured with the prestigious Tax Transparency Award at the 7th Tax Strategy & Planning Summit & Awards.

To highlight a few significant digital transformations in the Finance function, the migration of our enterprise resource planning to SAP RISE cloud platform and end-to-end automation across the verticals of our treasury processes have ensured highest standards of governance in the Company and were recognised with the Digital Transformation Project of the Year award at the 7th edition of Business World CFO Finance & Strategy awards under the gold category.

Effective finance business partnership is also helping us to strengthen our decision-making, enabling us to create value by offering insights beyond conventional practices that influence business counterparts. This facilitates us to make better decisions, and to align our financial goals with the broader strategic objectives, safeguarding the organisation's financial health and driving its sustainable growth.

STRATEGISING FOR FUTURE VALUE CREATION

We strongly believe that our inherent strengths, coupled with our dynamic agility, will continue to propel the Company's long-term growth and value creation journey. At the same time, we are cognisant of the various business risks that have the potential to derail our growth plans and impact our profitability. We are mindful of the importance of effectively managing these risks on time. Fluctuations in commodity prices and supply constraints, as well as adverse changes in LME and LBMA, can potentially affect our business plans and we have put in place strong hedging and business partner (BP) systems to prevent any serious impacts of these on the Company.

I would like to assure you that Hindustan Zinc remains committed to prioritising your interests, and those of its other stakeholders, in all its decisions and actions. Our focus on scaling our cost optimisation and operational excellence efforts will continue to steer our sustained value creation odyssey and keep Hindustan Zinc ahead of the curve not just in terms of business performance but in partnering the nation in its net-zero journey. Our responsive and responsible approach, and our strong focus on sustainable and innovation-led growth, will drive Hindustan Zinc towards bigger accomplishments, going forward.

Regards

Sandeep Modi

The Company has provided me with mentorship, training, and ample opportunities for advancement, a testament to which is that I have been recognised as 'The Great Manager' by People Business Consulting & The Economics Times. What sets Hindustan Zinc apart from other organisations is its unwavering commitment to promoting diversity, equity, and inclusion without discriminating age, gender, or demographics, giving opportunities to deserving candidates thereby contributing to the economy as a whole.

Kritika Mehta
Head - Financial Reporting, HZL

The work culture at Hindustan Zinc is nurturing and provides a highly conducive environment for learning, growth, and prosperity. Being selected as an emerging women leader inspires me, challenges me, and pushes me into different areas, allowing me to invest my time, knowledge, and experience in a company that is investing in me.

Divyansha Jain
Deputy CFO - Projects, HZL

During my time at Hindustan Zinc, I have received invaluable guidance and mentorship from senior leadership, inspiring me to excel in my Treasury role. Additionally, the Company introduced an innovative Progressive Parenthood Policy, highlighting its commitment to employee well-being.

Yukta Maheshwari
Team Member - Treasury

I am associated with Hindustan Zinc from 4.5 years, leading as Unit Finance Head of the world's largest underground zinc mines through Emerging Women Leadership program. It has empowered me to make strategic financial decisions, engage stakeholders effectively, and manage budgets crucial to our success. I am proud to be part of the Hindustan Zinc team, driving excellence in the mining industry.

Ashmita Agarwal
Unit Finance Head, RAM

ABOUT HINDUSTAN ZINC

A Global Integrated Mining and Metals Leader

A Vedanta Group company, Hindustan Zinc is the world's second-largest integrated zinc producer and third largest silver producer. The Company is an industry and global market leader, distinguished for its operational excellence, financial acumen, innovation, technological supremacy, customer centricity, ethical governance and leading ESG practices. Sustained growth and value creation are the central pillars, and sustainability is the overarching ethos of our business strategy. Our self-sufficiency in power, foray into green energy, water stewardship, and the top sustainability rankings underline our exemplary focus on sustainable progress. Our focus on community development and best-in-class people practices has given us the reputation of being a responsible corporate.

Vision

To be the world's largest and most admired Zinc, Lead & Silver company

Mission

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

Be a globally lowest cost producer.

Maintain market leadership and customer delight.

LISTINGS IN INDIA

NSE
National Stock Exchange

BSE
The Power of Ideas
Bombay Stock Exchange

The Company is headquartered in Udaipur, Rajasthan, with mining & smelting facilities located strategically across the state.

KEY FACTS

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

75%
Market share in India's primary zinc industry

3rd
Largest silver producer globally[1]

2nd
Largest integrated zinc producer globally[2]

World's largest
Underground zinc mining operations at Rampura Agucha[2]

2nd
Largest silver mine globally at Sindesar Khurd[1]

World's largest
Single-location zinc-lead smelting operations at Chanderiya[2]

Amongst India's largest
Wind power producers, with a generation capacity of 273.5 MW across 5 states

1st decile
Of the global zinc mining cost curve, and one of the lowest-cost producers of zinc globally[2]

25+ years
Mine life[3]

Ranked 1st
In S&P Global Corporate Sustainability Assessment in metals and mining sector

(As on March 31, 2024)

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

BUSINESS SNAPSHOT

Powered by Integrated Operations and Robust Portfolio

Our operations are driven by the synergistic integration of various processes spread across:

- Exploration
- Smelters & Refineries (Hydrometallurgical Zinc Smelters, Lead Smelters, Pyrometallurgical Zinc-Lead Smelters)
- Mines
- Captive Power Plants (CPPs)

Our strategic focus in these processes remains on boosting operational efficiencies and productivity, enabling innovation and safety, and ensuring responsible business operations.

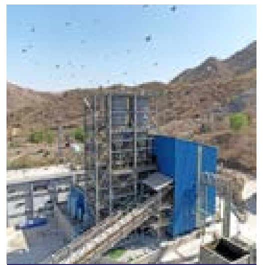
OUR OPERATIONAL SEGMENTS AT A GLANCE

EXPLORATION (MINERAL RESOURCES AND ORE RESERVES)

456.3 Mt
Total R&R

- Strong technology and innovation edge
- Long mine life of 25+ years
- Continuous delineation and upgradation activities
- Focus on enhancing R&R base to over 500 Mt and reserves to 200 Mt

MINES



16.52 Mt
Ore production

- Strategic locations in the ore-rich state of Rajasthan (Rampura Agucha, Sindesar Khurd, Rajpura Dariba, Zawar and Kayad)
- Globally benchmarked operations supported by high safety standards and trained workforce
- Superior and sustainable practices
- Enduring focus on operational efficiencies and cost optimisation
- Volume growth driven by sustained underground operations

SMELTERS & REFINERIES

1.12 Mt
Metal capacity

- Strategically located smelters in Chanderiya, Dariba and Debari in Rajasthan, in proximity to the mines
- Zinc-Lead-Silver metal refineries ideally located at Pantnagar in Uttarakhand
- Fully integrated operations, aided by captive power
- Continual efforts to debottleneck the smelters, expand the value-added product portfolio, and recycle/reuse the waste generated in the operations

CAPTIVE POWER PLANTS (CPPs)

603.16 MW
Total captive capacity

- Captive thermal, solar and waste heat recovery power plants
- Providing low-cost and reliable power for the Company's sustained operations
- Augmentation of solar power capacity to push climate change goals
- 450 MW renewable power delivery agreement for power cost insulation from commodity price variations
- Boosting thermal power capacity (more energy from same amount of fuel) through innovation

OUR PRODUCTS AND APPLICATIONS

REFINED ZINC

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

VALUE-ADDED PRODUCTS
- Continuous Galvanising Grade
- Die-cast alloys
- SHG & HG Jumbos
- Zn Dust

MAJOR KPIs
- 817 kt Production Volume
- ₹ 18,061 crore Revenue

REFINED LEAD

APPLICATIONS
- Lead Acid batteries
- Construction
- Defence Applications
- Electrical Cables

MAJOR KPIs
- 216 kt Production Volume
- ₹ 4,076 crore Revenue

REFINED SILVER*

APPLICATIONS
- Jewellery
- Tableware
- Electrical contacts
- Investment
- Solar photovoltaic panels

VALUE-ADDED PRODUCTS
- Mini (1 kg) bars
- Silver powder

MAJOR KPIs
- 746 MT Production Volume
- ₹ 5,368 crore Revenue

*silver is a by-product of our smelting process

OUR ASSETS

Strong Operational Asset Base

Our world-class, low-cost and scalable assets are a key enabler of our operational efficiencies. We remain committed to strengthening our strong operational asset base through strategic initiatives and investments. FY 2023-24 witnessed a further scale-up of our assets to drive growth and value creation across our business segments.

MINES

Mines	KEY STATISTICS			
	Reserve (Mt)	Resource (Mt)	Reserve Grade Zinc (%)	Reserve Grade Lead (%)
Rampura Agucha Mine	44.4	24.8	11.0	1.2
Sindesar Khurd Mine	40.1	68.9	3.1	2.0
Rajpura Dariba Mine	47.1	40.5	5.4	1.7
Bamnia Kalan	-	40.9	-	-
Kayad Mine	1.3	5.4	5.2	0.7
Zawar Mines	42.2	100.6	2.6	1.5

R&R SUMMARY

Category	KEY STATISTICS			
	Tonnage (Mt)	Zinc (%)	Lead (%)	Silver (%)
Reserve	175.1	5.6	1.6	55
Mineral Resource – Measured and Indicated	137.0	4.9	1.8	61
Mineral Resource – Inferred	144.2	4.2	2.1	59

SMELTERS

Smelters	KEY STATISTICS			
	Pyrometallurgical Zinc Smelter (TPA)	Pyrometallurgical Lead Smelter (TPA)	Hydrometallurgical Zinc Smelter (TPA)	Lead Smelter (TPA)
Chanderiya Lead-Zinc Smelter	105,000	90,000	480,000	
Dariba Smelting Complex			240,000	120,000
Debari Zinc Smelter			88,000	

SMELTING & POWER SUMMARY

913,000 TPA
Zinc Smelting

210,000 TPA
Lead Smelting

800 TPA
Silver Refining

514.00 MW
Thermal Power

273.50 MW
Wind Power

40.70 MW
Solar Power

48.46 MW
WHRB Power

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

COMPANY STRUCTURE

Our Corporate Profile

GROUP STRUCTURE OF HINDUSTAN ZINC LIMITED

HINDUSTAN ZINC ALLOYS PRIVATE LIMITED

HZA

OVERVIEW

Hindustan Zinc is the second largest integrated zinc producer and third largest silver producer in the world, and is renowned globally for high purity refined metals and high-quality silver. The Company's portfolio spans a range of zinc products, including Special High Grade (SHG), High Grade (HG), Continuous Galvanising Grade (CGG), Prime Western (PW), Jumbo SHG & HG and other grades used in die-casting alloys. Besides the current product range of zinc, the Company firmly believes in the market potential of value-added products (VAPs) in the form of zinc alloys, aligned with the evolving needs of customers,

The Indian VAP market (zinc die-casting alloy of various grades, CGG slab/ ingots, zinc dust, etc.) is currently at c.80 ktpa, and is expected to grow at a CAGR of c.10%. Currently, certain zinc-based alloys are being imported into India, and due to the presence of only a few players in the market, the Company saw a promising opportunity to foray into the production of these alloys.

OBJECTIVE

Given the foreseeable demand for alloys in the near future and its vision of growth, the Company decided to set up a new state-of-the-art facility for manufacturing of zinc alloys through melting and casting operations. Through Hindustan Zinc Alloys Private Limited (a wholly-owned subsidiary of Hindustan Zinc), the Company has now set up a new melting and casting facility of 30 ktpa zinc alloy, which will help in attaining sustainable operations, and in achieving benchmark performance with an increase in domestic market share. This new facility is equipped with technologically advanced machines and was commissioned in FY 2023-24, with a production of 702 MT during the year.

VEDANTA ZINC FOOTBALL & SPORTS FOUNDATION

OBJECTIVE

Formed in 2022, the Vedanta Zinc Football & Sports Foundation aims to consolidate all Hindustan Zinc's sports initiatives under one entity. It aims to bring excellence with grassroots intervention in football as well as in other sports, so that every child gets an opportunity to play, with equal emphasis on both boys and girls. Hindustan Zinc aims to contribute to the development of football by producing world-class players to represent India at national and international platforms while improving the standard of living in the communities. We are proud to establish a fully residential and unique student-athlete model, wherein our children are provided the best football training, along with an equal emphasis on quality education through the renowned DAV School, within the campus.

The vision to expand the outreach of Vedanta Hindustan Zinc's footballing initiative in Rajasthan led to the birth of the Zinc Football Academy (ZFA) in 2017, with the aim to revolutionise Rajasthan Football and to positively contribute towards the betterment of Indian football.

Currently, ZFA is home to 60 budding footballers. Now a registered entity under Vedanta Zinc Football & Sports Foundation, it is a 3-star rated All India Football Federation (AIFF) Elite Academy as per the AIFF Academy Accreditation 2023-24, thus making ZFA one of the best football academies in India.

Driven by the philosophy that "every child should have an opportunity to play", two community football schools, named as Zinc Football Schools, have been set up in Hindustan Zinc's operational areas. These schools act as a bridge between local talent and ZFA.

ZINC INDIA FOUNDATION

OVERVIEW

Zinc India Foundation (ZIF) is a not-for-profit organisation engaged in implementing community developmental projects in collaboration with funding agencies and like-minded organisations. It is mandated to take up developmental projects on all themes as per Schedule VII of the Companies Act. It is currently implementing a programme related to the development of a 60 MLD sewage treatment plant in Udaipur. This first-of-its-kind plant in Rajasthan reaffirms our commitment towards environment conservation. Another key programme under implementation relates to water augmentation, and is aimed at increasing water availability for irrigation and domestic purposes through deepening of wells and construction of check dams in more than 40 villages, predominantly having tribal populations.

OBJECTIVE

- To promote commerce, art, science, sports, education, research, social welfare, religion, charity, protection of environment, or any such other object
- To acquire and accept the assets created by any company/legal entity/any person, from CSR funds, and to continue running, operating and maintaining such undertakings acquired/accepted
- To promote establish, develop, own, operate, manage any institution or undertaking, and to undertake, carry out, promote, sponsor and assist any activity in the fields of education, medical relief, housing, clean energy, environmental sustainability, food security, ecological balance, societal well-being and access to quality life, vocational training, digital literacy, technology incubation for social cause, skill development, sports, fine arts, culture, research, artistic pursuits, charity, science, and similar or related areas for the welfare of the society
- To enter into reciprocal partnerships with similar-minded organisations in India and other countries to promote the Indian development goals, apart from collaborating with any foreign firms for the purpose of carrying on any business which this Company is authorised to carry on
- Without prejudice to the above, to undertake any and all of the activities set out in Schedule VII of the Companies Act 2013, on behalf of Hindustan Zinc or any other company/entity as may be legally permissible from time to time

HINDUSTAN ZINC FERTILISERS PRIVATE LIMITED

OVERVIEW

Hindustan Zinc, the second largest zinc miner, is also the largest producer of sulphuric acid, which is sold in the domestic market, mainly to fertiliser and sulphonation industries.

India is the 2nd largest fertiliser consuming country in the world after China. The current annual consumption of Di Ammonium Phosphate (DAP) and NPK in India is more than 19 Mt per annum. The country has only 19 DAP/NPK plants, with a combined capacity of 16 Mt per annum and current production of around 13 Mt per annum. India imports around 6 Mt annually to meet its DAP/NPK-based fertiliser needs.

Rock phosphate, sulphuric acid, ammonia and potash are the major ingredients for production of DAP/NPK. Considering the location of Rajasthan State Mine and Mineral Company (RSMM), the largest producer of rock phosphate concentrates in India, complemented by the abundance of in-house sulphuric acid production, Hindustan Zinc has a huge opportunity to diversify into the new vertical of fertiliser (DAP/NPK) business.

OBJECTIVE

Through Hindustan Zinc Fertilisers Private Limited, the Company aims to set up a state-of-the-art phosphatic fertiliser manufacturing facility at Chanderiya, to boost performance and ensure sustainability in operation. The fertiliser plant aims to support farmers' needs through production and sale of DAP fertilisers, which are currently being imported, and to better utilise the sulphuric acid generated in operations through production of fertilisers, making the country future-ready. A 510 ktpa DAP/NPK plant, along with essential infrastructure facilities, are included in phase I. The project is targeted to be completed by FY 2025-26.

HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED

OVERVIEW

At Hindustan Zinc, exploration has played a pivotal role in the growth of the organisation. The Company has a proven track record of delivering organic Mineral Resources and Ore Reserves (R&R) growth in the last decade. The R&R has increased from 365 Mt ore (containing 35.2 Mt metal) as on March 31, 2014 to 456.3 Mt ore (containing 30.8 Mt metal) as on March 31, 2024, after an ore production of 143.5 Mt (containing 10.5 Mt metal). This success has been the result of cutting-edge, state-of-the-art technology and advanced exploration drilling techniques, in collaboration with top global business partners.

The Company has a strong technical expertise of 20+ professionals, having a combined experience of over 200 years. These professionals include talent with experience in global mining and exploration companies, and a background in various minerals. They are supported by a team of leading global business partners. Its growth in R&R has resulted in a strong track record in annual R&R statements of the Company, supporting its expansion plans.

VISION

- To become leading exploration company having interest in exploration of all minerals across the globe by implementing best-in-class practices
- To support mineral industry partners by providing best-in-class technical services across mining value chain

OBJECTIVE

Hindmetal Exploration Services Private Limited was formed with the objective of developing an exploration strategy through a focussed vertical. The subsidiary company is driven by exploration professionals and is focussed on:

- Identification of high potential areas for exploration, and making them auction-ready through National Mineral Exploration Trust (NMET)
- Developing cutting-edge technologies for efficient exploration and minimising ecological impact
- Working with authorities to expedite auction of potential blocks
- Participation in auction of potential blocks, including critical minerals

The subsidiary's objective is to explore, discover, develop and tap mineral resources, including strategic minerals, deep-seated minerals and offshore minerals, through systematic exploration of all types of mineral deposits. It further aims to engage in geological and geophysical surveys, research, and development activities related to the identification and assessment of mineral resources. The subsidiary will acquire, lease, or otherwise control land, equipment and facilities necessary for exploration and extraction operations, and will collaborate with government bodies, private enterprises and any other organisations for joint ventures, partnerships, or research initiatives in the field of exploration. The subsidiary also plans to undertake activities incidental or conducive to the attainment of the above objectives.

HINDUSTAN ZINC
Zinc & Silver of India

OUR SIX CAPITALS

Nurturing Growth by Strengthening the Capitals

Our six capitals are key strategic drivers of growth and value creation at Hindustan Zinc. Our timely investments in strengthening them helps to steer our business and sustainability goals and manage capital interdependencies and material risks enabling accretive value delivery to all our stakeholders.

FINANCIAL CAPITAL

- Comprises our financial resources, including cash, credit lines, etc.
- Strong focus on judicious allocation and deployment of financial resources
- Striving continuously to deliver a higher internal rate of return (IRR) and stakeholder value creation
- Sustained efforts to minimise the financial risks

58%
Return on net funds for business operations*

47%
EBITDA margin

₹ 13,346 crore
Operating cash flow#

(#During FY 2023-24)

UN SDGs

Material issues
M1 M2 M3 M4 M5 M7 M11 M12 M13 M15 M17 M18 M19 M20 M21 M22

Strategic priorities
S1 S2 S3 S4 S5

Capital interdependencies

*Read more under Financial KPIs on page 114

MANUFACTURED CAPITAL

- Comprises our mines and manufacturing assets, such as smelters, refinery and power plants
- Strengthened by 25+ years of mine life, robust reserve and resource base
- Maintenance of high safety standards, sustainable operations, and adoption of advanced technologies
- Continuous upgradation of assets to control production costs and maintain quality excellence

1.2 Mt
Mined metal capacity (per annum)#

800 MT
Silver refining capacity (per annum)#

1.123 Mt
Zinc-lead smelting capacity (per annum)#

(#As on March 31, 2024)

UN SDGs

Material issues
M1 M2 M3 M4 M5 M6 M8 M11 M15 M20 M22

Strategic priorities
S1 S2 S3 S4 S5

Capital interdependencies

Read more on page 128

INTELLECTUAL CAPITAL

- Comprises technical know-how, which is used to run our operations successfully and sustainably
- Regular initiatives to strengthen innovation and research & development edge, enhance employee skills
- Investments in advanced technology, digitalisation, automation and analytics

12
Different product offerings

19.7%
Value-added products

UN SDGs

Material issues
M1 M12 M19 M22

Strategic priorities
S1 S2 S3 S4 S5

Capital interdependencies

Read more on page 48

HUMAN CAPITAL

- Key contributor to our sustained and sustainable business development
- Commitment to employee growth, learning and skill development, safety, welfare and well-being
- Dedicated efforts to boost diversity and engagement to nurture holistic people growth

23,796
Total employees, including contractors#

122,107
Learning and development hours for executives*

(#As on March 31, 2024; *During FY 2023-24)

UN SDGs

Material issues
M8 M9 M10 M13 M16 M23 M24

Strategic priorities
S4 S5

Capital interdependencies

Read more on page 196

SOCIAL & RELATIONSHIP CAPITAL

- Strong focus on strengthening stakeholder relationships to ensure sustained value creation
- Close engagement with customers, communities, people, suppliers/vendors, government and regulators
- Regular investments in education, women's empowerment, sustainable livelihood, health, water and sanitation, sports and culture, environment, safety and CSR

1.91 mn
Beneficiaries*

3,685
Villages benefitted through sustained CSR interventions*

(*During FY 2023-24)

UN SDGs

Material issues
M7 M8 M9 M10 M13 M14 M16 M18 M23 M24

Strategic priorities
S4 S5

Capital interdependencies

Read more on page 172,194,236

NATURAL CAPITAL

- Critical engine of business growth and national prosperity
- Focussed efforts towards the realisation of our Sustainability Goals
- Targeted initiatives to reduce greenhouse gas (GHG) emissions, remain water positive, recycle waste, foster biodiversity
- Promotion of safety and diversity in the workplace
- Ensuring inclusive growth of the communities in the areas of our business operations

2.41x
Water Positive#

31.24%
Waste Recycled*

41.3%
Water Recycled*

696.3
Million Units of Renewable Power Generated*

(#As on March 31, 2023; *During FY 2023-24)

UN SDGs

Material issues
M1 M2 M3 M4 M5 M6 M13 M19

Strategic priorities
S1 S2 S3 S4 S5

Capital interdependencies

Read more on page 224

MATERIAL ISSUES

M1 Climate change & decarbonisation	M2 Air emissions & quality	M3 Water management	M4 Circularity & waste management
M5 Tailings management	M6 Biodiversity & ecosystems	M7 Community engagement & development	M8 Healthy, safety & well-being
M9 Talent attraction & retention	M10 Diversity, equal opportunity & inclusion	M11 Risk management & controls	M12 Data privacy & cybersecurity
M13 Sustainable & inclusive supply chain	M14 Labour practices	M15 Land acquisition, rehabilitation & closure	M16 Learning & development
M17 Business ethics & corporate governance	M18 Responsible advocacy	M19 Innovation R&D	M20 Pandemic response & preparedness
M21 Macro-economic & geopolitical context	M22 Product stewardship	M23 Human Rights	M24 Indigenous people & cultural heritage

INVESTMENT CASE

Forging Ahead on a Solid Foundation

Hindustan Zinc is a leading mine-to-metal and precious metal player, with a metals portfolio critical to sustaining the global economy and enabling a greener future. We hold market-leading positions, including the third-largest silver producer and second-largest zinc producer globally.

We continue to build on our dominance, with our agile and dynamic approach to capture new opportunities, disciplined capital allocation strategies and sustained drive for excellence through investments in efficiencies and expansion, digitalisation and cost leadership.

HINDUSTAN ZINC EDGE

Hindustan Zinc's end-to-end integration

Portfolio of mines with long life		Customer-centric approach
Strategic investments in capacity expansion	Process excellence	Strong ESG and CSR focus
Global cost leadership		Superior returns to shareholders

INVESTMENT CASE 1

PORTFOLIO OF MINES WITH LONG LIFE

- Continuous enhancement of Mineral Resources and Ore Reserves (R&R) through exploration
- Use of innovative technologies and advanced geophysics
- Replenishing every tonne of the mined metal to ensure mine life of over 25 years, at the current rate of production

25+ Years
Mine Life (R&R) at current rate of metal production

456.3 Mt
Reserves & Resources

INVESTMENT CASE 2

STRATEGIC INVESTMENTS IN CAPACITY EXPANSION

- Constant scaling of production volumes
- Investment in advanced operational methodologies to accelerate mine development, improve productivity and optimise cost
- Optimum usage of natural resources supported by proven ore deposits

1,033 kt
Refined metal production

1,079 kt
Mined metal production

- India's first fumer facility commissioned, contributing 30 MTPA additional silver, and enabling waste recycling and additional metal recovery
- India's only integrated silver producer
- 3rd largest silver producer globally, with Sindesar Khurd Mine becoming the 2nd largest silver producing mine in the world

746 MT
Silver production

- Efficient project execution via trained partners and teams, detailed planning, and global expert collaborations

₹ 4,210 crore
Capex utilised in FY 2023-24

INVESTMENT CASE 3

GLOBAL COST LEADERSHIP

- Amongst lowest-cost zinc-lead producers globally
- Powered by economies of scale, automation and digital technologies
- Agile and responsive approach, enabling swift adaptation to change, while upholding operational excellence across the value chain
- Robust EBITDA margin, highest credit rating, and healthy balance sheet - a reflection of our resilient capital deployment strategies
- Renewable power delivery agreement for sourcing 450 MW of renewable energy, providing power cost insulation from commodity price variations and strenthening cost leadership

US$ 1,117 per MT
Zinc COP; first decile of the global zinc mining cost curve and first quartile of the global zinc smelting cost curve

51%
3-year average EBITDA margin

35%
ROCE; led by resilient capital management strategies

INVESTMENT CASE 4

CUSTOMER-CENTRIC APPROACH

Product excellence

- Diversified, innovation-led product portfolio
- Focussed on value addition: commissioned a new 30 ktpa alloy plant in FY 2023-24 and planning to commission a 510 ktpa fertiliser plant in FY 2025-26
- 12 products and 19.7% proportion of VAP

Service orientation

- Collaborative product development with customers to meet their requirement
- Extensive distribution network for improved reach and focus on long-term relations

Geographically diversified

- Growing presence in 40 countries across Middle East, South East Asia, Europe and other regions

INVESTMENT CASE 5

STRONG ESG AND CSR FOCUS

We strive for ESG excellence and undertake industry-defining initiatives to significantly reduce our environmental footprint, ensure the highest levels of safety and good governance and empower our communities. Aiming for decarbonisation, we have a robust RE portfolio capacity of 362.7 MW (solar, wind and waste heat recovery boiler) and another 450 MW of long-term RE Power Delivery Agreement.

The Company's recycling business underscores its strategic focus on circular economy and waste utilisation, enabling better metal recovery and improved economic opportunities from the existing waste streams. We are focussed on exploring further opportunities in the recycling space, including extraction of metals from industrial residue and electronic waste.

1.9 mn
Lives benefitted across 3,685 villages from sustained CSR initiatives

Advancing Sustainability Goals 2025

Climate change
- 0.5 mn tCO_2e GHG savings (2017 base year)

Water stewardship
- 5x water positive
- 25% reduction in freshwater consumption

Circular economy
- 3x increase in gainful utilisation of waste

Biodiversity conservation
- Protect and enhance biodiversity

Diversity in workforce
- 30% diversity

Ensuring zero harm
- Zero fatality
- 50% reduction in TRIFR

Responsible sourcing
- 100% responsible sourcing in supply chain

Social impact
- Positively impacting 1 million lives

Global recognitions in ESG

Ranked #1
In metal & mining industry in S&P Global Corporate Sustainability Assessment 2023

Leadership band score (A-)
In climate change and water security by CDP

FTSE4Good Index
Member

INVESTMENT CASE 6

SUPERIOR RETURNS TO SHAREHOLDERS

Disciplined capital management

- Investments in strategic projects that ensure above-average IRR
- Proactive and innovative measures for better-than-average performance

Operational excellence

- Digitalisation and automation, enabling timely delivery, staying ahead of industry changes and driving industry-leading growth
- Operational efficiencies through operational excellence, cost optimisation measures, meticulous planning, process rationalisation and targeted strategies

143%
5-year average dividend pay-out

₹ 11,671 crore
5-year average cash flow from operations

₹ 15,195 crore
Net worth

Celebrating today's achievements. Investing in tomorrow's business excellence.

MILESTONES FY 2023-24

Scaling New Frontiers of Sustainable and Responsible Growth

STRATEGIC & GLOBAL LEADERSHIP HIGHLIGHTS

- Maximised silver production by operating pyro plant on lead mode for longer duration to leverage the global pricing opportunity
- Forayed into strategic mineral exploration and further portfolio diversification, with formation of new subsidiary 'Hindmetal Exploration Services Pvt. Ltd.'
- Major capex programme initiated inviting global tenders from mining experts, to double the zinc output in the next 3-4 years
- Entered into memorandums of understanding (MoUs)/tie ups with key innovation and technology partners, dedicated to transforming waste into valuable resources, thereby driving sustainable growth and innovation
- Hindustan Zinc's Chanderiya Lead-Zinc Smelter (CLZS) becomes the largest single-location smelter globally with a capacity of 680 kt, demonstrating its prominent position in the global market

BUSINESS/OPERATIONAL HIGHLIGHTS

- Highest ever mined metal, refined metal and silver production, driving the attainment of industry leading CAGR and successful achievement of targets
- Emerged as the 3rd largest silver producer in the world, according to the World Silver Survey 2024 by The Silver Institute. Sindesar Khurd mine has also become the 2nd largest silver producing mine globally.
- Achieved a robust EBITDA margin of c.47% consistently, even amidst market volatility, showcasing financial strength and strategic resilience
- Lowest zinc cost of production in last 3 years, at US$ 1,117 per MT, driven by 5 consecutive quarters of cost reduction
- India's first Fumer facility commissioned through remote support of original equipment manufacturer (OEM) and Hindustan Zinc team from China, making it the first such innovative commissioning across the country
- Rajpura Dariba Mill commissioned enhancing the RD ore treatment capacity to 1.1 Mtpa
- For Hindustan Zinc Alloys Private Limited (HZAPL), 30 ktpa alloy facility commissioned with commencement of commercial production during the year, ramp up is currently underway
- Progress of 160 ktpa Roaster at Debari and 510 ktpa Fertiliser plant under Hindustan Zinc Fertilisers Pvt. Ltd. on track
- Quick Payback Initiatives launched and projects identified, focussing on improving production and efficiency, cost optimisation and sustainable growth

#ReachOutCampaign

SUSTAINABILITY HIGHLIGHTS

- Ranked 1st globally in the S&P Global Corporate Sustainability Assessment (CSA) 2023, with a score of 85 out of 100 under the metals and mining sector
- Secured two Indian patents, titled 'Method for production of lead by performing dross removal procedures' and 'Method for production of zinc by utilising lead plant slag', ensuring circular economy and resource utilisation
- Became the first metal and mining company in India to have validated Science Based Targets in line with 1.5°C, with approved targets of 50% reduction in scope 1 & 2 and 25% reduction in scope 3 GHG emissions by 2030, and net zero by 2050 from base year 2020
- Placed among Top 1% S&P Global CSA score members in Sustainability Yearbook 2024, featured for 7th consecutive time
- Signed a landmark agreement for deploying 180 LNG vehicles for inter-unit and finished goods movement, reducing Scope 3 emissions; 41 LNG vehicles deployed during the year
- Launched two more battery electric vehicles in the underground mines of Sindesar Khurd (SK) and deployed 10 EV trucks, with 55 MT capacity each, for inter unit concentrate transfer
- Zero liquid discharge plant of 4,000 KLD capacity inaugurated at Zawar mines to facilitate water recovery and reduction in freshwater dependency, reaffirming our vision of zero discharge as well as 5x water positivity by 2025
- Global recognition by CDP with Leadership Band of (A-), reaffirming our dedication to climate change and water security
- Hindustan Zinc won Mission Energy Foundation Award for efficient management of fly ash - captive power plant in Northern Region
- 16 people from LGBTQA+ community are introduced in the workforce
- Received the first flow of renewable energy from the Phase 1 of 450 MW RE power delivery agreement in May 2024
- Hindustan Zinc is selected as the winner in large industry category in 2nd FICCI Sustainable Industry Practice Awards
- Dedicated women's facility inaugurated in Rampura Agucha mine, 500 metres below the surface, underlining our commitment to promoting inclusivity and diversity
- Launched #Zinclusion, a programme to promote the inclusion of the LGBTQIA+ community within the organisation, as part of our focus on fostering equality, diversity, equity and equal opportunities

SAFETY AND HEALTH INITIATIVES

- Launched "Suraksha Kavach" phase-1 of fatality prevention controls initiative for underground mining, outlining clear No-Go criteria and critical checkpoints to be observed diligently
- India's 1st ever all women underground mine rescue team trained and secured 1st place in 52nd All India Mines Rescue Competition; all boys team secured 3rd place in the same
- Sindesar Khurd Mine became the 2nd mine in India to get enrolled as a member of International Mines Rescue Body (IMRB)
- Touched hearts with #ReachOut Campaign on World Mental Health Day; event aimed at breaking down barriers surrounding mental health
- Hindustan Zinc honoured with Platinum award in metal and mining sector at Apex India Occupational Health and Safety Awards 2023
- 7 business units of Hindustan Zinc recognised by British Safety Council at International Safety Awards 2024, in the distinction, merit and pass categories
- Achieved zero fatalities across all locations

India's 1st ever all women underground mine rescue team

CSR HIGHLIGHTS

- Signed MoU with India Post Payments Bank to foster economic growth and bring financial inclusion in the lives of rural community beneficiaries under our CSR programme
- Hindustan Zinc is listed as one of the top ten companies for CSR in India 2023 by the CSR Journal
- Zinc Football Academy (ZFA) awarded with the topmost Elite 3-star rating by the All India Football Federation
- ZFA's Mohammed Kaif etched his name in history books by playing a pivotal role in India's victorious campaign at the SAFF Under-16 Championship in Bhutan
- 300+ speech and hearing-impaired children were sensitised on road safety under 'Jeevan Tarang' programme. Virtual menstrual health and hygiene awareness sessions were also conducted
- 4 students from batch 5 of our Unchi Udaan initiative qualified for renowned institutions like IIT and NIT
- Unveiled a new campaign - '#ZincCity: Uniting Udaipur Through a Vibrant Cultural Tapestry' to showcase Udaipur's rich mining history spanning over 2,000 years
- Sakhi programme awarded with "The Skoch Gold Award" and Samadhan programme awarded with "The Skoch Order of Merit"
- Sakhi Utpadan Samiti recognised by BW Emerging Business Summit Awards
- Sakhi Utpadan Samiti awarded with CSR Excellence in Women Empowerment at India CSR and Sustainability Conclave 2023 and Mahatma Award in Social Good and Impact category
- Over 1,500 rural and tribal students benefitted from the Shiksha Sambal summer camps, conducted to bridge their learning gaps and further enhance conceptual understanding in Science, Language and Mathematics
- 7 locations won the Bhamashah Vibhushan Award for educational initiatives/projects
- Installed and inaugurated 53 state-of-the-art RO water filters with UV systems, benefitting over 12,000 individuals across 53 government institutions in Kotra block in Udaipur, Rajasthan
- Recognized with CSR Excellence Award by PHDCCI for exemplary CSR initiatives

AWARDS AND RECOGNITIONS

Our Management team members were recognised with:

- ★ 'Top 30 CEOs of India' list by StartupLanes
- ★ 'India's Impactful CXO' by ET Edge
- ★ Visionary Leader of 2024 by Financial Express
- ★ Best CFO - Metals & Mining category at ASSOCHAM 2^{nd} Vibrant Bharat CFO Summit & Awards
- ★ Dun Bradstreet Finance Elite 2023
- ★ Hindustan Zinc's CEO elected as Chairman of the Confederation of Indian Industry (CII) Rajasthan for the year 2024-25
- ★ CXO Impact Awards by CXO Genie for Exemplary Contribution in Diversity, Equity, and Inclusion in Finance Domain
- ★ 'Top 20 CSR Leaders' at the 4^{th} ESG Summit & Awards 2023
- ★ 2023 MGMI Award of Excellence for Non-Coal Mining
- ★ 'Best Sustainability Assessor Award' for Chief HSE & Sustainability Officer at 18^{th} CII-ITC Sustainability Awards Ceremony

Received 'Leadership in HR Excellence' prize from the CII National HR Excellence Award, highlighting our industry-leading people practices

Won the prestigious PeopleFirst HR Excellence Awards in the categories of "Leading Practices in Talent Management" & "Leading Practices in Employee Relations (Industrial Relations)"

Zinc Smelter Debari recognised at National 5S Excellence Awards 2023

Recognised at the prestigious 3^{rd} National Transgender Awards for our commitment to creating a truly inclusive work environment under the umbrella of our flagship initiative #Zinclusion

Zawar Mines won the award for Environment Best Practices under the category of Innovative Project at CII National Award 2023

Hindustan Zinc won Tax Transparency Award at 7^{th} edition of Tax Strategy & Planning Summit & Awards 2024

Recognised at ET Edge Times Group 6^{th} Edition of the Iconic Brands of India Conclave

Zawar Group of Mines won Platinum Award at Apex India Green Leaf Awards 2022

Hindustan Zinc's digital annual report won the 3^{rd} consecutive Platinum Award at AVA Digital Awards 2024, being one of the only 4 Indian companies winning a Platinum

Rampura Agucha Mine became the first mine in India to receive GreenCo Rating & Zawar Mines received Silver Rating

On-Time Delivery Performance Award received from Tata Steel Ltd, Global Wires India

Hindustan Zinc's Integrated Annual Report was awarded Platinum Winner Worldwide at League of American Communications Professionals (LACP) Vision Awards, marking an outstanding debut achievement

Awarded with two titles in 'India Risk Management Award 2023' by CNBC-ICICI Lombard, including special jury citation for 'Risk Management in Metal & Mining Industry' and 'Master of Risks in Environmental Social Governance' category

Won Best Supplier of the Year Award at Tata Steel Annual Supplier Meet 2023

Climate Action Programme (CAP) 2.0° - Orient Award in the Energy, Mining and Heavy Manufacturing Sector

BUSINESS EXCELLENCE

Digitalisation & Automation

At Hindustan Zinc, we have embedded technological excellence and automation into our operations to power ahead on the path of sustainable and responsible growth. Investments in the latest technologies enable us to ensure sustained operational efficiencies. Our agile response to the technological developments taking place around the world equips us to create pathbreaking innovations and stay ahead of the industry curve.

We scaled our technological and innovation edge further during FY 2023-24 with several new innovations.

RAISING THE BAR WITH AI/ML-BASED ANALYTICAL MODULES

Intelligent Mine Supervision

Deployed computer vision-image processing technology to identify any unsafe act or conditions in the underground mines by detecting real-time personnel entries into dangerous and high-risk zones.

Infrared (IR) Camera-based Hot/Cold Spot Detection in Cell House

Identifying and detecting hot/cold spots in the cell house, using infrared camera-based image processing and recording heat maps to take timely corrective actions. This helps in reducing shorts and voltage drops, and improving the overall current efficiency.

Sinter Flame Monitoring

Using a computer vision-based model to continuously monitor and analyse the sinter burner flame to identify whether the flame is running in optimal mode or not, and to take timely corrective action. This helps in reducing light diesel oil consumption in sinter.

> The leaders at Hindustan Zinc have always created an inclusive environment and ensured equity on all fronts for which I am thankful. Our talent management initiatives are setting an example for our industry peers.
>
> **Vandana Jain**
> Head Digitalisation and AO, ZSD

CASE STUDY

Monitoring Sinter Belt Health with Computer Vision-based Model

Close monitoring of the gaps between the grate bars in the pallets in a sinter machine is vital to ensuring optimised air flow and flame progression. A sinter machine is made of a series of pallets, where the concentrate with fluxes is placed, and the bottom layer is fired using fuel. Fans blow fresh air from the bottom, which takes the flame across the bed, sintering the ore to form the sinter product as lumps.

At the Chanderiya Lead-Zinc Smelter (CLZS), we have developed and deployed a computer vision-based model to monitor and analyse the health of the sinter belt conveyor. This helps detect the spacing between grate bars, thus indicating the health of each link of the sinter machine.

Key features

- An auto-alert system is integrated into the model; this triggers an alert for links with very poor health, enabling timely corrective action and improvement in the overall link permeability
- Ensures a uniform oxidation reaction of fine particulate zinc/lead sulphide concentrates in the updraught sinter machine and, thereby, reduces sulphur content in the sinter product

Key outcomes

- Reduction in sulphur content in sinter product (<0.5% in lead-zinc mode and <1% in lead mode)
- Improvement in imperial smelting furnace (ISF) campaign life by 0.25 days/month
- Additional finished goods production of c.1 ktpa

INTERNET OF THINGS (IoT) APPLICATIONS

Predictive Maintenance (PdM), Condition-based Monitoring (CBM) & Real-time Reliability Health Index (RHI) of Critical Assets

Early detection of maintenance requirements using analytical anomaly detection, to improve the availability and reliability of critical assets. We use IoT-based smart sensors that generate data, which is consumed by AI-based solutions to detect anomalies and run auto-fault diagnostics for taking timely corrective actions.

Hydrogen Sensing at Leaching & Purification Section

Detecting and monitoring hydrogen gas using smart IoT sensors helps identify any gas leakage and prevent hazardous conditions. It provides highly selective, specific, and instantaneous response to hydrogen gas, and is integrated with the auto-alarm system.

Details of this initiative are carried in the Health & Safety section of this Report.

Hindustan Zinc's journey towards the cloud, leveraging RISE with SAP, is a key step towards becoming an intelligent and sustainable enterprise. Embracing new-age, path breaking, state-of-the-art technology, will solidify the company's position as an industry-early mover, while enhancing their competitive advantage. HZL's V-RISE initiative will help them be future-ready with reduced business disruptions, as they transform overall SAP operations & management, including cyber resilience and business continuity. Additionally, RISE with SAP will also help HZL govern their carbon impact and fast-track the implementation of cutting-edge technologies, like Business AI, resulting in an improved stakeholder engagement and long-term growth.

Manish Prasad
President & Managing Director,
SAP Indian Subcontinent

OPERATIONAL & FUNCTIONAL AUTOMATION

Tele-remote Operations of Loaders

Additional ore hoisting of c.800 MT/day achieved by utilising automation and tele-remote operations of loaders, helping in maintenance of consistent feed to mills through shaft during shift changeover. Besides maximising the utilisation of the loader, the initiative is helping provide consistent and reliable operations to boost productivity and safety.

Details of this initiative are carried in the Rampura Agucha Mine section of this Report.

Automated Production/Consumption Booking

Automated production/consumption booking in SAP for various materials like lead concentrate, zinc concentrate, finished goods, calcine, sulphuric acid (H_2SO_4), sodium sulphate (Na_2SO_4), zinc sulphate ($ZnSO_4$), zinc dust, etc., helps in eliminating human intervention, thereby improving the overall transparency and governance.

Treasury Transformation

Improved accuracy in reporting, and reduced manhours and timelines through end-to-end automation of the treasury process across the verticals of investments, borrowings, forex, trade finance, etc., while ensuring the highest standards of transparency and governance.

SAP S4 HANA Upgrade with SAP Rise

During FY 2023-24, Hindustan Zinc upgraded to SAP S4 HANA, a new-generation Enterprise Resource Planning. This was further moved to the SAP RISE cloud platform.

This upgrade will aid our cloud transformation journey, and future-proof our technology landscape in line with our digital-first goals for a future-ready organisation. The project, envisioned as VRISE, positions Hindustan Zinc among the top mining companies to adopt such a platform.

This state-of-the-art and robust technology platform enables us to optimise workflows, strengthen security & compliance protocols, improve system efficiency, attain operational excellence, and pave the way for technology-led innovation. Additionally, RISE with SAP is essential to our larger green IT program, providing faster time to value (TTV) with quick landscape provisioning. This migration has been achieved in a record time with minimal business downtime, setting an industry benchmark for the Company.

RFQ to PO Automation

Reduced turnaround time between purchase requisition (PR) and purchase order (PO) creation through touchless request for proposal (RFP) and draft note for approval (NFA) creation, auction suggestion based on pre-defined rules and conditions, smart learning and data update on material-wise BPs, and automation of other repetitive tasks across applications and systems.

DRONE-BASED INSPECTIONS & SOLUTIONS

Drone-based Structural Integrity Inspection

Helps to monitor and inspect the health of inaccessible structures (stacks & chimneys) safely and remotely. The inspection covers a wide variety of materials, like carbon steel, insulated mild steel, concrete, and fiber-reinforced polymer (FRP), which are used in the construction of stacks. The aerial inspection is performed based on visual feed, thermal, and ultrasonic sensors, i.e., non-destructive testing, which helps in inspecting the condition and health of the structure, and thereby assists in scheduling timely maintenance and repairs, if required.

CASE STUDY

Reducing Zinc Dust Consumption

To reduce the consumption of zinc dust at the Chanderiya Lead-Zinc Smelter (CLZS), we have developed a recommendation model for zinc dust addition in the leaching and purification section (Hydro-2). The model is designed to optimise zinc dust feeding and its specific consumption, leading to reduced operational costs. It also enhances efficiency and accuracy by eliminating human intervention and dependence on an individual's skills in decision-making.

Key features

- Analysis data is consumed from the laboratory information management system (LIMS) and distributed control system (DCS) on Osisoft PI system
- Loss in weight feeders setpoint is automatically calculated and sent to DCS

Key outcomes

- Reduction in zinc dust consumption by 0.5 kg/MT
- Automated setpoint calculation
- Integrated LIMS with DCS via PI system
- Eliminated perception based manual control
- Automated decision-making

Drone-based Scanning of Underground Mines for Dilution Control

Drone-based stope scanning helps to reduce dilution by c.1% by eliminating shallow and open sections in the scan and provides greater point cloud density, which helps to optimise stope drills and blast outcomes.

STL DIGITAL LIMITED

STL Digital

STL Digital is a global IT services and consulting company dedicated to delivering exceptional digital transformation experiences for enterprises. It has established strategic partnerships with top technology firms and start-ups to provide end-to-end digital solutions that enhance customer experiences. With a comprehensive portfolio of services, including product engineering, cloud and cybersecurity, data and artificial intelligence (AI), and enterprise software as a service (SaaS), STL Digital works closely with businesses worldwide to deliver innovative experiences and operational excellence with agility.

In FY 2023-24, STL Digital partnered with Hindustan Zinc in the IT and digital space. One of the notable assignments was upgradation to SAP S4 HANA Enterprise Resource Planning (ERP) and moving to SAP RISE cloud-based innovation platform to become future-ready. This was achieved in a record time of six months, making it the fastest projects of its kind, thus setting an industry benchmark for minimal business downtime requirement. STL Digital worked closely with Hindustan Zinc right from product selection, to solution design, commercial negotiation and implementation, thus helping achieve significant cost benefits and business value from this engagement.

STL Digital continues to work closely with Hindustan Zinc and its subsidiaries towards implementing the next phase of digital transformation. This includes driving strategic technology-led business transformation initiatives, helping to create a resilient cybersecurity posture, achieving IT operational excellence, and rationalising the overall technology portfolio and related investments.

Optimising Assets to Drive Excellence

Asset optimisation provides significant sustainable competitive advantage to Hindustan Zinc in its continuous efforts to achieve best-in-class asset reliability and operational excellence. We focus on managing our assets competently and cost-effectively throughout their lifecycles to ensure sustainable value creation. This ensures that our assets operate when needed, perform safely and without harm to the environment, produce at their required capacity, and deliver quality products that meet customer expectations.

We are implementing leading asset management practices to ensure that our assets are fit for purpose when we buy, build or modify them, and they operate as per design/operating envelopes. This also helps in proper lifecycle maintenance of the assets, and their proper replacement/retirement at the end of their economic life by engaging all key stakeholders, including operations and maintenance.

In FY 2023-24, our efforts helped to deliver ₹ 628 crore worth of projects through Structured Idea Generation Campaign, and brainstorming on key issues at site with focus on value delivery for business. Small improvement initiatives was another key area that helped in delivering ₹ 21 crore savings from 7,500+ such initiatives, with a participation of 6,300 personnel, including business partner employees.

COST SAVING BY REDUCING LUBRICANT CONSUMPTION

A focussed improvement initiative across our mines in FY 2023-24 led to a significant reduction of 13% in lubricant consumption from the consumption norms of 881 KL per quarter in FY 2022-23. The project underscored the importance of efficient resource management, yielding significant environmental and cost benefits. It involved finalisation of consumption norms based on fleet operating hours, reconditioning lube oil, closely tracking daily and weekly usage of lube oil, and ensuring timely actions to adhere to the target norms. It lowered lubricant consumption in FY 2023-24 by 456 KL across mines, while contributing to cost savings of ₹ 5 crore and an ESG benefit of 685 kt CO_2 emissions reduction.

RELIABILITY IMPROVEMENT OF EQUIPMENT

At Zawar Mines, a cross-functional team brainstormed on the probable cause of frequent breakdowns in locomotive transmission. It found that oil overheating was causing frequent tripping and poor lubrication & failure. The team initiated a Kaizen exercise, enhancing the cooling of oil circuit managing temperature within range. This improved the reliability of the equipment, increasing its life by 20%, and also contributed to cost saving.

CELL HEIGHT INCREASE AT ZSD

An innovative idea led to an increase in cathode production from 260 MT/day in FY 2022-23 to 273 MT/day in FY 2023-24 at Zinc Smelter Debari (ZSD). The initiative majorly involved the replacement of the 15.5 kA rectifier with a 20 kA rectifier, and increment in cell height in circuit 1 by 150 mm in 240 cells. Circuit 2 will undergo cell height increase in FY 2024-25 to achieve the target cathode production of 283 MT/day.

LEAD & SILVER RECOVERY IMPROVEMENT AT RAM

At the Rampura Agucha Mine (RAM), lead recovery improved from 63.6% to 64.3% and silver recovery from 36.15% to 38.45% during FY 2023-24. This was the result of various innovations, including indigenous ideas for usage of specialty silver promoter chemicals and new design rotors, conversion of inner launder type to outer launder type for better collection of froth and ease of maintenance, and improvement of hydrodynamics and surface flux from cell, thereby increasing the retention time.

Quality Centre of Excellence

Our commitment to providing outstanding products and services that surpasses customer expectations is unwavering. To ensure the highest levels of excellence in our offerings, we have in place strong quality systems that ensure "doing the things right the first time" across the value chain. Our laboratories are accredited to the National Accreditation Board for Testing and Calibration Laboratories (NABL) and conform to the ISO/IEC 17025: 2017 standard on requirements of competence of testing and calibration laboratories for our raw materials, in-process and finished goods. This endorses our strong and unbiased measurement systems. All our laboratories are integrated with enterprise resource planning system (SAP S4) and historian systems through an online laboratory information management system (LIMS) that generates and communicates automated reports to all the relevant stakeholders to take data-driven decisions.

In addition to our leaders' commitment on quality through "Quality Policy", we have launched a "Customer Delight Policy", based on NGRBC (National Guidelines on Responsible Business Conduct) principles, ISO 9001:2015 and ISO/IEC 17025:2017 requirements. The policy seeks to build strong customer relationships by providing high-value products and services, understanding/anticipating customer needs, and ensuring total employee engagement with accountability.

In FY 2023-24, our efforts to make Hindustan Zinc a preferred choice for our customers by improving the quality of our finished goods resulted in a 33% reduction in customer complaints. At the same time, stringent quality assurance at the source of raw materials resulted in improvement in the suppliers' performance by 22%. For in-process quality, all our units are assessed annually under the Vedanta Quality Management Framework through independent third-party assessors. We witnessed a 9% improvement in the overall performance of the Company in compliance with the quality management framework. Quality Circle Forum of India (QCFI)-Centre of Excellence has recognised Hindustan Zinc as "Best TQM Organisation - 2024" at TQM India Unison - 2024, held in Gwalior, Madhya Pradesh.

INNOVATIVE MINING METHOD FOR GRADE IMPROVEMENT

Balaria Mine at Zawar was faced with the challenge of poor overall feed grade, primarily because of narrow ore body (up to 2 metre wide) with 60° dipping. These characteristics are prone to high dilution and reduced stope recovery. To overcome these issues, we adopted a non-traditional approach for such stoping activities. With stage mining, 25 metre slice and rock filling sequence method, we were able to mine a stope of 50 metre height, with 100% recovery improvement. It also led to reduction in external dilution from 120% to 8%. This has improved the overall feed grade from Balaria mine.

CONTINUAL QUALITY IMPROVEMENT AT RA MILL

Grade and recovery are two important quality parameters for any beneficiation plant. In our endeavour to improve the same at the Rampura Agucha Mill, we have done in-house modification of the zinc cleaner circuit by raising the height gradient between two zinc cleaner stages. Additionally, both dart shafts in the zinc rougher circuits were automated to ensure better control on mass pull, along with installation of froth cameras for measurement of froth characteristics and integrating the same with advanced process controller (APC). This has resulted in 0.5% net improvement in recovery, which has ultimately contributed to 700 MT additional mined metal during the year.

Innovation

During FY 2023-24, Hindustan Zinc has been granted two patents titled “Method for production of lead by performing dross removal procedures” and “Method for production of zinc by utilising lead plant slag” related to the novel and efficient method of producing lead by developing the alternate cooling mechanism of dross removal procedure having better turnaround time and efficient method of production of zinc metal from lead plant slag, which is a waste material generated from the lead smelting process. Zinc metal is a valuable material that has various applications in industries such as galvanising, alloys, die casting, and batteries.

These inventions relate to the field of pyro metallurgy, and relate to increasing yield of zinc and lead by utilisation of in-house innovations. The patent methods offer significant benefits to the zinc and lead industry by providing a cost-effective, high-performance alternative to the existing methods of production. These methods can potentially set new standards for best practices and quality benchmarks in the industry and enhance the competitiveness and reputation of Hindustan Zinc as a leading producer of zinc metal.

Till date, Hindustan Zinc has obtained 7 Indian patents and 3 international patents. We are also in the process of preparing additional patent applications to protect the innovative solutions currently being developed in-house.

CYBERSECURITY

Forging Towards Greater Cybersecurity

Recent years have witnessed a spate of high-profile data breaches and cybersecurity events at global companies. This has triggered many corporate crises, transforming cybersecurity and cyber risks into a corporate governance issue for Boards. With regulators making it clear that cybersecurity is not merely an IT issue, companies worldwide have started embracing it as an integral component of their enterprise-wide risk management structure. Against this backdrop, cyber risk oversight has become explicitly material to the investor’s ability to understand a company’s strategy.

Amid this transforming business eco-system, we, at Hindustan Zinc, have forged ahead aggressively and responsibly towards enhancing our cybersecurity risk posture. Our efforts have yielded tangible outcomes, with the Company being ranked the highest in the metals and mining sector in the Corporate Sustainability Assessment 2023 by Standard & Poor Global. This award also endorses our success on the cybersecurity front. Maintaining tight cybersecurity across our operations is an ongoing process, and we remain committed to ensuring that our technology and control systems are protected from attacks. We shall continue to ensure that confidential information remains safe, data integrity is protected, and business continuity is maintained in the Company in case of any disastrous event.

ROBUST CYBERSECURITY GOVERNANCE

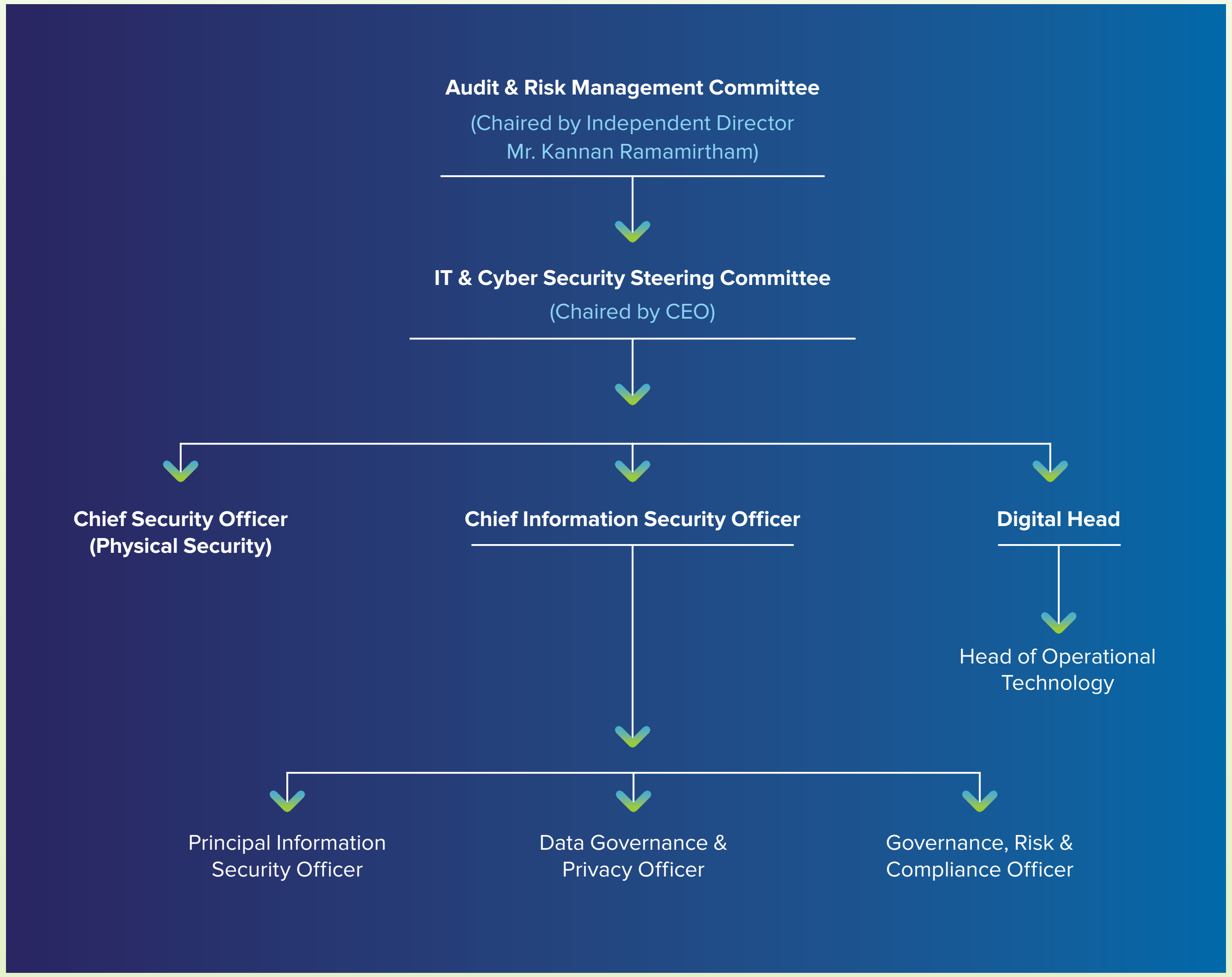
To ensure the highest levels of cybersecurity and to drive continuous strengthening of the same, we have in place a robust enterprise risk management framework.

- The Board's Audit and Risk Management Committee has the responsibility of overseeing cybersecurity governance. It reports to the Board, and is responsible for all business risks, including cyber risk. It is chaired by our Independent Director, Mr. Kannan Ramamirtham.
- Our IT and Cyber Security Steering Committee is mandated with the task of setting up expectations, providing direction and support, and reviewing and monitoring the progress and maturity of the cybersecurity posture of the organisation. This is done in alignment with the Company's vision and strategy.

The Committee is chaired by the Chief Executive Officer (CEO), and comprises leaders from all the business functions, including IBU heads, Chief Financial Officer (CFO), Chief Human Resource Officer (CHRO), Chief Information Officer (CIO) and Chief Commercial Officer (CCO).

- The responsibility of setting up the cybersecurity vision and strategy rests with the Chief Information Security Officer (CISO), who is also entrusted with the role of defining the cybersecurity governance framework, and executing programmes to ensure the highest protection for confidentiality, integrity and availability of all information assets. The CISO is accountable to the IT and Cyber Security Steering Committee as well as the Audit and Risk Management Committee of the Board on all cybersecurity-related issues.

Our leadership and governance structure, as provided below, is crafted to strategise, execute and monitor the cybersecuirty function at Hindustan Zinc.



MANAGING CYBERSECURITY RISKS WITH AGILITY

We are cognisant of the need for effective and agile management of cybersecurity risks for the protection of the confidentiality, integrity and availability of all technology and data assets in the Company. These include the assets on which we rely for our smooth operations. To this end, we have adopted a clearly defined principle/standard and an objective-based approach. The details of these are contained in our cybersecurity framework, which focusses on the risks and critical controls around our assets. The framework's standard applies strictly to all assets, particularly those that are critical for business and operational resilience, as well as stability and regulatory compliance.

The framework is well supported by several other standards and guidelines, which govern our information technology and cybersecurity practices. These include information security management and personal data privacy standards, disaster recovery and business continuity management, and risk management.

We maintain an Integrated ISO certification, consisting of ISO 27001 (Information Security), ISO 22301 (DR & BCP), ISO 31000 (Risk Management) and ISO 27701 (Privacy Management), that covers 100% of our assets in India. Further, our risk register and risk control matrix are in harmony with the control objectives of the information and related technology (COBIT) framework.

COMPREHENSIVE INFORMATION SECURITY MANAGEMENT FRAMEWORK

To manage the information security in the Company, we have a well-entrenched and comprehensive Information Security Management Framework as part of our Enterprise Risk Management (ERM) framework. The framework for managing information security effectively covers the various relevant policies, standard operating procedures (SOPs) and technology standards. We have also established an effective security assessment and audit process for preventing cyber-attacks. Implementation of security-by-design in our business and technology landscape has further strengthened the framework.

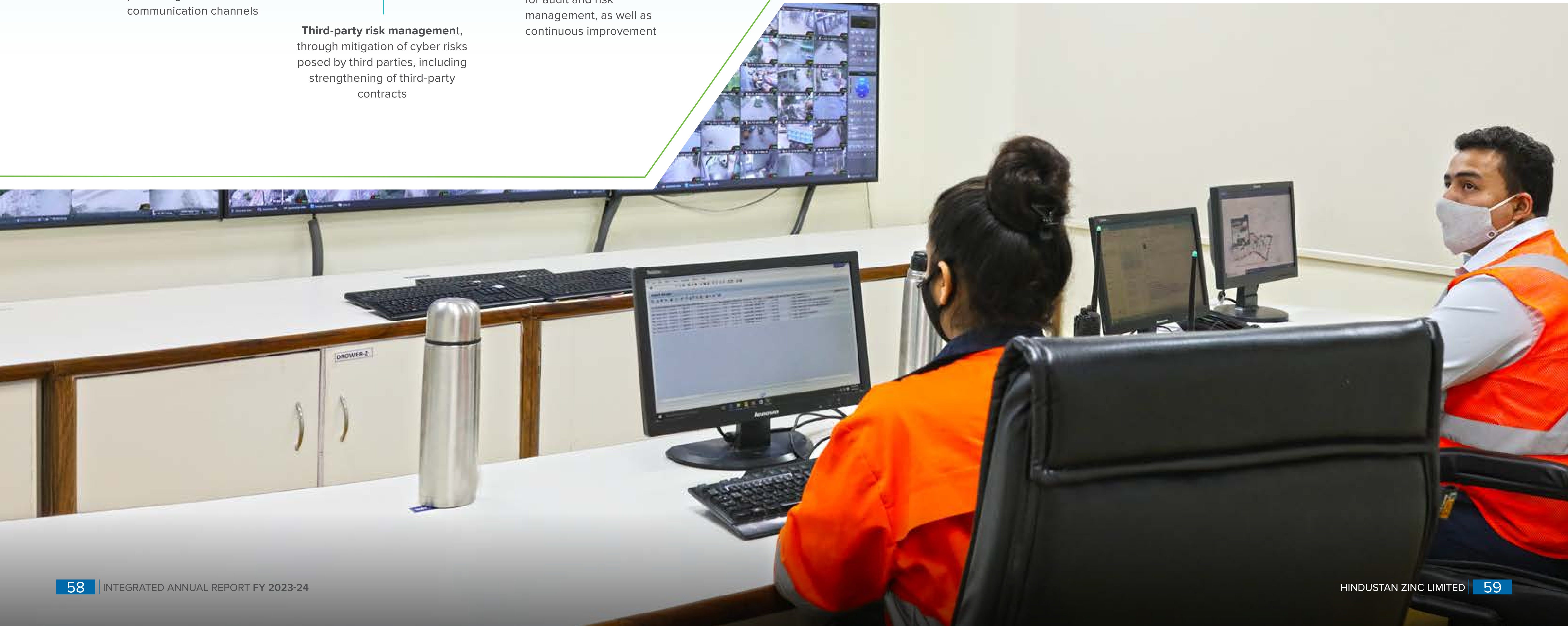
THE FRAMEWORK COVERS

- Comprehensive **social engineering and security awareness** for full-time employees and business partners' employees
- **Data privacy** compliance, to implement best-in-class privacy practices and avoid regulatory penalties
- **Operational technology security**, by strengthening and monitoring plant technical system (PTS) assets to prevent compromise of critical PTS infrastructure
- **Governance, risk and compliance framework** for audit and risk management, as well as continuous improvement
- **Third-party risk management**, through mitigation of cyber risks posed by third parties, including strengthening of third-party contracts
- Comprehensive **data leakage prevention**, protecting all communication channels
- Protection of the Company's information assets hosted in the Vedanta cloud or external SaaS (Software as a Service) platforms, ensuring **cloud security**
- A **cyber resilience programme**, with technical and business readiness to respond to or recover from critical incidents

The framework guides the formulation of our information security strategy, as well as our long-term roadmap and annual information security plan. The IT and Cyber Security Steering Committee reviews the framework annually, in consultation with external expert agencies. This helps in incorporating applicable regulatory requirements and prevailing industry knowledge, and also enables consideration of newer threats and risks.

Aligning Privacy-by-design to Evolving Regulatory Requirements

Hindustan Zinc has defined and rolled out an ambitious privacy compliance and readiness programme to ensure alignment to the Digital Personal Data Protection Act, 2023 (DPDPA). As a part of this programme, we will identify privacy risks/footprint across business processes and/or business applications, perform gap assessment, and prepare privacy policies, procedures and templates to address the gaps in alignment with DPDPA requirements and globally best privacy practices. We plan to conduct trainings and assist in introducing privacy policies and procedures, and in implementing privacy notices/ cookie banners. We will also undertake technical implementations, such as data masking, encryption, consent management, etc., to meet the requirements of DPDPA rules and best privacy practices. Hindustan Zinc, being a leader in the metals and mining industry, aims to be ahead of the curve in complying to the various regulatory requirements.



STRONG INFORMATION SECURITY POLICIES

Our information security and data governance policies help in creating a strong security framework. We incorporate various management frameworks in the process of defining these policies. To keep pace with the transforming security environment, the CIO, CISO and other competent personnel in our information security function review the policies and procedures every year. We ensure that all approved and enforced policies are made available to all employees and business partners (BPs) through impactful communication across media.

Information Security Framework Elements

In line with the identified strategic areas, we regularly undertake various cybersecurity initiatives to enhance our cybersecurity capabilities across the business and minimise the related risks.

1 Cyber Resilience

Our end-to-end cyber resilience programme covers 24X7 security incident monitoring plan, incident detection, response and recovery playbooks, hand-shake with the organisation crisis management plan, and associated decision/communication matrix for cross-functional stakeholders, such as human resources, corporate communications, legal, business and information security. We have put in place cyber insurance and incident response retainer services to protect from any low-probability high-impact cyber-attacks. We conduct annual executive cyber drills and purple teaming for continuous improvement of the cyber resilience programme.

2 Data Privacy Readiness

A privacy information management system (PIMS) is in place in the Company, and we also conduct data discovery to identify personally identifiable information (PII) collection, storage, processing, transfer, etc. We have further established privacy policies, procedures, consent management and data subject rights management, to strengthen our data readiness. We conduct privacy impact assessments for business processes involving large-scale personal information, besides conducting privacy awareness for our employees.

3 Social Engineering and Awareness

To build the team's capability to identify and report breaches, Hindustan Zinc has prepared a holistic cybersecurity awareness plan, which is executed a continuously throughout the year. All new joiners are mandated to attend the cybersecurity training during their on-boarding process. An online awareness training capsule on self-service mode is available to all users. Our business ethics and Code of Conduct has a cybersecurity element, with which employees must comply as it is also linked with their annual performance evaluation.

We conduct extensive security awareness for all employees and business partners' employees who have access to Hindustan Zinc's systems or are working on the Company's premises. We engage with them quarterly through security awareness communications as well as end-to-end social engineering simulations, including various scenarios such as phishing, baiting, pre-texting, quid-pro-quo, scare-ware/fraud-ware, etc. Our efforts are geared towards making these security awareness communications informative and engaging. We also conduct monthly stand-up sessions and executive briefings on cybersecurity at various locations.

4 Operational Technology Security

We have made large investments in phased upgradation of our operational technology systems/plant technical systems to the latest versions. This is aimed at preventing cyber attackers from exploiting any vulnerabilities that may exist in legacy systems. We further intend to conduct vulnerability scanning of operational technology systems to ensure that known vulnerabilities declared by original equipment manufacturers (OEMs) are identified and remediated.

5 Cloud Security

At Hindustan Zinc, we take cloud security very seriously and perform risk-based remediation of security issues related to our assets (be it virtual machines, applications, services, etc.) hosted in corporate IaaS (Infrastructure as a Service) cloud or SaaS (Software as a Service) applications. We further ensure that all cloud-hosted assets are integrated with security operations centre (SOC) for 24X7 security monitoring. We have implemented a web application firewall, which ensures that our crown jewel applications have an automated protection layer against web-based attacks.

6 Data Leakage Prevention

We have performed detailed data flow analysis (DFA) along with our business/functional teams, to identify critical data and crown jewels. Based on this analysis, we have implemented a comprehensive data leakage prevention (DLP) capability, covering various communication channels such as web, email, mobile devices, etc. We conduct regular DLP rule-based review and fine-tuning to ensure alignment with DFA. Our 24X7 DLP monitoring desk monitors and manages all data leakage incidents.

7 Third-Party Risk Management

We have identified the third parties that pose cybersecurity related risks to the organisation, and have put in place the required governance structure to address and mitigate the same. We annually perform risk assessment of high-risk third parties (including any new third-party vendors getting introduced to Hindustan Zinc's environment) to ensure that the risks are measured and mitigated, and appropriate security clauses are incorporated in third-party contracts.

8 Governance, Risk & Compliance

As a risk-driven organisation, we carry out detailed risk assessment across the organisation. We have successfully implemented a robust risk management framework, which helps the organisation to consider the full range of risks it faces. Hindustan Zinc is certified in the ISO 31000:2018 risk management framework.

Incident Management & Response (Cyber & Data Incidents)

At Hindustan Zinc, we detect information security and data incidents mainly through monitoring with security information and event management (SIEM) services, data leakage prevention (DLP) desk operations, incidents reported by information security function and end users. A system is in place to track and monitor all security incidents till their logical closure. This includes root cause analysis and action plan to mitigate similar incidents in the future, under the incident management and data breach policy. We also have in place a platform through which any employee can raise the incident when something suspicious is noticed. Incident response testing is conducted twice a year as part of our business continuity plan (BCP)/disaster recovery (DR) drills.

Vulnerability Management

We have in place a robust vulnerability management policy, which allows us to effectively identify and address the risks and vulnerabilities across the information technology (IT), operational technology (OT) and digital landscape. We arrange for annual internal and external vulnerability assessment and penetrating testing (VAPT) programme, surveillance audit, as well as assessment of IT general controls (ITGC), to be carried out by globally reputed and recognised third-party agencies. In-depth structuring of the Company's vulnerability management programme across all the layers of defence ensures adequate coverage to policy & framework, physical, perimeter, network, application, and data security. Vulnerability identification, monitoring and tracking of mitigation actions and continuous compliance are ensured through various assessments conducted during the year. These assessments are aimed at identifying vulnerabilities, threats, shortcomings, and associated risk/impact. They include governance & framework review, red teaming exercise as part of physical security assessment, data governance and compliance assessment, surveillance audit under various ISO frameworks and assessment of ITGC by Statutory Auditor under applicable financial compliance frameworks.

In addition, we conduct VAPT, including simulated hacker attacks, at least twice a year. The exercise is put together by Hindustan Zinc's information security function and group management assurance services (MAS) function. It is conducted for defining, identifying, classifying, and prioritising vulnerabilities in computer systems, applications, and network infrastructures. It helps in equipping us with the necessary knowledge, awareness, and risk background to understand the threats to our environment and react appropriately. We also conduct simulated hacker attacks as part of third-party vulnerability analysis. After each assessment, an observation tracker is prepared for all identified vulnerabilities with clear-cut mitigation timelines and ownership, based on criticality of observation. This is rigorously monitored, reviewed, and reported at various forums.

Escalation Process

An escalation process has been developed by the Company as part of its IT security framework. It facilitates employees in reporting on anything that is suspicious or a threat to the organisation, our intellectual property, other business documentation, our people, or our finances. As part of the escalation process, all information security incidents are reported to the relevant team members. These incidents are then reviewed and analysed by the Information Security Team. The escalation process is also regularly monitored by the Risk Committee. Besides this, provision for reporting phishing mails has been given via a “Report Phishing” option in the mail menu itself.

Performance Evaluation and Reporting

At Hindustan Zinc, performance evaluation of information security is a multi-faceted process, covering various aspects. The goals and performance of each employee are aligned with the Company's information security goals for the workforce in the IT/OT function. Various internal and external vulnerability assessments, management reviews under information security administration, and reported incidents are used to measure the effectiveness of processes and technologies. Further, as part of the social engineering simulation exercises, offenders are issued advisory letters from the CHRO's office, sensitising them about the risks, and warning them about further punitive action in case of repeat offence.

Our Report Card

	FY 2023-24	FY 2022-23
Total number of information security breaches	0	0
Total number of clients, customers and employees affected by the breaches	0	0

Operating Environment and Value Creation

OPERATING ENVIRONMENT

Forging Ahead on the Opportunity Landscape

The growth strategy at Hindustan Zinc is guided by the developments and changes taking place in the external environment. We closely monitor these changes and align our strategic response to the same. We harness our understanding of the business to identify the emerging opportunities, and accordingly develop impactful strategies and plans. The global and domestic economic scenario, as well as the demand-supply situation were some of the key areas that defined our strategic approach during FY 2023-24. Other elements of our response strategy included the various ESG issues of our stakeholders, and the growing digital/cybersecurity focus.

GLOBAL AND INDIAN ECONOMIC CONDITIONS

Global economic conditions can substantially influence the demand and supply of commodities in various industries.

The global economy was significantly hit by the recent pandemic. Russia-Ukraine war and the resultant cost-of-living issue were other factors that impacted the world economic situation. The Red Sea crisis which erupted in late 2023 further derailed the global supply chain and affected the world economy adversely. Approximately, 30% of global containers shipping to Asia traverse Red Sea, accounting for 15% of the Suez Canal traffic. This includes shipments carrying oil and gas, common goods, and commodities vital to the world economy.

However, despite the effects of Russia-Ukraine war on the food and oil market, and the tightening global monetary policy, the world economy started witnessing a steady recovery in 2023. This was on account of the bottoming out of the global economy, and the progressive decline in inflation - both headline and underlying (core).

The recovery, however, has been unequal and sluggish, and marked by widening global disparities. The World Economic Outlook (WEO) has projected global economic growth for 2024 and 2025 at below the historical (2000-19) average of 3.8%. The projection is guided by the high central bank policy rates, withdrawal of fiscal support due to excessive debt-burdening economic activity, and low underlying productivity growth.

In India, strong economic development is being driven by domestic demand, bolstered by the government's capital expenditure and focus on 'Make in India'. Expectations for income and expenditure are improving as consumer sentiment is rising. The construction, raw materials, and machinery sectors stand to gain the most from the capex boom, with an emphasis on enhancing infrastructure in transportation and power networks. This is set to augment corporate competitiveness and productivity, and improve future possibilities for economic growth. With a stronger-than-expected consumption between April-June 2024, growth in India is predicted to remain robust at 7% in both 2024 and 2025, as per the Reserve Bank of India.

Key enablers

- Sluggish economy has led to weak commodity demand and sustained low prices; the Red Sea crisis is further disrupting the supply chain and shipment delivery
- Positive economic growth and outlook in India ensures sustained demand for commodities, offsetting global downturns

Implications for Hindustan Zinc's value creation

- India's economic momentum and expectation of robust domestic growth is a positive for the Company; we are well positioned to seize growth opportunities and respond positively
- The Red Sea crisis has minimal impact on our operations, considering our customers are based in unimpacted regions

Hindustan Zinc's response

- Our long-term and sufficient input commodity supply agreements are ensuring better availability
- Cost optimisation initiatives are contributing to our global cost leadership and robust margins, including improvement in operational efficiencies, transformation of operations through automation and digitalisation, key contract transformation strategy, etc.
- We are expanding our value-added portfolio by adding alloy products to cater to the customers' needs
- Besides renewable energy sources, alternate fuels like biomass are being used to diversify energy sources, drive sustainability, and achieve cost efficiency
- We are undertaking modifications in power plants to increase domestic coal consumption to take advantage of increased availability

Strategic priorities

S2 Expansion of capacities

S3 Strengthening cost leadership

S4 Expansion of product portfolio through customer-centricity

DEMAND AND SUPPLY FOR THE COMMODITIES

Hindustan Zinc deals in multiple commodities including zinc, lead and silver. We witnessed a mixed performance for these commodities during the year. Globally, the demand for zinc declined and that of lead grew marginally. Coupled with unsustainable metal surpluses and macroeconomic headwinds, this led to a decline in their LME prices. Silver LMBA prices ended higher, but demand for the year was lower in 2023 versus the record-breaking demand in 2022. In India, while zinc demand was steady, the demand for lead and silver was slightly subdued.

Refer to page 329 for details on commodity demand and prices

Key enablers

- Zinc, lead and silver demand is on rise, driven by several favourable market trends
- Commodity supply is influenced by mining activities, geopolitical factors, recycling practices, and environmental regulations

Implications for Hindustan Zinc's value creation

- We have posted a 2% increase in mined metal production and a 5% increase in silver production
- Earnings have been impacted due to decrease in LME prices

Hindustan Zinc's response

- Our strategy is aligned with the increase in domestic primary zinc demand, resulting in an increase in the domestic sales mix from 59% in FY 2022-23 to 71% in FY 2023-24
- We are continuously advancing towards becoming a product-based company, with the commissioning of the alloy plant to enhance our value-added product portfolio, and our plan to build a fertiliser plant at Chanderiya
- We are leveraging our irreplaceable resource and asset base and flexible operational technologies to strategically maximise silver production and capitalise on its elevated prices; silver sold on MCX to ensure better realisation and earnings
- We have ongoing collaborations with the International Zinc Association (IZA) to work on multiple projects to increase the per capita zinc consumption in India
- We are effectively implementing an impactful strategy to safeguard revenue and profits

Strategic priorities

S2 Expansion of capacities

S4 Expansion of product portfolio through customer-centricity

ENHANCED STAKEHOLDER FOCUS ON ESG

There is, globally, an increased stakeholder interest in Environmental, Social & Governance (ESG) issues. Major stakeholders like the government, customers, investors and the community are pitching for integrating ESG aspects into business models, strategies and capital allocation decisions to drive sustainable and long-term value creation. The metal and mining sector is also witnessing enhanced stakeholder interest, with a growing demand for bigger investments in sustainability-linked initiatives. There is, within the sector, a strong focus on enhancing ESG disclosures in line with ESG regulations and reporting standards, as well as India's net zero target by 2070.

Key enablers

- ESG's emergence as a priority for markets and stakeholders globally is necessitating its integration into strategies and decision-making
- India is witnessing rising pollution and climate-related threats and instances
- Countries, including India, have pledged themselves to decarbonisation

Implications for Hindustan Zinc's value creation

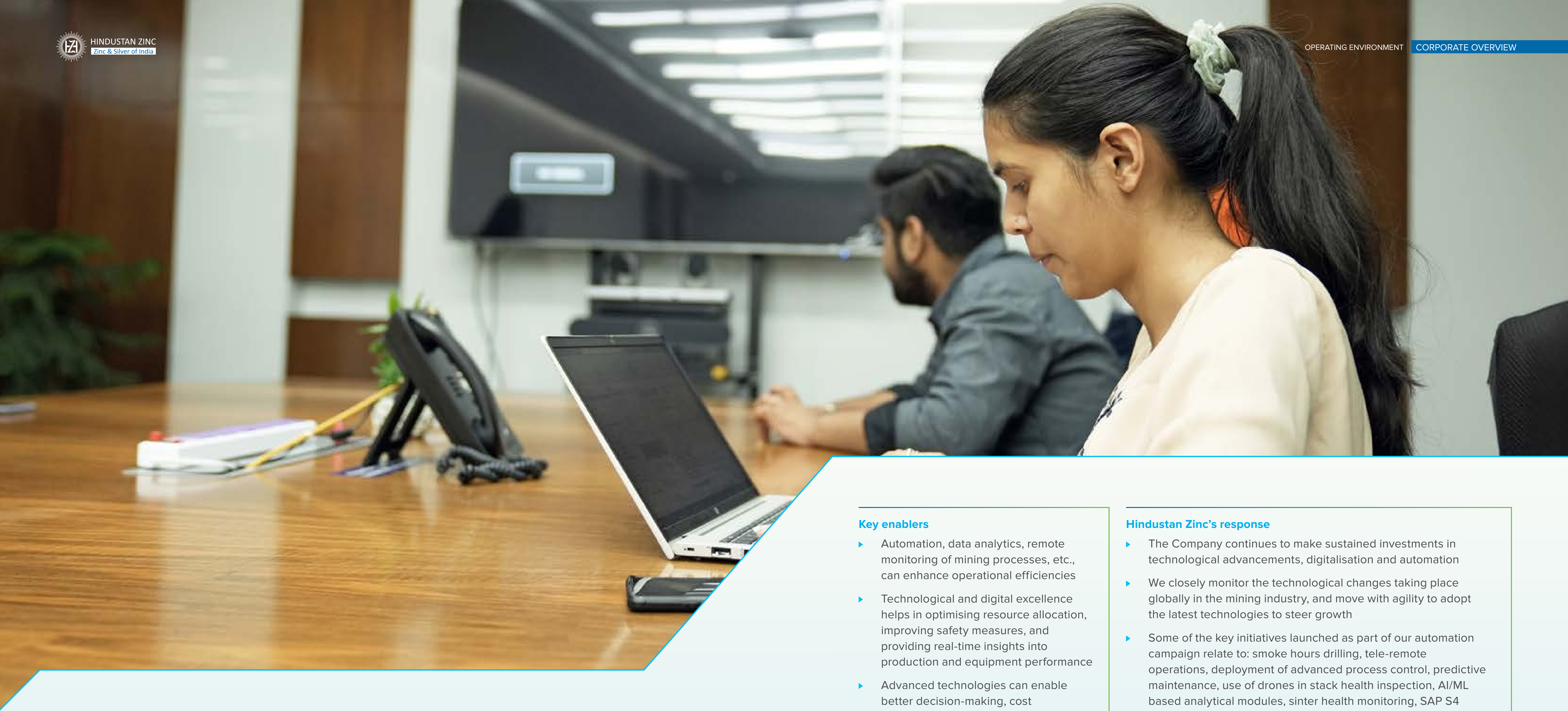
- Our ESG commitment and performance enhance our reputation and help strengthen our stakeholder relations
- Social outreach and harmonious co-existence with communities ensure social licence to operate
- Climate change is driving regulations, technological and behavioural changes which can impact commodities' demand

Hindustan Zinc's response

- We have in place a robust sustainability governance framework, with Board-level Sustainability and ESG Committee
- We are progressing steadily on our ambitious Sustainability Goals 2025
- We have a well-articulated roadmap towards decarbonisation
- The Company is pursuing globally-recognised sustainability practices and initiatives, such as renewable energy power delivery agreement, strategic partnerships for deployment of battery electric vehicles & LNG vehicles, maintaining zero liquid discharge, biodiversity conservation with IUCN, and promotion of fair labour practices, etc.
- We are extensively using environment-friendly methods in mining and processing of metals, with focus on reduction in carbon emissions, minimisation of water usage etc.

Strategic priorities

S5 Progressing towards a sustainable future



DIGITAL EXCELLENCE AND CYBERSECURITY

The metal and mining industry is undergoing major digital transformation, with increasing use of digital technologies. Agile adoption of digital technologies helps to improve and modernise the methods of extraction, processing and transportation of metals and minerals. Use of AI (Artificial Intelligence), data analytics, Industrial Internet of Things (IIoT) and other advanced technologies is enabling the industry to boost its operational efficiencies and productivity.

Digital tools and methodologies are aiding companies operating in this industry to optimise their operations and costs. This is further helping to eliminate production inefficiencies, manage resources effectively, and enable prudent decision-making. While bringing a new level of agility and dynamism into the operations, this has also enhanced the need for a robust cybersecurity framework. In the absence of strong cybersecurity measures, organisations can get exposed to data breaches, disrupting operations and compromising sensitive information. Embracing digital excellence becomes vital to staying competitive and resilient in the modern mining industry.

Details about our digital and automation initiatives can be read on page 48

Key enablers

- Automation, data analytics, remote monitoring of mining processes, etc., can enhance operational efficiencies
- Technological and digital excellence helps in optimising resource allocation, improving safety measures, and providing real-time insights into production and equipment performance
- Advanced technologies can enable better decision-making, cost optimisation and sustainable practices; this helps to position organisations competitively in the evolving mining landscape
- Robust cybersecurity measures for protecting sensitive data & critical operations and a cyber-first culture for building continuous cyber resilience

Implications for Hindustan Zinc's value creation

- Investments in digitalisation, automation and innovation ensure operational efficiencies, boost productivity and safety, thereby enhancing business outcomes
- This results in improved profitability and stakeholder returns

Hindustan Zinc's response

- The Company continues to make sustained investments in technological advancements, digitalisation and automation
- We closely monitor the technological changes taking place globally in the mining industry, and move with agility to adopt the latest technologies to steer growth
- Some of the key initiatives launched as part of our automation campaign relate to: smoke hours drilling, tele-remote operations, deployment of advanced process control, predictive maintenance, use of drones in stack health inspection, AI/ML based analytical modules, sinter health monitoring, SAP S4 HANA upgradation with SAP Rise, etc.
- Coupled with the safety and security of our systems and processes, these initiatives are guiding the realisation of our goal to provide best-in-class metals worldwide, produced with the highest commitment to ESG standards
- Our robust Enterprise Risk Management framework and governance structure helps to strategise, execute and monitor the cybersecurity domain in the organisation

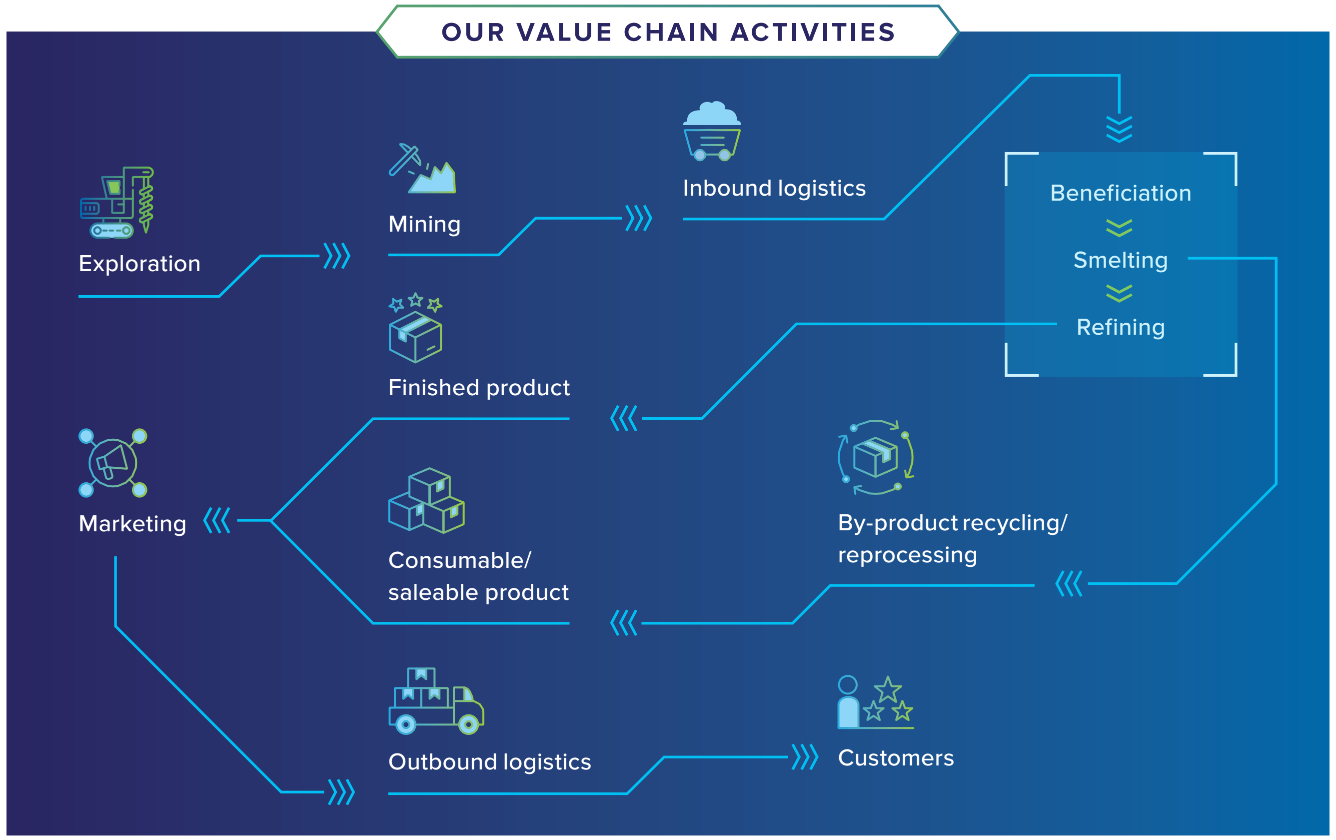
Strategic priorities

S3
Strengthening cost leadership

BUSINESS MODEL

Forging Ahead with Our Value Creation Model

Our integrated operations are a core strength propelling the Company's growth journey. To strengthen these operations, we have developed a highly evolved, integrated business model for long-term, holistic and sustainable value creation. Judicious deployment of resources, backed by sustained investments in building our capitals, is a key tenet of our business model. We are continuously strengthening the business model in line with the transforming external ecosystem and stakeholder demands. During FY 2023-24, we made further investments in our capitals and took responsible actions to boost the outcomes of our business operations. We took into consideration the various constraints and trade-offs that emerge in the course of our complex and elaborate operations to make prudent investments and take proactive actions.



INPUTS

NATURAL CAPITAL

Inputs deployed

- Ore R&R: **456.3 Mt**
- Zinc-Lead metal R&R: **30.8 Mt**
- Silver R&R: **854.3 Moz**
- Energy consumption: **47.63 GJ** per tonne of metal
- Water consumption: **25.31 m³** per tonne of metal

Key focus areas

- Need for optimal and judicious utilisation of natural resources, including mineral resources
- Striking a balance between extraction activities and environmental preservation to avoid ecological degradation and ensure long-term sustainability

MANUFACTURED CAPITAL

Inputs deployed

- World-class technologically advanced plants and operations
- Zinc cost of production: **US$ 1,117 per MT**
- Fixed assets: **₹ 43,684 crore**

Key focus areas

- Infrastructure, equipment and technology vital for our business operations, and securing funds for these critical components remains the key
- Long mine life and R&R base for secured raw material availability
- Modern processing facilities capable of producing diverse products

INTELLECTUAL CAPITAL

Inputs deployed

- Collaborations/memberships with technical institutes: **17**
- Investments in technology, innovation and automation: **₹ 32.5 crore**
- Patents awarded: **2 (India)**

Key focus areas

- Challenges related to knowledge, expertise and innovation
- Importance of attracting and retaining trained pool of geologists, geophysicists, analysts and professionals for designing and executing exploration programmes
- Sustained investment in research and development
- Automated and digitally integrated value chain

HUMAN CAPITAL

Inputs deployed

- Total workforce: **23,796**
- Employee benefit expenses: **₹ 828 crore**
- Learning & development: **122,107 hours**
- HSE training: **745,111 hours**

Key focus areas

- Need for new-gen workforce with differentiated skills of digitisation, artificial intelligence (AI) and best mining practices, given the new industry demands
- Ongoing training and skill development ensures optimal manpower and higher productivity

SOCIAL AND RELATIONSHIP CAPITAL

Inputs deployed

- CSR spending: **₹ 269 crore**
- Healthy relations with stakeholders, aided by ongoing and productive engagements
- Strong people-led institutions at the grassroots: **13**

Key focus areas

- Proactive focus on external relationships and community engagement is a prerequisite
- Local employment, sourcing and increased social spending required to ensure social licence to operate
- Strong customer relationships, positive connections with local communities, regulatory bodies and stakeholders to mitigate reputational risks
- Focus on leadership development, exposure to best practices, governance and go-to-market approaches

FINANCIAL CAPITAL

Inputs deployed

- Equity capital: **₹ 845 crore**
- Net cash: **₹ 1,731 crore**
- Reserves & surplus: **₹ 14,350 crore**

Key focus areas

- Adequate access to sufficient capital and funds for investment in value-accretive projects

OUTPUTS

Zinc	Lead	Silver
817,059 tonnes (820,898 tonnes)	215,984 tonnes (210,690 tonnes)	746 tonnes (714 tonnes)

Figures in brackets are for FY 2022-23

OUTCOMES

NATURAL CAPITAL

Outcomes

- All units are certified:
  - ISO 14001 - Environmental Management
  - ISO 50001 - Energy Management System
  - Environment Product Declaration for Zinc
- GHG emissions (scope 1 & 2): **4.81 mn tCO_2e**
- Maintaining zero liquid discharge across sites
- Total waste generation: **20.24 Mt**
- HVLT waste generation: **1.26 Mt**
- Fly ash generation: **0.34 Mt**
- Waste recycled: **6.32 Mt**
- Water recycled: **18.41 mn m³**

Actions to improve outcomes

- Optimal usage of natural resources with a focus on the use of recycled water, renewable energy and gainful waste utilisation
- Investments in low-emission technologies and renewable energy
- Collaborative models for metal recovery and waste recycling
- Aim for 0.5 mn tCO_2e GHG emission savings in operations, becoming 5x water positive and 3x increase in gainful utilisation of smelter waste by 2025
- 50% reduction in scope 1 & 2 emission and 25% reduction in scope 3 by 2030, achieve net zero emission by 2050 (SBTi approved target)
- Biodiversity conservation initiative across sites

UN SDGs impacted: 6, 7, 9, 12, 13, 15, 17

MANUFACTURED CAPITAL

Outcomes

- Long mine life (average): **25 years+**
- Among the world's lowest cost producers of zinc
- Mined metal production: **1,079 kt**
- Refined metal production at: **1,033 kt**

Actions to improve outcomes

- Investments in:
  - New-age technologies
  - R&R additions (target 500 Mt with 35 Mt metal) and new tenements while maintaining existing leases
  - Smelter expansion and regulatory approvals
- Higher recoveries and efficiency ensuring improved ore-to-metal ratio
- Cost control through consistent efforts on operational efficiencies (including minor metal recovery and gainful waste utilisation), volume delivery, cost rationalisation and investment in cost-effective sustainable solutions

UN SDGs impacted: 9, 12, 13

INTELLECTUAL CAPITAL

Outcomes

- Diverse product offerings: **12**
- Value-added portfolio: **19.7%**
- Minor metal extraction capabilities
- Strong brand recall

Actions to improve outcomes

- Digital best practices replicated across sites
- Ongoing innovation for metal recovery, adding green products, minimising GHG emissions, and people safety
- Enhance in-house R&D capabilities and undertake new product development based on market research
- Invest in new business
- Increased use of automation and of subject matter experts (SME) for designing and executing exploration programmes

UN SDGs impacted: 9, 12, 13, 17

HUMAN CAPITAL

Outcomes

- Revenue per employee*: **₹ 8 crore**
- Diversity ratio: **21.7%**
- Attrition rate: **11.7%**
- Total recordable injury frequency rate (TRIFR): **1.84**

* considering permanent employees and permanent workers

Actions to improve outcomes

- Attracting industry-best talent
- Investments in safe, productive and inclusive workplace
- Deployment of outsourced services from global exploration experts

UN SDGs impacted: 3, 5, 8, 10, 16, 17

SOCIAL AND RELATIONSHIP CAPITAL

Outcomes

- CSR beneficiaries: **1.91 mn**
- Contribution to the exchequer: **₹ 13,195 crore**

Actions to improve outcomes

- Generate local employment opportunities through ancillaries & ensure sustained livelihood for communities
- Facilitate 25% higher freshwater availability for communities
- Zero land acquisition for waste storage
- Compliance with community and environmental regulations
- Contribution to nation building and resource sufficiency

UN SDGs impacted: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 17

FINANCIAL CAPITAL

Outcomes

- Revenue: **₹ 28,932 crore**
- EBITDA: **₹ 13,677 crore**
- Earnings per share: **₹ 18.36**
- Total interim dividend: **₹ 5,493 crore**

Actions to improve outcomes

- Investments in value-accretive projects, new businesses and value-added products for enhanced profits in the medium and long term and protection from commodity price volatility
- Agility in decision-making, cost optimisation, investment in new-age technologies for enabling cost excellence
- Maintaining robust profitability and returns thereby creating value for stakeholders
- Cost control through consistent efforts on operational efficiencies, volume delivery and cost rationalisation, to combat the inflationary input commodity environment
- Higher cost credits through enhanced minor metal recovery, gainful utilisation of waste

UN SDGs impacted: 8

STAKEHOLDER ENGAGEMENT

Fortifying Connections through Strategic Engagements

CUSTOMERS

Understanding their needs helps to improve product quality and pricing, and guides our product innovation & development. Reduction in environmental and social impacts of our products helps customers meet their sustainability goals.

Material issues impacting the quality of relationships

Climate change & decarbonisation	Business ethics & corporate governance
Circularity & waste management	Pandemic response & preparedness
Risk management & controls	Macro-economic & geopolitical context
Data privacy & cybersecurity	Product stewardship

Capitals impacted

Strategic Priorities impacted

S2 Expansion of capacities

S3 Strengthening cost leadership

S4 Expansion of product portfolio through customer-centricity

Engagement methods

- Intuitive Vedanta Metal Bazaar online platform for continuous engagement and feedback
- Periodic connects with key customers by senior executives and top management
- Biennial customer satisfaction survey
- Forum for quick customer query resolution
- 'Voice of customers' workshops chaired by CEO & CFO to understand their concerns and feedback

Key considerations during the year	Hindustan Zinc's response
Demand for zinc alloys	In addition to meeting customer needs, Hindustan Zinc's commitment lies in product diversification and enhancing its market competitiveness. In response to customer demand, Hindustan Zinc has significantly expanded its value-added product (VAP) production. In FY 2023-24, the Company augmented its VAP portfolio by 34 kt, reaching a total of 161 kt.
Increased demand for primary zinc	Indian primary zinc market has grown by 20% y-o-y to 773 kt in FY 2023-24. Hindustan Zinc has focussed on, and catered more to, the domestic market. The Company has supplied 71% of its total zinc sales to India, which is 12% higher than previous year.
Focus on digitalisation	Hindustan Zinc has implemented live vehicle tracking for material shipments, optimising the logistics efficiency. It has streamlined digital operations through introduction of mobile app for easy access to Vendor Management Portal (VMB). It has further enhanced customer experience through solutions like e-negotiation for fair pricing, buyer registration with digital KYC, and customer dashboard with contract status and market analytics, etc.

COMMUNITIES

Our commitment to community well-being aligns with our business growth and sustainability agenda. Community engagement facilitates understanding crucial social factors, formulating initiatives for growth and development, minimising negative environmental and social impacts, and securing the social licence to operate.

Material issues impacting the quality of relationships

Climate change & decarbonisation	Healthy, safety & well-being
Air emissions & quality	Land acquisition, rehabilitation & closure
Water management	Pandemic response & preparedness
Circularity & waste management	Human Rights
Tailings management	Indigenous people & cultural heritage
Community engagement & development	

Capitals impacted

Strategic Priorities impacted

S5 Progressing towards a sustainable future

Engagement methods

- CSR initiatives, events and interventions
- Robust grievance mechanism through strategic Social Performance Committees
- Leadership community connect and community meetings
- Third-party assessments - Impact assessment survey and perception studies
- Communication via newsletters, leaflets, hoardings, print and social media, etc.

Key considerations during the year	Hindustan Zinc's response
Third-party assessments showed that community asset creation is of high need for the community	Taking this aspect into consideration, Hindustan Zinc further strengthened its community asset creation programme. Investments increased 2.31 times from FY 2022-23 to FY 2023-24. Focus was on holistic development of the amenities within the community with model village concept. We were thus able to reach out to 51 villages, benefitting more than 2.5 lakhs population.

SUPPLIERS

Suppliers are pivotal in ensuring operational efficiency through timely provision of supplies and streamlined logistics. Additionally, they play a pivotal role in advancing sustainability and ethical sourcing practices, contributing to safer workplaces.

Material issues impacting the quality of relationships

Climate change & decarbonisation	Labour practices
Community engagement & development	Business ethics & corporate governance
Healthy, safety & well-being	Pandemic response & preparedness
Risk management & controls	Macro-economic & geopolitical context
Data privacy & cybersecurity	Human Rights
Sustainable & inclusive supply chain	

Capitals impacted

Strategic Priorities impacted

S2
Expansion of capacities

S3
Strengthening cost leadership

S5
Progressing towards a sustainable future

Engagement methods

- Contract negotiations, supplier Code of Conduct, policies & standards
- Regular supplier meetings and site visits
- Vendor due diligence and pre-qualification meetings
- On-site quality audits of critical suppliers
- Supplier sustainability desktop assessment
- ROBOS portal for supplier grievance
- Helpdesk for speedy resolution of supplier query
- Webinars for supplier engagement
- Tracking business partner (BP) suggestions for possible implementation
- Focussed discussion on ESG goal alignment with critical supplier

Key considerations during the year	Hindustan Zinc's response
Climate Change & Decarbonisation	We have deployed electric vehicles for inter-unit transport, which will help us reduce our scope 3 emissions and is in line with our SBTi targets. We have adopted integrated product level lifecycle assessment (LCA) and carbon pricing for critical commodities & machinery procurement for scope 3 emission reduction. We have also incorporated ESG assessment & qualification into the supplier onboarding process, fostering business partner collaboration & awareness.
Transparency in Governance, Ethics & Integrity	We have undertaken a process to re-register all suppliers in ARIBA supplier lifecycle and performance (SLP). This initiative involves verifying and updating supplier information to ensure accuracy and completeness. By doing so, we aim to maintain transparency in our supplier database, enhance data quality, and strengthen our supplier relationships. We have launched a supplier portal to inform suppliers about the Company's procurement activities, enhancing governance transparency.
Risk Management & Control	Over the past three years, we have conducted third-party assessments of more than 600 value chain partners, thus evaluating various factors, such as financial stability, operational capacity, compliance with regulations, and adherence to ethical and sustainability standards. By performing these assessments, we aim to mitigate risks and ensure that our critical suppliers are capable of supporting our operations effectively, thereby safeguarding business continuity.
Human Rights	We deliver human rights training to all business partners and their employees to raise awareness about human rights issues, including modern slavery, and ensure compliance with regulations regarding minimum and maximum working hours as stipulated in the Factories Act and Mines Act.

GOVERNMENT

We contribute to nation-building through paying taxes, royalties and generating employment. Engagements with the Government, either through alignment of policy visions or forming partnerships, help make our operations more sustainable, unlocking opportunities that positively impact the nation. Alignment involves meeting compliance requirements and policy advocacy in exploration, mining, and smelting. Further, engagement with community institutions and liaisoning with government officials through CSR initiatives develop favourable socio-political environment for uninterrupted operations.

Material issues impacting the quality of relationships

Climate change & decarbonisation	Land acquisition, rehabilitation & closure
Air emissions & quality	Business ethics & corporate governance
Water management	Responsible advocacy
Circularity & waste management	Innovation R&D
Community engagement & development	Macro-economic & geopolitical context
Biodiversity & ecosystems	Human Rights
Risk management & controls	Indigenous people & cultural heritage

Capitals impacted

Strategic Priorities impacted

S1
Maintaining a portfolio of mines with long life

S2
Expansion of capacities

S3
Strengthening cost leadership

S5
Progressing towards a sustainable future

Engagement methods

- Advocacy on favourable policy matters through panel discussions, technical representations with various trade and industry associations, state/central mines departments and MOEFCC, etc.
- Regular engagement with various regulators, local administration, inspection bodies, industry associations, etc.
- Partnerships in the Government's social welfare programmes through active participation and sponsorships
- Regulatory, legal compliances and reporting

Key considerations during the year	Hindustan Zinc's response
Statutory approvals for mining lease & smelters	Hindustan Zinc ensures regular discussions and follow-ups with the concerned authorities, sending representations through Government departments at appropriate levels. The Company is focussed towards commencement/ sustenance of mining operations to enhance production, ensuring revenue generation to Government and employment for local people.
Disinvestment of Hindustan Zinc	Non-deal roadshows by DIPAM (Department of Investment and Public Asset Management) along with Hindustan Zinc's management concluded. The Company maintains regular dialogue with the Government, extending complete collaboration.
Impact of Gazette notification from Ministries including Ministry of Mines, Ministry of Environment, Forest and Climate Change, Ministry of Labour and Employment	Hindustan Zinc honours the notifications issued by the Government and takes due measures for ensuring uninterrupted operations.

SHAREHOLDERS, DEBENTURE AND OTHER SECURITY HOLDERS

Shareholder support and feedback through open communication channels guide our management to take improvement measures, strengthen governance and drive business growth. Our strong focus on ESG concerns helps them make crucial investment decisions.

Material issues impacting the quality of relationships

Climate change & decarbonisation	Risk management & controls
Air emissions & quality	Business ethics & corporate governance
Water management	Labour practices
Community engagement & development	Macro-economic & geopolitical context
Healthy, safety & well-being	Human Rights

Capitals impacted

Strategic Priorities impacted

S2 Expansion of capacities

S3 Strengthening cost leadership

S5 Progressing towards a sustainable future

Engagement methods

- Annual General Shareholder Meetings, quarterly financial results declaration and earnings call with senior management
- Investor relations events, one-on-one investor meetings, investor conferences, non-deal roadshows
- Disclosure tools, including Annual Reports, Sustainability Reports, Business Responsibility and Sustainability Reports, Tax Transparency Reports and Investor Presentations
- Complaints and grievance management

Key considerations during the year	Hindustan Zinc's response
Financial performance and shareholder returns	Hindustan Zinc's strategic focus is on delivering superior industry-leading returns to our investors. The overarching pillars of stringent cost control and strong operational efficiencies ensure the delivery of robust margins and healthy cash flows even in a volatile economic environment.
Resilience to macro-economic and geopolitical factors	During the year, the impact of lower zinc LME was partly offset by consistent cost optimisation and operational efficiencies, thereby maintaining strong margins. The Company's management has an agile decision-making and a proactive approach, which ensures sustainable growth and robust performance. In FY 2023-24, the management adopted silver maximisation strategy by leveraging the technologies, providing flexibility of running operations, which resulted in increased benefits from silver prices to our investors and the business.
Corporate footprint, sustainability performance and ESG issues	Sustainability is a key priority for Hindustan Zinc. We have in place a well-articulated ESG roadmap for the execution of our overall strategic vision and plans of achieving net zero emissions by 2050. The Company plans to source over 50% of its overall power requirements through its 450 MW renewable energy power deliver agreement, the first flow of which had commenced in May 2024. We have deployed India's first underground battery electric vehicle and have plans to convert all our diesel-run mining vehicles into battery-operated vehicles. The Company is also strongly focussed on the concepts of circular economy and waste management and has been progressing well towards the same. During the year, Hindustan Zinc commissioned India's first fumer facility for reducing the smelter waste generation and recovering additional metals. The Company has also partnered with technical and innovative partners to recover residual metal from tailings and jarofix.

EMPLOYEES AND BUSINESS PARTNERS' EMPLOYEES

Employees and business partners' employees are critical to ensuring ongoing operations. We focus on enhancing their experiences and the quality of life at the workplace and motivate them to excel in their roles. Our engagements help improve employee trust and loyalty, resulting in better retention, performance and innovation. Through annual surveys and interactions with senior leadership, we aim to enhance engagement levels.

Material issues impacting the quality of relationships

Community engagement & development	Data privacy & cybersecurity
Air emissions & quality	Labour practices
Water management	Learning & development
Healthy, safety & well-being	Innovation R&D
Talent attraction & retention	Human Rights
Diversity, equal opportunity & inclusion	

Capitals impacted

Strategic Priorities impacted

S3 Strengthening cost leadership

S5 Progressing towards a sustainable future

Engagement methods

- Emails as an official and transparent communication medium
- Mentorship programmes for new hires with senior leaders
- Sampark townhall meetings with the CEO, location townhall with location heads and pulse checks by HR teams
- Flyers to communicate behavioural, motivational and other aspects, promoting a positive work environment
- Focus group discussions by leaders and one-on-one discussions with managers
- Grievance handling portals and company website
- Company website for significant communication
- In-person family gatherings during festivals and events to enhance a positive atmosphere and develop a healthy community
- Awareness of employee benefit policies via regular connects
- Annual employee surveys (internal and external)

Key considerations during the year	Hindustan Zinc's response
Employee Feedback Mechanism	Year-round surveys are conducted to check the pulse of the organisation. During the year, Kincentric Award Survey, in-house Employee Satisfaction Survey and new hires onboarding experience feedback were undertaken to gauge the overall satisfaction, engagement, and well-being of the employees. These provided us with valuable insights, and helped to identify the areas of improvements for making data-driven decisions to enhance employee experience. Our business partners and workmen are also covered under the feedback mechanism.
Embracing Parenthood	Our Progressive Parenthood & Childcare Policy emphasises on the principles of inclusiveness, diversity, equity and belongingness. This is done through various initiatives like sabbatical leaves, adoption leaves, paternity leaves, flexible working hours, etc.
Diversity, Equity and Inclusion	Hindustan Zinc's proactive efforts in fostering a culture of inclusion and respect included a "No Questions Asked" monthly work-from-home day for women executives to support their physical and mental health. We also launched the gender reaffirmation leaves policy, providing financial support & medical reimbursement as per mediclaim policy of up to ₹ 2 lakhs for gender reaffirmation surgery. We organised interactive sessions to honour and celebrate the LGBTQ+ community.

DEVELOPMENT ORGANISATIONS

Development Organisations are vital for the effective implementation of our CSR programmes. We undertake engagements to onboard and engage right experts whose sustainability objectives align with ours.

Material issues impacting the quality of relationships

- Water management
- Community engagement & development
- Healthy, safety & well-being
- Human Rights
- Indigenous people & cultural heritage

Capitals impacted

Strategic Priorities impacted

S5
Progressing towards a sustainable future

Engagement methods

- CSR initiatives and review meetings
- Events at the field and community meetings
- Robust grievance mechanism through strategic Social Performance Committees
- Capacity-building programmes and stakeholder meetings
- Third-party assessments - Impact assessment survey and perception studies
- Communication via email, notice boards, websites, newsletters, leaflets, social, print and electronic media, etc.
- Review & Governance mechanisms

Key considerations during the year	Hindustan Zinc's response
Capacity-building workshops within the area in which the development organisations are working	Within every programme, we have developed a mechanism for capacity building of every personnel to enhance the skillsets of the team.
Development sectors are keen to share the effects on the ground by the corporates towards environment & society	We have captured their thoughts through impact materiality assessment covering various sustainability matters.

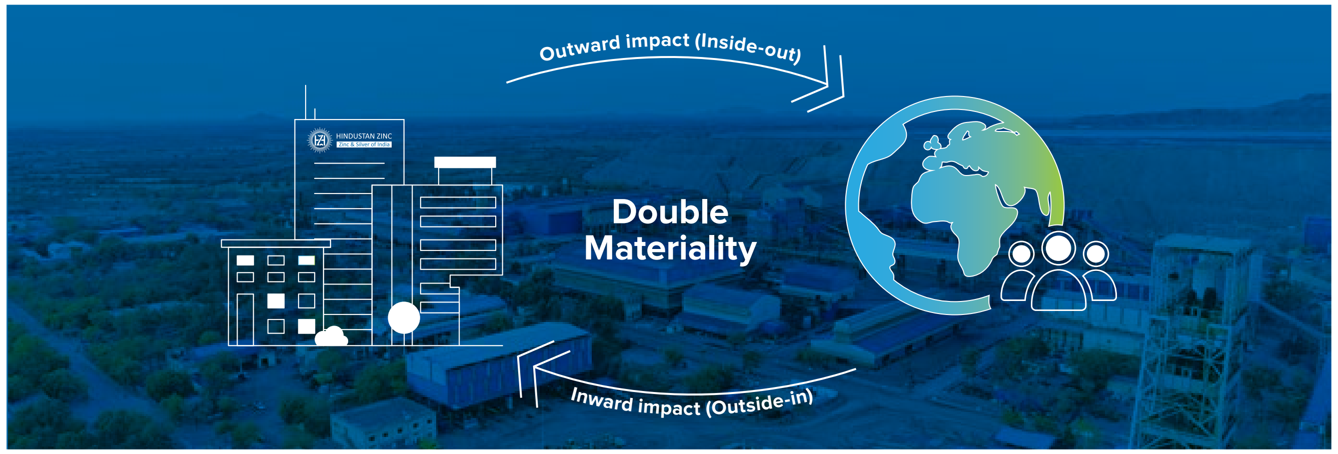
MATERIALITY

Strategising Responsibly by Addressing Material Issues

At Hindustan Zinc, we have prioritised material assessment as a key tenet for building a responsive and responsible business strategy. We have proactively identified and prioritised the material issues that need our focussed attention on our path to sustainable development. The exercise is driven by our analysis of the various risks and opportunities facing our business. It enables us to steer our journey towards sustainability in line with the global transition.

OUR MATERIALITY ASSESSMENT FOCUS

- A comprehensive materiality analysis is conducted at Hindustan Zinc once every three years, and the last such exercise was undertaken during FY 2022-23
- Materiality issues are being reviewed annually and Company's progress towards Sustainability Goals 2025 are reviewed bi-annually by the Board's Environmental, Social and Governance (ESG) Committee
- Since FY 2022-23, we've adopted a double materiality approach to conduct our materiality analysis. This method involves a comprehensive assessment that considers both financial and impact materiality strategies, guided by the principles embedded in the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB).
- Additionally, we've integrated the approach and principles of Double Materiality outlined by the European Financial Reporting Advisory Group (EFRAG) and the EU Corporate Sustainability Reporting Directive (CSRD).
- Impact materiality considers the organisation's overall impact on environment and society, and financial materiality considers external risks and opportunities arising from sustainability matters that may impact the financial performance and position of the Company.
- Through this refined process, we've pursued a well-articulated impact materiality approach, which encompasses our organisation's broader impact on people and the planet (environment and society), along with the financial materiality. This assessment involves a thorough analysis of both the negative and positive impacts, risks, and opportunities, allowing us to assess the severity and criticality of our sustainability matters from both impact and financial perspectives with a rigorous stakeholder process.



The materiality assessment serves as a vital tool, not only in identifying significant sustainability matters pertinent to our business but also in deepening our understanding of stakeholders' views that reflect the impact of the Company's activities and expectations from the Company on sustainability matters. Additionally, it enables us to proactively address the rising demand for integrated reporting, ensuring alignment of sustainability matters with industry-leading practices.

Our ESG committee at Board approves and signs off on the material issues. The same is then circulated to all the relevant functions and teams for taking relevant actions to address the impact. We also follow an annual assurance process, as part of which a third-party validates our approach on materiality, and ascertains its relevance in the context of our business and sector.

OUR 4-STEP APPROACH TO CONDUCTING MATERIALITY ASSESSMENT

1 Identifying list of material topics

An initial lengthy list (of 85 topics) was identified by utilising leading standards based on the various emerging risks & opportunities.

The list was then cut down with further assessment to create an exhaustive list (of 24 material ESG topics) for Hindustan Zinc, based on four leading standards covering the concept of double materiality, and inputs of materiality faced by peer companies of Hindustan Zinc.

2 Gathering stakeholder inputs

For data collection, stakeholder-specific data tools like interview and survey questionnaires were developed.

Inputs were collected from seven groups of stakeholders (483 nos.) through interviews, focus group discussions and surveys.

This included both qualitative and quantitative inputs to better understand stakeholder perceptions about Hindustan Zinc's impact on environment and society.

3 Risk and opportunity analysis

We analysed the potential impact of the identified issues on Hindustan Zinc's ability to execute its business strategy and those with financial implications.

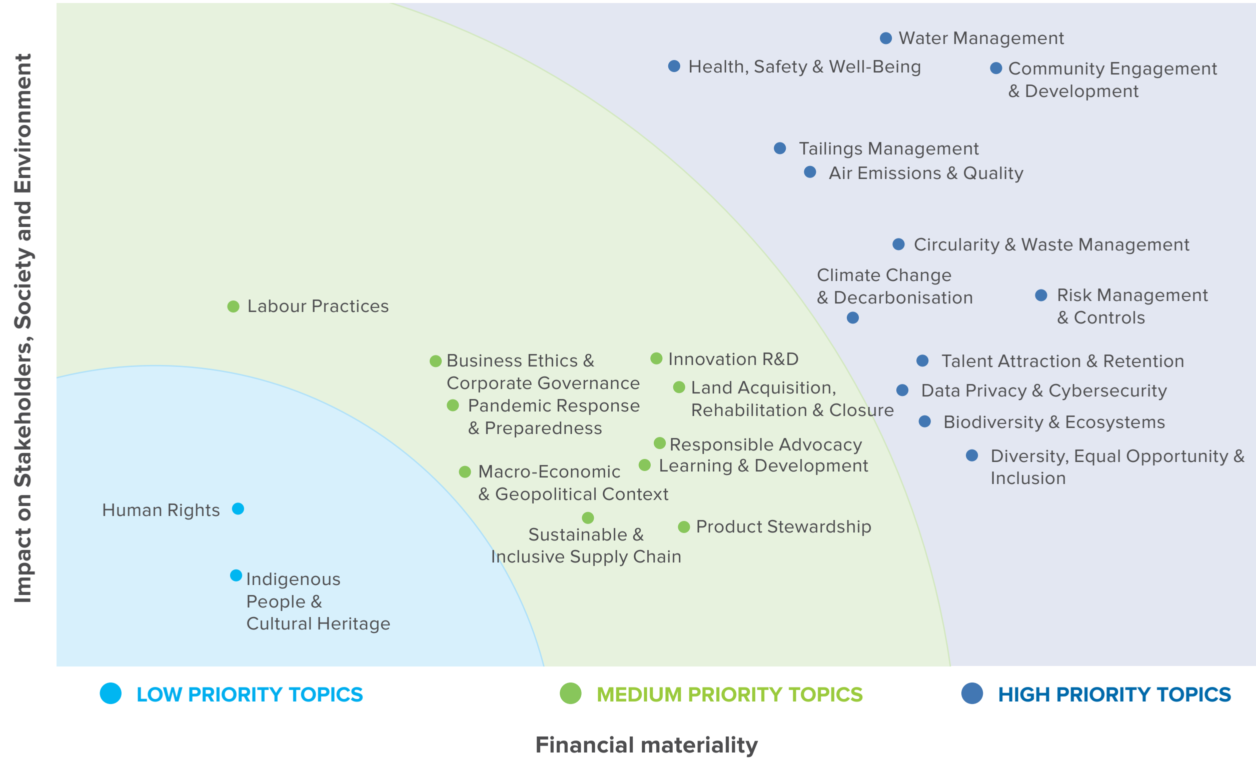
These topics were then assessed against the risk threshold as defined in the enterprise risk management matrix.

4 Finalisation of materiality matrix

Determination of the high impact material issues was based on the risk & impact assessment and stakeholder responses that are analysed using a scoring methodology.

On the basis of severity, remediability and likelihood of occurrence, these issues were classified as high-high and medium-high impact areas.

The materiality matrix was developed following a thorough analysis of all stakeholder's data.



OUR APPROACH TO MATERIAL TOPICS

We concluded that each impact level requires a differentiated management approach, and accordingly formulated a unique strategy across each category, based on the level of risk, opportunity and/or impact.

Our category-wise strategic actions are based on their importance to our business. They take into account our materiality assessment, as well as the priority assigned to each material topic. We have also initiated a management approach to guide our actions in each priority area. This involves identification of specific programmes to address each material issue, based on its priority ranking. These programmes are being rolled out gradually, in phases, across the organisation.

High Priority Material Topic	KPIs	Strategy linkage	SDG linkage
Climate Change & Decarbonisation	Achieving net zero emissions by 2050 or sooner 0.5 mn tCO_2e GHG emission savings in our operations in 2025 from base year of 2017	S4 S5	7, 9, 12, 13, 17
Air Emissions & Quality	Reduction in non GHG emission (SOx and NOx emission) by 17% by 2025 from base year of 2020	S5	9, 12, 13
Water Management	Become 5x water-positive Company and achieve 25% reduction in fresh water usage by 2025 from base year of 2020	S5	6, 9, 11, 12, 13, 14, 15, 17
Circularity & Waste Management	3x Increase in gainful utilisation of smelting process waste by 2025 from base year of 2020	S2 S5	9, 12
Tailings Management	Complete transition from wet tailing to dry tailing disposal by 2025	S1 S2 S5	9, 12
Biodiversity & Ecosystems	Protect and enhance biodiversity throughout the life cycle	S5	14, 15, 17
Community Engagement & Development	Positively impacting 1 million lives through social, economic and environmental initiatives by 2025	S5	1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 17

High Priority Material Topic	KPIs	Strategy linkage	SDG linkage
Health, Safety & Well-Being	Zero work-related fatalities and 50% reduction in Total Recordable Injury Frequency Rate (TRIFR) by 2025 from base year of 2020	S5	3, 8
Talent Attraction & Retention	Inclusive and diverse workplace with 30% diversity by 2025	S5	3, 5, 8, 10, 16, 17
Diversity, Equal Opportunity & Inclusion	Inclusive and diverse workplace with 30% diversity by 2025	S5	3, 5, 8, 10, 16, 17
Data Privacy & Cybersecurity	-	S1 S2 S3 S4 S5	8, 9

INTEGRATING MATERIALITY WITH ENTERPRISE RISK MANAGEMENT

Hindustan Zinc remains steadfast in its commitment to consistently assess the impact of diverse sustainability matters on its business. We accordingly focus on adapting our strategy to the assessment and in line with the evolving external dynamics. Critical areas like safety, climate change, biodiversity management, human capital management, community management, etc., which are listed among the risks faced by the Company, have been identified as material issues. This makes it extremely important for us to address these through an integrated strategic approach.

Read more on our material topics in our Sustainability Report, Business Responsibility and Sustainability Report on page 340.

RISK MANAGEMENT

Mitigating Risks and Harnessing Opportunities to Drive Sustainable Growth

At Hindustan Zinc, proactive risk management is key to sustainable and responsible growth. We ensure this through a robust risk management approach, governance mechanism and framework designed to identify, arrest and mitigate the risks before they can impact on our business. By integrating best-in-class practices and tools, promoting a risk culture and taking a proactive stance on ESG and emerging risks, we effectively navigate challenges and seize opportunities for continued success.

In pursuit of effective risk management, we have engaged Deloitte as our service partner. Their expertise and guidance have been instrumental in navigating the complex landscape of risk within our organisation. This collaboration underscores our commitment to maintaining the highest standards of governance and resilience in the face of evolving challenges.

RISK MANAGEMENT STRATEGY

We have formulated a well-articulated strategy to manage and mitigate the various risks that can potentially impact the organisation. The step-by-step strategic process includes:

- Identification and listing of plausible uncertainties or risks that are likely to prevent us from achieving functional and business objectives, or pose a threat to our business continuity
- Classification of identified risks as internal and/or external, and their categorisation based on their nature or primary causes, velocity or likelihood of potential impact, thereby facilitating effective risk evaluation and response
- Continuous evaluation of risks for timely implementation of mitigation measures

This approach facilitates robust risk management and helps safeguard our operations. At the same time, it enhances our long-term resilience, empowering us to harness opportunities for driving sustained growth and value creation.

Focus on Emerging Risks

We are also cognisant of the importance of identifying and evaluating emerging risks for effective strategic planning, as their materialisation can render critical assumptions during such planning as invalid.

To determine relevant emerging risks, we have initiated global risk sensing. We also encourage employees to submit possible risks for review to the unit risk officers or the Chief Risk Officer (CRO). Additionally, employees are necessitated to stay updated on industry trends through leading publications, participation in sector-specific events, and ongoing engagement with the senior management to identify sectoral trends that can impact the organisation.

RISK MANAGEMENT APPROACH

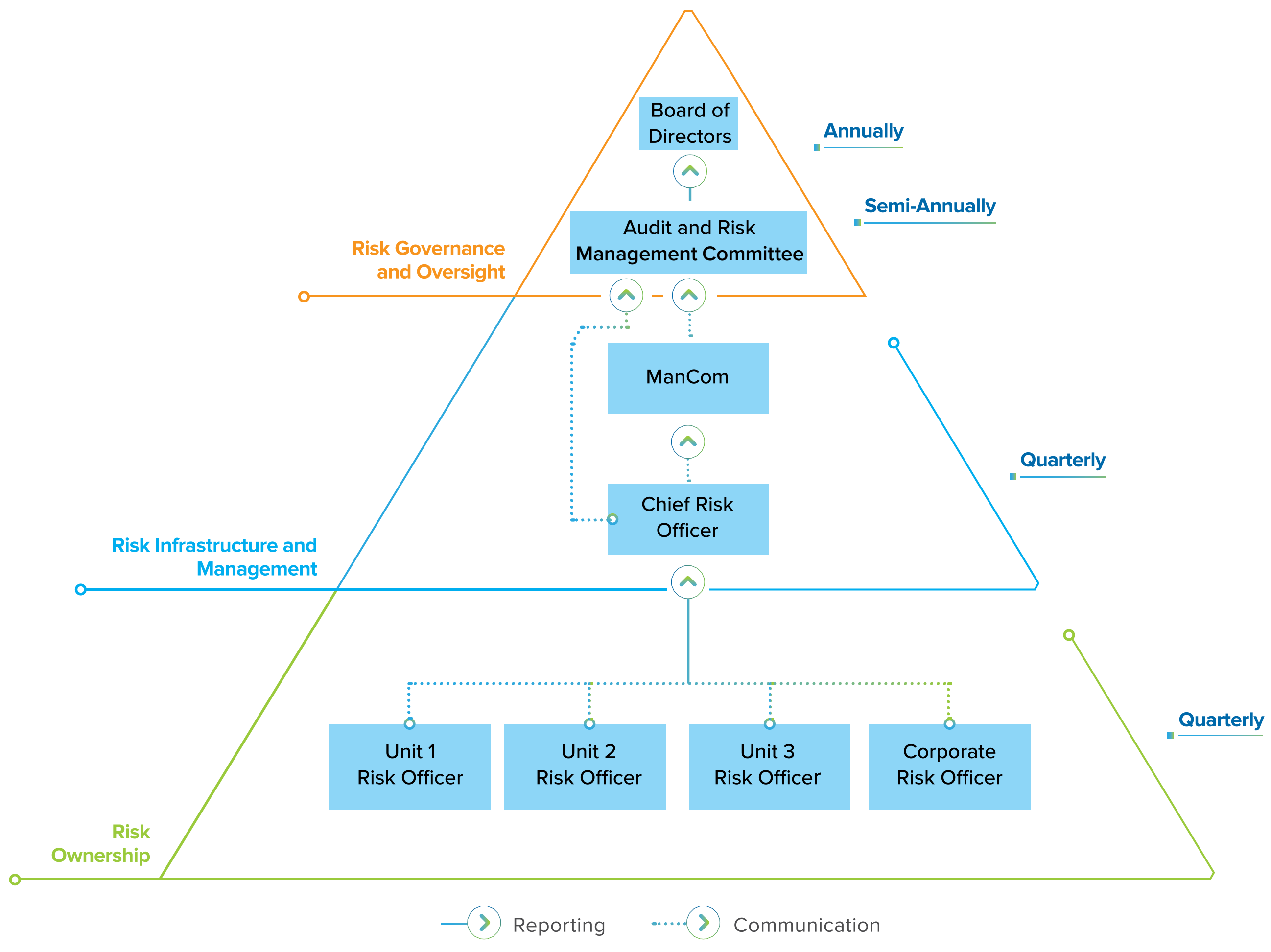
- Our Board has established an Audit and Risk Management (ARM) Committee to oversee the implementation of Enterprise Risk Management (ERM) programme in line with the requirements of the Companies Act, 2013 and SEBI (LODR)
- Our ERM framework is in accordance with leading standards and guidelines. This includes ISO 31000:2018 - Risk Management – Guidelines, Committee of Sponsoring Organisations (COSO): Enterprise Risk Management – Integrating with Strategy and Performance (2017) and various regulations applicable in India
- We follow a comprehensive risk management programme that integrates enterprise risk and risk appraisal for capital expenditure besides mergers and acquisitions, project risks and crisis management. This ensures holistic and consistent risk management practices across our business functions

HINDUSTAN ZINC'S RISK MANAGEMENT SYSTEM IS ISO 31000:2018 CERTIFIED

STRONG RISK GOVERNANCE MECHANISM

Our 3-tiered defence model and governance structure covers risk oversight, risk infrastructure and management, and risk ownership. It has been established with reference to our organisational structure to ensure integration of the ERM process with management decision-making.

Our risk management framework helps us identify, assess, categorise and address both positive opportunities and negative consequences associated with the business. A robust governance and process architecture enables us to monitor, track and review the risk exposure on a quarterly basis. Roles and responsibilities are clearly defined at each level of the architecture.



Governance structure

- The Board of Directors is responsible for oversight on risk management for the entire organisation; they are also responsible for approving policies that address high-risk areas
- The risk management process at Hindustan Zinc is driven by the CRO at Board level, who reports to the ARM Committee of the Board about existing and emerging risks
- The ARM Committee, comprising three Independent/ Executive Directors with risk management experience, is the highest responsible Committee responsible for the semi-annual review of risk management practices and apprises the Board on risk management in the Company, setting control standards and overseeing compliance with them
- The Management Committee (ManCom) includes risk management matters in its agenda, and ensures timely and adequate mitigation of identified risks
- **Operational Level:** Each unit has an assigned unit risk officer who is responsible for reporting of unit level risks to the CRO and convenes unit risk councils every quarter to review unit-level risks and response plans
- **Independent Audit Unit:** Head of internal audit is responsible for monitoring and auditing the risk management performance and providing an independent assurance that the practices are consistent with the Company's risk strategies and policies. The Head of internal audit also submits a report to the Audit & Risk Management Committee and management assurance system head at the corporate level

Roles and responsibilities of key personnel in risk management

Chief Executive Officer (CEO)
- Chairs the Management Committee that undertakes quarterly reviews of Company's risk exposure and global events which may affect our business
- Reviews are presented before the ARM Committee

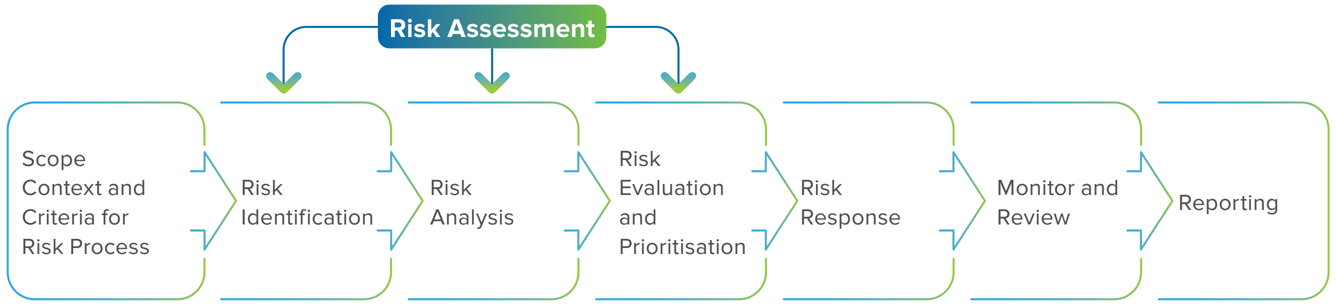
Unit/Corporate Risk Officers
- Responsible for identifying and monitoring the risks at the location level

Group-level Management Assurance Function
- Responsible for conducting independent audits and assessment of the risks
- Group management assurance head reports the findings directly to the ARM Committee of the Board

Chief Risk Officer (CRO)
- Monitors and coordinates the risk management framework and facilitates the governance of risk management processes
- Leads the risk team and reports to the CEO
- Supports the management in determining risk appetites, besides identifying trends and emerging risks, and submits report on the principal risks on a semi-annual basis to the Audit and Risk Management Committee
- Monitors enterprise-level principal residual risks on an ongoing basis, reviews the cost, adequacy and effectiveness of the response plans, as well as the accuracy and completeness of reporting
- Guides unit/corporate risk officers, who are responsible for managing risk in their respective business units
- Oversees risk management activities at the operational level

RISK MANAGEMENT FRAMEWORK

Our robust risk management framework provides a guided approach for the identification, discussion, measurement and management of vital opportunities and risks faced by us. It outlines clear guidelines to facilitate all our business units and corporate functions to effectively manage risks while pursuing the business strategy.



RISK APPETITE AND TOLERANCE

We have clearly defined our risk appetite and tolerance limits to objectively evaluate our risk-taking ability, facilitating assessment and measurement of the identified risks. The risk appetite, determined by the Board, outlining the risks the Company is willing to take to pursue its business strategy. Risk tolerance puts risk appetite into practice, using quantitative metrics. The impact of any risk is assessed on a 5-point scale. A risk impact of >10% on projected EBITDA (breach of risk tolerance) corresponds to the maximum risk impact score of 'Very High' or '5'.

Risk Categories

We have categorised the risks based on the World Economic Forum's assessment categories.

Financial	Operational	Reputational	Regulatory	Project	Cyber, Information and Technology
Sectoral	Strategic/ Geopolitical	Sustainability - ESG	Extended Enterprise	Talent	Health and Safety

RISK ASSESSMENT

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

- Detailing the causes and the associated impact of each risk by the risk owners
- Assessing and mapping of the potential value at risk (in qualitative and quantitative terms) against the impact assessment scales
- Calculation of the impact, likelihood and velocity of each risk, based on potential future impact and historical occurrence of similar incidents, and rating on a 5-point scale
- Calculation of the risk score based on the defined score to identify the risk criticality and prioritise it

A formal monitoring process is used at the unit and corporate levels to identify and assess the strategic and financial impact of all risks. This helps in recognising and classifying the existing and emerging risks and opportunities into different categories. Risks are then prioritised based on their frequency of occurrence or recurrence and the degree of their impact on revenue and cost, including their potential to disrupt our primary operations.

RISK IDENTIFICATION

Risk identification involves recognising and listing plausible uncertainties or risks that may impact the successful achievement of our functional, organisational and business objectives, or threaten our business continuity. We also undertake initiative to identify emerging risks although the probability or potential impact of such new or unforeseen risks may not be completely understood. Emerging risks are those that have a limited response plan due to their nature of the risk, but may become a part of the risk register in future.

We employ a multiple-stakeholder approach to ensure effective risk identification. Employees are encouraged to actively participate in the risk management process, facilitating early identification and understanding of emerging risks. We also hold discussions, periodic surveys and risk assessments with key stakeholders, such as customers and suppliers to gain important insights into the risks they face, which may eventually translate into risks for the Company. We further use our understanding of regulatory and legal requirements to anticipate potential risks and the events that typically precede their emergence.

RISK ANALYSIS, EVALUATION AND PRIORITISATION

We consider multiple factors in our risk analysis or assessment. These include understanding the causes, their positive and negative impacts, the likelihood of occurrence and the potential impact and velocity, or the time taken for impact since the occurrence of the risk. A risk score is calculated by rating the impact, likelihood and velocity on a 5-point scale. Such risk analysis helps our management prioritise risks based on the risk score, and deploy necessary response strategies for their effective management.

CONTINUOUS MONITORING AND REVIEW

The ever-evolving and changing nature of risks, their impact, and likelihood necessitates continuous monitoring and review of risks. It is therefore important for us to keep track of the external environment and internal controls as well as our business strategy to better comprehend the risk dynamics. Taking this into consideration, we have defined review forums and cycles for monitoring the risk exposure. We track the risks quarterly, ensuring agility in responding to any change in circumstances. It equips us to promptly implement the necessary controls and actions in time to mitigate them.

We have implemented the following measures to ensure a robust risk monitoring and review system:

- All risk owners are responsible for monitoring the risks allocated to them, which involves continuous gathering of key risk indicator (KRI) metrics associated with each risk
- Risk owners communicate with unit/corporate risk officer on response plans to be implemented (in coordination with the response owner) and their status, and plans for developing new response strategies based on periodic reassessment of risks and effectiveness of mitigations
- Risk owners escalate to unit/corporate risk officer in case of a breach in KRI, especially those falling in the "red" category, indicating a high level of risk
- Quarterly structured risk meetings are convened at the location/unit level and corporate level, wherein principal risks, along with response plans, are reviewed by unit/corporate risk officers
- Performance of KRIs is tracked either manually or automatically through SAP, which provides a series of "warning lights" to help the risk owner monitor the risk
- Risk owners review principal risks at least quarterly, while moderate and acceptable risks are reviewed biannually and annually, respectively
- In case KRIs for moderate and acceptable risks surpass identified thresholds, risk owners reassess such risks for severity as per the severity matrix, and review these as per the frequency of the revised classification

MONITOR & REVIEW

ONGOING

Unit/Corporate Risk Officer
- Risk Identification and Assessment
- Risk response planning

QUARTERLY

Chief Risk Officer
- Review of principal risks for every business unit or subsidiary
- Review of severe & critical risks, emerging risks and inputs from global risk sensing report

Unit/Corporate Risk Officer
- Review of severe & critical risks
- Review of principal risks for every business unit or subsidiary

BIANNUALLY

Chief Risk Officer
- Review of principal risks for every business unit or subsidiary
- Review of moderate risks

ANNUALLY

Audit & Risk Management Committee
- Reporting of principal and emerging risks to Board

We have further implemented the SAP governance, risk and compliance (GRC) risk management module, which encompasses various features to enhance the risk management process:

- Workflow-based process for risk submission, assessment and mitigation planning to ensure employees can submit risks for approval at senior levels
- Automated assessment of risks based on inputs relating to 'value at risk' and 'probability' of occurrence
- Stress testing and sensitivity analysis conducted using scenario modelling and simulations through a 'what-if' analysis and techniques like Monte Carlo simulation – to predict a range of possibilities and outcomes for an uncertain event
- Automated KRI monitoring
- Automated notifications for triggering of assessments, breach of KRI, and pending activities, along with relevant escalations

We use SAP risk management for all risk management processes, ensuring greater control over risks monitoring, mitigation strategies implementation, occurrence tracking, and reporting to senior management and the Board.

During FY 2023-24, an external surveillance audit was conducted for the continuation of our ISO 31000:2018 certification. An internal audit of the risk management process was also conducted during the year.

EMBEDDED IN RISK CULTURE

All business functions at Hindustan Zinc follow a culture of proactive risk management. We take regular initiatives to create awareness, discuss risk mitigation, and encourage risk-focussed discussions across our hierarchy to foster such a culture.

The various measures to promote a risk culture and enhance risk awareness across the organisation are as follows:

Incentivising Risk Management

- Risk management and mitigation linked to the KPIs of senior management, including the CEO, and other employees encouraged them to participate in risk management activities
- Annual financial incentives linked with the outcome of KPIs and active participation in risk management activities

Continuous Improvements in Risk Management Practice

- Progressive enhancement in risk management processes and response action plans
- Quarterly risk review meetings by unit risk officers to review existing risks and deliberate on new risks identified with unit-level stakeholders
- Teams across hierarchies to report any type/category of risk through accessible online reporting platforms (including escalation windows)

Risk Appraisal for Capital Projects

- 3-step process for capital expenditure risk assessment prior to the approval of both payback and non-payback projects, including for new product development projects
- Mandatory risk assessment for capex projects by the project team to highlight critical project risks
- Mandatory risk assessment by the central risk team for all growth projects, unbudgeted capex for non-payback projects, and sustenance payback projects above a certain threshold

Promoting Risk Education and Training

- Regular refresher training and awareness sessions for senior management on identification, resilience planning and mitigation of various risks as deemed necessary by the Board
- Individual training sessions for Executive and non-Executive Board members, including ARM Committee members, to familiarise them with the risk management process and global risk trends
- Organisation-wide trainings and workshops on risk management topics to strengthen risk knowledge and implement a risk-intelligent culture
- E-mail circulation on specific risks to generate awareness among the workforce

Incorporating Risk Criteria in Product and Service Development

- Risk considerations factored into the entire product lifecycle - from sourcing to product development, management, technology and market risks
- Business partner risks with the potential to affect the product development process are managed through risk management frameworks, standard operating procedures (SOPs) and robust BP management policy
- Rigorous review of product development risks including changes in customer expectations or regulatory requirements, followed by necessary process adaption to proactively mitigate them; the R&D department addresses innovation and product application risks through pre-commercialisation piloting and testing

Integrating Review Process for HR

- Individual performance of employees is linked to KPIs related to sustainability, safety, risk and compliance, including proactive risk reporting and timely completion of risk management/ action plans as defined on the digital portal, etc.
- Use of innovative risk management solutions to identify and implement risk management plan

Facilitating Risk Identification and Disclosure

- Risk reporting considered as a responsibility of all employees
- Unit/corporate risk officers, in charge of assessing risk at each unit/location, designated as a single point of contact for employees to report risks
- Risks uploaded onto a digital platform for proactive monitoring and reporting of risk indicators/ risks

Mitigating Business Partner Related Risk

- Robust process in place to identify and mitigate business partner (BP) related risks and ensure production continuity
- Regular review of KPIs and BP engagements to discuss emerging or potential risks

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

Criteria empowering our Business Partner Management Policy

- Selection of business partners with turnover exceeding a specified limit, subject to exceptional approval from CCO/CFO/CEO
- Strict adherence to no dealings with trader entities
- Regular assessment of KPIs through quarterly scorecard ratings to ensure ongoing alignment and performance evaluation

FOCUS ON ESG RISK MANAGEMENT

Hindustan Zinc priorities open and transparent engagement with stakeholders for enhancing trust and driving sustained growth. This is in line with our growing focus on all Environment, Social and Governance (ESG) facets, including the related risks.

We strive to maintain continuous interaction with our stakeholders, to understand their perspectives and swiftly respond to the evolving market scenarios. We conduct materiality assessment to identifying topics of significance for our internal and external stakeholders, guiding our strategies for managing the risks and harnessing the opportunities. This robust process strengthens our sustainability approach by facilitating the identification and understanding of the most material ESG priorities.

Climate change & decarbonisation, air emissions & quality, and water management have been identified as the top three material topics for Hindustan Zinc. Biodiversity and climate change are acknowledged as key parameters in enterprise risk management due to their array of associated risks, including regulatory, operational, reputational, financial, market access, and physical risks. ESG considerations, including biodiversity and climate, are seamlessly integrated into our overall business strategy. From the inception of any project or initiative, we assess its potential ESG impacts, and incorporate risk mitigation measures accordingly. Our ESG risk management process takes a holistic view of risks and opportunities, recognising the interconnected nature of ESG factors to address them comprehensively rather than in silos.

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

Risk Rating

Very Low | Low | Medium | High | Very High

Risk Appetite Level

Low | Medium | High | Very High

PRINCIPAL RISKS

FIRE

Fire incidents at operational sites pose a danger to life, as well as property and equipment on site.

Mitigation Plan

- Fire extinguishers and suppression systems installed across all locations, alongside 24x7 availability of firefighters and rescue teams
- Barriers and protection equipment, including multipurpose tender, hydrant points, sprinkler systems, CO_2 flooding systems, foam pouring systems, and liquefied petroleum gas (LPG) sensors, in place to avoid aggravation of fire incidents
- New solutions being continuously explored, such as new-age fire fighting vehicles, powder-based and foam-based auto fire suppression systems, fire hydrant lines, early fire detection system for conveyors, fire banks, fire walls in existing equipment, conveyor belts in mills and diesel handling stations and sub-stations for underground mines
- Planned enhancements of fire safety mechanisms, such as alarms, sensors and nitrogen purging systems to prevent fire-related accidents in smelters
- Fire safety training and awareness programmes, SOPs and fatality and serious injury prevention plan (FSIPP) for all workers in place at all locations
- Storage vessel and piping system used for high-speed diesel (HSD), light diesel oil (LDO) and other fuel storages are grounded and equipped with lightning arrestors, with regular checks on earth connections and resistances
- Ensuring maintenance of the health of slurry tanks, earthing, and periodic testing in the Purification Plant at CLZS Hydro 2

Material Topic

Climate change & decarbonisation

Air emissions & quality

Biodiversity & ecosystems

Health, Safety & Well-being

Risk Domain

Health and Safety

Capital Impacted

STRUCTURAL STABILITY

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

Mitigation Plan

- SOPs defined for permissible limits and usage of plant equipment
- Planned maintenance shutdowns done for repair and replacement of ageing/malfunctioning parts
- Upgradation, repair and redesigning of existing equipment at mining and smelting sites
- Replacement of older equipment with the latest and more robust equipment - featuring enhancement in design, material of construction (MOC), safety and corrosion resistance
- Planned implementation of remote-controlled operations to reduce manual intervention in structures, such as acid tanks
- Use of digital initiatives for real-time analysis of indicators signalling equipment degradation and distributed control systems (DCSs) for process parameter monitoring
- Regular training sessions for operators covering operating equipment methods, maintenance requirements, and troubleshooting minor defects at site
- Use of DCS technology to monitor parameters and health of various sections of the plant

Material Topic

Health, Safety & Well-being

Risk Domain

Operational

Capital Impacted

NON ADHERENCE TO SAFETY PROTOCOLS

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

Mitigation Plan

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

Material Topic

Health, Safety & Well-being

Risk Domain

Health and Safety

Capital Impacted

FALL OF GROUND

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

Mitigation Plan

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

Material Topic

Health, Safety & Well-being

Risk Domain

Health and Safety

Capital Impacted

OCCUPATIONAL HAZARDS (EXPOSURE TO GASES AND FUMES)

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

Mitigation Plan

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

Material Topic

Air Emissions & Quality

Biodiversity & Ecosystems

Health, Safety & Well-being

Risk Domain

Health and Safety

Capital Impacted

TAILINGS DAM COLLAPSE

Any overtopping of tailings, water accumulation during heavy rainfall, increased tailings from declining ore grades, and land acquisition issues necessitating raising dam height can trigger tailings dam collapse.

Mitigation Plan

- Implementation of dry tailings technology supported by engagement with expert agencies for suggestions
- Bi-annual tailings dam structural stability study and ongoing geo-tech monitoring to identify abnormal pressure in embankments
- Regular reclamation and evaporation of water from the tailings dam
- Construction of additional reservoirs to hold excess water and relieve pressure from tailings dam; procuring new land for expanding tailings storage facilities
- Use of high-density polyethylene (HDPE) membrane to avoid seepage in the upstream side
- Maintaining design free board of 1 metre to avoid any spillover and to maintain buffer space

Material Topic

Tailings Management

Biodiversity & Ecosystems

Health, Safety & Well-being

Risk Domain

Sustainability-ESG

Capital Impacted

ENVIRONMENT REGULATION

Failure to comply with regulatory norms on emissions (SOx, NOx, PM), waste management (hazardous waste, jarofix), effluents management, noise and green belt area pose significant risk to the business.

Mitigation Plan

- Mechanisms in place for tracking and monitoring compliances and norms in the mining and smelting industry
- Investment in new technologies to minimise emissions and waste generation from mines and smelters
- Waste management techniques, such as dry tailings stacking, in place of wet disposal methods
- Processing of jarosite with quick lime for sale to the cement industry implemented in CLZS mine
- Upgradation and installation of new systems for statutory licence compliance - new dust extraction system and crusher revamping at mills, and installation of additional wastewater treatment facility at locations

Material Topic

Climate Change & Decarbonisation

Air Emissions & Quality

Water Management

Circularity & Waste Management

Biodiversity & Ecosystems

Risk Domain

Regulatory

Capital Impacted

LME/LBMA PRICES

Adverse movement in the commodity prices on the London Metal Exchange (LME) and London Bullion Market Association (LBMA) may impact profitability.

Mitigation Plan

- Hedging strategy implemented as per hedge policy to maintain monthly average LME price on shipments
- Pursuing cost-efficiency initiatives to reduce structural costs, and negotiating with customers for higher premiums
- Deploying strategies aimed at enhancing domestic market share
- Introduction of go-to-market changes via an e-commerce platform to move 100% of sales to the online platform
- Set up of treatment plant for minor metals for better metal recoveries

Material Topic

Macro-Economic & Geopolitical Context

Risk Domain

Financial Risk

Capital Impacted

LOCAL COMMUNITY ISSUES

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

Mitigation Plan

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

Material Topic

Community Engagement & Development

Human Rights

Indigenous People & Cultural Heritage

Risk Domain

Reputational

Capital Impacted

CYBER-ATTACKS AND DATA LOSS

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

Mitigation Plan

- Incident response and security information and event management (SIEM) implemented to support threat detection, compliance, and security incident management
- Third-party risk management (TPRM) protocols and cyber insurance in place
- ISO 27001/27701/22301/31000 certification compliant
- Compliance with the organisation's data classification policy
- Data loss prevention (DLP) mechanisms implemented including e-mail DLP, end-point DLP and monitoring, etc.
- Periodic training, workshops and seminars on organisational policies, IT/OT security and cybersecurity
- Up-to-date endpoint security with regular anti-virus, patches and firewall updates and continuous monitoring of traffic
- Annual Certified Security Analyst (CSA)/ Vulnerability Assessment and Penetration Testing (VAPT) assessments and IT infosec infrastructure configuration reviews
- Manual tagging and control of confidential data, reinforced by BP confidentiality agreements to prevent leaks
- Measures like cloud proxy solutions, endpoint detection and response (EDR) and IT systems hosting on Azure or other cloud systems
- Mandatory virtual private network log-in for employees working remotely and contract staff, ensuring restricted network and database access with multiple security layers

Material Topic

Data Privacy & Cybersecurity

Risk Domain

Cyber, Information and Technology

Capital Impacted

COMMODITY PRICES AND SUPPLY CONSTRAINTS

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

Mitigation Plan

- **Coal:** Secured coal availability with a strong BP base of direct coal miners, long-term fuel supply agreement with Coal India subsidiaries to cover 30% coal requirement, and practice of maintaining sufficient safety stock. Adoption of alternate fuels like lignite and biomass, process modification supporting greater domestic coal consumption, coal-blending initiatives and focus on renewable energy reduces dependence on coal.
- **Explosives:** Long-term contracts with major explosives BPs and expanding collaboration with alternate BPs
- **Tyres:** Development of alternate BPs and R&D projects for optimising the operating life of tyres
- Exploring engagements with new BPs to mitigate the shortage of coal and other supplies

Material Topic

Sustainable & Inclusive Supply Chain

Risk Domain

Strategic/ Geopolitical

Capital Impacted

In addition to the above principal/critical risks, we have further identified 155 other risks, categorised as severe, moderate or acceptable based on their risk scores. Climate change, water management, talent management, etc. are the major identified risks, graded into severe to moderate categories, based on their impact, likelihood and velocity. Recognising the potential of these risks to become critical in the future, we have proactively initiated mitigation actions to manage them.

EMERGING RISKS

Emerging risks are those that may become a top risk in time but is not expected to materialise in the next five years. Emerging risks that are currently being monitored are:

Emerging Risk 1

Adoption of evolving technology in mining and smelter processes may pose a competitive disadvantage to Hindustan Zinc.

Description

- Traditional practices and infrastructure limitations may result in the Company struggling to integrate new technologies in mining and smelting, potentially limiting efficiency and competitiveness
- Rapid technological advancements in the metals and mining sector and the need to implement them may stress finances, hindering our ability to innovate and modernise
- Transitioning to newer technologies may necessitate investments in training programmes to equip employees with the necessary skills for a smooth transition and optimal utilisation of such technologies
- Geopolitical tensions and trade restrictions hinder the smooth transfer of technology between countries, impeding our ability to access and integrate cutting-edge technologies developed elsewhere, potentially stalling progress and development within the industry

Possible Impact

- Decreased operational efficiency and competitiveness, leading to lower production output and increased costs compared to competitors with modern technologies
- Reduced productivity and effectiveness of operations, due to lack of skilled workforce, hindering our ability to fully leverage technological advancements and maintain pace with industry standards
- Limited capacity for innovation and modernisation, potentially resulting in outdated processes and equipment, which may lead to higher operational costs and decreased profitability in the long run
- Hindered technological advancement and limited access to cutting-edge solutions, potentially resulting in missed opportunities for efficiency gains and competitive advantage in the global market

Mitigating Actions

Hindustan Zinc is a progressive organisation and a pioneer in adopting cutting-edge technologies, emphasising automation, digitalisation and innovation. These areas represent strategic focusses, reflecting our strive for sustained excellence and staying ahead of the curve. Some of the key initiatives taken are as follows:

- Automation and tele-remote features in production drills during changeover for additional output
- Artificial intelligence (AI)/machine learning (ML) based image processing technologies for identifying unsafe acts or conditions on the shop floor
- Video analytics-based model for physical surface quality inspection of finished goods (zinc ingots), and detect physical defects for timely corrective action
- Drones for health monitoring of inaccessible structures, safely and remotely; visual, thermal and ultrasonic inspection (non-destructive testing) further enable assessing aspects such as the thickness of steel structure, ensuring timely maintenance
- Drone-based light detection and ranging (LiDAR) mapping system to capture essential data of critical underground (UG) mine excavations, securing valuable insights to optimise mine development and operations
- Internet of Things (IoT)-based smart sensors to identify and minimise the idle time of low-profile dump trucks (LPDTs), reducing diesel consumption and overall cost per hour (CPH)
- Advanced process control (APC) at mills eliminate operator-induced variations and ensures consistent and stable plant operations, resulting in consistent concentrate grade and recovery improvement by 1% with optimised throughput
- Collision avoidance system to improve operator's situational awareness in mining, preventing machine-to-machine and man-to-machine interaction

Emerging Risk 2

Geopolitical tensions pose risks to supply chains, impacting global trade flows, supply chain resilience, and operational costs. Proactive monitoring and agile strategies are essential for the effective navigation of these uncertainties.

Description

- The Red Sea crisis, fuelled by regional tensions and ongoing conflicts, poses a serious threat to the global trade due to its strategic position connecting Europe, Asia, and Africa, with its impact anticipated to escalate in FY 2024-25
- Heightened tensions between China and Taiwan and China's military actions in the region have raised concerns about the potential of a full-scale war
- The persistent Russia-Ukraine conflict, coupled with a slowdown in Europe, signifies a rise in geo-economic tensions and continues to impact the region and beyond
- The El Niño event in Panama triggered water shortages and transit restrictions through the Panama Canal, prompting its authority to reduce daily traffic by nearly 40%; this forced ships to take longer ocean routes, increasing both costs and carbon emissions

Possible Impact

- The potential disruptions in trade routes, can increase the cost of importing and exporting raw materials and finished products, affecting Hindustan Zinc's bottom line
- Delays in the Red Sea or Panama Canal shipments pose the challenge of delays in receiving essential raw materials or components from our BPs located in the affected regions. Such disruptions in trade routes or import-export restrictions could affect Hindustan Zinc's ability to source raw materials, maintain production schedules and export finished products
- Instability in global trade could lead to fluctuations in commodity prices, affecting our profitability
- Heightened geopolitical tensions may lead to fluctuations in metal prices, affecting our revenue and profit margins

Mitigating Actions

- Strategy to focus on the Indian market and increase the domestic market share
- Focus on more resilient and insulated export markets, such as Southeast Asia and the Middle East

Emerging Risk 3

Geo-economic constraints imposed on foreign importers, such as proposed cross-border climate change regulations and trends may impact future sales, profitability and growth.

Description

- Globally, there's growing emphasis on climate change abatement regulations, such as the EU carbon border adjustment mechanism (CBAM), introduced on October 1, 2023, proposing a 25%-30% tax w.e.f. 2026 on steel and aluminium imports from carbon-intensive producers
- Under CBAM, many EU importers will be charged a carbon price on their scope 3 emissions (resulting from partner's business activity) which they may choose to pass on
- This tax will level the playing field between domestic and imported goods from non-EU countries, preventing 'carbon leakage' by mitigating the unfair advantage of weaker climate policies in exporting countries
- The tax is expected to extend to all other imports into the EU by 2034; similar regulations are also planned by countries such as the US, Japan and Canada

Possible Impact

- Indian steel exports to Europe may be majorly impacted. With zinc being a key product in steel manufacturing (used for galvanisation), its demand may get impacted, leading to lower unit costs and premiums. This may affect revenue and EBITDA from zinc exports to the EU
- Zinc being a carbon-intensive industry, these tax mechanisms could extend to it, potentially increasing imported zinc's prices and reducing its competitiveness against domestically produced zinc in the EU. This may impact demand for foreign zinc, driving down prices
- Increase in costs for steel/zinc producers outside the EU to maintain compliance with the EU's climate policies
- Increase in internal costs as zinc producers are pressurised to reduce their carbon footprint to remain competitive in the market

Mitigating Actions

- Exploring export opportunities in markets other than countries that have levied these taxes
- Transitioning our operations towards renewable energy - producing more green products like green zinc will help Hindustan Zinc meet the growing emissions targets set by different countries

STRATEGY

Our Blueprint for Propelling Responsible & Sustainable Growth

We have a set of clearly defined strategic priorities to drive our journey of responsible and sustained growth. Our strategic blueprint is driven by specific short, medium and long-term goals to enable Hindustan Zinc to forge ahead on the path of value creation for our stakeholders.

S1

MAINTAINING A PORTFOLIO OF MINES WITH LONG LIFE

Continuous mineral resource addition and upgradation of the ore reserves plays a vital role in efficient operations and in ensuring the sustainability of mining operations. Hindustan Zinc's exploration objective is to add mineral resource and upgrade the resources to reserves by intensifying exploration drilling in the existing licence areas, thereby replenishing every tonne of the mined metal, leading to 25+ years of mine life. Technology adoption and innovations play a key role in enhancing our exploration success. Use of advanced geophysical drone surveys and 3D deposit modelling supported by machine learning is helping us to identify new target areas with greater precision and improved efficiency. The deposits are open in depth, supporting aggressive approach to drilling and expanding the mineral resource base of the Company in the next 12 months.

Related risks	Capitals deployed	Mapping the KPIs
Structural stability Environmental regulation Local community issues		Increase in total R&R Overall mine life
Read more on page 88	Read more on page 34	Read more on page 115

FY 2023-24 Update

- Total ore reserves at the end of FY 2023-24 stand at 175.1 Mt (net of depletion of FY 2023-24 production of 16.5 Mt) as against 173.5 Mt at the end of FY 2022-23 as a result of sustained focus on resource to reserve conversion; total exclusive mineral resource stood at 281.2 Mt
- Combined R&R estimate stood at 456.3 Mt, containing 30.8 Mt of zinc-lead metal and 854.3 million ounces of silver
- Overall mine life continues to be more than 25 years
- Forayed into strategic mineral exploration with the formation of a new subsidiary 'Hindmetal Exploration Services Pvt Ltd.'

Way forward

FY 2024-25

- Target generation through drill testing across all our mines, with an exploration plan to enhance the mineral resource by 20 Mt ore
- Acquisition of new base metal (zinc plus lead) and critical minerals mining blocks by participating in mining auction blocks to ensure mineral security for the Company
- Ore reserves upgradation for sustained mine production for the next 10 years
- Usage of AI and ML algorithms to analyse Hindustan Zinc's geological, geochemical and geophysical data, enabling quicker new target identification and evaluation

FY 2025-26

- Diversify portfolio by adding other commodities, e.g., critical minerals including Lithium, Rare Earth Elements (REE), Copper, Gold, Platinum Group Elements (PGEs), to meet the nation's future demand
- Continue to identify and generate potential exploration target areas through advanced geophysical surveys, and application of artificial intelligence (AI) and machine learning (ML) in 3D deposit modelling and simulations
- Enhancement of the mineral resource by 40 Mt ore with contained metal of 2.0 Mt, and upgrade ore reserves to 42 Mt, adding up to a total R&R of 500+ Mt with c.35 Mt metal

FY 2029-30

- Retain existing mining leases in Hindustan Zinc's portfolio, while acquiring new mining leases through mineral auction regime
- Attain R&R metal of c.40 Mt in the Company's portfolio

456.3 Mt
Total R&R

S2

EXPANSION OF CAPACITIES

We continue to invest in the organic and inorganic expansion of our capacities along with operational excellence. These investments are aligned with our vision to be the world's largest and most admired zinc, lead and silver company. This strategy drives our enhanced performance while enabling us to maintain over 25 years of mine life. We sustained our performance excellence during FY 2023-24, marked by 1,033 kt refined metal production, and with supporting MIC flow, our smelters are geared to achieve 1,075-1,100 kt of refined metal in FY 2024-25.

Related risks	Capitals deployed	Mapping the KPIs
Fire Non Adherence to Safety Protocols Structural Stability Fall of Ground Tailings Dam Collapse Occupational Hazards Commodity Prices & Supply Constraints Environment Regulation		Underground production Refined metal production Refined silver production
Read more on page 88	Read more on page 34	Read more on page 115

FY 2023-24 Update

- Achieved highest-ever mined metal production of 1,079 kt and refined metal production of 1,033 kt
- Maximised silver production at a historical high of 746 MT, by operating pyro operations on lead mode for a longer duration; emerged as the 3rd largest silver producer in the world, according to the World Silver Survey 2024 by The Silver Institute
- Commissioned a new mill at Rajpura Dariba Complex, enhancing the ore treatment capacity from 0.9 Mtpa to 1.1 Mtpa
- Successfully completed major overhauling of Roaster 3 and pyro plant, and indigenously commissioned the fumer plant at Chanderiya Lead-Zinc Smelter
- Obtained mine plan approval from Indian Bureau of Mines to commence mining activities at Bamnia Kalan Mine

- Introduced shaft partition at Sindesar Khurd mine to increase the shaft hoisting from 2.6 Mtpa in FY 2022-23 to 3.1 Mtpa in FY 2023-24
- Total mine development of 101 km in FY 2023-24, with Rampura Agucha Mines and Zawar Mines achieving their highest-ever mined metal production in FY 2023-24
- During the year, as a result of operational excellence parameters and technology & innovation, Balaria Mine recovery improved from 45% to 95%, and external dilution reduced from 120% to 8%; overall dilution improved from 19.4% in FY 2022-23 to 18.4% in FY 2023-24

Way forward

FY 2024-25

- Further ramp-up of underground mines towards their designed capacity of 1.2 Mtpa
- Commissioning of combined paste-fill and dry tailing plant at Rajpura Dariba, increasing the ore production from 1.5 Mtpa to 2 Mtpa
- Commissioning of new beneficiation plant at Rajpura Dariba mines, to increase the treatment capacity from 1.1 Mtpa to 1.5 Mtpa
- Hooking up hydraulic fill plant with Mill 2 at Zawar, to expedite filling at Mochia & Balaria mines, and improve ore recovery
- New portal commencement at Zawarmala to enhance production up to 2 Mtpa
- Commissioning of Roaster-6 at Debari

FY 2025-26

- Ramp-up of underground mines to reach 1.25 Mtpa capacity
- Study on alternate access to the portal at Rampura Agucha mine
- Commissioning of vertical conveyor in Sindesar Khurd mine to mine high-grade shaft pillar area
- Completion of Mill 3 at Zawar to increase beneficiation capacity
- Erection of new leaching and cell house in Debari with a capacity of 210 ktpa. Set up 510 ktpa fertiliser plant in Chanderiya

FY 2029-30

- Ramp-up of underground mines to 1.5 Mtpa capacity
- Look for new mining leases and advocacy for opening new mining sites
- Addition of one more smelter to take the overall smelting capacity to 1.5 Mtpa
- Scaling the silver production to a target capacity of 1,000 MT
- New fumer plants integration to reduce jarosite and enhance metal recovery by 1% in Hydrometallurgy plant

1,079 kt
Mined Metal Production

1,033 kt
Refined Metal Production

S3

STRENGTHENING COST LEADERSHIP

Cost optimisation is a key pivot of Hindustan Zinc's responsible future growth strategy. We have maintained our position of being one of the lowest-cost producers of zinc globally. We also remain in the 1st decile of the global zinc mining cost curve. Continual augmentation of the volumes, improvement in grades, innovation, automation & digitalisation are helping us enhance operational efficiencies to boost our cost leadership continuingly.

Related risks	Capitals deployed	Mapping the KPIs
Fire Structural Stability Non Adherence to Safety Protocols Fall of Ground Tailings Dam Collapse Occupational Hazards Environment Regulation LME/LBMA Prices Local Community Issues Cyber-Attacks and Data Loss Commodity Prices and Supply Constraints		Cost of production Net worth Economic value added Contribution to Exchequer
Read more on page 88	Read more on page 34	Read more on page 115, 118, 119, 266

FY 2023-24 Update

- Achieved sustained cost reduction for 5 consecutive quarters and the lowest cost in last 3 years through continued focus on operational efficiencies, agile input commodity sourcing and transforming operations through automation and digitalisation; led to total savings of approximately US$ 140 per tonne during the year
- Operated pyro plant on lead mode for 6 months, reducing zinc cost of production (COP) and improving lead and silver production
- Smelter recovery improvement through various initiatives like fumer plant commissioning, etc.
- Implemented flexible operations by dynamically making decisions, basis external factors like power offtake from external sources at cheaper and economical rates as required, thereby controlling power costs
- 40% reduction in cost of power generation by improving efficiency and percentage of Indian coal in the blend
- Achieved lowest ever specific coal consumption of 422 gm/kWh at our captive power plants
- Undertook various alternate fuels innovation, thereby pushing operational efficiencies
- Focussed on reducing equipment cost, increasing productivity, improving utilisation of machines and rationalising deployment of machines underground
- Treatment of raw zinc oxide (RZO) in RKD circuit (component of overall fumer project)
- Enhanced minor metal recovery by 56% over previous year, resulting in higher cost credits

Way forward

FY 2024-25

- Maintain cost of production between US$ 1,050 - US$ 1,100 per tonne, through efficient ore hauling, higher volume and grades, and higher productivity with ongoing efforts in automation and digitalisation
- Switching to RE power from CPP (partially at DSC zinc smelter); increase in Indian coal consumption in blend to >40% for power production
- Evaluating opportunities to drive higher volumes and increase market share
- Close tracking of geopolitical events which may lead to cost impacts, and proactively taking steps to mitigate any negative effects that may arise
- Engineering of Dariba lead cellhouse to reduce cost while increasing efficiency and recovery

FY 2025-26

- Maintain cost of production at a low level through efficient ore hauling, higher volume and grades, and higher productivity through ongoing efforts in automation and digitalisation
- Complete commissioning of 450 MW RE power at Dariba and Chanderiya, catering to c.50% of the Company's total power requirements; the agreement is at a fixed rate for the next 25 years, thereby insulating the Company from interest rate fluctuations, providing better cost visibility and predictability

FY 2029-30

- Maintain cost of production below US$ 1,000 per tonne, through proactive cost saving measures, increased production, and continued operational efficiencies

S4

EXPANSION OF PRODUCT PORTFOLIO THROUGH CUSTOMER-CENTRICITY

We are cognisant of our responsibility to the evolving needs of customers, and continue to expand our product suite to cater to the same. We continue to innovatively expand our Value Added Product (VAP) portfolio in line with this strategy. We also invest in nurturing our Human Capital to ensure that our employees are aligned to the needs of the customers, and are responsive to the same.

Related risks	Capitals deployed	Mapping the KPIs
LME/LBMA Prices Commodity Prices & Supply Constraints		VAPs added Share of value-added products
Read more on page 88	Read more on page 34	Read more on page 74, 76

FY 2023-24 Update

- Adopted the subsidiary route to ensure focussed and quality production of VAPs through the commissioning of 30 ktpa alloy plant
- Achieved highest-ever annual VAP sale of 161 kt, along with development of 3 new CGG products
- Achieved highest-ever VAP sales, increasing the share of value-added products to 20% from 15% in FY 2022-23
- Work is in progress for HZFPL, with technical partner onboarded on an engineering, procurement, and construction (EPC) basis

Way forward

FY 2024-25

- Full ramp-up of the alloy plant to produce value-added products at its designed capacity of 30 ktpa
- Development of new products through downstream applications like zinc dust
- Focussed approach to increase share of value-added products from 20% to 23%

FY 2025-26

- Commissioning of the fertiliser plant in Chanderiya, enabling better utilisation of sulphuric acid generated in operations through production of fertilisers, catering to the demand in the Indian market and delivering international quality products, while commanding a premium in the domestic market
- Focus on innovation of new products and increased penetration of zinc alloys like ZAM and other zinc & lead specialty alloys
- Focussed approach to increase share of value-added products from 23% to 27%

FY 2029-30

- Strategically increase share of value-added products to 50%

S5

PROGRESSING TOWARDS A SUSTAINABLE FUTURE

We believe sustainability to be a key imperative of business growth and remain committed to reducing our carbon footprint. Our Sustainable Development Goals 2025 are aligned with this commitment. We are continuously making strategic investments to promote sustainable development through initiatives aimed at making Hindustan Zinc a nature positive company. Promotion of diversity and inclusion, fostering a circular economy are other important areas of our sustainability focus. We are also continually working to integrate climate change into our financial strategy to align the latter to the needs of sustainable growth. We continue to strengthen our voluntary ESG-related disclosures in line with the global best practices. Our focus remains on responsible sourcing, enhanced efficiencies, increased use of renewable energy, and promotion of safety in our operations.

Related risks

- Structural Stability
- Non Adherence to Safety Protocols
- Tailings Dam Collapse
- Occupational Hazards (Exposure to Gases and Fumes)
- Environment Regulation
- Local Community Issues
- Cyber-Attacks and Data Loss

Read more on page 88

Capitals deployed

Read more on page 34

Mapping the KPIs

- Metal recovery performance
- Specific water consumption
- Specific energy consumption
- Water recycled
- Waste recycled
- GHG Emission: Scope 1 and 2
- Renewable Power (Wind + WHRB + Solar)

Read more on page 117, 118, 119

FY 2023-24 Update

- Accelerated the construction of infrastructure, ensuring the first flow of RE power in May 2024 as a part of the 450 MW RE power delivery agreement
- Indigenous commissioning of fumer plant at CLZS for minimisation of jarosite generation and recovery of additional silver from zinc residue
- Utilised 51,369 MT of biomass for power generation, thereby reducing the carbon footprint through our captive thermal power plants
- Waste management through utilisation of jarosite in cement industry and jarofix in road construction
- Partner locked-in for treatment of jarofix and tailings to recover metal and convert residue for gainful utilisation; technical evaluation and pre-feasibility analysis ongoing
- Commissioned phase 1 of 4,000 KLD zero liquid discharge plant in Zawar, facilitating water recovery and ensuring reduction in fresh-water dependency
- Deployed India's first battery electric vehicles (BEVs) in UG mining at SKM, 3 vehicles deployed till date
- Deployed 41 LNG trucks across locations for inter-unit and finished goods transfer, as a part of our commitment to deploy 180 LNG trucks in partnership with GreenLine
- Added 10 EV trucks to our logistics for inter unit transportation, each boasting a capacity of 55 MT, in partnership with Inland EV Green Services
- Commissioned dry tailing plant at RDM
- Implementation of schedule 1 of conservation plan in progress at CLZS, RDM, SKM & ZM

Way forward

FY 2024-25

- Commissioning of Phase 1 of the 450 MW RE power delivery agreement and utilisation for operations at Dariba plant
- Migration to 100% mechanised charging at Zawar, leading to improved safety, faster charging, and increased pull per blast
- Construction and commissioning of new zero liquid discharge (ZLD) plant at Rampura Agucha
- Complete evaluation of alternate technologies for jarosite/jarofix and initiate capital equipment process for tailings and jarofix project
- Achieve all the Sustainable Development Goals (SDGs) 2025, and set next phase of SDGs
- Selection of technology, detailed engineering, and ordering for additional fumer plant at Dariba and Chanderiya, to avoid generation of jarosite
- Deployment of 180 LNG vehicles for transportation of finished goods and interunit movement
- Enhancement in effluent treatment plant (ETP)/ZLD capacity and secure low-quality water for Chanderiya location
- Permanent capping of jarofix yard phase II (22 hectare) through mycorrhiza technology
- Ordering for project of modernisation of Debari Zinc Smelter to improve metal recovery and improve energy efficiency

FY 2025-26

- Complete commissioning of 450 MW RE power supply and its utilisation in Dariba and Chanderiya plants
- Transition of wet to dry tailing disposal facility at Rampura Agucha
- Installation of tail gas treatment plant at Chanderiya and Debari
- Construction and commissioning of plant for residual metal recovery from waste streams, including tailings and jarofix

FY 2029-30

- Accelerate mitigation and adaptation measures, and reduction of scope 1 and 2 emissions by 50% and scope 3 emissions by 25% by 2030
- Aiming to achieve water neutrality at watershed level for our operations by reducing freshwater consumption in water-scarce areas by 50%
- Aiming to achieve nearly zero waste to landfill by diverting all smelting process waste away from landfill through reuse, recycling and recovery
- Plan and strive to achieve no net loss of biodiversity at all mine sites through closure by applying mitigation hierarchy against a 2020 baseline
- Plan to achieve no gross deforestation in protected areas, and strive to achieve no net deforestation in operating sites by 2050 against the baseline of 2020
- Contribute to reach zero fatality and 100% elimination of high consequence work-related injuries
- Increasing the outreach to 11.68 mn beneficiaries through sustained CSR interventions - Enhancing the local economy through initiatives focussed on sustainable livelihood and women empowerment impacting 0.54 mn; improving the quality of life through education and healthcare focussed initiatives and model village impacting 11.14 mn lives
- Increase the gender diversity to 30% with enhanced focus on decision-making bodies and aiming to make the Company an inclusive and diverse workplace
- 100% active business partner evaluation on ESG & risk management, and transition to greener fuels for advancing in scope 3 emission reduction

KEY PERFORMANCE INDICATORS

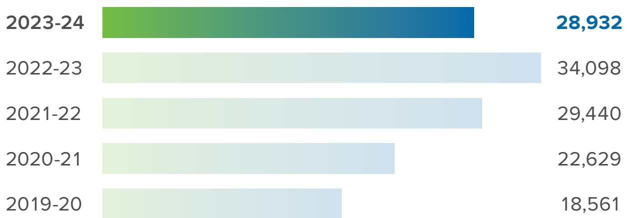
Executing our Strategy

Amid a challenging environment, marked by softened metal prices, Hindustan Zinc continued to maintain its margin, underlining its inherent resilience. Sustained cost reduction was a key contributor to the Company's success in keeping its margin at a steady 47%. Hindustan Zinc clocked the lowest cost in the last three years during FY 2023-24, underscoring its decision-making agility. Maximisation of silver production to leverage the rising silver prices, coupled with modifications in the power plant to ensure better linkage to coal consumption, helped in the reduction of the power costs, while promoting operational and commercial efficiencies.

CONSOLIDATED BUSINESS PERFORMANCE

Revenue from Operations

(₹ crore) (including other operating income)



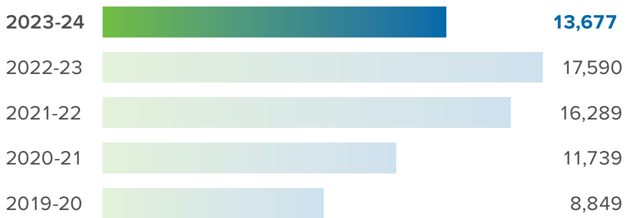
Revenue Mix

(%)

	2019-20	2020-21	2021-22	2022-23	2023-24
Zinc and Lead	84	78	81	82	**77**
Silver	13	20	14	13	**19**
Wind Energy	1	1	1	1	**1**
Others	2	1	4	4	**3**

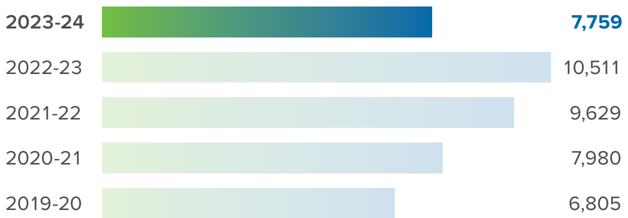
EBITDA

(₹ crore)



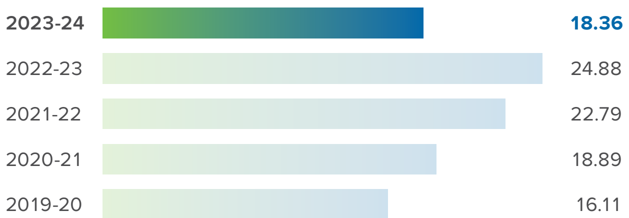
PAT

(₹ crore)



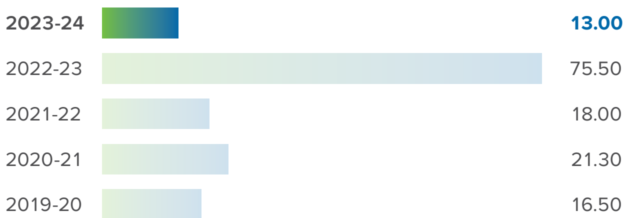
Earnings Per Share

(₹)



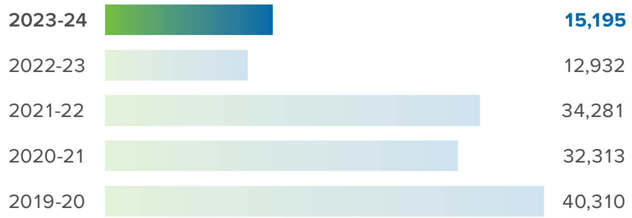
Dividend Per Share

(₹)



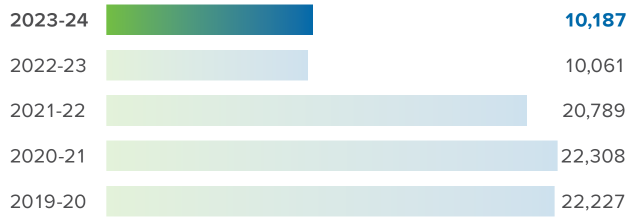
Net Worth

(₹ crore)



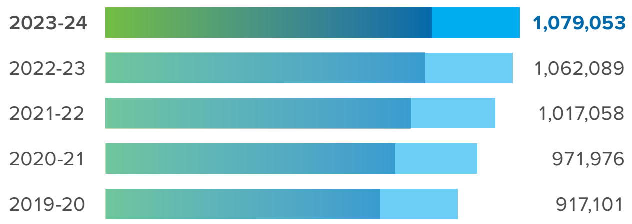
Gross Cash and Cash Equivalent*

(₹ crore)



Total Mined Metal

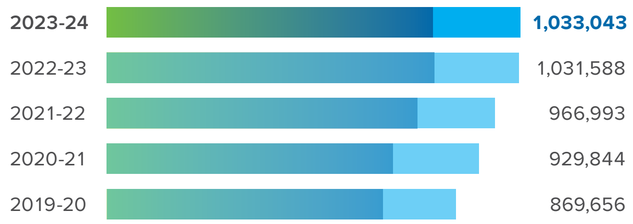
(tonnes)



	2019-20	2020-21	2021-22	2022-23	2023-24
Zinc	720,060	755,849	801,035	839,051	**855,001**
Lead	197,041	216,127	216,023	223,038	**224,052**

Total Refined Metal**

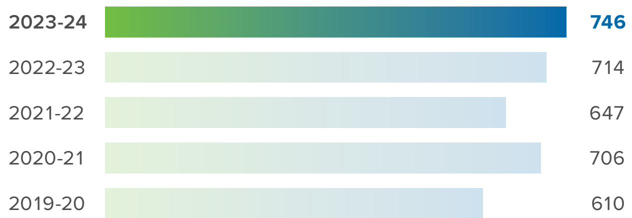
(tonnes)



	2019-20	2020-21	2021-22	2022-23	2023-24
Zinc	688,286	715,445	775,808	820,898	**817,059**
Lead	181,370	214,399	191,185	210,690	**215,984**

Refined Silver**

(tonnes)



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

** Excludes captive consumption

KEY PERFORMANCE RATIOS

EBITDA Margin
(%)

2023-24	**47**
2022-23	52
2021-22	55
2020-21	52
2019-20	48

Description

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

Management Statement

EBITDA margin decreased from 52% in FY 2022-23 to 47% in FY 2023-24 primarily due to lower revenue from operations on account of lower zinc LME prices partially offset by lower coal & input commodity prices and mining royalty.

Net Profit Margin
(%)

2023-24	**27**
2022-23	31
2021-22	33
2020-21	35
2019-20	37

Description

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

Management Statement

Net profit margin is lower on account of lower revenue from operations due to lower zinc LME prices, higher finance cost partially offset by lower tax expense (owing to lower profits in current year & adoption of lower tax rate) and lower cost of production.

Return on Net funds for Business Operations
(%)

2023-24	**58**
2022-23	67
2021-22	56
2020-21	41
2019-20	29

Description

This is calculated on the basis of operating profit net of tax expenses, as a ratio of net funds for business operations. The objective is to earn a post-tax return consistently above the weighted average cost of capital.

Management Statement

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

Debtor Turnover Ratio
(in times)

2023-24	**108**
2022-23	62
2021-22	52
2020-21	58
2019-20	65

Description

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

Management Statement

Increase in debtor turnover ratio is primarily on account of lower trade receivables as compared to previous financial year, slightly offset by lower revenue from operations.

Inventory Turnover Ratio
(in times)

2023-24	**8**
2022-23	9
2021-22	8
2020-21	7
2019-20	6

Description

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

Management Statement

Inventory turnover ratio was marginally lower on account of lower cost of goods sold.

Current Ratio
(in times)

2023-24	**1.6**
2022-23	1.0
2021-22	4.4
2020-21	3.1
2019-20	4.6

Description

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

Management Statement

The current ratio is higher mainly on repayment of short-term borrowings during the year.

Interest Coverage Ratio
(in times)

2023-24	**16**
2022-23	60
2021-22	66
2020-21	34
2019-20	87

Description

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

Management Statement

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

Return on Net Worth
(%)

2023-24	**55**
2022-23	45
2021-22	29
2020-21	22
2019-20	18

Description

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

Management Statement

Return on net worth is higher mainly because lower retained earnings are partially offset by lower net profits after tax.

Debt Equity Ratio
(in times)

2023-24	**0.56**
2022-23	0.92
2021-22	0.08
2020-21	0.22
2019-20	0.02

Description

The debt-to-equity ratio reflects the Company's ability to meet its short-term and long-term obligations in proportion to the net worth of the Company.

Management Statement

Debt equity ratio is lower on account of lower borrowings and higher retained earnings.

ESG OUTCOMES

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

Metal Recovery Performance

Mill Recovery
(%)

	Zinc	Lead
2023-24	**90.99**	**80.80**
2022-23	90.95	81.15
2021-22	90.62	80.21
2020-21	89.71	78.87
2019-20	88.28	76.97

Note: Overall mill recovery for lead is lower in FY 2023-24 on account of the new RD Mill stabilisation

Smelter Recovery
(%)

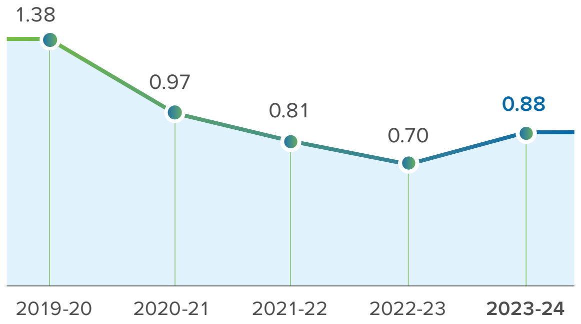
	Zinc	Lead
2023-24	**95.90**	**96.74**
2022-23	95.90	96.77
2021-22	96.12	96.47
2020-21	95.96	96.75
2019-20	96.19	96.63

Note: Overall smelter recovery for lead is lower in FY 2023-24 in line with the recovery in Dariba Lead Smelter

KEY PERFORMANCE RATIOS

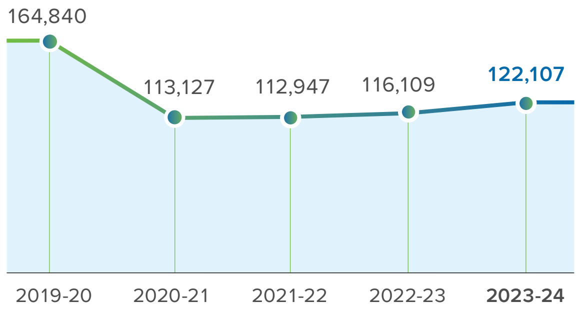
Lost Time Injury Frequency Rate (LTIFR)

(number per mn hours worked)

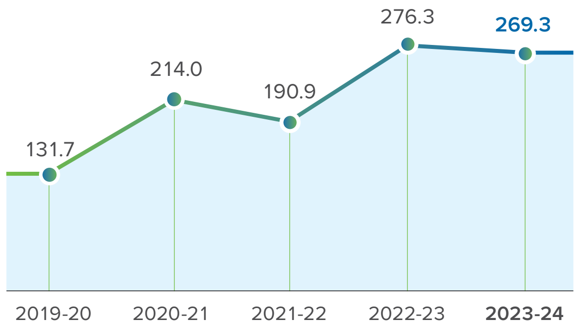


Employee Trainings

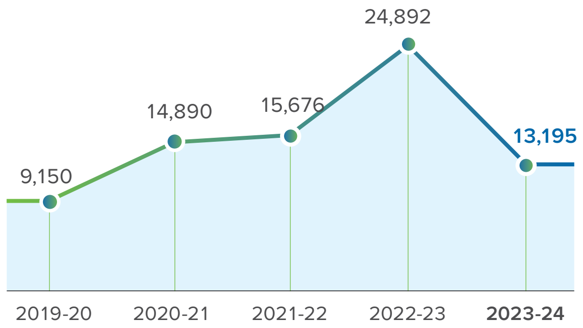
(man-hours)



CSR Spend (₹ crore)



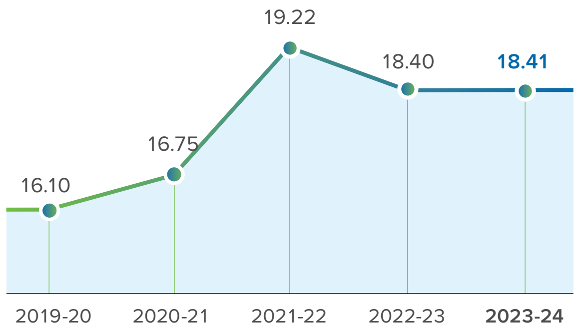
Contribution to Exchequer* (₹ crore)



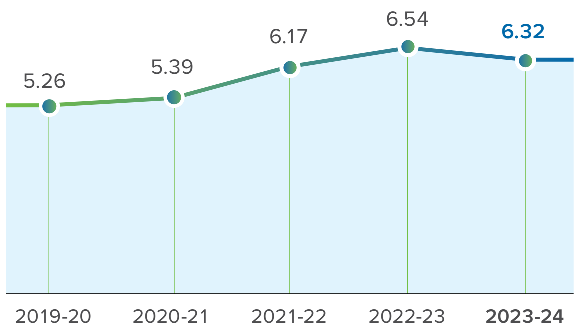
*on gross basis

Note: Contribution to exchequer during the year is lower in line with the revenue and dividend payout to the government.

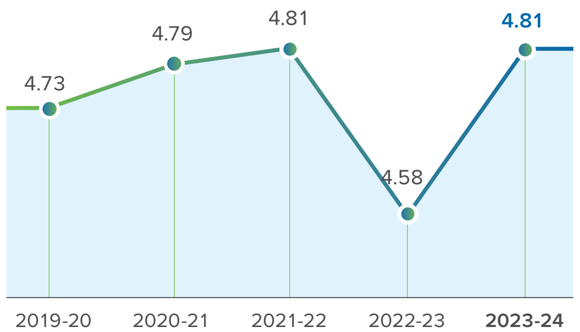
Water Recycled (mn m^3)



Waste Recycled (mn MT)

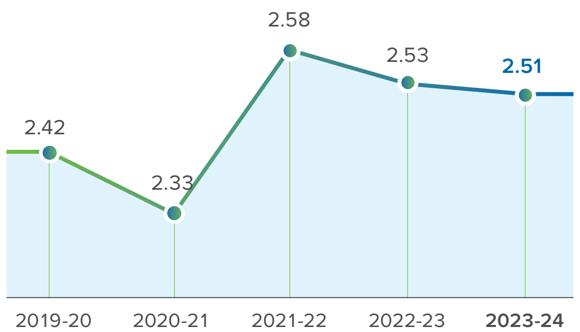


GHG Emission: Scope 1 + Scope 2 (mn tCO_2e)



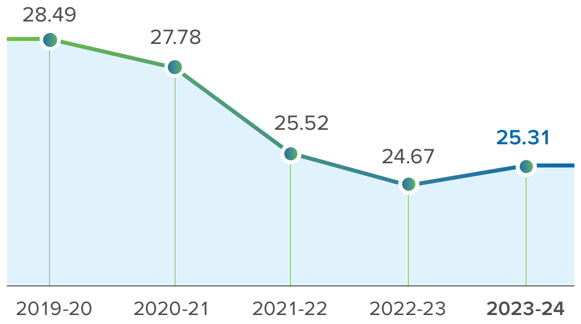
Note: GHG emissions are higher than FY 2022-23 on account of higher reliance on CPPs during FY 2023-24

Renewable Power (Wind+WHRB+Solar) (MGJ)



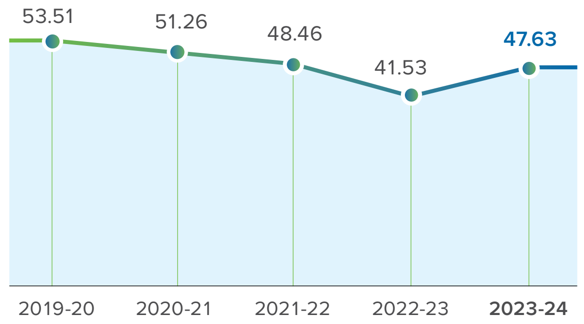
Specific Water Consumption

(m^3 per tonne of metal)



Specific Energy Consumption

(GJ per tonne of metal)



ECONOMIC VALUE ADDED

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

(₹ crore)

	2023-24	2022-23	2021-22	2020-21	2019-20
Equity	15,195	12,932	34,281	32,313	40,310
Capital employed	13,464	14,712	16,315	17,183	18,694
Average capital employed	14,088	15,513	16,749	17,939	17,674
Economic Value Added (EVA)					
Net operating profit after taxes (NOPAT)	7,828	9,925	9,205	7,031	5,408
Cost of capital (CoC)	1,817	2,444	1,950	2,129	2,441
EVA	**6,011**	**7,481**	**7,255**	**4,901**	**2,967**
NOPAT/Average capital employed (%)	55.57%	63.98%	54.96%	39.19%	30.60%
Weighted average CoC (%)	12.89%	15.76%	11.64%	11.87%	13.81%
EVA/Average capital employed (%)	**42.67%**	**48.22%**	**43.32%**	**27.32%**	**16.79%**

ADDITIONAL INFORMATION

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

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

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

EXTERNAL ENVIRONMENT

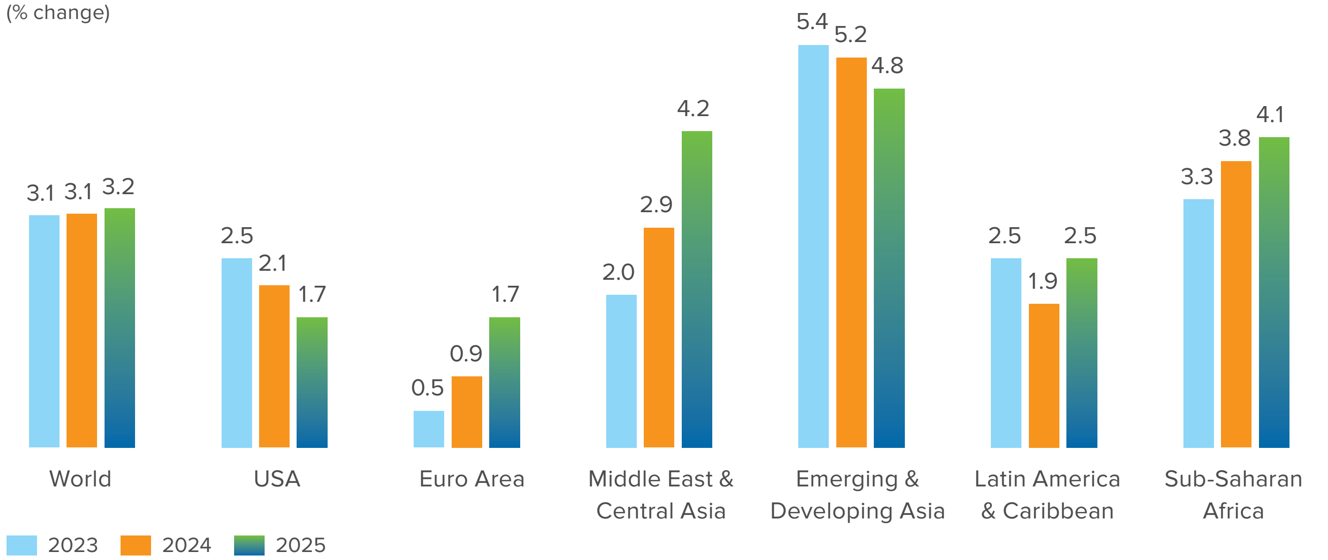
Maximising Opportunities to Surge Ahead

At Hindustan Zinc, we closely monitor the external industry and market environment to identify growth opportunities across our various business segments. Consistent monitoring of the evolving global and domestic trends helps us insulate ourselves against existing and emerging risks having the potential to impact our business. It equips us to capitalise on emerging opportunities to stay ahead of the market curve. The challenging global environment notwithstanding, the Indian economy stayed on the growth course during FY 2023-24, catalysing enhanced zinc and steel production, and showing promising projections for zinc applications and silver as a key commodity in electrification and railways & infra development. Hindustan Zinc has successfully positioned itself to capitalise on these opportunities and surge forward on its progressive journey.

ECONOMIC OVERVIEW

Real GDP growth

(% change)



Source: IMF (World Economic Outlook - January 2024)

> In FY 2023-24, we've demonstrated our commitment to excellence amid evolving market dynamics. Leveraging digital technologies, our "Vedanta Metal Bazaar" platform has been embraced by customers. We notably expanded domestic zinc sales, bolstering our market share, especially in VAPs. We're developing new zinc alloys, conducting customer trials, and remain a preferred vendor for SHG zinc and alloys among major Indian steel producers. Our customer-centric approach, from product development to service delivery, is tailored to meet evolving needs. Through regular engagement, we foster collaboration and co-creation. Looking ahead, we aim for sustained growth and innovation, envisioning a role in building corrosion-resistant infrastructure, automobiles, architectural fittings, and supporting the transition to renewable energy.
>
> **Vijay Murthy**
> Chief Marketing Officer - Metals & Acid

The World Economic Outlook (WEO) for January 2024 predicted 3.2% growth in CY 2025. At the same time, the forecast for CY 2024 improved due to China's fiscal support and the stronger than expected resilience in the US and in several large emerging markets and developing economies. However, a series of factors pushed down the projection for FY 2024-25 to below the historical (2000-19) average of 3.8%. These included high central bank policy rates to combat inflation, withdrawal of fiscal support due to excessive debt-burdening economic activity, and low underlying productivity growth. Most regions are seeing faster-than-expected inflation declines amid a tightening monetary policy and easing of the supply-side problems.

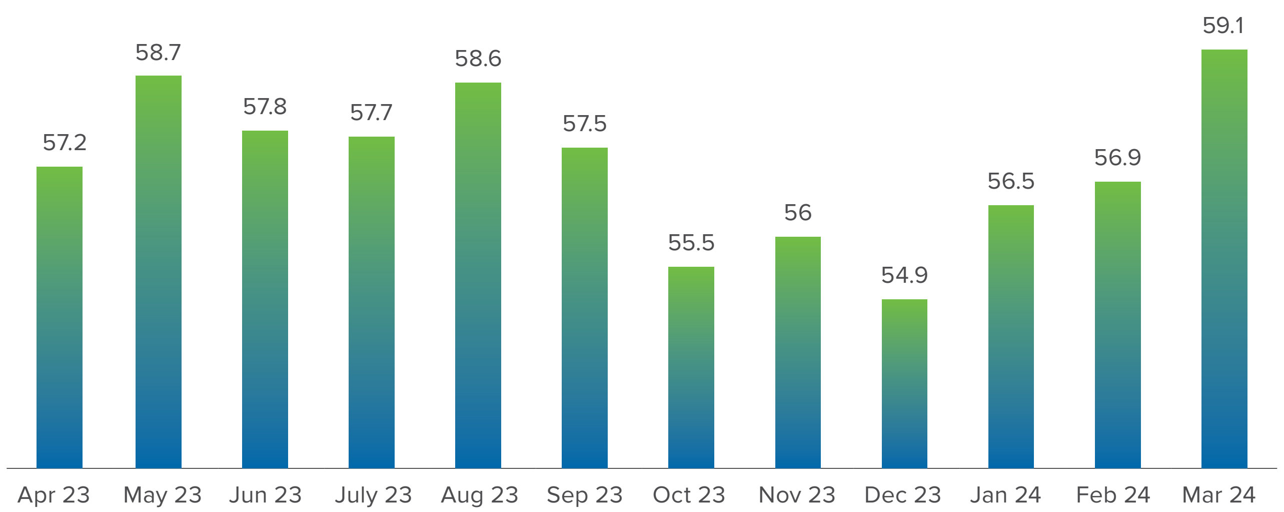
The projected decline in growth in the United States is expected to be 2.1% in CY 2024 and 1.7% in CY 2025, from 2.5% in CY 2023. This decline is attributed to the slowdown in aggregate demand, caused by the gradual tightening of fiscal and monetary policies, and labour market weakening.

The Euro area's growth rate is expected to rebound from its lower projection of 0.5% in CY 2023 to 0.9% in CY 2024 and 1.7% in CY 2025, on account of a comparatively high level of exposure to the conflict in Ukraine. The rebound is anticipated to be driven by stronger household consumption as the impacts of the energy price shock fade and inflation declines, supporting real income growth.

Due to the post Covid slowdown in China's economy and the slow pace of recovery in its manufacturing sector, growth in emerging and developing Asia is predicted to slow down, from an estimated 5.4% in CY 2023 to 5.2% in CY 2024 and 4.8% in CY 2025. The growth estimate for CY 2024 considers a higher government spending on boosting resilience to severe disasters. China's growth is expected to be 4.1% in CY 2025 and 4.6% in CY 2024.

The Indian manufacturing industry has shown robust growth in FY 2023-24 on account of strong consumer demand and infrastructural growth. The year started with a healthy manufacturing Purchasing Managers' Index (PMI) of 57.2 for the country, and this growth sustained till the end of the year, closing at a remarkable manufacturing PMI of 59.1.

India - Manufacturing PMI



With regard to GDP, the growth in India is expected to stay robust at 6.5% in CY 2024 and CY 2025, according to January 2024 report of World Economic Outlook, indicating a strong domestic demand. This growth is basically influenced by consumer spending, government spending & investment, and net exports. Technological advancement, political stability and regulatory environment will play a pivotal role for future growth.

India GDP Growth

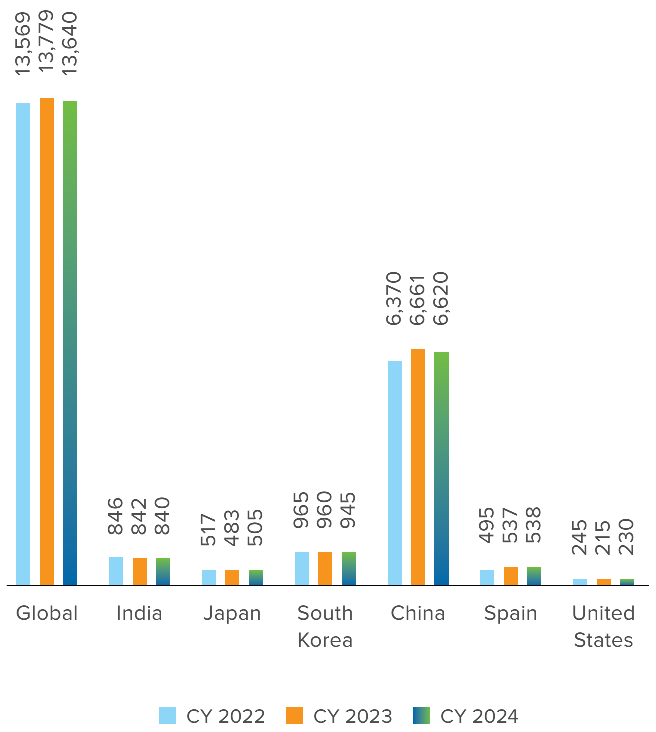
(%)

Source: IMF (World Economic Outlook - January 2024)

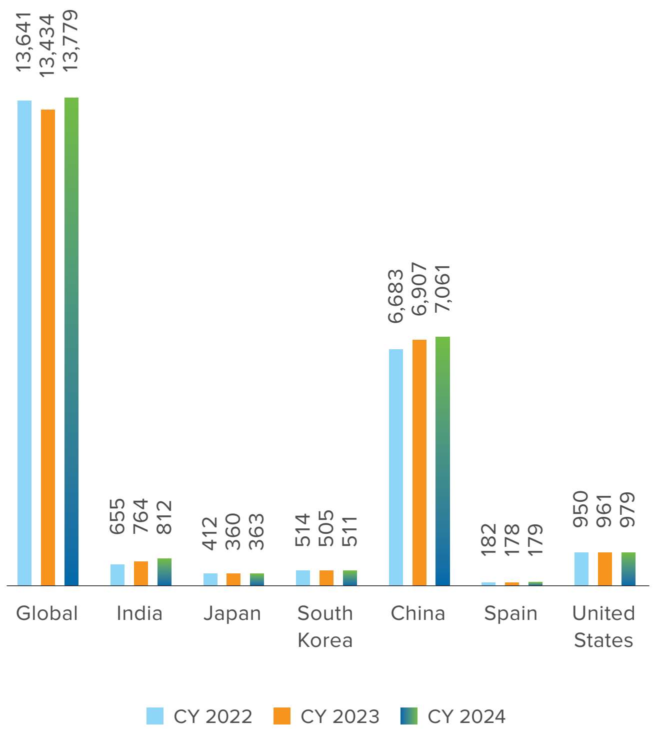
DEMAND DRIVING GROWTH
ZINC

GLOBAL DEMAND & SUPPLY:

Zinc Supply - kt



ZInc Demand - kt



Source: Wood Mackenzie

In CY 2023, zinc price lost its shine as macro headwinds deterred investor sentiment, and unsustainable metal surpluses accumulated. Zinc LME ended FY 2023-24 at US$ 2,391 per tonne, 17.8% lower than the figure for March 31, 2023. At supply level, refined zinc production increased by 1.5% to 13.8 Mt in CY 2023. The global refined zinc demand contracted by 1.5% to 13.4 Mt in CY 2023, largely due to a fall in Chinese, USA and EU regions. Supply, however, went up, creating a surplus in the market. This resulted in an increase in the warehouse (LME & SHFE) stocks by 386% (50 kt to 243 kt), and consequent pressure on metal premiums on a spot basis.

The removal of COVID restrictions was expected to lead to a strong rebound in the Chinese economy and zinc demand in CY 2023. However, the structural slump in the real estate industry and the exceptionally low levels of confidence among consumers and businesses continued to impact recovery. Consequently, the combination of government-backed stimulus programmes and strong export demand for Chinese-made galvanised sheets, white goods and automobiles drove zinc consumption in CY 2023.

In Europe, the demand situation continued to be a matter of concern. The continent's zinc consumption has undergone a structural shift due to permanent capacity closures caused by rising energy prices, even though there has been a subsequent decline in the prices. This is especially the case in Germany, where the effects of increasing energy costs have been most pronounced. The US economy went through a demand slump in CY 2023 on account of rising interest rates, growing unemployment, and other macroeconomic factors.

INDIAN DEMAND

In terms of demand, India has surpassed the globe. The Indian economic environment has remained optimistic. The same was reflected in the S&P Global Manufacturing PMI, which stood at 59.1 in March 2024 as compared to 56.4 in March 2023, reflecting expansion in the manufacturing sector. This highlighted 31 successive monthly improvements in operating conditions. India's manufacturing PMI numbers have reflected strong economic growth, which has translated into increased demand for goods. In CY 2023, India became the top country in terms of percentage increase in steel production. The domestic production of finished steel went up by 2.7% to 138.8 Mt from April 2023 to April 2024 (P). Consumption in the domestic market during the same period stood at 136.3 Mt, up by 13.6%. The total net finished steel exports till March 2024 stood at 7.5 Mt, up by 11.5%.

BUSINESS OVERVIEW

India's largest and the only primary zinc producer, Hindustan Zinc commanded a primary market share of 75% in FY 2023-24, selling 580 kt zinc, which was 20% higher than FY 2022-23. It also sold 161 kt of Value-Added Products (VAP) during the year, which is historically the highest. Hindustan Zinc's domestic sales were aligned

Hindustan Zinc's role extends beyond a mere supplier status. It acts as a strategic partner, offering expertise, technological support, and a shared commitment to sustainability. The seamless integration of its operations into the steel manufacturing process streamlines production workflows and enhances overall efficiency. This symbiotic relationship underscores the interconnectedness of industries within India's economic landscape, emphasising the significance of collaborative efforts in driving growth and innovation. As Hindustan Zinc continues to excel in its role as a key provider of zinc, Indian steel players can confidently pursue their expansion goals, knowing they have a dependable ally in meeting their zinc requirements.

with the growth of the Indian primary zinc market, rising 20% y-o-y with historically highest domestic sales and an increase in the VAP portfolio from 15% to 20%. About 71% of the refined zinc produced by the Company is sold in the domestic market, and the rest is exported to the SAARC, South-East Asia, Middle East, US and Europe regions.

OUTLOOK

In CY 2024, global refined zinc production is expected to decrease by 1% to 13.6 Mt, and global consumption is likely to increase by 2.6% to 13.8 Mt. Zinc and the world economy are both impacted by the emerging consensus in the US that interest rates have peaked, and that the US Federal Reserve will begin to reduce the interest rates. The most recent US inflation data, and growing tensions in the Middle East, however, make it difficult to predict when the interest rates will be reduced. The lowering of interest rates, when it happens, will make investors more willing to take on risks, which would raise the price of commodities. Additionally, zinc prices are likely to remain volatile, though not to the same extent as in the last two years.

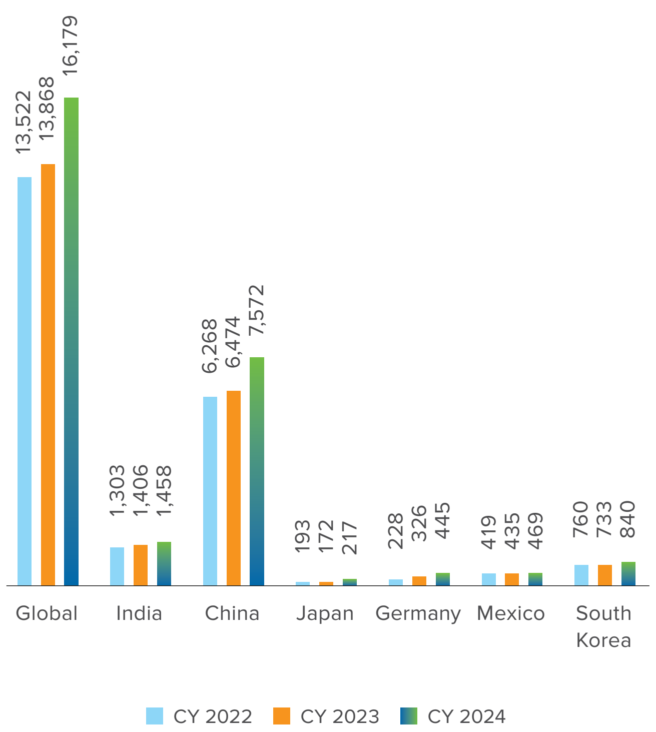
Despite these challenges, India continues to perform better and sentiments tend to be positive. India's broad-based prosperity has persisted, with notable metal-intensive industries like construction, electricity, and automotive generating remarkable growth rates. In FY 2024-25, the Indian zinc market is expected to grow by 5.2% to 810 kt, on account of urbanisation, increase in disposable income, and the government's focus on infrastructural growth.

NEW APPLICATIONS STEERING DOMESTIC GROWTH

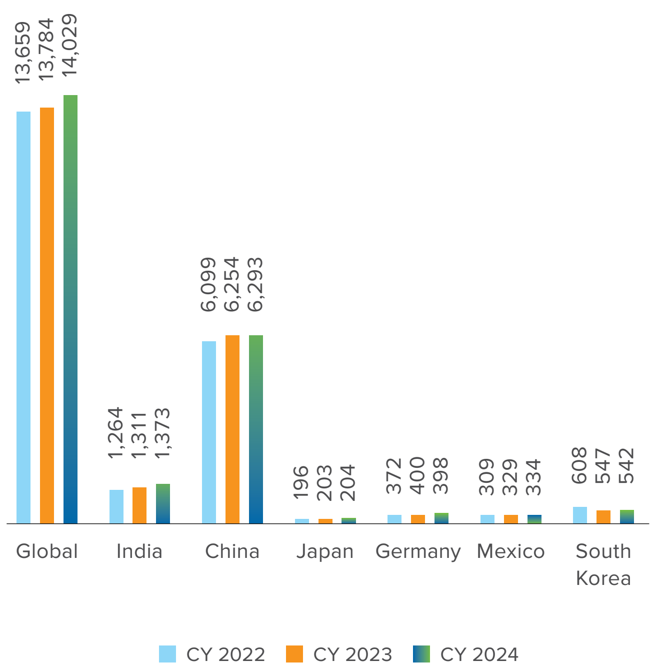
LEAD

GLOBAL DEMAND & SUPPLY

Lead Supply - kt



Lead Demand - kt



Source: Wood Mackenzie

The lead LME ended FY 2023-24 at US$ 1,965 per tonne, which is 8.4% lower than the March 31, 2023 figure. High inflation and rising interest rates have impacted the demand for consumer and capital goods in developed economies (especially in USA, EU and China). Subdued demand growth created a market imbalance between mined and refined output and demand, leading to unsustainable metal surpluses and subsequent fall in prices. Additionally, lower PMI numbers in Japan, US, Eurozone and South Korea suggested a struggling economy during this period. At supply level, the refined lead production increased by 3% to 13.9 MT in CY 2023. Global refined lead demand increased by c.0.7% to 13.8 Mt in this period, largely due to the macroeconomic situation across the globe. Additionally, countries are moving towards green energy, driving replacement with substitutes of lead batteries.

INDIAN DEMAND

Indian primary lead demand in FY 2023-24 remained around 198 kt. In contrast to the 0.4% increase in global demand, the Indian lead market has seen a slight decrease in demand on account of increased consumption of secondary lead and alternatives of lead materials. The automobile sector has shown tremendous growth. In CY 2023, the Indian automobile industry grew by 11% on a y-o-y basis.

BUSINESS OVERVIEW

Hindustan Zinc is the leading lead producer in India, with a market share of 64% in the primary market during FY 2023-24. We produce lead ingots with 99.99% purity, which are registered with LME. In FY 2023-24, 59% of our production was consumed by the domestic market and the rest was exported. We are expecting to increase our sales mix to 100% in the domestic market through new customer acquisitions and the development of lead applications.

OUTLOOK

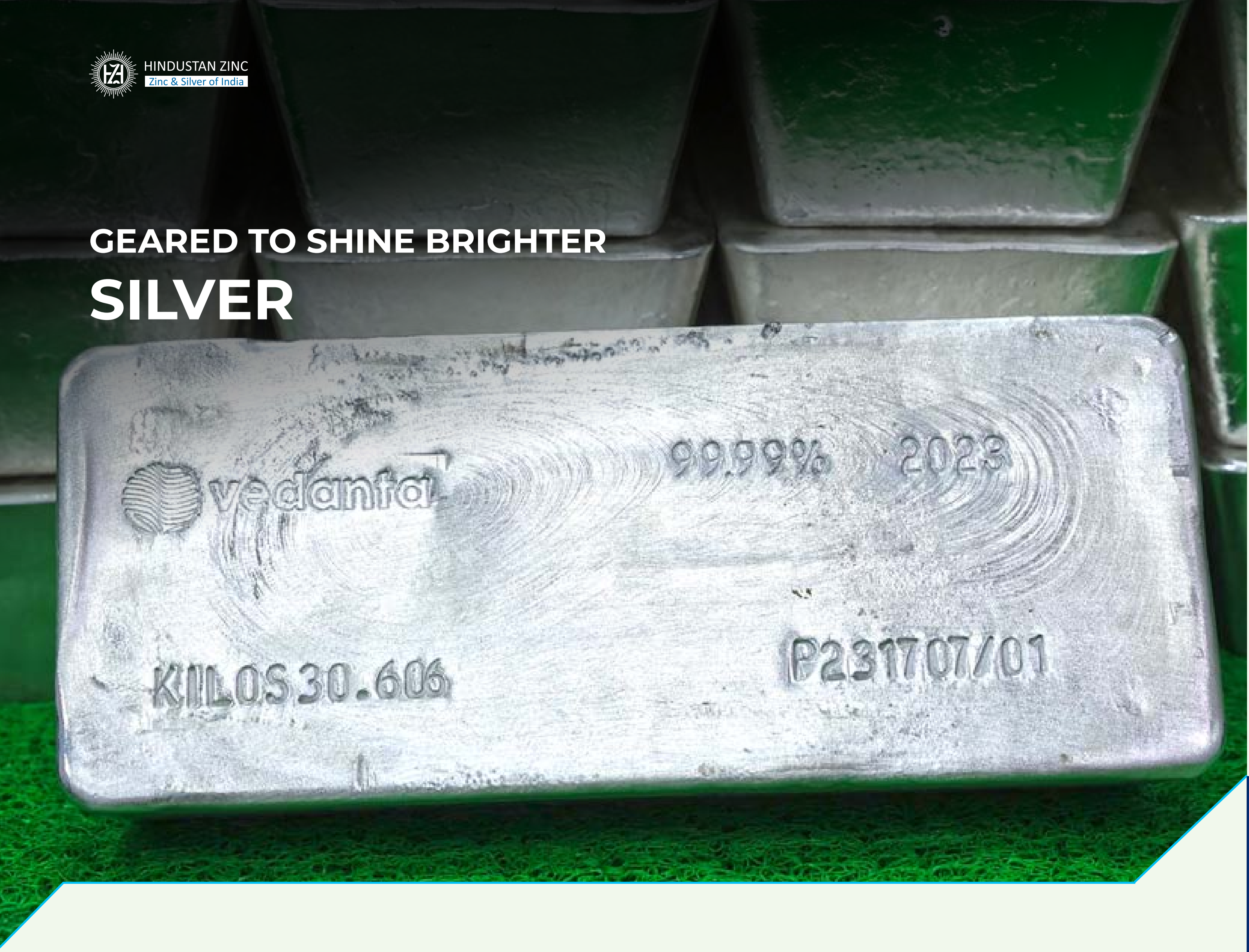
Global lead supply is expected to increase by 1.1% in CY 2024, while demand is expected to rise by 1.8%. Lead usage in original equipment vehicle batteries is predicted to be 25% lower in CY 2024 from the CY 2017 figure, due to a decline in new internal combustion engine vehicle (ICEV) sales. The percentage of lead used in original equipment vehicle batteries has decreased from 16% to 11%, indicating the need for replacement in car batteries.

However, ICEVs are not losing market share to BEVs, as lithium-ion and lead-acid batteries can be used in SLI batteries for hybrid electric vehicles (HEVs) and plug-in hybrid electric vehicles (PHEVs). In FY 2024-25, Indian lead demand is expected to be around 190 kt, 6% lower than the previous year. The adoption of lead alternatives will take time globally, with the IRA (Inflation Reduction Act) in the USA, Fit for 55 programme in the EU, NEV (New Energy Vehicle) policy in China, and FAME II (Fast Adoption and Manufacturing of EV) in India providing a broad timeline for the transition from fossil fuel to electric power.

Hindustan Zinc has offered growth opportunities and global exposure that have helped me realise my true potential and boost my confidence. Working with leaders who actively involve you in decision-making processes and value your opinions is at the core of Hindustan Zinc's culture.

Vanshika Dewangan
Territory Manager - West, HZL

GEARED TO SHINE BRIGHTER
SILVER



GLOBAL DEMAND & SUPPLY

The London Bullion Market Association (LBMA) ended FY 2023-24 on a strong note, with silver at US$ 24.45/toz, which was 2.3% higher as compared to March 31, 2023. In CY 2023, production at the world's silver mines was slightly lower than the previous year, totalling 830.5 Moz and marking a 1% decrease. This dip was largely due to the temporary shutdown of Newmont's Peñasquito mine in Mexico for four months following a labour strike. Mexico's silver output fell by 5% to 202.2 Moz. Other contributing factors included lower-quality ore and closure of certain mines, leading to drops in production in Argentina (a decrease of 4.9 Moz), Australia (down by 3.1 Moz), and Russia (a decline of 1.4 Moz). However, there was a silver lining, with increased production from Chile (up by 10.1 Moz) and Bolivia (rising by 3.8 Moz) helping to offset some of these losses.

The overall demand for silver fell by 7% to 1,195 Moz in CY 2023, after a record-breaking year in CY 2022. The jewellery, silverware, and price-sensitive physical investment industries were mostly responsible for this decline. On the other hand, industrial demand surged to a new high in CY 2023, driven mostly by the electrical and electronics industry, which expanded by 20% to 445.1 Moz. This increase was the result of silver's expanding and vital usage in photovoltaics, which reached a new high of 193.5 Moz, increasing by a staggering 64% over the CY 2022 total of 118.1 Moz.

INDIAN DEMAND

In India, silver is mainly used for jewellery purposes, and the bulk of the demand comes during festivals like Diwali and Akshay Tritiya. India's silver consumption in the industrial sector is relatively low as compared to global levels. However, the demand from the industrial sector is expected to increase significantly due to new-age technological developments, like EVs and 5G, in the coming days. As per Metal Focus, in CY 2023, Indian silver demand was around 6,800 tonnes, and is expected to grow to around 7,400 tonnes in CY 2024.

BUSINESS OVERVIEW

Hindustan Zinc is now ranked the 3rd largest silver producer in the world. The Company sold 746 MT in FY 2023-24, which was 4% higher as compared to FY 2022-23. This was notably the highest-ever silver sales achieved by the Company. With increasing demand for silver in the near future, Hindustan Zinc is planning to expand its presence in this segment.

OUTLOOK

The amount of silver in circulation is estimated to decline by 1% overall. In line with this trend, in CY 2024, the market is expected to witness yet another significant silver deficit, with a forecast of 215.3 Moz, marking the second-largest market shortfall in over two decades.

Silver's demand potential stems from a variety of factors. In addition to its growing involvement in the energy transition and its numerous conventional applications, it is projected to become a necessary element of the artificial intelligence (AI) revolution. The need for silver in AI will be driven by end-use industries like transportation, nanotechnology, biotechnology, healthcare, consumer wearables, computing, and energy in data centres.

Setting New Benchmarks through Geotechnical Engineering

The onward journey at Hindustan Zinc is propelled by our focus on excellence across our mining operations. It is steered by our sustained focus on responsible, sustainable and innovative growth initiatives. During FY 2023-24, we enhanced this focus manifold, to touch new goalposts and create greater value for our stakeholders.

We operate eight underground mines at five locations in Rajasthan, India. These are Rampura Agucha Mine (RAM), Sindesar Khurd Mine (SKM), Rajpura Dariba Mine (RDM), four mines at Zawar, namely Mochia, Balaria, Baroi & Zawaramala, and Kayad Mine (KM). The mines are hosted by the Proterozoic-age sediment-dominated sequences formed 1,800 to 2,500 million years ago and since their origin, the ore has undergone several deformation and metamorphic events. The orebody host rocks at these mines range from very strong dolomites to foliated metasediments. The depth of mining of the orebodies currently ranges from close to surface to 1,000 metres below the surface.

5 MINING LOCATIONS WITH TOTAL ORE PRODUCTION OF 16.52 Mt

Mines	Ore Mined		Zinc Mined Metal				Lead Mined Metal			
	FY 2022-23	FY 2023-24	FY 2022-23		FY 2023-24		FY 2022-23		FY 2023-24	
	('000 tonnes)	('000 tonnes)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)	('000 tonnes)	Grade (%)
Rampura Agucha	4,795	4,931	485	11.16	514	11.47	49	1.61	52	1.64
Sindesar Khurd	5,599	5,650	160	3.14	146	2.83	98	1.98	96	1.90
Rajpura Dariba	1,390	1,344	57	4.63	46	4.13	11	1.11	9	1.04
Zawar	4,303	4,032	103	2.61	115	3.11	62	1.58	64	1.75
Kayad	657	564	35	5.58	33	6.13	3	0.70	4	0.82
Total	**16,744**	**16,521**	**839**	**5.53**	**855**	**5.69**	**223**	**1.65**	**224**	**1.68**

Note: Regrouping done for previous year with respect to Rajpura Dariba ore treated at Rampura and Sindesar Khurd

ADVANCED METHODOLOGIES DRIVING FORWARD MOMENTUM

We have deployed advanced methods, using state-of-the-art tools and processes, to drive operational growth at our mines. We apply the Long Hole Open Stoping mining method at all the mines. Most of the mines employ tailings to backfill the stope voids as paste or hydraulic fills. Cement is added to ensure stability of the fill mass. This fills the void and provides support to the walls post ore extraction.

Stoping is usually mined as a bottom-up extraction sequence, with the lower levels mined first and the backfill forming the working platform for the next level of extraction. However, the reverse process, comprising top-down extraction sequence, is followed at RAM, which has emerged as a world leader in applying this novel approach.

Mining isn't just about extracting ore, it's about adding value responsibly and maintaining quality. This year, we've seen high-quality mining operations across all sites, especially at Rampura Agucha Mine and Zawar.

Praveen Sharma
COE Mining

Setting New Benchmarks through Geotechnical Engineering

As a frontrunner in the industry, constantly establishing new operational standards in mining, we have stationed Geotechnical Engineering teams at every site. These teams are responsible for defining the various mining parameters, such as infrastructure location, excavation size and stoping sequence. They also monitor the response of the rock mass to mining and form an integral part of the mining teams.

ROLE OF GEOTECHNICAL ENGINEERING TEAMS

- They collect the necessary information needed to define the mining conditions. This includes:
  - Collecting rock property data from diamond drill core
  - Mapping underground excavations
  - Measurements of in-situ stress
  - Testing the strength of the intact rock and cemented fills
  - Ground water assessments
- Based on the collated information, geotechnical models of the mine are built using mining software. This enables the engineers to classify the rock mass quality and predict the ground conditions ahead of development and stoping
- The teams then undertake analysis and design, using industry leading practices. Both empirical and numerical tools are utilised in this process. The empirical methods allow the engineers to benchmark their conditions against those that occur at other mines and predict the behaviour and stability against this information. Numerical modelling allows them to input complex mining geometries, geology, rock mass properties, the in-situ stress field, and the extraction sequence. These models allow the engineers to forecast the likely stress and strain conditions prior to mining
- The engineers monitor the response to mining, using a variety of sophisticated tools including:
  - Extensometers, which are grouted into the rock to measure the deformation within the rock mass
  - LiDAR (light detection and ranging) surveys, which measure the deformation of the rock mass at the surface of the excavation
  - Stress Cells, which monitor the stress loads imposed on the rock mass by mining
  - Geophones, which have been installed at RAM and SKM to measure the micro-seismic activity that occurs when mining is undertaken at depth

Ensuring Workplace Safety

- The geotechnical teams are also responsible for the design of ground support, which ensures the stability of the excavations where the mining personnel are working
- Ground support involves
  a) bolts and cables, which are fixed into boreholes to increase the cohesion and frictional properties of the rock, and
  b) fixing mesh and spraying concrete (shotcrete) onto the walls and roof of the excavation to retain the smaller pieces of rock, preventing them from loosening and detaching

To ensure that mining geotechnical engineering expertise is available, Hindustan Zinc has partnered with the National Institute of Technology, Rourkela, to train engineers and geologists in mining geotechnical engineering, investing in its professional workforce and ensuring that these specialist skills are available for future mining.

The Company's geotechnical expertise allows it to continue to mine successfully in variable and challenging conditions, while ensuring that the mines are safe and economically viable.

Rampura Agucha Mine

FY 2023-24 was a year of enhanced performance excellence, catalysed by new initiatives and innovations, at Rampura Agucha Mine (RAM). The mine has the richest zinc-lead deposit in India. It is the largest underground zinc producing mine globally and the lowest cost zinc producer in the world. The ISO 9001, ISO 14001, OHSAS 18001 & SA-8000 certified mine, located in Bhilwara in Rajasthan, is continually scaling its operations, infrastructure, technological superiority, sustainability focus and safety credentials.

RAM posted 5.0 Mtpa production rate in its underground operations during the year. The shaft hoisting capacity at RAM showed a marked improvement, from 6,500 tonnes per day (tpd) to 8,000 tpd, at the back of multiple debottlenecking and digitalisation initiatives. Efforts to further augment the capacity to 10,000 tpd are continuing.

KEY OPERATIONAL MILESTONES OF FY 2023-24

RAM continued to forge ahead on its performance trajectory, growing in terms of both ore and mined metal production, during FY 2023-24.

4.93 Mt
Ore Production

13.1%
Grade

566 kt
Mined Metal Production

28.7 km
Mine Development

CHARTING NEW GROWTH FRONTIERS

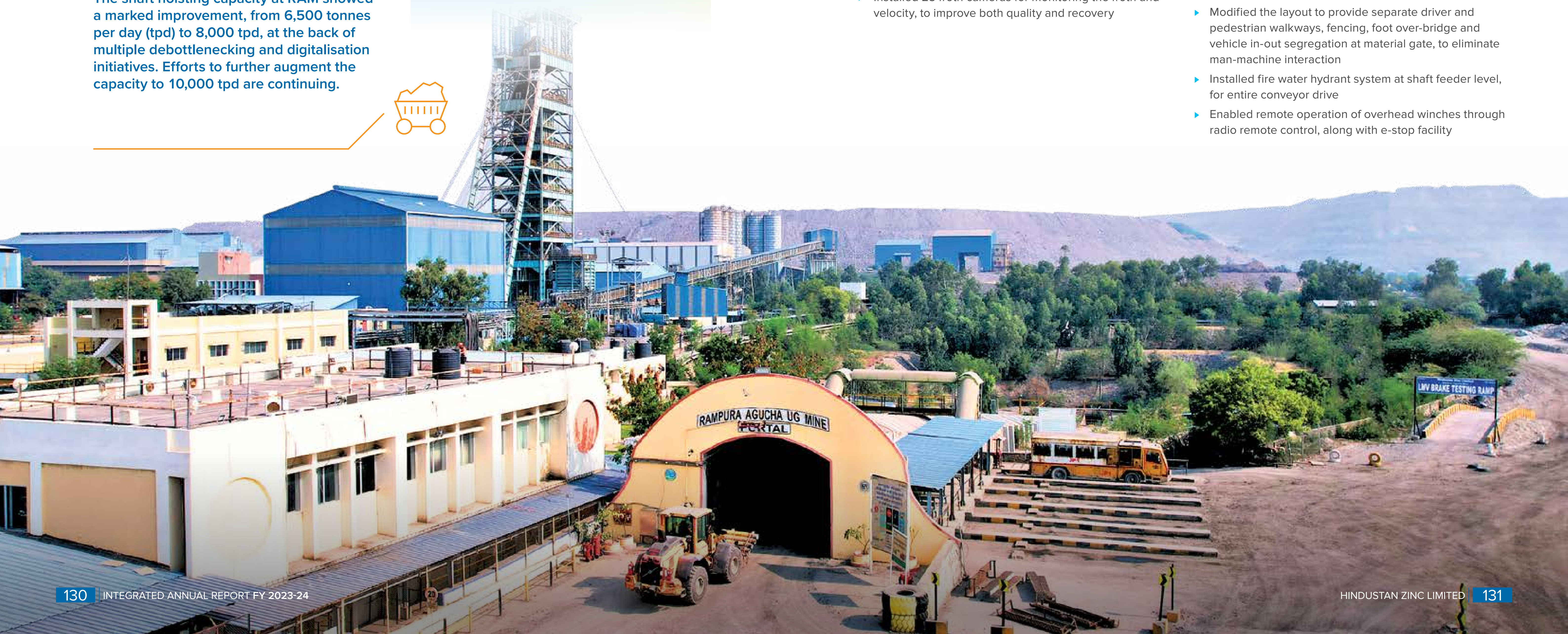
- Commissioned 2nd ore pass and waste pass for improvement in material handling through shaft hoisting
- Commissioned new open pit portal at +55 mRL, providing better ventilation and emergency access to mine and better mine dewatering management
- Converted overflow discharge to grate discharge in Stream-4 in Ball Mill, enabling up to 2.96 kWh/MT reduction in the mill's specific power consumption
- Commissioned shotcrete station at -255 mRL, leading to minimum of 30 minutes reduction in cycle time for each miller
- Implemented Hindustan Zinc's 1st ever Belt Watch System to identify exact location of activated switch, open or loose connections in switches, cable shorting between switches & faulty switches
- Completed in-house fabrication of flotation cells and height raising of 4th stage zinc cleaner for improvement in recovery
- Installed 28 froth cameras for monitoring the froth and velocity, to improve both quality and recovery

AUGMENTING EFFICIENCIES WITH INNOVATION

- Replaced hazardous pyrite depressant with non-hazardous and environment-friendly chemical, while also achieving approximately 1% improvement in silver recovery
- Shifted to use of specialised silver promoting chemicals, to improve silver recovery by 1%
- Improved development overbreak from 10% to 8%
- Deployed digital drilling during non-productive and smoke hours, reduced stope turnaround time (TAT) from 34 days to 31 days
- Improved stope recovery from 90.9% to 92.2%, enabling enhanced mineral conservation during mining
- Improved shaft hoisting capacity, reduced equipment damage, and minimised operational risk through utilisation of loader during smoke hours

BEING RESPONSIBLE TO PEOPLE SAFETY

- Upgraded conveyor guards as per IS 9474, and installed safety interlocks in mill
- Modified the layout to provide separate driver and pedestrian walkways, fencing, foot over-bridge and vehicle in-out segregation at material gate, to eliminate man-machine interaction
- Installed fire water hydrant system at shaft feeder level, for entire conveyor drive
- Enabled remote operation of overhead winches through radio remote control, along with e-stop facility



CASE STUDY

Augmenting Shaft Hoisting Capacity

Shift change duration was a major factor in creating non-productive operational hours at RAM, limiting the shaft hoisting capacity to 6,500 tpd. We decided to increase the feed to crusher to enable continual hoisting in order to boost the capacity. We switched to tele-remote operation of the loader, in order to utilise the non-productive hours, specifically during shift change hours.

Key features

- Existing optic fiber backbone and networking used for operating the loader in guidance mode
- Operators seated at the surface operate the loader deployed underground, c.1 kilometre from the surface

Key outcome

Shaft hoisting capacity increased from 6,500 tpd to 8,000 tpd

FY 2023-24 was marked by many triumphs, leading to our best ever performance. Our steadfast commitment to ESG, innovation and inclusivity has been the cornerstone of our success. The establishment of our pioneering All Women Underground Mine Rescue Team stands as a testament to our dedication to safety and diversity. Our focus on digital transformation remains unwavering, with tele-remote equipment operations set to revolutionise our operations. Innovation and our DNA to challenge our past performance will continue to help us to drive sustainable growth and foster positive community impact.

Kishore Kumar
CEO, IBU Agucha

AWARDS & RECOGNITIONS

- Honoured with state-level Bhamashah Award for making exemplary contribution in the field of education through school infrastructure support and implementation of various projects, including Shiksha Sambal and Unchi Udaan
- RAM's all-women first aid team created history by competing and winning 1st prize against men's teams across the zone, in its debut in the First Aid Competition in Mine Safety Week, organised by Directorate General of Mine Safety (DGMS)
- Awarded 'Overall Best Underground Mine' prize at the 37th Mines Safety Week, organised by DGMS
- Received the 'Overall Best Underground Mine' award at the 34th Mine Environment and Mineral Conservation Week, organised by Indian Bureau of Mines (IBM)

Sindesar Khurd Mine

Led by a sustained focus on cost-effective production, the state-of-the-art world's second largest silver mine Sindesar Khurd Mine (SKM), reported highest ever ore production, at 5.65 Mt, during FY 2023-24. Mined metal production (zinc and lead) also showed sustenance during the year. SKM achieved the highest ever mine development of 26.2 km, besides clocking ore treatment of 6.06 Mt, the highest in the mine's history.

Equipped with cutting-edge technologies and best-in-class equipment, SKM has been on a consistent growth path since it became operational in 2006 with 0.3 Mtpa capacity. It currently has the distinction being one of the India's largest underground mines, besides being one of the lowest-cost producers. SKM's performance excellence is driven by its multiple standalone production centres, created by the main lens and a multitude of standalone auxiliary lenses in the mine's deposit.

KEY OPERATIONAL MILESTONES OF FY 2023-24

In FY 2023-24, SKM reported a 1% increase in ore production over the previous fiscal, forging ahead on its strategic agenda to deliver responsible growth and value creation for the Company.

5.65 Mt
Ore Production

4.73%
Grade

242.2 kt
Mined Metal Production

26.2 km
Mine Development

SCALING NEW MILESTONES

FY 2023-24 saw SKM scale new milestones in operational efficiency as a result of several impactful initiatives and developments.

- Strengthening of paste-fill reticulation, for increasing paste-fill flow from 166 m^3/hour in FY 2022-23 to 177 m^3/hour in FY 2023-24
- Commissioning of ore production from lower D block (-235 mRL to -355 mRL) and from the E-Block situated at a depth of more than 900 metres from surface
- Highest ever mine development of 26.2 km

AUTOMATING & DIGITALISING TO DRIVE EFFICIENCIES

To scale efficiencies, we adopted several new automation and digitalisation technologies during the year:

- Automation of main pump station at -55 mRL in underground, enabling complete operations from the surface control room
- Installation and commissioning of digital load scanner system underground at -165 mRL ore-pass, for real-time monitoring of the load carried and the fill factor
- Commenced underhand mining below paste-fill at depth of more than 900 metres from surface, becoming the second mine in India, after Rampura Agucha underground mine, to achieve this feat
- Installation of 'timers' on auxiliary ventilation fans underground, for power saving in idle hours and shift changeover time

CONTINUED EXPANSION AND UPGRADATION

Expansion and upgradation of the mine facilities continued during the year, augmenting the process efficiency at SKM:

- Successfully commissioned a 617 metres long borehole of shotcrete, for smooth shotcrete transfer from surface to underground
- Achieved 70% reduction in mine voids (from 1.0 mn m^3 to 0.32 mn m^3) by backfilling mine voids to improve global mine stability

"During my training period, I rotated through departments like geotech, development, and control room digitalisation. I also gained authorisation to operate LMVs underground. In 2022, I received the Chairman's Award in the digital category for pioneering India's first Wi-Fi blasting project, earning the moniker 'WI-FI Sandhya'. In 2023, I earned certification in Mine Rescue operations and joined India's premier women's rescue team, receiving accolades internally and nationally, including another Chairman's Award for our collective achievements. These past three years have been transformative, marked by continuous personal growth. Immersed in Hindustan Zinc's stringent safety and ESG standards, I've refined my skills and embraced leadership opportunities with unwavering determination."

Sandhya Singh
Shift Foreman – Production Drilling, SKM

CASE STUDY

Boosting mine shaft utilisation through cage-skip

In a pioneering move, we installed a partition between cage (man winding) and skip (material winding), while operating both simultaneously, during the year. The initiative was aimed at enhancing the safety of our personnel. The previous lack of a partition between the two compartments within the 7.5-metre diameter shaft has now been addressed, significantly reducing the risk of material spillage from the skip compartment into the cage compartment. This was creating a bottleneck in simultaneous operation of skip and cage, which we have successfully removed with this first-of-its-kind initiative in the Indian mining industry.

Key features

- Increase in operating hours from 12 to 16, post the installation of the partition
- Assembled a screen between the buntons (steel cross bars installed at regular intervals to carry guides in the shaft), to ensure first-time right operations

Key outcome

- Improved safety at the mine
- Reduced need for rework, as a result of enhanced flexibility and agility
- 4 hours/day increase in hoisting system utilisation, with man winding being done simultaneously
- Increase in hoisting capacity by 2,680 MT/day
- Cumulative savings of over ₹ 10 crore in FY 2023-24
- +22% increase in rock hoisting over the previous fiscal year

AWARDS & RECOGNITIONS

- ★ Bagged 1st prize in 'Systematic and Scientific Development', 2nd Prize in 'Overall Performance', 'Mineral Beneficiation' & 'Digitalization' at the 34th Mines Environment & Mineral Conservation Week 2023-24, held under the aegis of Indian Bureau of Mines - Ajmer Region
- ★ Won the "Vedanta Sesa Goa Mining Innovation Award" from the Federation of Indian Mineral Industries for year 2022-23
- ★ Became the 2nd mine in India to get enrolled as a member of International Mines Rescue Body (IMRB), lending Hindustan Zinc the same distinction

CASE STUDY

Undertaking seismic monitoring to prevent mishaps

We have installed five seismic geophones at various locations in SKM to minimise the incumbent stress of overlying strata and prevent sudden mishaps. Deep mines face the threat of several micro and major seismic events during mining operations. At SKM, we have many structures running from the surface to a depth of 1,000 metres below the surface. If any seismic event or movement takes place in these structures due to stress or fault slip, the absence of seismic monitoring makes it difficult to ascertain the location of the movement trigger, amount of energy released, its source mechanism, etc. Underground mines around the world are now adopting seismic monitoring mechanisms, which has become an integral tool for the effective management of ground-related hazards.

Key features

- Combination of uniaxial & triaxial sensors is being used in the 5 seismic deep bore hole geophones installed in the initial stage
- Numerical simulation undertaken for sensitivity array to identify the exact location of sensors
- All sensors connected to the mine station through cable connection, followed by WiFi connection of the mine station to the surface server
- Review of all major events by seismologists at the Institute of Mine Seismology (IMS), Australia through remote server
- Auto generation of mails of all major events, detailing the location & magnitude of the event

Key outcome

- Real-time monitoring & data enabling geotechnical engineers to predict any unsafe ground condition underground to activate TARP (Trigger-Action-Response-Plan) to prevent unforeseen incidents
- Need for complete evacuation of the mine in case of large seismic event has been eliminated, since exact coordinates enable TARP activation only in the affected area

TARP is a unique initiative of SKM to define the minimum set of corrective actions that are required by site personnel in response to unpredicted impacts or deviation from normalcy in the mine conditions.

CASE STUDY

Innovative backfilling to fill mine voids

At SKM, we have commissioned +100 metres incline hole (+75 metres vertical) for backfilling the SK area to employ more tailings in the mine instead of sending the same to the tailing dam. This cost-effective and environment-positive initiative is a milestone in the mine's sustainable growth journey.

Key features

- Bore hole is designed for negative discharge of backfill up to +75 metres vertical height
- Flow at paste-fill plant regularised to avoid choking of existing backfill reticulation and bursting of the pipeline
- Flow model has been developed to push the backfill above +75 metres height

Key outcome

- Improvement in tailing utilisation, enabling cost reduction
- Savings in the cost of the project relating to filling up of the area with conventional methods (including plant, pipeline, borehole and manpower related cost), and reduction in dry stacking cost at tailing dam

Rajpura Dariba Mine

The strategic focus at Rajpura Dariba Mine (RDM) is aligned to our target of scaling the ore production capacity to 1.75 Mtpa in FY 2024-25. In line with this strategy, we continue to deploy cutting-edge automation technologies, such as autonomous vehicles. We also endeavour continuously to boost the operational efficiency at the mine. We have prioritised stringent safety protocols to safeguard our workforce. To ensure optimal resource utilisation as part of our sustainability thrust, we have incorporated predictive maintenance system into our operations.

KEY OPERATIONAL MILESTONES OF FY 2023-24

During FY 2023-24, we made significant strides in augmenting the productivity and efficiency at RDM. We delivered strong numbers across the key metrics of our performance at the back of our focussed initiatives.

1.34 Mt
Ore Production

5.17%
Grade

54.63 kt
Mined Metal Production

9.10 km
Mine Development

DRIVING INNOVATION TO DELIVER GROWTH

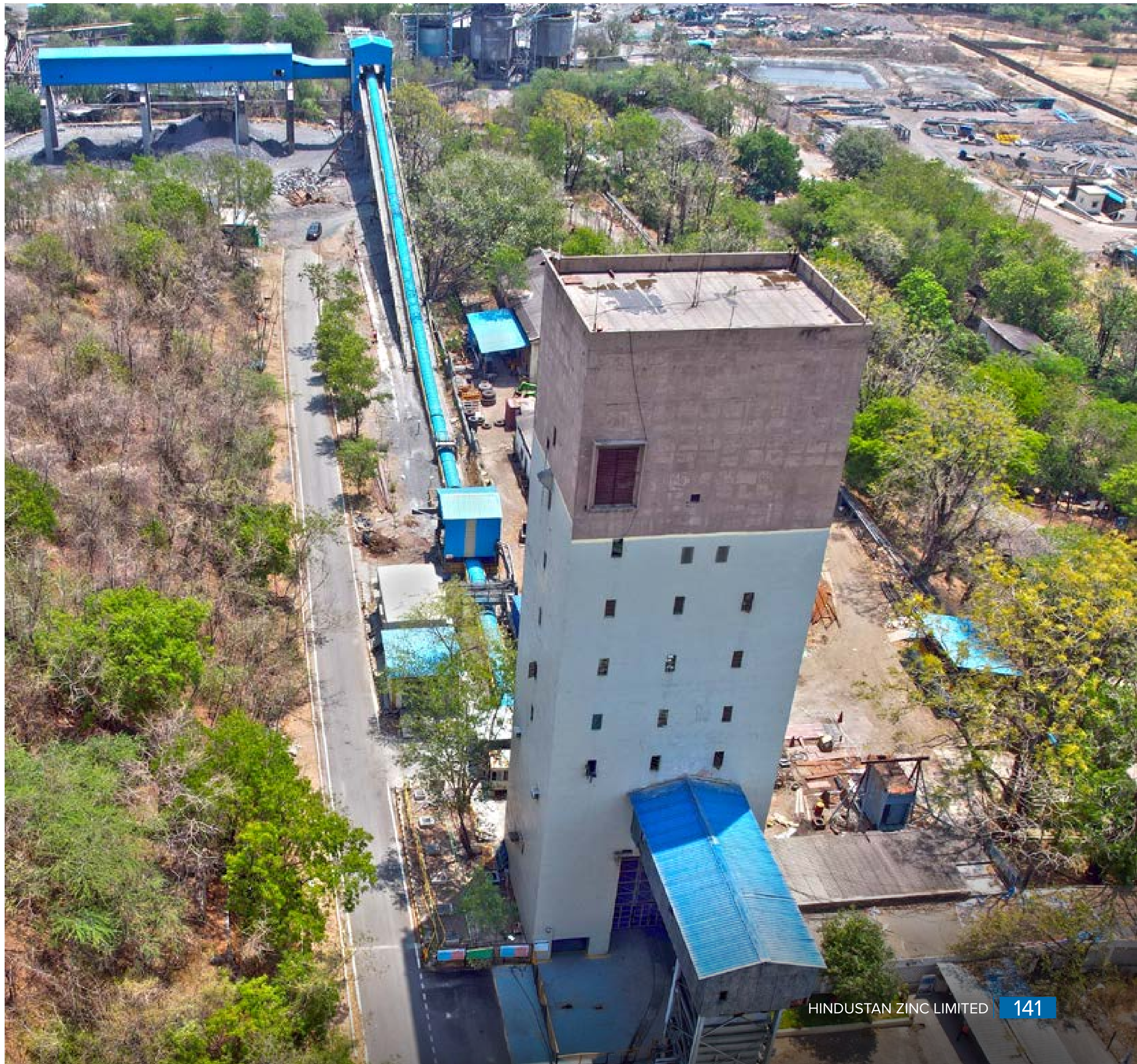
- Upgraded RD mill capacity from 0.9 Mtpa to 1.1 Mtpa, to improve the mill reliability, recovery and treatment capacity
- Successfully commissioned a 1.8 Mtpa capacity paste-fill plant; completed reticulation in E3, M5 and S4 blocks
- Raised 592 metres long ventilation from surface to -87 mRL, and commissioned the same for East Lode
- Raised 82 metres long intake ventilation from 100 mRL to 25 mRL, and commissioned it for NB block
- Installation and commissioning of 800 KW fan in progress at 2060 North section
- Commissioned 650 horsepower (HP) dewatering pumps at 11 mRL, to eliminate stage pumping and deliver the water directly to surface
- Established Geotech Gallery at Rock Mechanic Cell
- Provided battery-operated illumination in cage, and placed operation switch inside the cage to improve safety

AUTOMATING & DIGITALISING TO BOOST EFFICIENCIES

- Achieved smoke hour drilling of 1,500 metres per month with automation
- Commenced digitalisation of online water management system to integrate all the flow parameters and to detect any abnormal consumption or leakage
- Installed delay timers in crusher chain feeders, thus drastically reducing the crusher jamming
- Installed winder simulator to improve the skill of the operators
- Installed rope damage detection sensor in the main shaft cage winder
- Completed automation of 160 KW compressors at 2060 North for reduction in power consumption by 86,000 units/month, resulting in 83.72 tCO_2e monthly GHG emission savings

ENHANCING SAFETY FOR WORKFORCE

- Installed depth indicator with digital screen at 11 mRL main ore pass grizzly, to eliminate manual intervention
- Installed rupture valve in loader, to enable locking of boom and bucket and preventing it from collapsing due to hose puncture during lifting operation
- Installed new camera system, along with display having a navigation mark, for better visibility during turning in Charmec
- Provided anti-collision devices with mechanical stoppers in heavy earth moving machinery (HEMM) - 2 & 3 electric overhead travelling (EOT) crane
- Provided cage interlocking at 0 mRL, 100 mRL and 250 mRL in auxiliary shaft
- Initiated work on replacement of plain cable bolt with bulbed cable bolt to reduce slippage between rock and cable bolt



CASE STUDY

Commissioning of Paste-Fill Plant to Improve Flow

Our hydro-fill plant had a lower flow rate of 70 m^3/hour. It also required addition of water to fill mixture, at 60:40 solid-to-water ratio. The year-on-year production growth was leading to an increase in the requirement for backfill. To meet the enhanced production requirements and improve the flow, we commissioned 1.8 Mtpa paste-fill plant during the year.

Key outcome

- Flow rate increased from 70 m^3/hour to 130 m^3/hour
- Increase in solid percentage from 60% to 80%
- Reduction in plug curing time from 7 days to 3 days
- Water consumption reduced by 62%
- Eliminated need for additional infrastructure for tailing dilution for hydro-fill

AWARDS & RECOGNITIONS

- Won 2 awards at National Quality Circle Forum of India (QCFI); 1 project selected for international level competition in Sri Lanka
- Won 4 gold category awards at QCFI, Rajsamand Chapter Awards, endorsing our commitment to quality excellence
- Rajpura Dariba Complex honoured with prestigious Bhamashah Samman-Shiksha Vibhushan during 27th Bhamashah Award Ceremony, organised by the Government of Rajasthan
- Received 1st prize in Afforestation, 2nd prize in Waste Dump Management, and 3rd prize in Mineral Beneficiation in the 34th Mines Environment & Mineral Conservation Week 2024, under the aegis of Indian Bureau of Mines, Ministry of Mines, Ajmer Region
- Received 4 awards along with 2nd runner-up in 'Overall Mechanised Mines', and 1 award along with 1st runner-up in 'Overall Ore Beneficiaries' Plant' in 47th Mine Safety Week, held under the aegis of Directorate General of Mines Safety (North-Western Zone)

At Hindustan Zinc, our focus is on unlocking endless possibilities and fostering sustainable growth through digitalisation. Our pioneering spirit empowers us to embrace cutting-edge innovations, such as underground battery electric vehicles, real-time equipment monitoring and tele remote solo drilling. These initiatives not only make the mining operations smarter and safer but also contribute to the well-being of our employees, business partners and the entire ecosystem.

Balwant Singh Rathore
CEO, IBU Dariba

Bhamashah award

CASE STUDY

Enhancing Efficiency with UG Equipment Optimisation

To enhance the operational efficiency at RDM, we undertook various measures during FY 2023-24 to optimise the equipment used in underground (UG) mining. These initiatives included:

I. Replacement of the double piece jaw plate with a single piece jaw plate in the underground crusher, and

II. Conversion of actuator system to cylinder system in the underground drilling machines

The first initiative was aimed at improving the life of the jaw crusher plate, which was reduced by frequent loosening of the centre wedge after 180 kt of crushing. The other initiative was aimed at countering the frequent breakdown of the drilling machine due to gripper arm misalignment, caused by damaged actuation system. The new cylinder system is easier to maintain and replace, in the event of total damage or overhaul.

Key outcomes – Initiative I

- Achieved 250 kt crushing with single crusher jaw plate
- Jaw plate replacement shutdown time halved, from 12 to 6 hours
- Increase in crusher availability
- Enhanced safety due to direct locking of the single piece jaw plate with body in the centre

Key outcomes – Initiative II

- Higher reliability of simple twin cylinder mechanism following replacement of the complex motor and gear system, which was prone to wear and tear
- Reduced cost of installation, from ₹ 25 lakhs to ₹ 5 lakhs
- Reduction in lead time for spares, from 4 weeks to 1 week

Zawar Group of Mines

Steered by the goal of responsible and sustainable growth, Zawar Mines (ZM) has surged innovatively forward towards continuous expansion and sustained productivity. With its roots going back to the pre-digitalisation era, this group of four mines – Mochia, Balaria, Zawarmala and Baroi – has consistently raised the bar of innovation to optimise its mining processes and boost efficiencies. Since its first expansion in 2013, ZM has progressively ramped up its production, and delivered 4.03 Mt in FY 2023-24. The ore production capacity at ZM is planned to be increased progressively, to 5.0 Mtpa by FY 2024-25. Based on the R&R potential, the vision is to take it up to 6.5 Mtpa by FY 2025-26.

KEY OPERATIONAL MILESTONES OF FY 2023-24

FY 2023-24 proved to be a milestone year for ZM, which achieved the highest ever metal in concentrate (MIC) of 179 kt. It also successfully commenced mining the secondary stopes in Mochia Mine and the left-out pillars in Zawarmala Mine through backfilling. These developments are expected to significantly enhance the production levels at ZM in the coming years.

4.03 Mt
Ore Production

4.86%
Grade

179 kt
Mined Metal Production

31 km
Mine Development

Hindustan Zinc's transformative work culture, coupled with the constant support and guidance from seniors and peers, has bolstered my confidence and enabled my professional development over the past 7 years.

Kripali Gehlot
Shift Incharge E & I, Crusher Mill 1

RAISING THE PERFORMANCE BAR

During the year, ZM delivered significant improvements and innovations to boost efficiencies and scale growth. These included:

- Stage mining in S1 lens at Balaria Mine (4 kt MIC); stope recovery improvement from 45% to 95%, and reduction in external dilution from 120% to 8%
- Innovative mining of the eastern lens at Baroi Mine by implementing narrow vein mining practices
- Significant improvement in grade through design optimisation and dilution control, leading to the achievement of the highest grade of 4.80% in five years
- Optimisation in block design of BK series at Baroi, for pre-commissioning of block with huge savings in development
- Substantial improvement in paste-filling post filling of the voids; reported the highest filling in a single month to maximise ore extraction from pillar
- Highest ever production per month of 79.30 kt achieved from Balaria incline in February 2024
- 91.80% overall recovery achieved, with continuous improvement in beneficiation process
- Improvement in silver (Ag) recovery - achieved 80.90% Ag recovery by introducing silver promoter and using specialist chemical, which in turn improved the silver selectivity

BOOSTING EFFICIENCIES & PRODUCTIVITY

- Digitally-enabled visibility of equipment utilisation, to improve effective utilisation and to identify & minimise idling in Mochia & Baroi
- Completed 6 km leaky feeder network extension in Mochia, Balaria and Zawarmala under phase 1

SUSTAINED EXPANSION & DEVELOPMENT

- Grizzly installation at Zawarmala, Mochia & Balaria Mines to improve throughput to underground crusher
- New portal commissioned at Zawarmala Mine, enabling it to achieve the highest ever production and further enhancement in production capacity from 0.45 Mtpa to 0.80 Mtpa
- Implementation of shallow angle exploratory rig from surface, to explore shallow depth potential
- Man-winder upgradation of Zawarmala for infrastructure and safety improvement
- Load scan installed for Zawarmala's new portal to ensure 100% auto production booking

ENSURING A SAFE WORKING ENVIRONMENT

- Skip interlock switch installed with no-go line at 430 mRL at Zawarmala
- Fully enclosed chute and replacement of skit plate done to reduce dust emission and spillage at Mill 1
- Scada system implemented for remote switching of 33 KV and 11 KV breakers at mobile response and stabilisation service (MRSS)
- Successfully commissioned rammer to reduce secondary blasting
- Area developed for safe & designated heavy earth moving machinery (HEMM) parking at Mochia-Balaria portal
- Audio visual warning, based on laser sensor, installed at Mochia grizzly to detect and warn during movement of equipment and person
- Cameras installed on both sides of development drill jumbo, for blind spot area elimination

CASE STUDY

Heavy Earth Moving Machinery Idle Time Reduction with Machine Max System

To minimise their idling time, vibration sensors were installed in 33 low-profile dump trucks (LPDTs) of Baroi, Balaria and Mochia Mines during FY 2023-24. Besides reducing the idling of LPDTs, this digital initiative was aimed at generating cost savings for the mines.

Key features

- Shift-wise and mine-wise reports from the vibration sensors being circulated on a daily basis
- Periodic war room discussions being held with mine managers and shift foreman, regarding top idling trucks on key actions to be taken for the improvement, and for ensuring sustainability of the sensors, gateway and system

Key outcome

- Idle time reduction in LPDTs, with use of AI-ML based sensor, and drill down analysis made available on the dashboard
- Total benefit of around ₹ 2.50 crore generated during FY 2023-24
- Horizontal deployment in loaders successfully done in October 2023 and total benefit of ₹ 9.75 lakhs generated in 3 months

Our prime focus at Zawar Group of Mines in FY 2023-24 has been our unwavering commitment to Environmental, Social, and Governance (ESG) principles, driving our strategic decisions and operational excellence. Achieving a remarkable 9% upsurge in year-on-year growth and surpassing the highest MIC grade, underscores our dedication to these principles. Additionally, our adherence to Hindustan Zinc's ethos of low cost and high volume resulted in a significant 20% reduction in costs while maintaining production levels, showcasing our commitment to responsible resource management. Safety remains paramount, ingrained in every operational facet, and sustainability guides our actions towards environmental stewardship and enduring social impact. As responsible corporate citizens, we prioritise community development initiatives, fostering prosperity and empowering the communities we serve through targeted investments and partnerships. Looking ahead, our vision for Zawar remains ambitious yet firmly grounded in our corporate values, as we pledge to pursue sustainable growth while upholding our ethical obligations. Together, we continue to script Zawar's narrative – one characterised by excellence, stewardship, and impact.

Ram Murari
CEO, IBU Zawar Group of Mines

CASE STUDY

4,000 KLD Zero Liquid Discharge Plant Installed

To ensure optimal performance of the dry tailing filtration system, Zawar Mines had to upgrade the quality of recycled water in order to reduce its dependence on water from Tidi Dam for the preparation of reagents and seal water in the ore beneficiation plant. We approached water treatment consultants to find a solution for maintaining the quality of the recycled water at par with fresh water. Based on their water sample analysis and study report, we constructed a 4,000 KLD zero liquid discharge (ZLD) plant at the mines.

Key features

- High-rate solids contact clarifier
- Reverse osmosis (RO) system
- 10,000 KL water storage tank

Key outcome

- Significant reduction in water intake from Tidi dam
- Reduction in specific water consumption of ore beneficiation plant from 0.20 m^3/MT to 0.075 m^3/MT
- Improved quality parameters of recycled (clarified and RO) water as follows:

	Clarified Water	RO Water
Quantity	1,599 m^3/day	1,660 m^3/day
TDS (total dissolved solids)	<3000 ppm	<1000 ppm
TSS (total suspended solids)	<30 ppm	NIL

AWARDS & RECOGNITIONS

- ★ Zawar Mill & Baroi Mine won 1^{st} & 2^{nd} prize under 'Mill Overall' & 'Mine Overall' categories respectively at 47^{th} Mines Safety Week 2023
- ★ ZM obtained Greenco Silver rating certification from Confederation of Indian Industry (CII)
- ★ ZM won the CII National Award for Environmental Best Practices at Site for Asia's 1^{st} dry tailing plant
- ★ ZM Safety Officer & Rescue Trained Person, bagged 'Best Captain in Metal Mine Category' award at the 52^{nd} All India Mine Rescue Competition, held under the aegis of Directorate General of Mines Safety (DGMS)

Kayad Mines

The underground Kayad Mine (KM) in Ajmer, Rajasthan, continued to forge ahead on the path of performance excellence during the year under review. The mine, which started operations in 2011 and commenced ore production in FY 2012-13, produced 564 kt of ore with 37.06 kt of metal content in FY 2023-24.

SURGING FORWARD, INNOVATIVELY

- Commenced new block development, i.e., North-Eastern (NE) lens
- Sustained decline development at the rate of +100 metres/month, to reach the ore blocks at the lower levels
- Raised underground boring from 120 mRL to -110 mRL for NE & K21 lenses, to extend the fresh air supply via vent networking

KEY OPERATIONAL MILESTONES OF FY 2023-24

Driven by targeted initiatives and innovations, we delivered excellent numbers during the year in terms of both production and quality.

0.56 Mt
Ore Production

6.95%
Grade

37.06 kt
Mined Metal Production

5.08 km
Mine Development

ENABLING GREATER EFFICIENCIES THROUGH DIGITALISATION

- Introduced seamless capturing of QR code based critical equipment details
- Initiated biometric-based electric overhead travelling (EOT) crane authentication and operation to avoid unauthorised operation

PROMOTING WORKPLACE SAFETY

- Installed fatigue monitoring system with alert mechanism and recording, with up to 72 hours back-up in low profile dump truck (LPDT), passenger carrier (PC) and rescue breakdown operation (RBO)
- Set up biometric system for recognising the driver assigned to a particular ore machinery under 'Go'/'No-go' criteria

AWARDS & RECOGNITIONS

- ★ Received prestigious state-level Bhamashah Award for making exemplary contribution in the field of education through school infrastructure support and implementation of various projects like 'Shiksha Sambal' and 'Unchi Udaan'
- ★ Awarded the 3rd prize in 'Overall UG Mine' category at the 37th Mines Safety Week, organised by Directorate General of Mine Safety (DGMS)
- ★ Ranked 2nd among underground mines in the 34th Mine Environment and Mineral Conservation Week, organised by Indian Bureau of Mines

EXPLORATION

Forging Ahead to Unlock Opportunities

We are relentless in the pursuit of exploration aimed at delineating and adding Mineral Resources and upgrading Ore Reserves within our licence areas. FY 2023-24 marked a pivotal moment in this endeavour, as we established a dedicated entity - Hindmetal Exploration Services Private Limited, to drive our exploration efforts. This strategic move was aimed at scaling our exploration activities, including penetrating new geographies and unlocking new opportunities, supported by innovation and advanced technologies, with a strong focus on sustainability.

KEY OPERATIONAL MILESTONES OF FY 2023-24

c.486 km
Drilling

93%
Brownfield exploration success rate

24.7 Mt
Ore added

We have a dynamic 24-member exploration team, capable of designing exploration programmes and executing them on ground. The team embraces technology and innovation, alongside collaboration with outsourced service providers and consultants, driving forward our relentless pursuit of discovery.

UNLEASHING GROWTH WITH STRATEGIC INITIATIVES

In FY 2023-24, our exploration team was successful in replenishing mined metal and enhancing the ore reserves, ensuring a sustained mine life of over 25 years at the current rate of metal production. Further advancing on this journey, we incorporated Hindmetal Exploration Services Private Limited as a wholly-owned subsidiary. This strategic move aligns with the Nation's vision, and our focus on making new mineral discoveries pan India and increasing Mineral Resources and Ore Reserves (R&R) to unlock future growth opportunities.

"In the past 12 years at Hindustan Zinc, I've led key achievements, including becoming the first female Brownfield Exploration Site Head and an Emerging Women Leader. I've optimised exploration strategies to increase reserves and enhance mining efficiency. Hindustan Zinc's support and commitment to innovation have empowered my continuous learning and professional growth."

Shail Bhargava
Lead - Geologist & Resource Planner, RAM

SCALING EXPLORATION CAPABILITIES

Geophysical work: Geophysical surveys were conducted across all locations to generate targets and collect ground data. The first-ever drone magnetic surveys were carried out to identify anomalies for new target areas across Zawar, Rampura Agucha, and Kayad Mines. The outcomes of these surveys, along with geochemical and geological inputs, are expected to aid in generating new exploration drilling targets.

Shallow angle (<45°) drilling at surface: Using state-of-the-art drilling technology and innovation, a shallow angle drill rig was conceptualised, developed and deployed, to explore zinc-lead rich ore body at a shallow surface. This was necessitated by various drill site constraints, and helped in successful retrieval of mineralisation or host package information near the surface, closer to mine development.

Digitalisation: Implemented Exploration Web GIS database application for the first time. The application serves as a centralised cloud-based repository for acquired historical and current exploration data. The application is customised with advanced workflows, facilitating real-time data integration.

"Our Group's emphasis on fostering women leaders is commendable, providing numerous opportunities for growth. Mentorship and engagement with senior leadership have broadened my horizons and fuelled my ambitions. As an exploration geologist, I've significantly increased reserves and resources, showcasing the importance of pushing boundaries for success."

Meenakshi Dhiman
Site Exploration Head, Kayad

In FY 2023-24, we implemented many innovative and advanced technologies to scale our exploration programmes.

We also implemented an R&R application featuring desired user interface (UI), informative graphics like charts and reports (for annual comparison), and dynamic dashboards for live information sharing with senior management.

RESOURCES AND RESERVES (R&R) STATUS

With an overall brownfield exploration success rate of 93%, we successfully added 24.7 Mt ore with a contained metal of 1.85 Mt at a gross level during FY 2023-24, enhancing opportunities for sustained mine life and production growth. With all existing deposits open at depth and the identification of new targets within mining leases, we anticipate an increase in R&R over the next 12 months. Across all the sites, we executed c.486 km of drilling during the year, including c.162 km of surface and c.323 km of underground drilling. This enhanced mineral resources and helped upgrade resources to reserves, increasing our R&R base to sustain 25 years of mine life.

The Mineral Resources and Ore Reserves for Hindustan Zinc as of March 31, 2024 was audited by SRK Consulting (UK) Limited ("SRK"). Below are the R&R statements reported in accordance with the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code, 2012 Edition ("JORC").

Mineral Resources

As of March 31, 2024, Hindustan Zinc's exclusive mineral resources are estimated to be 281.23 Mt of material, grading 4.5% Zn, 2.0% Pb and 60 g/t Ag, which contains 12.68 Mt Zn, 5.52 Mt Pb and 542.14 Moz Ag. At current mining rates, the R&R underpins metal production for more than 25 years.

Ore Reserves

As of March 31, 2024, Hindustan Zinc's ore reserves are estimated to be 175.09 Mt of material, grading 5.6% Zn, 1.6% Pb and 55 g/t Ag, which contains 9.86 Mt Zn, 2.75 Mt Pb and 312.17 Moz Ag.

> In line with the expanded vision of Hindustan Zinc, we continue to make big strides towards deepening our focus on exploring, discovering, developing and tapping mineral resources. Our newly-formed subsidiary, 'Hindmetal Exploration Services Private Limited' is committed to becoming a leading exploration company, with interest in the exploration of all minerals across the globe by implementing best-in-class technologies and practices.
>
> **Kuldeep Singh Solanki**
> CEO Exploration

MINERAL RESOURCES AND ORE RESERVES (R&R), AS OF MARCH 31, 2024

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

Hindustan Zinc Assets	Measured & Indicated Resources					Inferred Resources					Total Reserves				
	Mt	Zn%	Pb%	Ag g/t	Metal	Mt	Zn%	Pb%	Ag g/t	Metal	Mt	Zn%	Pb%	Ag g/t	Metal
Rampura Agucha	17.1	12.9	2.7	67.0	2.7	7.7	0.2	5.2	156.0	0.4	44.4	11.0	1.2	40.0	5.4
Sindesar Khurd	60.0	3.7	1.8	87.0	3.3	8.9	3.2	1.5	58.0	0.4	40.1	3.1	2.0	101.0	2.0
Rajpura Dariba	2.5	6.6	2.1	64.0	0.2	38.1	6.0	1.9	87.0	3.0	47.1	5.4	1.7	63.0	3.3
Zawar	33.0	3.4	1.9	28.0	1.7	67.6	3.8	2.2	38.0	4.1	42.2	2.6	1.5	22.0	1.7
Kayad	3.7	8.3	1.1	20.0	0.4	1.7	5.7	0.3	9.0	0.1	1.3	5.2	0.7	12.0	0.1
Bamnia Kalan	20.7	3.3	1.1	40.0	0.9	20.2	3.5	1.4	46.0	1.0	-	-	-	-	-
Total	**137.0**	**4.9**	**1.8**	**61.0**	**9.1**	**144.2**	**4.2**	**2.1**	**59.0**	**9.1**	**175.1**	**5.6**	**1.6**	**55.0**	**12.6**

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

SMELTERS AND CAPTIVE POWER PLANTS (CPPs)

Driving Sustainable Growth through Steadfast Performance

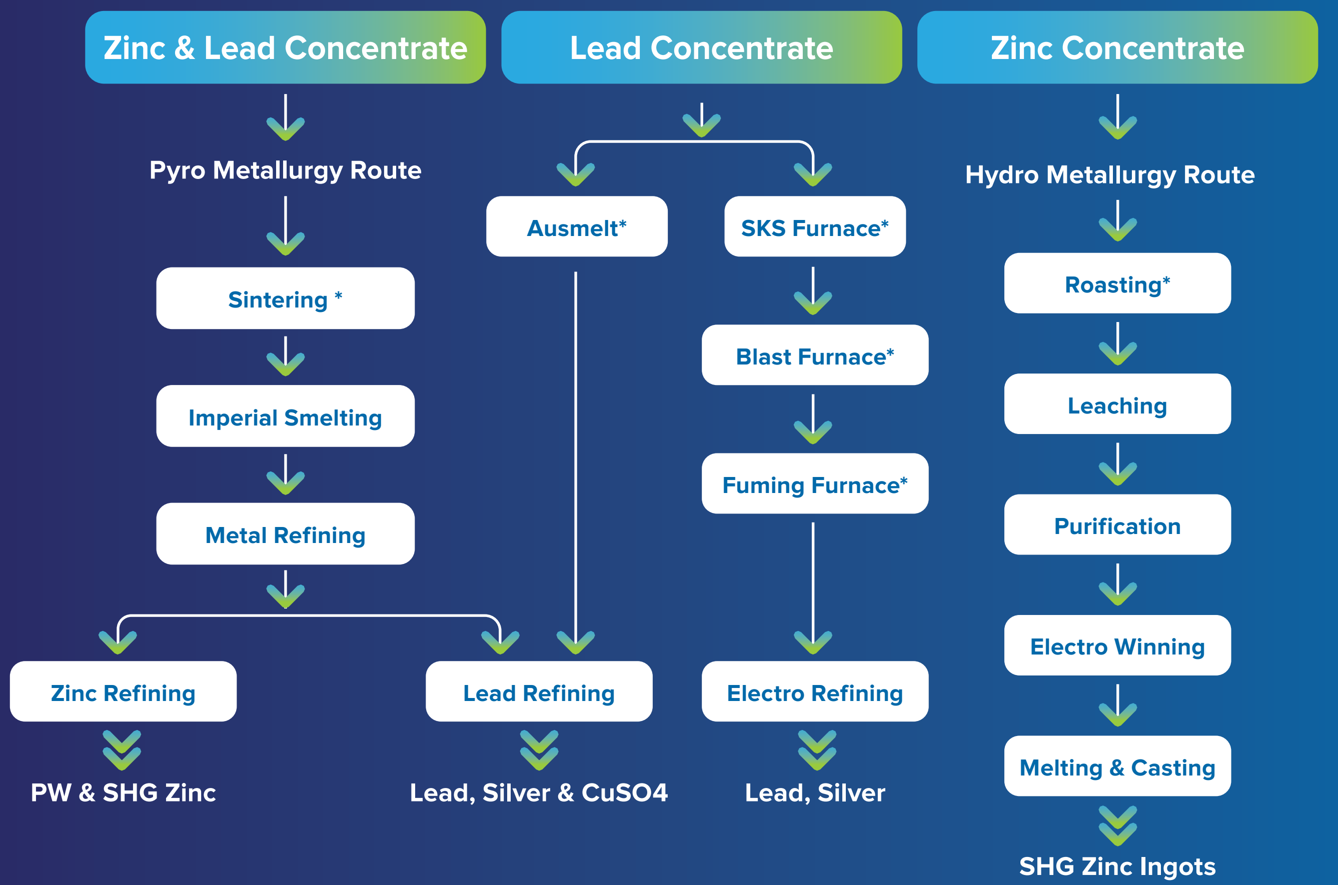
PERFORMANCE SNAPSHOT

Production during FY 2023-24

817.1 kt	216.0 kt	745.8 MT
Zinc	Lead	Silver

TRANSFORMING MINE TO METAL, INNOVATIVELY!

At Hindustan Zinc, we innovatively leverage advanced technologies and modern tools at our smelters to seamlessly produce high-quality zinc, lead and silver from the zinc and lead concentrates received from our captive mines. The smelters are self-sufficient in power supply, with our in-house captive power plants (CPPs) catering to their power requirements. A variety of by-products are produced during the smelting process, and these are either sold or consumed in the course of the operations.



*SO_2 gas is captured and treated to produce Sulphuric acid

HARNESSING TECHNOLOGY TO DRIVE PRODUCTION

Hydrometallurgy for zinc production

A combination of roasting, leaching and purification, along with electrolysis and melting & casting, is used to process the zinc concentrate received from the mines. This enables us to produce **99.99%** pure zinc, including HZDA (zinc-aluminium alloy), continuous galvanising grade (CGG), 1 tonne jumbo and high grade, along with by-products such as sulphuric acid.

Pyrometallurgy for zinc and lead production

We use sinter, imperial smelting furnace (ISF), lead refinery, zinc refinery and silver refinery to produce prime western (PW) zinc of **98.65%**, special high grade (SHG) of **99.995%** and lead of **99.99%** purity. During the process, high grade metal, containing **25-30%** silver, is produced and is sent to the silver refinery to make silver of **99.99%** purity.

Top submerged lance technology in Ausmelt plant for lead production

This cutting-edge technology directly consumes the lead concentrate to produce lead bullion, having lead content of over **96.5%**. The bullion is further processed in the lead refinery to produce **99.99%** pure lead.

SKS technology for lead production

SKS, blast furnace (BF) and lead electrowinning process (LEP) technologies are blended to produce **99.99%** pure lead. The LEP process causes **25-27%** silver to be left over in the refinery mud, which is processed in the silver refinery to produce silver of **99.99%** purity.

> **Smelter team delivered another record-breaking performance this year with silver being the feather on the cap. The transition to the third largest silver producer globally speaks volumes of our resilience and strategic brilliance. Executing fumer commissioning with online support and taking Debari a notch up in volumes are noteworthy achievements. Maximising indigenous coal helped us reduce the cost drastically. We have also embarked on a lot of research initiatives to convert our residues to value generating raw materials and products. The upcoming two years will bring in a turnaround for the organisation on this front. With our ESG focus, digital approach and debottlenecking projects kicking in, the year ahead looks even more promising.**
>
> **C Chandru**
> CEO Smelters

SUSTAINED OPERATIONAL PERFORMANCE

Continuing with our focussed initiatives to boost efficiencies and sustainability at our smelters, we maintained our production guidance to cross the bar of more than **'1 million tonne'** refined metal production, for second time in a row, during FY 2023-24. Some of the **major initiatives** across the processing units that led to this exceptional feat were:

Fumer integration: **1%** increment in metal recovery in Hydrometallurgy plant	Debottlenecking of cell house through increment in amperage, resulting in capacity enhancement from **88 kt** to **92 kt**	Major overhauling in roaster-3 plant to enhance the throughput from **36 tonnes per hour** to **40 tonnes per hour**
Oxygen enrichment in all roaster plants to achieve a throughput of **40 tonnes per hour**	Up to **37%** indigenous coal consumption in CPP units to reduce the cost of power generation	Increased plant load factor (PLF) from **63%** to **85%** by improving plant efficiency and increasing indigenous coal consumption

CASE STUDY

Boosting Metal Recovery in Hydrometallurgy Plant through Fumer Integration

The commissioning of a Fumer facility paved the way for enhanced metal recovery in the Hydrometallurgy plant during the year. This achievement marked a milestone in the operational journey of Hindustan Zinc, which continued to forge ahead on the path of enhanced performance and sustainable growth.

Key features

- The Fumer plant has a 160 kt leach residue treatment system
- It is designed to recover lead, zinc and silver, which were earlier going into jarofix, with current reduction in the quantity of jarofix of 20%
- It will ensure power generation from waste heat recovery, and reduce the consumption of cement and lime
- The plant helps in the recovery of metal present in the residue. The slag produced in the process is used in the cement industry

Key outcome

- Zinc recovery in the zinc calcine to zinc ingot process went up to 97.5% (from the earlier 96.5%)
- Additional silver recovery of 30+ MT per annum

POWER GENERATION IN CPPs DURING FY 2023-24

SOLAR POWER

40.70 MW
Capacity

73.90 mn
Gross units produced

WIND POWER

273.50 MW
Capacity

409.60 mn
Gross units produced

CAPTIVE THERMAL POWER

514.00 MW
Capacity

3,989.01 mn
Gross units produced

WASTE HEAT RECOVERY BOILER

48.46 MW
Capacity

212.78 mn
Gross units produced

OPTIMAL COST PERFORMANCE

The cost of production (COP) for zinc and lead has been on the upswing for the last three years. Our strategic efforts to boost the production and operational efficiency in our smelter business, however, helped us lower the COP by c.100 US$/MT during FY 2023-24. Listed below are the major initiatives undertaken to optimise the cost of production, as well as the untapped potential that still exists for further optimisation.

Key developments & their impact on COP

- Shutdown - Implementation of measures/techniques to minimise shutdown costs, resulting in cost savings of ₹ 22 crore
- Contract cost - Achieved lower than anticipated contract cost, positively impacting our financial performance and reinforcing our commitment to efficient resource management, resulting in cost savings of ₹ 38 crore
- Administration & manpower - Streamlining of administrative processes and deployment of digital solutions for optimising workflow and efficient resource management, enabling cost savings of ₹ 18 crore in admin costs
- Additional ₹ 69 crore saved through scrap & residue sale and other income
- Cost of generation in CPP plant:
  - Up to 37% indigenous coal consumption in all CPP units, achieving a lower generation cost
  - Harnessed the opportunity triggered by excess power and justifiable sale rate to sell power on the Indian Energy Exchange (IEX)

Improvement areas

- Cost of generation - Higher cost of coal and other input commodities have impacted the cost of generation, and we are continuously exploring innovative measures to lower the same
- Stores and consumables - We have optimised the cost of consumables by reducing the consumption norms of major consumables (including soda ash, sodium sulphate, lime, etc.). However, the cost was impacted by unanticipated increase in the prices of consumables
- Lower realisation of sulphuric acid, owing to the softened demand

FOCUSSED ON SAFETY EXCELLENCE

As an industry frontrunner in pursuance of the **zero harm** goal, we, at Hindustan Zinc, strive continuously to create a safe workplace. We remain steadfastly dedicated to safety protocols and sustained vigilance to improve the safety of the work environment. Embracing safety excellence, we proactively identify and mitigate potential hazards, implement robust safety measures, and empower our workforce with the knowledge and tools necessary to prioritise safety above all else.

Critical safety initiatives of FY 2023-24

- Implemented an alert system at roaster 3 raw material handling (RMH) section at Zinc Smelter Debari (ZSD) using radio frequency identification (RFID) technology to mitigate the risk of man-machine interaction hazard during concentrate unloading and loading
- Implemented an online hydrogen monitoring system at Dariba Smelting Complex using sensors that offer highly selective and instantaneous responses to hydrogen to prevent fire occurrences from igniting flammable hydrogen gas in the leaching area
- Residual life assessment (RLA) study phase 1 completed with health assessment carried out for 17 sulphuric acid storage tanks by a competent party and the safe operating limit is being set as per the RLA and fitness for service (FFS) study to prevent any undesirable event
- Level 3 mock drill on propane gas and SO_2 leakage was conducted at Chanderiya Lead-Zinc Smelter (CLZS) for evaluating and strengthening our emergency response procedure, reaffirming our commitment towards the safety-first culture
- ZSD introduced an advanced cardiac lifesaving (ACLS) ambulance and a free eye camp was conducted for 85 truck drivers at CLZS, strengthening our vision towards health care

Zero
Fatalities across Hindustan Zinc

FORGING AHEAD TOWARDS NET ZERO

Innovative interventions and initiatives at all locations continued to propel our journey towards net zero during the year.

0.4 mn tCO_2e
Cumulative GHG emission savings at all locations in FY 2023-24

0.5 mn tCO_2e
Cumulative GHG emission savings target for FY 2024-25

PROJECTS / INITIATIVES	IMPACT
Zero liquid discharge (ZLD) across smelters	6,800 KLD water saving
100% green power at Pantnagar metal plant	30,000 tCO_2e GHG emission savings
Biomass consumption in captive power plant, along with coal	76,035 tCO_2e GHG emission savings
Cleaner fuel vehicles and **10 electric vehicles** introduced for inter-unit and finished goods movement	20 $kgCO_2e$ GHG emission savings on 242 kilometre journey
Fumer integration in Hydrometallurgy plant	20% reduction in jarofix production

RAISING THE BAR WITH INNOVATION, AUTOMATION & DIGITALISATION!

As a part of our efforts to raise the performance bar of our smelters business, we make continuous investments in innovation, automation and digitalisation to enhance productivity and efficiencies. It is our endeavour to build a data-driven organisation by using advanced technologies that enable real-time data analysis. Our focus areas in this regard include:

VOLUME
Increasing the availability of ISF plant by 0.25 days/month through computer-based sinter belt health monitoring, thus increasing zinc production by 100 MT/month

COST
Zinc dust and sodium sulphate consumption optimisation at leaching & purification plant with annual potential saving of ₹ **4.5 crore**

ENVIRONMENT
Real-time monitoring of operations across smelters, ensuring that they stay within the limits specified by CTO (consent to operate)

SAFETY
Ladle operation monitoring and interlocking with electric overhead travelling (EOT) via computer vision in lead refinery to mitigate the risk of hot metal spillage

GOVERNANCE
100% auto booking in SAP for all the products

QUALITY
Finished goods ingot surface quality monitoring through computer vision

FORGING RESPONSIBLY AHEAD

In line with our strategic focus, we shall continue to invest in scaling our performance through investments in the enhancement of operational efficiencies and digitalisation of our systems and processes. At the same time, we shall continue to drive our ESG goals to deliver sustainable growth and value creation. Some of our major plans moving forward include:

Operations

- **2 new Fumer plants** integration to reduce Jarosite and enhance metal recovery by **1%** in Hydrometallurgy plant
- Commissioning of 3 new sulphuric acid tanks
- Installation of new hot ESP for Ausmelt
- Installation of PGCT and oxygen plant in sinter

Digitalisation

- AI-enabled boiler bundle failure prediction in all roasters
- Steam generation efficiency improvement, using **AI/ML** to reduce specific coal consumption (SCC)
- Automated railway crossing gate at CLZS

ESG

- Receiving of **450 MW** renewable energy round the clock (RE-RTC) (reducing **2.7 $MtCO_2e$ carbon emissions**)
- Tail gas treatment (TGT) plants across all roasters to reduce **SOx emissions**
- Reduction in freshwater consumption by maximising usage of sewage treatment plant (STP) water

CASE STUDY

100% Indigenous Coal Consumption in CPP

Our power plants are designed to run at 100% imported high gross calorific value (GCV) coal (6,000 Kcal/kg) but usage of imported coal has led to high cost of generation. To keep the generation cost in check, we initiated the use of Indian coal. Suitable design modifications were made to enable the shift to indigenous coal usage. These amendments helped to mitigate issues like particulate matter emission, availability of Indian coal, among others.

Key features

- ESP upgradation through replacement of existing single-phase transformer with 3-phase transformer in 2 units (Chanderiya and Dariba)
- Commissioning of Bhopalsagar railway siding to increase coal availability in Dariba
- Improvement in the availability of Indian coal to meet the unit requirements

Key outcomes

- One unit each at Chanderiya and Dariba can now run at 100% Indian coal, enabling a reduction in the cost of generation, which was high earlier due to coal import
- Up to 37% blending achieved across the CPP units annually, with the highest blending monthly rate of 45%, from the earlier best achieved of 26% before ESP upgradation
- Lowest cost of generation achieved in CLZS unit in two years
- ₹ 73 crore benefit earned during FY 2023-24 due to increased consumption of Indian coal

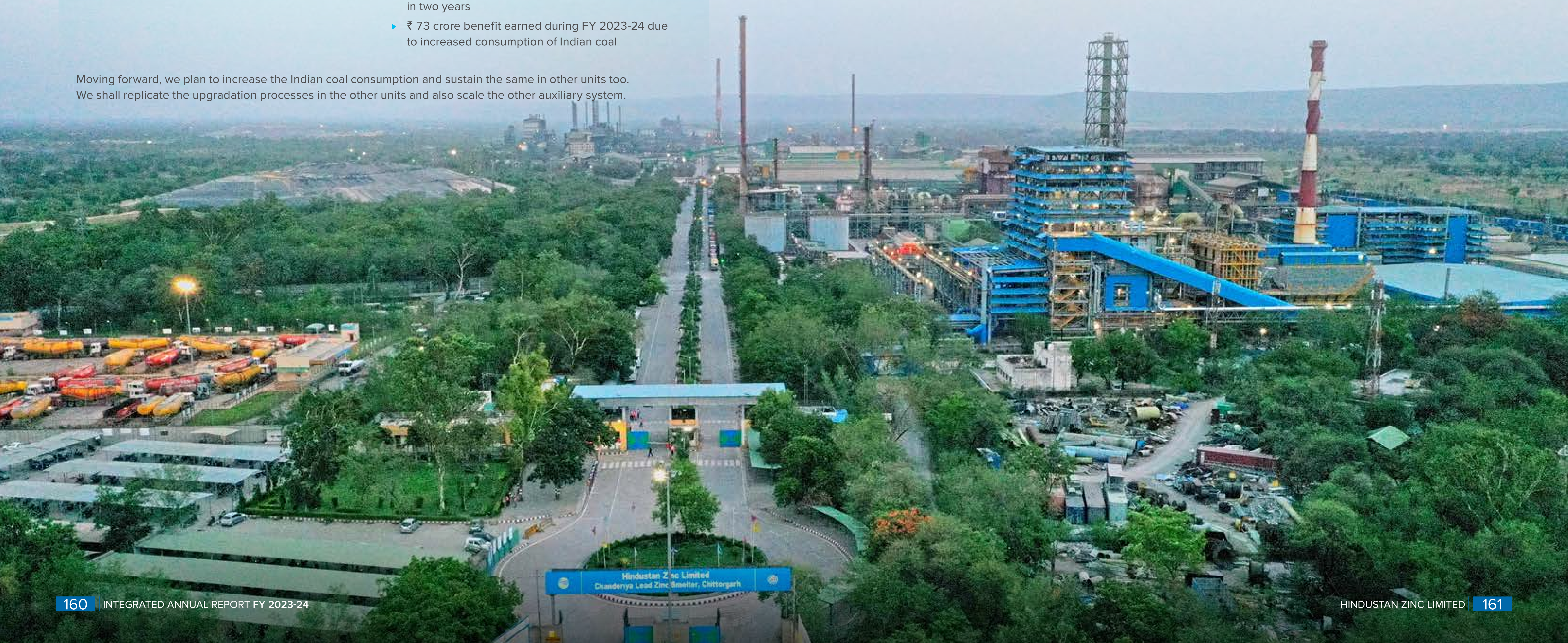
Moving forward, we plan to increase the Indian coal consumption and sustain the same in other units too. We shall replicate the upgradation processes in the other units and also scale the other auxiliary system.

“The transparent culture has been key to my comprehensive understanding of the business, enhanced by the multifaceted learning environment. Moving forward, my mission is to align all efforts toward realising our business goals, ensuring balanced and fulfilling progression for my team, guided by the organisation’s vision of sustainable growth.”

Anamika Jha
SBU Director, Pantnagar Metal Plant

“Embracing the mantra “Stay fearless and be humble”, I’ve fostered a supportive environment, seeking guidance from seniors and mentors to overcome challenges. Hindustan Zinc provides platforms for personal development and recognition, like the V-Lead initiative, empowering women leaders to contribute to ambitious goals, including producing 1.2 Mt of metal at a US$ 1,000 cost with zero harm.”

Tanya Singh
Dy. Plant Manager - L&P I, U-II, CLZS



Environmental, Social and Governance

SUSTAINABILITY AT HINDUSTAN ZINC

Being Responsible to Become More Sustainable

Hindustan Zinc's value proposition is driven by its continuous efforts towards the realisation of its Sustainability Goals 2025. We remain dedicated to delivering responsible growth to all our stakeholders, with a focus on their long-term sustainable development. It is our consistent endeavour to surge progressively forward on all the key metrics of Environmental, Social and Governance (ESG) through strategic interventions and initiatives designed to promote decarbonisation, resource efficiency, circular economy, water stewardship, efficient waste management, biodiversity conservation and minimisation of our environmental footprint.

Our sustainability journey is guided by the principle of 'ZERO HARM, ZERO WASTE, ZERO DISCHARGE', and is aligned to the highest national and international standards, and the United Nations Sustainable Development Goals (UN SDGs). It is propelled by the aim of ensuring holistic stakeholder value creation, encompassing all our stakeholder groups, with a particular focus on environmental, community and customer growth.

Our strategic priorities are as follows

Be the ESG leader

We are continuously investing in the industry-leading initiatives to drive inclusive and sustainable development

Go beyond resilience

We believe not just in staying resilient in the phase of challenges but in going beyond, through game-changing innovations and technological interventions

Creating value for our stakeholders

We are focussed on creating sustained, long-term value for all our stakeholders through targeted initiatives, aligned to their expectations and aspirations

During the financial year, we diligently worked on all the three pillars of ESG, demonstrating our dedication to sustainability and responsible business practices. Our key accomplishments included achievement of zero fatalities and promotion of circularity through the commissioning of a fumer plant. We made significant progress towards nurturing diversity by welcoming 16 LGBTQ+ members, and transitioning towards decarbonised operations with the introduction of low-carbon solutions for both operation and logistics. Installing a zero liquid discharge (ZLD) plant and dry tailing plant, fostering a sustainable supply chain, and actively engaging in biodiversity conservation efforts marked other notable milestones in our ESG journey. We remain optimistic about the transformative impact of our business as we forge ahead toward a thriving, equitable and resilient future for all.

Pradeep Singh
Chief HSE & Sustainability Officer

COMPREHENSIVE MANAGEMENT SYSTEM

We ensure that all operational sites have valid certificates in accordance with the ISO 14001 environmental management system, ISO 45001 occupational health and safety management system, and ISO 50001 energy management system. During the year, all operational sites were benchmarked to these standards. In addition, all site management systems are aligned with the ISO 9001 system for quality management.

VEDANTA SUSTAINABILITY FRAMEWORK (VSF)

We follow the same policies and sustainability standards as laid down by our parent company, Vedanta Ltd. Our robust Sustainable Development Framework includes a suite of sustainability policies, standards and guidance notes, which steer our operational and social excellence, advancing business outcomes as well as the communities and environment where we operate. In line with the same, we educate, train and develop our employees and business partners in the framework, ensuring unfailing adherence to world-class sustainability standards, processes and practices.

VEDANTA SUSTAINABILITY ASSURANCE PROGRAMME (VSAP)

VSAP is our sustainability assurance tool, which we use to assess our compliance with the Vedanta Sustainability Standards requirements. It includes a programme of formal third-party audits to ensure framework compliance across 13 elements.

VSAP elements

- Compliance
- Leadership
- Objectives, Targets & Performance
- HSE Management
- Competency & Training
- New Projects
- Process Safety & Management of Change
- Incident Investigation
- Assessment and Continual Improvement
- Supplier & Contractor Management
- Social Sustainability & Stakeholder Engagement
- Resource Use Management
- Occupational Health

Over the past 15 years, I've undergone a transformative journey at Hindustan Zinc, advancing from a junior executive to Deputy Head of Sustainability. The company has offered invaluable growth opportunities, especially in ESG (Environmental, Social, and Governance) initiatives. Emphasising Diversity and Inclusion, Hindustan Zinc cultivates an environment ripe with advancement prospects for emerging professionals.

Shama Jain
Deputy Head - Sustainability HZL

VSAP is an annual process with clear tracking of results by the Sustainability Committee and the Executive Committee, which in turn report to the Board. On the basis of the identified improvement areas, respective units make management plans and undertake corrective actions, which are periodically reviewed, evaluated and documented.

As a responsible corporate, we have consciously extended our sustainability culture to our customers, a key stakeholder for Hindustan Zinc. We have built our customer service proposition around our wide portfolio of products and transparent disclosure of the environmental impact of our products.

- We use the Life Cycle Assessment (LCA) methodology in the environment product declaration (EPD)
  - EPD is an independently verified and registered document that provides objective, transparent, comparable, and third-party verified data about the life-cycle environmental impact of products
  - LCA provides a holistic approach for measuring the environmental performance of zinc products by considering the potential impact from each stage of manufacturing, product use, and end-of-life
- We have published EPD for our zinc product, underlining our strong commitment to sustainability, transparency and minimising our environmental footprint
- Our EPD is comparable with EPDs from other manufacturers around the world, as it complies with ISO 14025:2006 and EN 15804:2012+A2:2019 standards
- The LCA study conducted for the development of EPD for our zinc products was benchmarked to the highest standards of ISO 14040 and ISO 14044

SBTi VALIDATES HINDUSTAN ZINC'S NEAR-TERM & LONG-TERM NET-ZERO TARGETS

- During FY 2023-24, Hindustan Zinc became the first metal and mining company in India to have validated Science Based Targets in line with 1.5°C, with approved targets of 50% reduction in scope 1 & 2 and 25% reduction in scope 3 GHG emissions by 2030, and net zero by 2050 from base year 2020.
- Science Based Targets for Nature (SBTN) has established a pilot group of 17 companies that are planning to set nature targets in 2024. Hindustan Zinc is among the initial group of 17 companies, and the only mining company globally to be part of this initiative. The purpose of this pilot is to ensure a robust, feasible and clear process for companies to set targets before the full roll-out, expected in 2024.

ROBUST SUSTAINABILITY GOVERNANCE FRAMEWORK

The topic of sustainability is discussed at all Board and management meetings, as well as at the business unit (BU) management meetings.

To effectively steer our sustainability journey, we have in place a robust sustainability governance framework.

- The three-tiered framework is headed by a Sustainability Committee at each level
- It guides us in organising our thoughts and ideas, undertaking informed planning, evaluating our ESG activities, and ensuring accountability on all ESG related issues
- It aids us in defining our short-term and long-term goals, and in systematically monitoring our performance across the organisation, in harmony with our sustainability principles

TIER 1	TIER 2	TIER 3
Oversight of ESG matters Sustainability and ESG Committee of the Board	**Setting goals; provide resources; track progress and support in implementation** Sustainability Committee at Executive Level	**Implementation of projects** SBU ESG Committee

TIER 1 - Sustainability and ESG Committee of the Board

Hindustan Zinc has a separate four-member Sustainability and ESG Committee at the Board level. The committee, which holds half-yearly meetings, is leading our sustainability efforts and proactively driving our ESG journey.

THE MANDATE

- The Committee helps the Board in fulfilling its ESG-related responsibilities and ensuring strong governance for sustainability
- It enables the Company to make continuous improvements in its sustainability performance, and to effectively implement the various processes and policies needed for the same
- It guides and reviews the sustainability strategy, and long-term goals and targets at Hindustan Zinc
- It plays a pivotal role in business decisions related to workplace safety and elimination of environmental footprint
- It contributes to strengthening the Company's commitment towards its stakeholders, and its reputation as a leader in the sustainable metal and mining sector

Committee Composition

MR. AKHILESH JOSHI
Non-Executive Independent Director - Chairperson

MR. ARUN MISRA
Executive Director - Member

MS. NIRUPAMA KOTRU
Non-Executive Nominee Director - Member

MS. VEENA KUMARI DERMAL
Non-Executive Nominee Director - Member

TIER 2 - Sustainability Committee at Executive Level

Our Executive Sustainability Committee is chaired by the Chief Executive Officer (CEO) and includes all the Executive Committee members and chairmen of our 10 communities. It undertakes monthly review of our progress on the Sustainability Goals 2025.

THE MANDATE

- It is tasked with formulation of the Company's sustainability strategy, and setting of its long-term goals and targets
- It continuously tracks the status of projects identified to meet the sustainability goals, along with the progress against all goals
- It guides the strategic allocation of resources for achievement of the Sustainability Goals 2025

Sustainability Communities

- Energy and Carbon Community
- Waste to Wealth Community
- Biodiversity Community
- Water Management Community
- Central Occupational Health & Safety Council
- People Community
- Corporate Social Responsibility (CSR) Community
- Supply Chain Community
- Communication Community
- Finance Community

TIER 3 - SBU ESG Committee

Each of our strategic business units (SBUs) has an SBU ESG Committee to ensure the implementation of sustainability practices relating to ESG aspects.

THE MANDATE

- The Committee works as per the guidance provided by the committees at the above two tiers for the accomplishment of the Sustainability Goals 2025
- It ensures continuous identification and monitoring of risks arising at the location
- It assesses the risk impact and formulates appropriate mitigation efforts to minimise or eliminate the risk and meeting the requirement of Sustainability Goals 2025

PROGRESSING ON OUR SUSTAINABILITY GOALS 2025

Climate Change
0.5 mn tCO_2e greenhouse gas (GHG) emission savings in our operations from the base year 2017
Progress Status
0.40 mn tCO_2e GHG emission savings achieved from base year 2017

Water Stewardship
Become 5x water positive company and achieve 25% reduction in freshwater consumption
Progress Status
8.67% reduction in freshwater withdrawal achieved from base year 2020

Circular Economy
3x increase in gainful utilisation of smelting process waste
Progress Status
1.67x increase in gainful utilisation of smelting process waste (2.55 lakhs MT)

Biodiversity Conservation
Protect and enhance biodiversity throughout the life cycle
Progress Status
Restoration of the habitat, with 0.67 mn trees planted (from base year 2020)
IUCN Progress - Primary data collection for 3 seasons including impact assessment completed

Zero Harm
Zero work-related fatalities and 50% reduction in total recordable injury frequency rate (TRIFR)
Progress Status
Zero fatalities
31.9% reduction in TRIFR (1.84)
0.88 LTIFR

Social Impact
Positively impact one million lives through social, economic and environmental initiatives
Progress Status
3,685 villages & 1.9 mn people reached through sustained CSR initiatives (100% target achieved)

Diversity In Workforce
Inclusive and diverse workplace with 30% diversity
Progress Status
Gender diversity enhanced from 14.4% in FY 2019-20 to 21.7% (Executive)

Responsible Sourcing
100% responsible sourcing in the supply chain
Progress Status
726 suppliers assessed (in past 3 years)

Note: Progress status of each goal is as of March 31, 2024.

SOCIAL – CORPORATE SOCIAL RESPONSIBILITY

Embracing Our Social Responsibility

Corporate Social Responsibility (CSR) is, for us at Hindustan Zinc, the overarching ethos of our business and an inclusive philosophy that drives our key decisions and actions. It underlines our resolute commitment towards raising the quality of life and enabling financial empowerment for the communities around our operations. It is the strength of our on-ground social, economic and environmental initiatives that are continuously steering the holistic growth of these communities.

In line with this business philosophy, we have adopted a comprehensive CSR charter, encompassing a clearly defined policy and impactful sustainable programmes. Our CSR efforts are aligned with the United Nations Sustainable Development Goals (UN SDGs) as well as India's national agenda. They are focussed on identifying the critical needs of the underserved sections of society, and responding to the same with agility.

1.9+ mn

Lives positively impacted during FY 2023-24 through our social, economic and environmental CSR interventions

OUR CSR INITIATIVES

We have adopted a multifocal approach to ensure holistic community development. This approach emphasises seven themes:

Education	Sustainable Livelihood	Women Empowerment	Community Asset Creation	Health, Water & Sanitation	Sports & Culture	Environment & Safety

As an impact-driven organisation, we prioritise sustainable and inclusive growth. Accordingly, all our CSR initiatives are scientifically-driven and invested to create strong grassroot institutions that uphold long-term developments in the community. Our agility and philosophy of giving back to society is reflected in our long-standing CSR initiatives, several of which are ensuring development across the organisation and the communities on-ground for the past 20 years.

Education

Nand Ghar, Child Care Centres, Shiksha Sambal, Unchi Udaan, Jeevan Tarang, Scholarships for Promotion of Higher Education, Company-run Schools

SDGs: 1, 2, 3, 4, 5, 8, 10, 17

Sustainable Livelihood

Samadhan, Sakhi, Microenterprises, Zinc Kaushal

SDGs: 1, 2, 3, 5, 8, 10, 11, 12, 13, 15, 16, 17

Women Empowerment

Sakhi

SDGs: 1, 2, 3, 5, 8, 10, 12, 16, 17

Community Asset Creation

Education, Health, Water and Rural Infrastructure, Creating Model Villages

SDGs: 3, 5, 6, 7, 9, 10, 11

Health, Water & Sanitation

Swasthya Sewa, Drinking Water through RO/ ATMs, Drinking Water Supply through Tankers, Company-run Hospitals & Sanitation

SDGs: 1, 2, 3, 5, 6, 9, 10, 11, 13, 17

Sports & Culture

Zinc Football Academy (through Vedanta Zinc Football & Sports Foundation), Rural Sports & Culture Initiatives, Anil Agarwal International Cricket Stadium

SDGs: 1, 2, 3, 4, 5, 10, 16, 17

Environment & Safety

Sewage Treatment Plant (through Zinc India Foundation), Miyawaki, Plantation Drives, Community Safety

SDGs: 3, 7, 11, 12, 13, 15

Our Vision

Our CSR vision is to enhance the quality of life and economic well-being of the communities around our operations.

Our Mission

Our CSR mission is to facilitate collaborative development to improve the quality of life of the people, particularly in the neighbourhood and the state, for achieving business goals and reputation management.

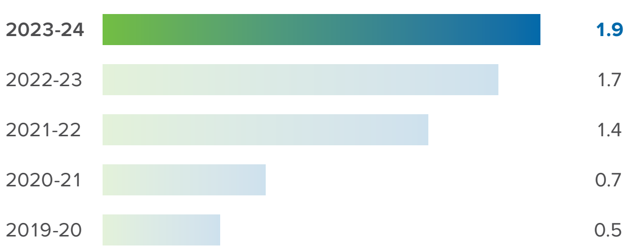
Our Goals

- Positively and holistically impact the quality of life of the communities living around our areas of operation
- Work in partnership with multi-stakeholders to innovatively, effectively and efficiently address development challenges
- To emerge as a thought leader, create benchmarks of good practices in CSR across Rajasthan and the country

Hindustan Zinc has stayed invested in ensuring responsible growth not only from the business perspective but also for the larger community around. With 1.91 million beneficiary outreach in FY 2023-24, our programmes have expanded 3.8 times since FY 2019-20. One of the catalyst apart from our focus on systemic CSR, was co-creation at the grassroots. For us, co-creation is coming together of partners with aligned focus, a common mandate for creating a social shift intertwined with sustainable approaches. It is about acknowledging the inter-dependence, co-learning, open communication and transparency as crucial elements for fostering collaboration for shared objectives within.

Anupam Nidhi
Head Corporate Social Responsibility

Our CSR Presence
(beneficiaries in millions)



During my 7 years at Hindustan Zinc, I've seen its unwavering commitment to innovation and inclusivity, solidifying our industry leadership. Rising from officer trainee to leading CSR initiatives, I've been inspired by our women leaders. Hindustan Zinc's dedication to diversity and tailored employee policies sets us apart.

Namrah Yasha
Team Member - CSR, RDC

CSR IMPACT IN FY 2023-24

FY 2023-24 witnessed a massive on-ground impact of our CSR programmes, marked by a 3.8 times expansion of our CSR outreach since FY 2019-20.

3,685
Villages benefited from our overall sustained CSR programmes

Udaipur
Continued to be provided with sewage treatment facilities

Out of Total 1.9 mn Beneficiaries

0.13 mn
Beneficiaries skilled through Sustainable Livelihood programmes - Samadhan, Zinc Football Academy and Zinc Kaushal programmes

1.39 mn
Women and children benefited through various programmes such as women empowerment, microenterprises, education initiatives, and other programmes focussed on health, water and sanitation, community asset creation, environment and safety, and cultural promotion.

Impact

- Creating strong sustained institutions owned by the community
- Long-term & deep impact on the community in terms of improvement in quality of life & enhancement in the local economy
- Intensive focus on women & child development
- Transition of villages into model villages

During FY 2023-24, our CSR interventions were spread across the operational areas of Rajasthan and Uttarakhand and beyond, in Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Goa, Odisha, Punjab & Uttar Pradesh through our aspirational programme - Nand Ghar.

ANIL AGARWAL FOUNDATION

Anil Agarwal Foundation (AAF) is a Section 8 Company, registered under the Companies Act, 2013. It is led by a vision to empower communities, transform lives, and contribute to nation-building through sustainable and inclusive growth. AAF is actively involved in community development, social initiatives, and CSR operations in India, focussing on areas such as healthcare, animal welfare, sports, women and child welfare, skill development, and livelihoods. The organisation's emphasis is on the creation of resilient communities by leveraging technology to improve efficiency and impact.

In line with its mission, and with the Prime Minister's vision of improved infrastructure, technology incubation, eradicating child malnutrition, providing education and healthcare and empowering women with skill development, including animal welfare, Hindustan Zinc has partnered with AAF through programmes like Nand Ghar, TACO (animal welfare initiative) and Swasth Gaon Abhiyan.

In FY 2023-24, Hindustan Zinc contributed ₹ 49 crore, through the foundation, for various activities covered under the ambit of its own and AAF's CSR framework and policies. A total of 1,491 new Nand Ghars were constructed across Rajasthan and Uttar Pradesh, with Hindustan Zinc's support, during the year. These Nand Ghars benefitted over 2.5 lakh women and children.

IMPACT

Health	Education (enrolment)	Skill Development	Nutrition (Nutrition status)
96% decrease in immunity-based diseases (as per KPMG report)	8% increase in average enrolment pan India	1,700 Nand Ghars directly linked with Rajasthan Skill & Livelihoods Development Corporation (RSLDC) for economic skill trainings	Drop in severe acute malnutrition cases from 4.26% to 0.57% and moderate acute malnutrition cases from 2.88% to 0.57%

STAYING CONNECTED WITH THE COMMUNITIES

At Hindustan Zinc, we have identified communities and the local government as the foremost stakeholders. We prioritise our understanding, trust and smooth relationships with them through carefully designed programmes and initiatives, involving:

1. Community need assessments and baseline surveys conducted by an external entity once every three years, laying the foundation for planning and directing our initiatives
2. Annual perception studies being conducted by an external entity every financial year, basis which we recalibrate our programmes and their presence in our communities
3. Impact assessment and social return on investment (SROI) guide our approach and form the basis for subsequent phases of programme implementation

Apart from scientific programme planning and its dovetailing, we have in place strong Social Performance Steering Committees (SPSCs), functional at all IBUs/BUs and chaired by the CEOs/location heads.

The SPSC is responsible for:

- Undertaking an analysis of the key risks and their mitigation
- Recording, reviewing and ensuring actions on all the grievances registered, and commitments made, to ensure a proactive response system for our stakeholders
- Reducing the collective risks and immediately addressing the grievances and feedback from the communities through such reviews and actions

Apart from tracking grievances and commitments on Enablon – a digitised platform of Vedanta, we have also developed an automation of stakeholder engagement module to track its outcomes. Proactive and sustained engagement platforms like “Community Connect” and “Community Leadership Connect” serve as two-way communication networks, strengthening the community trust.

INCLUSIVE COMMUNITY DEVELOPMENT PROGRAMMES

Our CSR models are focussed on enhancing local economies through community-based grassroots institutions like federations, farmer producer organisations, Sakhi Utpadan Samiti, among others. We extend support to these institutions in honing marketable & leadership skills, providing livelihood opportunities, and promoting ownership and awareness on market conditions. Our programmes are crafted to develop community cadre & bridge the gap between the need for livelihood and the go-to-market approach.

We encourage volunteering and community service in our employees who become our brand ambassadors, contributing to community development along with socially conscious individuals from renowned universities across the country.

ROBUST GOVERNANCE AND COMPLIANCE FRAMEWORK

We realise the importance of strong implementation practices and stringent compliances for the success of any programme. Our CSR governance framework is a robust pillar of our community outreach programmes. It is focussed on compliance, ensuring effective implementation and proper execution on the ground.

To undertake concurrent internal audit of our CSR programmes, we onboarded an independent auditor (reputed firm in India) for the annual review of our CSR projects, both at the programmatic and financial levels, including that at the business partner’s level.

THIRD-PARTY ASSESSMENTS

Impact Assessment Study

We ensure a strong on-ground impact of our programmes through their regular evaluation. This also enables us to reorient our programmes to meet the evolving needs of the community.

In compliance with this mandate, during FY 2023-24, we had an independent third-party impact assessment of two of our CSR programmes: Community asset creation and Sewage treatment plant, conducted by CSR Box. The study helped evaluate the social value of each of these programmes, which served as the basis for assessing the investment made by the organisation.

Perception Study

We undertake a Perception Study every year to gather insights about the community’s perception towards the Hindustan Zinc brand, with the focus mainly centred around our Corporate Social Responsibility.

For detailed report, refer to the report available at https://www.hzlindia.com/csr/framework/governance/

KEY CSR INITIATIVES AT HINDUSTAN ZINC

Our CSR initiatives are aligned with our CSR vision and centred around promoting - (a) quality of life, and (b) economic well-being of the communities.

Focus on creating scalable and replicable models through the strong backbone of convergence and linkages

Emerge as thought leaders in CSR

Quality preventive & curative healthcare

Quality education & improvement in learning outcomes

Focus on accessibilty to drinking water and its storage in villages

Inculcating safety & development of sports culture in communities

Developing model villages with access to energy & improved infrastructure

QUALITY OF LIFE

ECONOMIC WELL-BEING

Institution building and strengthening at grassroots

Linking women to income generation platforms and reducing debt dependency

Enhanced farmer income through sustainable farming

Create market-linked employability for youth

MAJOR PROGRAMMES ACROSS CSR VERTICALS

The CSR charter at Hindustan Zinc is developed around seven clearly defined verticals as per schedule VII of the Companies Act. We have undertaken major programmes across each of these verticals to drive our sustainable and responsible growth agenda.

CSR VERTICAL 1

SUSTAINABLE LIVELIHOOD GENERATION FOR FARMERS AND YOUTH

Our interventions in this area are focussed on the generation of sustainable livelihood opportunities in the communities surrounding our operations, especially for farmers and youth.

Programmes

(A) Samadhan

(B) Zinc Kaushal

Heroes of the Vertical

- First-of-its-kind centre of excellence (livestock) developed in the Group
- Taj Group of Hotels is now a customer of Ghatawali Mataji Farmer Producer Company dairy products
- Total revenue of ₹ 4.92 crore generated by five i-FPOs (independent farmer producer organisations) and two microenterprises - Dairy & Mineral Mixture
- 1st ever Annual General Meeting (AGM) organised for 5 FPOs having 1,000+ shareholder participants; announced a patronage bonus of ₹ 17.48 lakhs and issued share certificates among all shareholders
- Taken a transformative step to empower women by registering at least 33% of women's representation on the Board of Directors of the FPOs, as a decision-making body

Impact*

30,000+
Farmer families covered under Samadhan across 7 districts in 6 locations

1,831
Youth benefited across 550+ villages in 8 districts and 6 locations under Zinc Kaushal

(*During FY 2023-24)

- 1st TACO (The Animal Care Organisation) Club developed at Hindustan Zinc, followed by 20 more; the total of such clubs now stands at 21
- Pre-vocational course of 21 days launched for 255 students from surrounding 8 government schools
- Launched 3 batches of 75 female trainees with 100% diversity in Zinc Kaushal, for the first time, in three trades (unarmed security guards, retail sales & marketing and office assistants)

CASE STUDY

Transforming Life through Skill Development

For Priyanka, the burden of supporting her family fell on her young shoulders when she lost her father at an early age. Armed with only Class 12 education, the young girl struggled to find employment in the competitive job market. Her quest for gainful employment took a fortuitous turn when she discovered Zinc Kaushal and learnt about its skill development courses. Fighting all odds and also the society's gender bias, she enrolled herself in the Unarmed Security Guard trade course.

Priyanka's resilience and relentless pursuit of excellence yielded benefits for her as she secured a job in a prestigious security services company in Gujarat. A monthly salary of ₹ 21,000, along with free food and accommodation, has completely transformed the life of the young girl from Agucha village. She gives credit to Zinc Kaushal for helping unleash her inherent potential, and opening the window of opportunity to realise her dream of a better life for herself and her family.

A) Samadhan

Goal

Aimed at ensuring sustainable livelihoods for identified families through integrated farming systems and livestock development in 184 villages.

Partnerships

With BAIF Institute for Sustainable Livelihoods and Development (BISLD)

Key Features

- Farmer families are supported through pioneering interventions like Farmer Producer Organisations (FPOs) and Farmer Interest Groups (FIGs)
- These interventions introduce farmers to new advanced agricultural practices and help them to enhance the scale of their operations by offering high-quality supplies at affordable rates and also support livestock development

Major Activities & Achievements during FY 2023-24

i) Agriculture

- Specific cluster-wise commodities and value chain support through agricultural interventions
- 3,500+ acres of land with improved agricultural practices focussing on scientific & technology-driven interventions
- Farmer families supported with improved seeds, fertilisers & medical care for the crop
- Farmer families self-adopted hi-tech vegetable cultivation to break the conventional cropping cycle; provided with knowledge & exposure visits for advanced farming practices
- Generated an income of ₹ 5.17 crore through agriculture replications

ii) Farmer Producer Organisations (FPOs)

- Samadhan focusses on capacity building of the Board of Directors of the 5 FPOs, to equip them to steer the business effectively and build the FPOs as sustainable means of income for farmers
- FPOs support the prosperity of farmers through better market access and sustainability, besides providing farmers with micro and macro agricultural solutions.

Particulars	FY 2023-24
Farmer Interest Groups	355
Shareholders	6,405
Share Capital Collected (₹ lakhs)	57.85
Revenue for 5 FPOs (₹ lakhs)	299.18
Revenue for 2 Microenterpriers (₹ lakhs)	192.83

- Special focus on encouraging and promoting participation of women farmers
- 33% of women farmers onboarded as Board of Directors
- From the total shareholder base, 2,500+ (42%) are women & 26 dedicated women FIGs

iii) Livestock Development

- 9 integrated livestock development centres (ILDCs) provided quality breeding services
- Produced 61.62 lakh litres of milk, valuing a total of ₹ 18.48 crore
- 8,200+ artificial insemination services (both conventional and sorted)
- ₹ 15.58 crore of asset value built by way of 3,045 new-born female calves and 358 goat kids
- 69 animal health camps conducted, covering 33,000+ animals, benefiting 2,800+ farmers
- Availability of ₹ 4.86 crore worth additional milk of 16.21 lakh litres

Awards

- ★ 7 farmers won ATMA awards - 6 at block level and 1 at district level
- ★ Won 2 Pashupalan Awards - at Pushkar Mela, Ajmer

iv) Samadhan Microenterprises

- Dairy microenterprise aggregates the milk received from its farmer shareholders, with adherence to clean milk procedures
- Provides sale of fresh milk and other dairy products
- Products are marketed under the brand name 'Gauam'
- Dairy microenterprise crossed a turnover of ₹ 1 crore in FY 2023-24
- 2+ lakh litres of milk procured during the year by the dairy development centre
- Presence at Shilpgram, Udaipur & at Dilli Haat, New Delhi; achieving revenue of ₹ 2.26 lakhs

- Jai Chittor Farmer Producer Company led Mineral Mixture enterprise has achieved a significant milestone with its mineral mixture, a cattle feed supplement (BAIF-MINC and Vimicon) plant located in Chittorgarh District
- Supplies quality inputs like cattle feed supplements and ensures the efficient reproductive and productive performance of the cattle
- Mineral Mixture microenterprise is now operating in a fully self-sustainable mode and has demonstrated a remarkable growth over the past two fiscal years
- It produced and sold 130 MT of feed supplements, resulting in a significant increase in revenue to ₹ 89.21 lakhs in FY 2023-24
- The enterprise generated an 8% production incentive and earned profit of ₹ 15.16 lakhs, which was more than double from last year, highlighting its operational efficiency and profitability

B) Zinc Kaushal

Goal

Strives to provide market-led, industry-oriented skill-based training for youth in the communities in our operational areas to ensure sustainable source of livelihood through jobs or self-entrepreneurship.

Partnerships

With Ambuja Cement Foundation, Tata Strive & Anushka Academy

Key Features

- Recognises youth unemployment as a major concern in our operational areas and work on their holistic development to support the generation of a sustainable source of livelihood
- Working on creating strong pipelines between the industry and various institutes for promoting sustainable livelihood opportunities by:
    - Providing short-duration intensive training in market-linked courses through our Zinc Kaushal programme
    - Fostering an entrepreneurship spirit among the local youth by way of providing support, handholding, and facilitating a professional approach to starting a business

Recognition

Zinc Kaushal programme received appreciation from District Collector - Ajmer, SDM - Gulabpura, Pradhan - Hurda Block, BDO - Hurda, and Nagar Palika Chairman - Bijainagar

v) Center of Excellence (CoE) - Livestock

- First-of-its-kind Centre of Excellence (CoE) developed, a lighthouse intervention to promote model dairy farms to demonstrate clean milking practices and value chain innovative technologies, became operational, enabling small to medium-scale dairy farmers to learn and integrate the available technologies and climate-strong practices for enhancement of the dairy production levels at household, leading to an increase in income
- Training and capacity building of 150+ farmers on animal care & management (newborn calves, pregnant animals), feed & fodder of calves and milking animals
- In addition to procurement of dairy animals, we have also developed model dairy farm, fodder plot demonstration, Azolla cultivation unit, biogas (IRESA model), rainwater harvesting tank, and a vermicompost unit. The CoE has been linked with FPO for forward linkages

Major Activities & Achievements during FY 2023-24

i) Youth Empowerment

- Highest salary of ₹ 45,000 per month is earned in the microfinance sector
- 40% of the trained youth are female, working in traditionally male-dominated fields such as assistant electricians, security, etc.
- Placement with top organisations and reputed employers in the country with minimum 2 years of retention tracking
- 600+ trainees got group placements in various reputed organisations, viz. TCS, Honda, Rambagh Palace, Radisson Blu, GBH American, DMart, SBI Cards, TCIL, ESAF Bank, etc.
- Solar PV lab developed at Zinc Kaushal Kendra Chanderiya to impart industry relevant skills on Solar PV
- Exposure visits to provide hands-on training - 100 such visits covering 1,600+ students were undertaken
- National Youth Day observed with 500+ trainees & alumni
- Coaching facility for government competitive exams initiated at Agucha, Kayad and Zawar locations, to provide the opportunity for about 250 students from surrounding communities to prepare for government competitive exams and become self-reliant

1,491 (81%)
Trainees either placed in reputed organisations or have become self-entrepreneurs

₹ 14,000+
Average monthly income of successfully trained youth

CASE STUDY

Seizing Opportunity for a Better Future

For Farzana, a widowed mother of two from Ajmer, Rajasthan, finding work after her husband's death was not an option but a compulsion. She heard about Sakhi and joined the Peer Baba Self Help Group (SHG), where she received skill upgradation training. The opening of a new pickle unit in her village offered an opportunity that Farzana was quick to seize.

Since she has started working at the pickle unit, she is not only successfully meeting her household expenses but is educating her children to make them financially independent and empowered citizens of India. As an SHG member, it was easy for her to take loans to repair her house. The opportunity ushered in by her association with the SHG has brought with it the promise of a better future for her children, and she is confident that she will be able to translate this hope into a reality.

CSR VERTICAL 2

EMPOWERING WOMEN THROUGH GRASSROOT INSTITUTIONS

Women's empowerment is integral to the nation's progress and an important engine of long-term sustainable development. We have thus prioritised women empowerment as a pillar of our CSR strategy.

Programmes

(A) Sakhi (B) Sakhi Microenterprises

Partnerships

With Manjari Foundation, Hanuman Van Vikas Samiti, Centre of the Study of Values - CosV, CSC Academy, GoIT

Heroes of the Vertical

- Launched Uthori Awareness programme with 91,000 beneficiaries, including 10,000 students
- Ms. Manju Meena, Federation Leader of the Zawar-Sakhi Shakti Samiti of 5,000 women, honoured by XLRI Jamshedpur in the category of Social Entrepreneurship in Tribal Areas
- ₹100+ crore cumulative credit, with ₹10+ crore cumulative interest generated

Impact*

24,130
Women benefited through Sakhi, including the microenterprises initiative

196
Villages and village organisations across 7 locations in 8 districts in the states of Rajasthan and Uttarakhand

2,043
Self Help Groups

12
Microenterprises developed

(*During FY 2023-24)

A) Sakhi

Goal

To promote women's empowerment - economically and socially.

Key Features

- Sakhi (derived from Sanskrit, the word 'Sakhi' means friend or companion)
- Works towards empowerment of women by making them financially and individually independent through sustainable grassroots institutions like federations, village organisations, self-help groups (SHGs) and microenterprises
- Provides leadership platforms, like federation heads, its members, and farmer producer organisations, that currently have 33% community women on their Board of Directors
- Ownership and entrepreneurship among women stand at an all-time high, through our homegrown brands like "Upaya" for apparel and "Daichi" for edibles, developed by Sakhi women; "Gauam" for dairy products produced by farmers, and Hearts with Fingers - the apex marketing body
- Cadre development for financial management, legal awareness, and community leadership, among other such initiatives, enable capacity building in identified talents across Hindustan Zinc

Major Activities & Achievements during FY 2023-24

- 7 federations across 7 operational areas at Rajasthan & Uttarakhand strengthened to take over and sustain the responsibilities of 2,052 SHGs
- 200+ Sakhi women trained to create a financial taskforce through book-keeping workshops
- Three-day non-residential Uthori training organised for spreading awareness amongst 213 Federation and Village Organisation (VO) leaders about gender-related issues, rights and legal provisions for women
- Launched Uthori programme reaching 91,000 beneficiaries for societal change advocating on critical issues such as domestic violence, child marriage, etc.
- Cumulatively, 7,351 loans worth ₹ 17.03 crore disbursed so far through family-based livelihood programme (FBLP)
- 5,076 applications to various government schemes facilitated so far through Sakhi Sewa Kendra
- 2,500 women given training on financial and digital literacy by the Digital Sakhis in Chittorgarh
- 9,000+ rural women came together to celebrate Sakhi Utsav
- ₹ 19+ crore cumulative savings

We have entered into a partnership with India Post Payments Bank (IPPB) for promoting financial inclusion amongst the unbanked and underbanked communities in our operational villages. The initiative aims at doorstep delivery of banking and insurance services to the remotest corners of these geographies. It seeks to make transactions cash-lite, within and between the institutions of Sakhi, as well as in general.

Sakhi - Uthori campaign

B) Sakhi Microenterprises

Goal

Strives to support sustainable livelihoods and empower women from underprivileged areas, to make them change agents of society.

Key Features

- Supports and enables women through development of enterprises
- Sustains the microenterprises that are owned and managed by the women members

Major Activities & Achievements during FY 2023-24

- 12 production units run by women, 380 women engaged in manufacturing and sale of 250+ products, including fresh dairy, ghee, oils, pickles, spices, namkeen and honey, apart from apparel and textiles
- 2 brands strengthened - Upaya (Apparel), Daichi (Food)
- Revenue of more than ₹ 1.5 crore generated via FMCG and textile sales
- Income of production Sakhis - ₹ 44.6 lakhs+
- Sales by Business Sakhis - ₹ 21 lakhs+
- Market outreach - Currently operating in 11 major cities, like Delhi, Jaipur, Udaipur, Kota, Chittorgarh, etc.
- No. of stores and Sakhi Haats - 9
- Gifting range of Sakhi products started, business worth ₹ 4.77 lakhs done in the initial stage itself

In the past year, we have positioned our brands across multiple channels, including modern trade, general trade, rural trade, Sakhi-owned Sakhi Haats and online storefronts, i.e., Amazon, JioMart, Heartswithfingers (Hearts with Fingers) and ONDC platforms. With over 220+ retail stores covering Jaipur, Udaipur and Kota, we are adding 20 to 25 stores monthly. During FY 2023-24, apart from the four Sakhi Haats, we have introduced five modern trade stores with Reliance SMART and iPer Marts. We onboarded three distributors and created a strong base of 115 Business Sakhis across our districts for rural trade during the year.

- ₹ 2.7+ lakhs sales were generated at the stall set up during the India International Trade Fair in Delhi
- New products launched including 3 varieties of honey, 5 types of namkeen & also ventured into impact gifting
- Introduced fresh dairy products

Awards

- ★ Sakhi Utpadan Samiti won Mahatma Award under the Social Good and Impact category
- ★ Business World Award for Emerging Business Enterprise Social Impact
- ★ CSR Excellence in Women Empowerment at India CSR & Sustainability Conclave 2023

CASE STUDY

An Inspiring Story of Grit & Determination

Married at the age of 14, Dali Khatik of Railmagra town in Rajasthan's Rajsamand, has become an inspiration for women seeking to break free of the shackles of gender discrimination. The young girl who had spent her early life as a free bird suddenly found herself caged in her house, with complete restriction on free movement after her marriage. She had almost surrendered to her fate, giving up any hope of finding happiness again in life. However, the intervention of Hindustan Zinc and Manjari Foundation transformed her fortunes, encouraging her to join the Shital Self-Help Group (SHG).

Her decision to join the SHG emboldened her to fight the gender-based injustice meted out to her. She actively participated in gender perspective training sessions, and learnt about women rights and entitlements. As a staunch supporter of education as the key weapon to eradicate the evils of the society, she went on to pursue graduation and later started providing free education to needy students in the community.

Today, her story of grit and determination has become an inspiration for other women in her neighbourhood. She is grateful to Hindustan Zinc and Manjari Foundation for empowering her and enabling her to live a happy life.

My journey at Hindustan Zinc has been marked by significant milestones in social development, particularly through the Sakhi programme, which empowers over 20,000 rural women via microfinance. Hindustan Zinc's commitment to empowering women, fostering gender diversity, and nurturing leadership, with a goal of 30% gender representation in leadership, has been truly encouraging

Neha Diwan
Lead Sakhi Monitoring & Eval. CSR Zawar

Sakhi Utsav-Women empowerment and inspiring inclusion

CSR VERTICAL 3

INVESTING IN EDUCATION OF UNDERPRIVILEGED CHILDREN

We strongly believe that there can be no holistic progress without the education of children. Given the lack of educational facilities among underprivileged children, we continue to make significant investments in this area.

Programmes

(A) Shiksha Sambal	**(B) Unchi Udaan**
(C) Jeevan Tarang	**(D) Other Education Initiatives**

Impact*

8,000+
Students benefited through Shiksha Sambal

100%
Students of Unchi Udaan batch-5 got admission in various Government engineering colleges

(*During FY 2023-24)

Goal

To strengthen continuity and sustenance across the child's lifecycle, with a complete focus on the child from birth until completion of higher education.

Heroes of the Vertical

- 19 students of batch 1 & 2 got placements in different companies with the highest package being ₹ 16 lakhs per annum
- Selection of 3 students in IITs & 1 student in NIT from batch 5

A) Shiksha Sambal

Partnership with Vidya Bhawan Society

Key Features

- Providing access to an improved quality of life in the community, through support to the knowledge lifecycle of students in government-run institutions, from preschool to graduation
- Benefiting more than 7,500 students across 66 Government schools from class 6th to 12th
- Working to strengthen the learning environment in Government schools
- Enhancing rural students' ability to learn by expanding their conceptual knowledge, with special focus on Science, English and Mathematics

Major Activities & Achievements during FY 2023-24

- 35% of schools have 100% pass results & 74% of schools have a pass percentage of more than 90%
- 10,000+ classes conducted for Science, English & Math subjects in 9th & 10th grades
- Demonstrated a unique pedagogy approach by focussing on learning by doing, and achieved more than 100% target in science experiments and library classes
- 8 days of remedial classes organised during Diwali vacations for students of grades 9th & 10th, benefiting 2,000+ students
- Special impetus on promoting reading as a habit through special reading melas across 4 schools across 4 locations covering 650+ students. This shall be strengthened in the years to come

B) Unchi Udaan

Partnership with Resonance and Vidya Bhawan Society

Key Features

- Selects high-performing students from Shiksha Sambal schools and model schools, and provides them with four years of in-house coaching to qualify for engineering courses via IIT-JEE
- Nurtures and grooms young, promising talent from economically backward families to gain admission into IITs and other reputed engineering institutions

Major Activities & Achievements during FY 2023-24

- All the batch 5 students were allotted Government engineering colleges; 3 students got admission into IITs and 1 student got admission into NIT
- Hosted a grand alumni meet by bringing together 80+ students from batches 1-5, with engaging interactions between alumni and juniors, fostering a sense of camaraderie; official name, 'The Zinc Guild', was launched for the alumni association of Unchi Udaan
- The Heartfulness team initiated a 16-week HELP (Heartfulness Empowerment and Learning Programme) for 76 students in batches 7 and 8 to empower participants through meditation, mindfulness, and personal development techniques
- 40 students from batch 7 participated in the National and International Science & Math Olympiads. Six students won 9 gold & 1 silver medals in National & International Olympiads
- 14 students from batch 2 got placed in prestigious companies like Vedanta, Jindal Steel, TCS etc., with an average package of ₹ 9.6 lakhs per annum

C) Jeevan Tarang

Partnerships with Badhit Bal Vikas Samiti, Ajmer; Badhir Bal Kalyan Vikas Samiti, Bhilwara and Noida Deaf Society

Key Features

- Seeks to empower persons with disabilities (PwD) to become self-reliant and important contributing members of their families via capacity building, and finding employment to earn a livelihood

Major Activities & Achievements during FY 2023-24

- Badhir Senior Secondary Vidyalaya, Ajmer, and Mook Badhir Senior Secondary Vidyalaya, Bhilwara, had 100% pass percentage both in grade 10th & 12th, whereas Abhilasha Vidyalaya, Udaipur, had 100% results in grade 10th & 94% in grade 12th
- Virtual awareness sessions were organised for speech and hearing impaired students on various topics such as menstrual hygiene and good touch & bad touch, etc. Students were also provided first aid and CPR training for the first time
- Life skill training was also provided to 395 students to ensure the overall development of hearing impaired students
- World Disability Day was observed with great fervour and enthusiasm, with an informative session to sensitise speech and hearing impaired students about their rights
- Organised "Paint for Joy" with 130+ volunteers, an initiative for speech and hearing-impaired students

Jeevan Tarang Project:
300 hearing-impaired students given road safety sessions

D) Other Education Initiatives

Partnerships with Vedanta Foundation

Key Features

Technology-aided learning is provided to students between grades 6 and 10, while children enrolled in higher education classes are supported through digital education and Company-run schools

Major Activities & Achievements during FY 2023-24

- Continued support for the academic and overall development of students in Hindustan Zinc's 5 schools, having an enrolment of 1,700+ students from nearby communities, across classes 1 to 12
- More than 130 students supported through scholarship programmes
- Vedanta P.G. Girls' College programme offers scholarships to rural girls to pursue graduation and post-graduation
- Results - 95% pass percentage in graduation
- 3 students selected as Government teachers earning ₹ 42,000 per month

"The invigorating environment and work culture at Hindustan Zinc have always empowered me, resulting in great job satisfaction. The Company consistently promotes diversity through supportive platforms, such as V-build, which has significantly advanced my career."

Ruchika Naresh Chawla
Lead - Governance & Shiksha Sambal, HZL

CSR VERTICAL 4

ENSURING ACCESS TO HEALTHCARE AND WATER

For lakhs of people in our operational communities, access to basic healthcare and safe drinking water continues to be an area of concern even in this day and age. We are actively working towards augmenting health and water facilities in our target areas.

Programmes

(A) Swasthya Sewa
(B) Drinking Water & Water Augmentation

Goal

To nurture community health through programmes on preventive and curative healthcare promotion, availability and accessibility of drinking water, and proper sanitation facilities

Heroes of the Vertical

- Organ donation awareness sessions organised amongst 3,000+ community members, including students, to spread awareness about the importance of organ donation and the process for the same

Impact*

1.22+ lakhs
Beneficiaries through 6 Company-run hospitals

1,800+
Patients treated through mobile health van at Pantnagar

4,900+
Beneficiaries supported through homeopathic & naturopathy centre

63,000+
Beneficiaries of various water initiatives

(*During FY 2023-24)

A) Swasthya Sewa (Healthcare)

Goal

To provide for the community's health needs, besides strengthening existing medical care facilities, to bridge the gaps in the rural public health system.

Partnerships

With Shri Shubham Seva Sansthan, RNT Medical College and Hospital

Key Features

- 'Swasthya Sewa' health programme is a complete package of health support initiatives across operational villages of Hindustan Zinc

Major Activities & Achievements during FY 2023-24

- Providing preventive & curative healthcare services by strengthening medical institutions and healthcare centres
- Focussed on strengthening various health institutions by providing special support for heart-related ailments through Cath labs in Rabindranath Tagore Medical College, Udaipur, besides supporting Shubham Seva Sansthan, Homoeopathic and Naturopathy Centre
- Health camps conducted in Zawar, covering general health checks of the patients, along with the provision of free medicines to them, reached 421 beneficiaries
- Conducted health camps and awareness sessions in various locations to promote and spread awareness; these included organ donation camps, sessions on menstrual health awareness, breastfeeding week, yoga day, blood donation drive, etc., conducted at various locations, covering around 10,000 beneficiaries, to reiterate the importance of good health and hygiene among people

B) Drinking Water & Water Augmentation

Goal

Provide potable drinking water in Rajasthan, which lacks adequate groundwater and quality water, and free women from the arduous task of walking long distances to fetch water.

Partnership

With Neer Amrit LLP

Key Features

- Working towards ensuring accessibility and availability of clean drinking water to the community by establishing RO/ATMs or by providing water tankers
- Covering 6 locations and 5 districts in Rajasthan

Major Activities & Achievements during FY 2023-24

- Supplied 3,726 KL of safe water to community through ROs/ATMs
- Contributed ₹ 3.87 lakhs to Panchayats towards sustainability of the RO/ATM project
- Supplied 15,747 KL water through tankers in 25 villages
- Ensured safe and doorstep water facility
- Water Augmentation: Agucha pond renovation work done covering all 8 villages of Agucha panchayat
- Water augmentation project - MoU signed, work initiated for well deepening work

CSR VERTICAL 5

CREATING COMMUNITY ASSETS

India's villages still lack the basic infrastructure essential to ensure a respectable standard of living. We have partnered with local institutions to develop such infrastructure in the rural areas where our units are located.

Goal

To strengthen and enhance the basic infrastructure availability in the community to improve the villagers' quality of life.

Partnerships

With local Panchayats and the Rajasthan State Government

Key Features

- Aspiring to create model villages by developing various community assets and strengthening the rural, educational, water & health infrastructure
- Undertaking both basic and advanced infrastructure development in the areas of livelihood, water, sanitation, education and health
- Partnered with the Government and local Panchayats to implement key programmes under this vertical

Impact*

251,000+
Beneficiaries under various programmes to strengthen community assets across 6 locations and 7 districts in Rajasthan where we operate

18
Community halls and centres constructed

Sports Complex
at Debari, development in progress

20
villages benefitted through high mast lights installation

(*During 2023-24)

Heroes of the Vertical

- Developed Pannadhay Government College in Chittorgarh, with a building area of 26,000 sq. ft., covering the Gangrar block, 22 Gram Panchayats and 1.5+ lakh people
- Developing 1 sports complex at Debari and developed 2 sports stadiums in Gangrar and Sanchore

Major Activities & Achievements during FY 2023-24

- Developed 45 community centres/sheds and cremation centres, 10.82 km of rural roads, benefiting 246,907 villagers in our operational areas covering 37 villages
- Covered 29 government schools through construction and renovation-related activities, 8 classrooms/halls, 5 toilets and 5 prayer sheds, along with the renovation of existing infrastructure in 10 schools, which benefited 5,046 students, raising their education standard and building a comprehensive learning environment
- Installed 98 solar lights and high mast streetlights to illuminate villages and make them safer through sustainable means
- Developed 7 crematorium areas in nearby villages

CSR VERTICAL 6

NURTURING SPORTS & CULTURE

A sharp focus on the nurturance of sports and culture is a significant driver of our CSR programmes and initiatives.

Programmes

(A) Zinc Football Academy (ZFA) & Cluster-based Sports

(B) Promotion of Culture

Goal

To promote sports and the rich cultural heritage of Rajasthan at regional, state and international levels.

Impact*

26,100+
Youth benefited through various sports initiatives, mostly across Rajasthan and pan India

86,700+
Population covered through various regional, district, state, national and international level cultural programmes

(*During 2023-24)

Heroes of the Vertical

Sports

- Zinc Football Academy (ZFA) bestowed with the topmost Elite 3-star rating by the All India Football Federation
- Two Zinc football players, Ashish Mayla & Sayed Saniya, were selected for the Rajasthan state team
- ZFA, proudly representing DAV HZL School Zawar Mines, became the first team from Rajasthan to win the CBSE Under-19 National Football Tournament
- Four ZFA players represented Rajasthan in the National School Tournament and 2 ZFA players represented Rajasthan and Haryana in the Santosh Trophy, with ZFA playing a total of 24 matches
- AIFF U-17 Youth League, 4 home matches played out of 4; 2 matches won by ZFA against Sports Authority of Gujarat & Baroda FC and 1 match drawn against Rajasthan United Football Club
- Sahil Poonia, goalkeeper, became 1st ZFA player to sign a long-term professional contract with the top ISL Club
- 15-year-old Mohammed Kaif, who joined our Academy in 2018, was handpicked to represent India at the 2023 SAFF Under-16 Championship in Bhutan, where he captained Team India on his international debut versus Bangladesh
- Debut in the Reliance U-21 League & qualified for AIFF U-17 Youth League final round
- Started 1st U-13 (non-residential) team with players from the local community in Zawar and surrounding areas
- Conducted 2 AIFF Blue Cubs League for U-7 to U-11 players in Zawar & Agucha locations respectively

(A) Zinc Football Academy (ZFA) & Cluster-based Sports

Partnerships

With The Football Link, Young Monk Communications Pvt. Ltd., Vedanta Zinc Football and Sports Foundation, Rajasthan Cricket Association, Government of India

Key Features

- Zinc Football (ZF) is a marquee initiative of Hindustan Zinc that captures the passion for sports amongst the local communities of Rajasthan
- Importance of physical pursuits in a balanced lifestyle is realised through the Zinc Football Academy and our cluster sports approach across locations
- We also promote cluster-based sports at local, block, state and national levels

Major Activities & Achievements during FY 2023-24

- Support extended to community sports event, the Chittorgarh Khel Mahakumbh, benefiting 6,000 players
- ZFA boys played in Rajasthan State Open Invitational tournaments & won all matches
- Garry Church, a highly-skilled Australian coach and advanced coach educator, conducted a workshop for ZFA coaches
- Veteran Chennaiyin FC goalkeeper coach, Rajat Guha, led an online goalkeeping workshop for ZFA
- ZFA also had Mr. Mridul Banerjee, an ISL assist coach, to train our players
- Four Zinc football community schoolgirls got selected to represent Mohanlal Sukhadia University, Udaipur, in the West Zone Inter University Women's Football Championship
- Four players from ZFA - Puneet Kumar, Mohd. Kaif, Himesh Meena and Prem Hansdak, were selected for the Under-16 Boys National Team Preparatory Camp in Srinagar. Two other players, Biswajeet and Riyas, also got selected for a separate India Under-20 camp
- At the Anil Agarwal International Cricket Stadium, the world's third largest cricket stadium, 50% of the construction has been completed on the entrance, south pavilion, north pavilion, and ground levelling work. Additionally, 50% of the seating tier foundation work has been accomplished
- Regular training with 84 students ongoing at 2 community centres - GSSS Tidi & Singhatwada, at Zawar location
- Support extended for kabaddi and volleyball tournaments at the district level

(B) Promotion of Culture

Partnerships

With Tabla Wizard Pt. Chaturlal Memorial Society, Srajan The Spark

Key Features

- Striving to fulfil our moral responsibility towards the state of Rajasthan, where we are flourishing by preserving and promoting its rich heritage and culture, and celebrating its traditions
- Promoting and preserving local culture and art elements, reviving the use of dying musical instruments, and providing a platform for artists through 'Smritiyaan' and 'Srajan The Spark' events
- Regularly organising various programmes and events to promote and preserve the rich cultural heritage of Rajasthan on regional and global platforms

Supported 60th Maharana Kumbha Festival

- Promotion of art and culture. Artists like Ashwini Bheede (Singing), Rajish Vaidya (Veena) etc.
- 40 artists in 3 days with 800+ people attending the event

Supported Srajan the Spark

- To promote Indian music and Ghazals
- Performance by Ms. Pratibha Singh Baghel, a versatile singer who mesmerised everyone by her captivating voice

Smritiyaan

- Preservation of Indian & Folk instruments 'Vichitra Veena' & 'Jal Tarang'
- Jugalbandi by Padma Bhushan & Grammy Award Winner Pandit Vishwamohan Bhatt
- Attended by 4,000+ audience

23rd edition of Smritiyaan - a musical extravaganza

CASE STUDY

Mohammad Kaif takes ZFA to Global Stage

Since his debut at the 2023 SAFF Under-16 Championship in Bhutan, defender Mohammed Kaif has become a shining star on the global football stage. After Sahil Poonia, he is the second Zinc Football Academy (ZFA) player, and the first player from Rajasthan in over 40 years, to represent India on the international stage.

His track record has been spectacular. He captained Team India in the opening match versus Bangladesh, and went on to play a pivotal role in India's ultimate victory in the championship. The crucial header he scored in the semi-final against Maldives was instrumental in scripting his team's win.

Kaif, who had joined ZFA in 2018 at the age of 10, was called for a two-month long Zinc Football Scouting Camp in Chittorgarh, where he impressed the coaches with his skills and attributes. Later that year, he was awarded a scholarship at Zinc Football Academy, marking the birth of a new star on the horizon.

His journey in the international football arena has just begun, and we, at Hindustan Zinc, join every Indian in wishing him the best for a future filled with many more victories ahead.

Mohammed Kaif, a player from the Zinc Football Academy appointed as the Captain of the India U-16 team

CSR VERTICAL 7

ENHANCING THE ENVIRONMENT & SAFETY PROPOSITION

Providing a clean and safe environment to neighbourhood communities is pivotal to the realisation of our sustainable growth strategy. We have in place various programmes to promote a healthy and secure ecosystem in the villages near our operations.

Goal

To promote a better environment and healthy, unpolluted surroundings by implementing climate-strong practices.

Partnerships

With Udaipur Municipal Corporation (UMC), Urban Improvement Trust (UIT) - Udaipur, Jatan Sansthan, Zinc India Foundation

Key Features

- Motivated by our concern for Mother Nature to ensure a safe and sustainable environment for future generations to thrive in
- Miyawaki plantation with 5,000+ plants was done in an acre of land. We promote indigenous species of plants, including fruit-bearing, shade, flowering, and medicinal plants, etc.
- Installed 20 high mast lights, benefitting 41,000+ villagers, aiming towards their safety and sustainability. Also, installed LED lights which consume lower power, providing illumination in the villages
- Working proactively to promote a safe and healthy environment for the surrounding communities; initiatives include the promotion of massive plantations, support for Udaipur city through a 60 MLD sewage treatment plant (STP), and implementation of an independent third-party study for assessing climate-strong practices within CSR
- Unwavering emphasis on safe workspace that extends beyond the plants to the larger community, through our master trainers who impart safety awareness on different aspects
- Our safety module named 'Suraksha Margdarshika' covers home and domestic safety, such as LPG safety, electrical safety, ergonomics safety, 5S of Six Sigma at home, confined space safety, etc.; it has created safety master trainers to advance safety training in the community

Impact*

3+ lakhs
Entire population of Udaipur city covered through sewage treatment plant (STP)

Created
Zinc India Foundation, a Section 8 company for the implementation of a sewage treatment plant

40,043+
People benefited through environment and safety initiatives

15,237
Beneficiaries covered through various safety events and trainings, and 24,806 beneficiaries only through our safety master trainers

(*During 2023-24)

CREATING VALUE THROUGH CONVERGENCE

We have forged convergences with State and Central Governments, peer companies, peer Development Organisations and the communities wherein we operate, to enhance the impact of our initiatives. We believe that these collaborations serve to broaden the reach of our initiatives among wider audiences and sustain the institutions created.

₹ 34 crore
Value generated through convergence

EMPLOYEE VOLUNTEERING AS A PRACTICE

At Hindustan Zinc, we have implemented the practice of employee volunteering across the organisation as part of our efforts to drive our CSR initiatives and promote responsible actions. Employees are provided the opportunity to participate in our social development journey and contribute meaningfully to addressing societal challenges.

- During the year, we onboarded external volunteers for various month-long summer learning camps, generating 2,800+ learning hours covering 1,500+ students, and 11-day winter camps, generating 6,600+ learning hours for 2,400+ students. The initiative was aimed at strengthening the academic & all-round development of the students from rural background in Shiksha Sambal schools
- Since the last two years, fellows are being onboarded from renowned Universities like Delhi University for the entire year. In FY 2023-24, 120 modules were transacted by these fellows to strengthen Language & Math in a play-way manner to encourage learning. These fellows promote activity-based learning, which positively impacts the learning outcomes of students of grade 6th to 8th

During FY 2023-24:

- Shiksha Sambal Project - Employees participated in sessions focussing on knowledge-building and career guidance
- Zinc Kaushal Kendra - Employees helped trainees gain knowledge on the importance of recent trends and communication, through discussions on topics like safety, health and pollution
- Skill-based volunteering approach was embedded across all CSR projects

Impact*

Volunteering

114
Total volunteering activities

1,327
Total volunteers

19,727
Total manhours

Engagement

73
Total engagement activities

715
Total no. of people engaged

1,852
Total manhours

Financial contribution

₹ 1.38 lakhs

(*During 2023-24)

BRANDING

Opening Vistas of Change in Udaipur

An organisation's evolution as a brand is driven by its strong connect with its stakeholders. Hindustan Zinc has built this strong affinity through trust and excellence. Crafting a compelling narrative for a mining company like Hindustan Zinc requires a nuanced approach. It is imperative to articulate a strategy that connects with the stakeholders not just from the perspective of the operational efficiency, quality of our products and best-in-class technology, but also through our commitment towards nation-building, sustainability, community development and best people practices. We take pride in setting industry benchmarks while prioritising the well-being of our communities, striking a balance as we propel holistic progress.

Our focus centres on leveraging new-age technology for business expansion while ensuring the community's well-being remains paramount. We endeavour to ensure that our stakeholders understand that our growth is intertwined with theirs. This involves formulating a comprehensive communication strategy that resonates with them.

Even though our audience may not physically interact with our humble metals, we ensure that they get a glimpse into how our metals like zinc, lead and silver are produced in their very own City of Lakes. Our communication reaches the last mile, informing our stakeholders about the progress we are making through our environmental and social initiatives.

Through our communication, we have highlighted the inclusive, diverse and socially responsible brand that Hindustan Zinc is. We constantly showcase the large participation of a diverse workforce. Today, Hindustan Zinc is a go-to destination for many professionals from diverse parts of the country. Everyone in the country and beyond looks forward to being a part of the #ZincParivar. We have seen a tremendous increase in the number of women engineers, LGBTQ+ members and expatriates joining us in Zinc City to drive global growth.

ZINC CITY - A TESTIMONY TO OUR CHANGE COMMITMENT

Zinc City has been a beacon of growth from as long as 2,000 years ago with our mines, and then much later in 1966, with the establishment of a smelter in the east. Being one of the oldest mining regions in the world, Udaipur continues to be renowned for its extensive zinc reserves, making it a significant contributor to India's mineral wealth.

Udaipur is now home to India's largest and the world's second-largest integrated zinc producer. Further, Udaipur became synonymous with Zinc City with its deep-rooted commitment to #TransformingForGood.

In FY 2023-24, we intensified our communication efforts to bring Zinc conversations to the forefront, encouraging city residents to take pride in the zinc produced in their region, which is a key driver of economic growth in the country and is improving livelihoods. Fondly hailed by locals and tourists alike, Hindustan Zinc has generated employment opportunities that catalysed the development of contemporary commercial hubs, enticing shopping malls and elevated rooftop cafes nestled amidst regal heritage forts. The vibrant city is adorned with picturesque lakes and cradled by the majestic Aravalli Hills. It serves as a timeless testament to history, culture and innovation.

In the truest sense, Zinc City epitomises the synergy of tradition and modernity, with our interventions driving socio-economic transformation and fostering a vibrant community spirit.

Our collaborative efforts form the bedrock of our identity, fuelled by strategic partnerships, enabling us to promote art and culture, empower local communities, implement best-in-class people practices and fuel sustainable business growth.

Celebrating Heritage through Zinc City

The launch of Zinc City was much awaited and we felt it was time for us to embrace the identity by which we were known for the longest time. Zinc City has flourished in various facets since the inception of Hindustan Zinc, one of them being through art and culture. The city has long been celebrated for its vibrant culture and we proudly contribute to its enrichment through musical events promoting local talent and heritage. We have been promoting music in Zinc City as it is a universal language, a type of communication which transcends geographical boundaries. Through these musical festivals, we have been able to preserve and propagate the fading instruments and traditions of Rajasthan amongst an estimated 82,000 music lovers.

Building on Brand Zinc City

The progressive development of Udaipur through our community outreach interventions has led to the emergence of Zinc City as a distinctive brand and a shining example of Hindustan Zinc's successful branding and communication strategies. These strategies have elevated our positioning and contributed meaningfully to the social, cultural and environmental landscape of Zinc City nationally as well as globally.

Establishing a harmonious and deep connection with our stakeholders, the campaign - Zinc City directly speaks to them as we pay homage to the legacy of more than 2,000 years of zinc mining here. We leverage the power of social media by ensuring a consistent brand messaging, which reaches a wide set of audience. We have adopted a multi-channel approach to communication, leveraging various platforms such as hoardings, radio channels, media publications, social media and community events to reach a wide audience through our Zinc City campaign. By utilising diverse communication channels, we maximise our reach, create brand awareness and encourage active participation amongst our stakeholders.

Making an Impact

Forging ahead on our strategic roadmap, we have tapped upon tourists and locals visiting & residing in Udaipur through our outdoor branding efforts across the city's high-footfall locations like the airport and Fatehsagar lake, to name a few.

- The launch of Zinc City was featured in prominent newspapers and portals such as PTI News, The Week, Rajasthan Patrika, Manufacturing Today, India CSR, to name a few
- Communicated the impact we have made on everyone residing in Zinc City. Notably, our partnership with Government of Rajasthan has established the 1st Sewage Treatment Plant (STP) under the Public-Private-Partnership (PPP) model in Zinc City, showcasing our commitment to water conservation
- Our audience come from different walks of life, ensuring that our messaging reaches on a large scale

Through a strategic fusion of communication with our flagship projects, sustainability & community building initiatives, and cultural events, we have achieved significant engagement and positive impressions, reinforcing our role as a catalyst for positive change.

485,162 followers

Across different social media handles - Facebook, Twitter, LinkedIn and Instagram, Hindustan Zinc has an active follower base

289,133 on Facebook

164,599 on LinkedIn

21,896 on Twitter

9,534 followers on Instagram

as on March 31, 2024

- In FY 2023-24, through efficient communication, we witnessed a tremendous increase of 122% on YouTube viewership and 11% followers' growth on Facebook. This is a great indicator for us of how Zinc City is accepted. Going forward, we intend to integrate this into our core fabric so that Zinc City - Udaipur is globally known for the deep-seated mineral existing here, and the way our zinc will be playing an essential role in a safe, smart and sustainable tomorrow

Life at Zinc City

SOCIAL – HUMAN RESOURCES

Forging Ahead through an Engaged Workforce

Our workforce is key to executing our strategy of securing our goals and business growth. By providing them with an enabling and performance-driven workplace, protecting their interests and well-being, and supporting their growth and development, we are shaping a future-ready organisation. Our pioneering efforts in diversity & inclusion, and empowering our people through HR digitalisation, propel our journey of innovation, excellence, and sustainable long-term growth.

MATERIAL THEME

- Community engagement & development
- Healthy, safety & well-being
- Talent attraction & retention
- Diversity, equal opportunity & inclusion
- Risk management & controls
- Data privacy & cybersecurity
- Labour practices
- Learning & development
- Innovation R&D
- Pandemic response & preparedness
- Human rights

ALIGNMENT WITH STRATEGIC PRIORITIES

S4 Strengthening cost leadership

S5 Progressing towards a sustainable future

CONTRIBUTION TO SDGs

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES

I firmly believe that nothing is more crucial than recruiting and developing talent. Our emphasis is on people, not just strategies. We strategically prioritise enhancing workforce effectiveness through dynamic management of employee skills. We're dedicated to nurturing talent, ensuring every individual feels valued and empowered to contribute to our collective success. Moving forward, our focus is on preparing the workforce to take greater accountability and lead business transformation. We're committed to fostering long-term workforce resilience and accelerating progress on Diversity, Equity, and Inclusion goals. Our overarching people strategy is to build a fit-for-the-future organisation supported by functional effectiveness.

Munish Vasudeva
Chief Human Resources Officer

KEY PERFORMANCE INDICATORS*

Employees

2,805
Permanent employees (Executives)

Workers

759
Permanent workers (Non-Executives)

20,232
Other than permanent workers (contractual workforce)

51.3%
Local Employment

36.2%
Local Employment in senior management at sites

21%
Women in EXCO**

56%
Board diversity

22%
Women in executive workforce

15,264
Training man-days for executives' skill upgradation

54%
Engineers

10%
MBAs & Chartered Accountants

11.7%
Attrition rate among executives

31.2 years
Average age of executive workforce

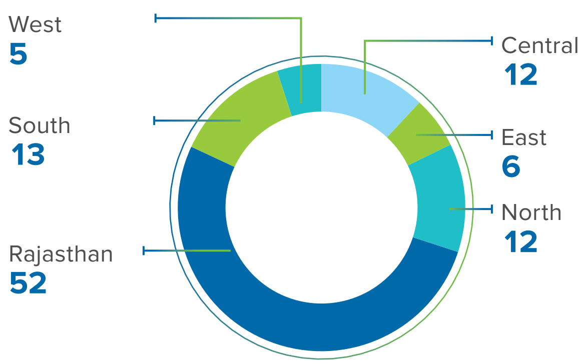
5.4
Average training man-days per employee

21%
High potentials (HiPo)

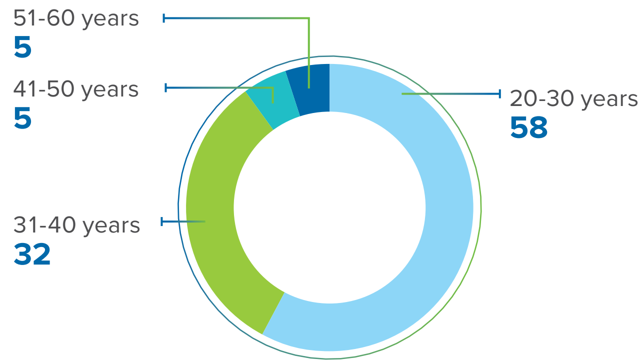
*% of the executive workforce as on March 31, 2024

**including invitees

Regional diversity* (%)



Age diversity* (%)



*Data pertains to Executives

HR FOCUS AREAS

Performance-driven culture

- Nurturing employees
- Building a growth mindset
- Providing opportunities and resources
- Appropriate performance differentiation

Rewards and recognition

- Comprehensive reward strategy, aligned with business strategy
- Equity and fairness

Internal talent development

- Talent management and leadership development
- Disruptive approaches to realise our business goals
- New-age tools like gamification for identifying and nurturing talent

Employee engagement and well-being

- Programmes addressing all wellness aspects
- Career development and healthy work-life integration for holistic wellness
- Employee Engagement Survey by Great Place to Work, with a rise in score from 71 to 85 over last 5 years
- Well-equipped facilities for superior quality of life
- Channels for meaningful dialogue and collaboration
- Internal and external recognition platforms

THE RESULT:

- Engaged and motivated employees eager to scale new and higher milestones
- Leveraged people initiatives to achieve highest ever production with sustained cost reduction, during the year
- Bestowed with external recognitions from renowned bodies like 'Best Employer in India' by Kincentric

HUMAN RESOURCE PRACTICES AT HINDUSTAN ZINC

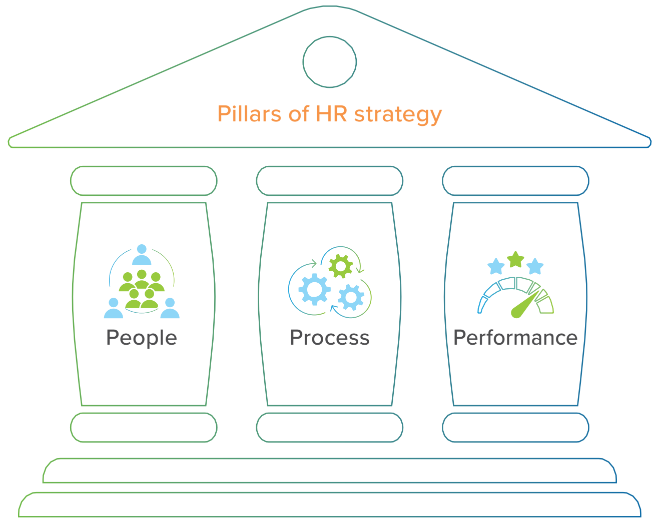
Our Vision

Our HR vision is to develop our PEOPLE, PARTNERSHIPS, and to build a FUTURE-READY organisation

Our Philosophy

Our HR philosophy is inspired by the belief that people are at the centre of our growth strategy. It is led by our vision to be the most admired employer brand where every employee can openly engage within the organisation with a clear sense of ownership and develop in a high-performance environment to serve as our best brand ambassador.

Our HR Strategy



What do we aim for?

- Cultivating a robust HR framework, rooted in meaningful people engagement. This is founded on our understanding of their technical, functional and behavioural needs as well as managerial and leadership aspects to nurture their overall growth
- Focus areas of HR strategy: organisational design, talent empowerment, digitalisation and harmonious industrial relations

Our strategic response

- Scientific practices to recruit top talent
- Talent retention through continual nurturing, performance differentiation and diverse avenues for growth, progression and rewards
- Programmes for holistic employee development and well-being
- Focus on diversity, equity and inclusion (DEI)

Our HR framework

1. Right management in place (MIP)

- Strong leadership bench
- Empowered business units
- Experts and expats hiring
- Talent growth ecosystem

2. Talent churn

- V-Desire
- Emerging leaders
- V-Campus
- Business and technical ACT-UP
- V-Build workshop
- Management ACT-UP
- Star performer of the month
- Job rotation and internal job postings (IJPs)
- Cross-functional opportunities
- Talent Review Council with 360° feedback including friends and family

3. Driving DEI

- Progressive parenthood policies
- Revamped maternity policies
- Project Panchhi
- Zinclusion - diversity beyond gender
- Winspire - she is the inspiration
- Overcoming unconscious biases
- ESG goal of 30% gender diversity by 2030
- Building an inclusive workplace
- First women mine managers and all-women mine rescue team

4. Engagement with a purpose

- Young Leader's Forum
- Emerging Leaders Workshop
- Collaboration and team synergy workshops
- Engagement with purpose ensures open dialogue to inculcate mutual respect
- Employee well-being and assistance programmes (EWAP)

5. Capability building

- Leadership development programmes from premium institutes
- Mining Academy
- Work integrated learning programmes (WILP)
- Benchmarking visits
- Cross-business learning
- Individual development plans (IDPs)
- Leadership coaching
- Aligned practices to drive productivity
- Skill development
- Dronas - HZL Trainers Community
- YuvaGuru - The Reverse Mentoring Program

6. Digital and automation maturity

- Unified HRMS - enhancing productivity, engagement and employee experience through digitalisation
- Virtual reality-based simulator training
- Digital Learning Academy - UDAAN, Leadership+ and LAP (Leadership at the peak)

NURTURING DIVERSITY, INCLUSION AND EQUITY

We are committed to promoting diversity within the organisation, among our business partners and in the larger communities we collaborate with. At the workplace, we proactively aim to achieve workforce diversity, recognising its pivotal role in driving high performance. To this end, we have prioritised achieving gender parity, ensuring equal opportunities and representation for employees across genders and hierarchical levels. The commitment extends right from senior leadership and decision-making bodies to enabling functions. Our efforts are manifested in our unique and vibrant talent pool, comprising people from diverse geographies, minorities, ethnicities and cultures.

Furthermore, we continuously strive to reinforce our position as an equal-opportunity employer in terms of career growth and reward structure. Our organisation's cultural ethos provides for individuals to stay comfortable in their own skin and an ecosystem to thrive. We are fostering an LGBTQ+ friendly workplace and ensuring their inclusion through role identification, sensitisation, creation of infrastructure and onboarding talent. 16 transgender employees are now proudly engaged in front-end roles like health care, marketing and supply chain, making valuable contributions. We are also exploring partnerships with academia, Development Organisations and other institutions to advance our mission of promoting diversity of thought amongst our workforce.

No Questions Asked policy

Industry-leading people-first policy

ZINCLUSION: Embracing Differences

#ZINCLUSION EMBRACING DIFFERENCES

Zinclusion is an organisation-wide initiative to embrace diversity in all forms, including the LGBTQ+, differently abled individuals, and people from different geographies and ethnicities. Our goal is to create a safe and welcoming workplace for all employees to be themselves, and ensure equal opportunities for advancement regardless of sexual orientation or gender identity. Through Zinclusion, Hindustan Zinc strives to build a high-performing and innovative culture that thrives on the collective talent of its diverse workforce.

The objective: Combating discrimination, inequality and biases by creating a fair and just workplace that upholds human rights and values

The #Zinclusion logo depicts our inclusion for infinite forms of diversity in the workplace and beyond.

Pride Month celebration and Gender Reaffirmation Leave Policy launch

Hindustan Zinc is a progressive organisation, and FY 2023-24 marked a significant advancement in our journey of inclusion.

During Pride Month, we introduced an innovative Gender Reaffirmation Leave policy, offering 30 days of leave alongside financial assistance and medical coverage, supporting gender reaffirmation. Additionally, we emphasise on providing an inclusive ecosystem beyond workplace by hosting interactive sessions for employees and their families to celebrate and honour the LGBTQ+ community, providing a platform for open dialogue, and education on LGBTQ+ issues. Esteemed guest speakers, including renowned activists such as Laxmi Narayan Tripathi and Ella D' Verma, contributed valuable insights and experiences, enriching our discussions on inclusivity and empowerment.

Pride month celebration with Ella D' Verma

Progressive Parenthood Policies

Our Parenthood & Childcare Policy emphasises inclusiveness, diversity, equity and belongingness. The policy recognises parenthood as not just a break from service but an important phase of life. It aims at providing equitable workplace support to all parents irrespective of their gender or sexual orientation through inclusive childcare. As part of this policy, we have introduced various industry leading practices in the Company. These include flexible working hours for expecting mothers, sabbatical leave with an option for flexible working hours and career assurance that protects performance ratings during maternity leave. Other key practices include adoption leave to new parents including LGBTQIA+ and single parents, maternity leave and paternity leave, medical insurance coverage and crèche facility at each location.

Policy announcement for single parents and LGBTQIA+ employees

Revolutionary parenthood policy for new mothers

SPARKING A MOVEMENT

Hindustan Zinc's revolutionary diversity and inclusion initiatives have not only transformed its workplace culture but also inspired other organisations to follow suit, ultimately leading to a well-deserved recognition at the 3rd National Transgender Awards, known as "Ardhnarishwar". The accolade exemplifies our commitment to creating a truly inclusive work environment under the umbrella of our flagship initiative #Zinclusion, focussing on combating discrimination, inequality, and biases.

Hindustan Zinc recognised at National Transgender Awards

#Winspire: She is the Inspiration...

Winspire
She is the Inspiration

On International Women's Day, over 150 women in leadership roles from Vedanta's diverse business units gathered for "Winspire", an empowering event focussed on inspiration and growth.

Guided by Hindustan Zinc's Chairperson, Ms. Priya Agarwal Hebbar, and joined by Mr. Arun Misra, CEO of Hindustan Zinc, the occasion celebrated the resilience and determination of women fuelling the Company's progress. Ms. Mithali Raj, former Indian Cricket Team captain, shared her inspiring journey, encouraging attendees to break barriers in traditionally male-dominated fields.

Additionally, leaders engaged with the "Women of Valour", India's first all-women underground mine rescue team, further emphasising the importance of women's roles in diverse industries. The 150 women brainstormed to ideate and engaged with the leadership sharing their growth journeys to be the next CXOs.

Also, a select group of women employees had a unique opportunity to experience the role of CXOs for a day by shadowing them. This initiative not only provided a fresh perspective but also highlighted our commitment to nurturing and promoting women leaders within our organisation.

> **Hindustan Zinc doesn't just preach inclusion; it embodies it, fostering a culture where talent thrives regardless of background. Its robust talent management programmes set a high industry standard. I've flourished here, spearheading flagship initiatives like ZINCLUSION and WINSPIRE. Hindustan Zinc exemplifies how a stellar organisation can elevate its people and achieve remarkable success.**
>
> **Roohi Sherwani**
> Lead - Talent Management

In an industry-defining initiative, Hindustan Zinc trained India's 1st ever all-women mine rescue team, dedicated to ensuring utmost safety maintenance in mining operations. This one-of-its-kind initiative aligns with our sustainable development goal of zero harm in operations.

The rescue team, comprising seven women officers, received base training at Rajpura Dariba Complex's RRRT centre followed by a 14-day specialised training at Mine Rescue Station, Nagpur. The team went through preliminary tests, requiring members to compete in basic surface/underground mine emergencies. Key areas covered in the training encompassed techniques to deal with emergency scenarios, administering first aid, technician test, theory exam, self-rescuers, fire types and its extinguishing methods, mine gases and emergency response, etc.

International Women's Day post on the all-women underground mine rescue team

Diversity in hiring

We prioritise diversity and merit-based selection processes in our hiring practices, firmly establishing ourselves as an equal-opportunity employer. Through concerted efforts, we continually set new standards, driving positive change and innovation in the mining industry. Striding ahead on this journey, we have amplified focus on recruiting from diverse talent pools, particularly among campus hires, aiming to maintain a 50% ratio of women leaders. Empanelment of all-women colleges has been a key step towards this.

Our recruitment strategies foster equity and inclusion in the true sense, where we onboard talent from diverse backgrounds, such as ex-veterans and expats, and also ensure diversity across all regions, communities, and cultures. We place these talents in front-end roles across various functions, ensuring their meaningful participation and contribution to organisational success.

Hindustan Zinc has made significant progress in promoting diversity, equity and inclusion in the last five years. From 12% in 2019, our gender diversity has increased to 22% in FY 2023-24, with 16 employees in the LGBTQ+ category and 21% women in Executive Committee. Continuing our DEI journey, we are now aiming and progressing towards a futuristic vision in alignment with our ESG goals to reach 30% gender diversity by 2030.

Winspire, an event where 150 women leaders discuss inclusion, leadership and breaking stereotypes

INSPIRING EXCELLENCE WITH TALENT DEVELOPMENT

Leaders Unplugged

Leaders Unplugged is a pioneering initiative inviting industry leaders and change-makers from across the nation for organisation-wide sessions, brimming with thought-provoking insights, personal anecdotes, invaluable expertise, and visionary leadership. This initiative serves as a platform for showcasing life journeys, experiences, and success stories, providing invaluable inspiration for all involved.

These events catalyse inspiration and growth, offering employees an exceptional opportunity to interact with the industry stalwarts. Site visits by the Group's esteemed Vice Chairman, Hindustan Zinc's Chairperson, CEO and EXCO have further enriched this initiative, amplifying its impact as a dynamic forum for ideation, dialogue, addressing concerns and talent recognition. It further serves as a transparent platform, providing a conducive environment for nurturing and motivating emerging talent, thereby fostering a culture of collaboration and shared success within our organisation.

Yuva-Guru

We have introduced an innovative learning approach with the launch of the 'Yuva-Guru: Reverse Mentoring initiative', a platform that facilitates a dynamic exchange of knowledge and insights between different generations.

The programme is tailored to focus on key themes such as 'digital trends of today', 'wellbeing for today's workforce', and 'being a social media inspirational leader'. Through this initiative, we aim to empower senior leaders with the latest trends while fostering a two-way conversation that allows younger employees to better understand leadership roles. In Phase 1, we have institutionalised reverse mentoring as a concept for our Executive Committee members and other key leaders as senior mentees, who were paired with vibrant and energetic Gen Z junior mentors, who have joined us within last 3 years.

This initiative not only enhances their capabilities but also sparks fresh ideas, promoting unconventional approaches towards creating a progressive and inclusive organisation.

Robust leadership bench strength

Employee growth and development are a priority at Hindustan Zinc, especially the focus on building leaders for tomorrow who can steer the Company to newer heights. We achieve this through comprehensive talent management interventions, aimed at enhancing safety, technical and business excellence besides behavioural and leadership skills.

Our leadership efforts are designed to promote young talent internally by identifying 'stars', investing in their development early on and providing them with growth platforms. Various interventions have been deployed towards this including the Chairman Workshop, V-Desire, V-Campus, V-Build and CEO Connect, among others, catering to different target groups. Through this, we create an empowering environment, enabling them to unlock their potential alongside opportunities to showcase their potential and talent to lead in various business positions and cross-functional roles.

With the objective of having a strong leadership pipeline, the organisation has a robust succession planning programme to identify the second line for each key/critical role. High potential incumbents are identified through rigorous process and provided anchorage by experienced leadership of the organisation before they take up elevated role in any of the business locations. The successor is identified on a 3-level scale of 'Ready Now', 'Ready in 6-12 months' or 'Ready in 12-18 months'.

For individual contributors and entry-level employees, we deploy various learning interventions to enhance their technical and safety skills, drive process excellence, gain business insights and increase quality consciousness. We also focus on improving their communication skills, resilience, responsible behaviour and result orientation, besides practicing teamwork and collaboration. The Company provides them with various opportunities and training through online and offline modules for self-development.

Talent review council (TRCs)

We have established central and site-level TRCs aimed at people development, building an ownership mindset and improving talent churn. This is achieved through identifying structured learning journeys and career paths for the talent pool, which the Councils review quarterly. The TRC is chaired by the Chief Executive Officer (CEO), Chief Human Resources Officer (CHRO), Chief Financial Officer (CFO), IBU CEOs and respective Management Committee (ManCom) members. It covers all high-potential leaders, critical position holders and key women leaders within the organisation.

We have successfully identified 200+ leaders and 100 qualified, high-potential and hard-working women across Hindustan Zinc. Their professional journey will be closely anchored and monitored by the CEO through the TRC and initiatives like V-Build, Leaders unplugged, Zinclusion, Emerging leaders, etc.

Additionally, we have introduced a 360-degree feedback survey this year, which captures the feedback from managers, stakeholders, and colleagues, including friends and family for a holistic understanding of the developmental areas.

Emerging leaders

Our 'Emerging Leaders' forum serves as a platform for closed group discussions with the senior leadership during the year. The primary aim of these discussions is to identify emerging leaders having the potential to become future leaders of the organisation. These leaders are offered the opportunity to assume deputy roles for critical positions, allowing them to widen their perspectives and contribute to a stronger leadership bench. Anchored by the CEO and other EXCO members, the initiative forms an integral part of our overall development programme.

Accelerated Competency Tracking and Upgradation Programme (ACT-UP)

ACT-UP is a flagship programme aimed at identifying and skilling talent to build a pool of effective leaders who will drive future growth. This is ensured by encouraging talent to realise their potential, build competencies and provide them with opportunities for professional and organisational growth.

The programme involves rigorously assessing shortlisted talent in partnership with leading consulting firms like Korn Ferry etc., instrumenting evaluation of their potential on the Group's technical and behavioural competency framework. This helps identify fast trackers and high potential (HiPo) executives including 'Stars of Business', and 'Technical Stars'. We further integrate advanced technologies to enhance talent assessment and identification processes. These individuals are acknowledged, entrusted with expanded responsibilities, and they need to undergo structured development through personalised Individual Development Plans (IDPs) and continuous mentorship from assigned anchors.

Job rotations and internal job postings (IJPs)

We are committed to nurturing the internal talent pool for future leadership roles. To realise this vision, employees must gain exposure and hands-on experience across diverse functions and roles throughout the organisation. Our job rotation and Internal Job Posting (IJP) policies are key enablers of this. Through these initiatives, we provide employees with diverse learning opportunities to engage in diverse business functions, locations, and with various stakeholders. Additionally, they are guided through different aspects of business operations. Our philosophy of rotation encourages movement across 3 businesses, 3 locations and 3 roles in the career span of an employee.

> **As a young talent, I've thrived in this organisation, rising swiftly to HR Head of Sindesar Khurd Mine, the second-largest silver-producing mine globally. Hindustan Zinc truly practices what it preaches in developing leaders from within, evident in its dedication towards internal talent development. I'm excited to keep growing and contributing to this incredible organisation, guided by the motto #DeshKiZarooratonKeLiye.**
>
> **Satyjyot Kaur**
> Unit HR Head, SKM

PRIORITISING CAPABILITY BUILDING

Strategic alliances for professional development

Work Integrated Learning Programmes (WILPs) is one of the flagship programmes at Hindustan Zinc, providing our working professionals an opportunity to pursue higher degrees while they work. Towards this, we have partnered with premium institutes like IIM Udaipur and BITS Pilani to offer professional degree courses designed with a focus on facilitating industry practices. This not only helps enhance the skills of our people but ensures their future readiness.

Our leaders and first-time managers enrol in the CII Leadership programme, and various other coaching and management development programmes with premier institutes like ISB, ISM, IIM Ahmedabad, and NIT Rourkela, for their holistic development. The Company also provides a coaching programme for the leaders, where they are assigned external coaches for the overall development of their leadership traits.

Dronas: HZL trainers community

In our industry, the implementation of tailored training programmes holds paramount importance for the seamless operation of our business. Leveraging our internal talent, which comprises subject matter experts (SMEs) adept at navigating the intricacies of our field, we effectively mentor and guide emerging leaders and newcomers to the industry. With a focus on cultivating and disseminating specialised skills pertinent to the mining sector, we are committed to ensuring the continuous growth and proficiency of our workforce.

In the same lines, we unveiled "Dronas - HZL Trainers Community" in FY 2023-24. This initiative acknowledges the invaluable contributions of trainers who tirelessly enhance the skills and knowledge of their colleagues. We proudly recognised 100 exceptional Dronas this year who have dedicated a remarkable 5 person-days or more towards structured training within the organisation with the objective of:

- Promoting internal leaders as trainers, developing their leadership skills and sharing knowledge with others
- Fostering learning culture and driving change
- Helping drive training governance

Their invaluable contributions have not only elevated the skills and knowledge of their peers but have also served as a profound source of inspiration to all of us.

Value Champions

We are committed to achieving our organisation's bigger purpose in alignment with our focussed vision and mission. We always endeavour to create a dynamic workplace, based on the highest standards of ethics and conduct in line with the Group's core values.

In FY 2023-24, we entrusted a significant responsibility to our leaders, as **Ambassadors and Champions of the Core Group Values**. Their role will be pivotal in reinforcing this commitment, amplifying our dedication to continued excellence, innovation and sustainability in our quest to be the most preferred and admired employer brand.

As people are the driving force propelling our growth, their commitment to aligning with the organisation's values will reinforce our culture of integrity, and contribute to the attainment of our strategic objectives.

Digital learning initiatives

Expanding our digital footprint in the mining industry embodies our core philosophy of delivering smart outcomes. As part of this, we launched the in-house developed 'HZL Mine to Metal' e-modules, leveraging technology to promote digital learning through the MPower learning portal of Darwin Box.

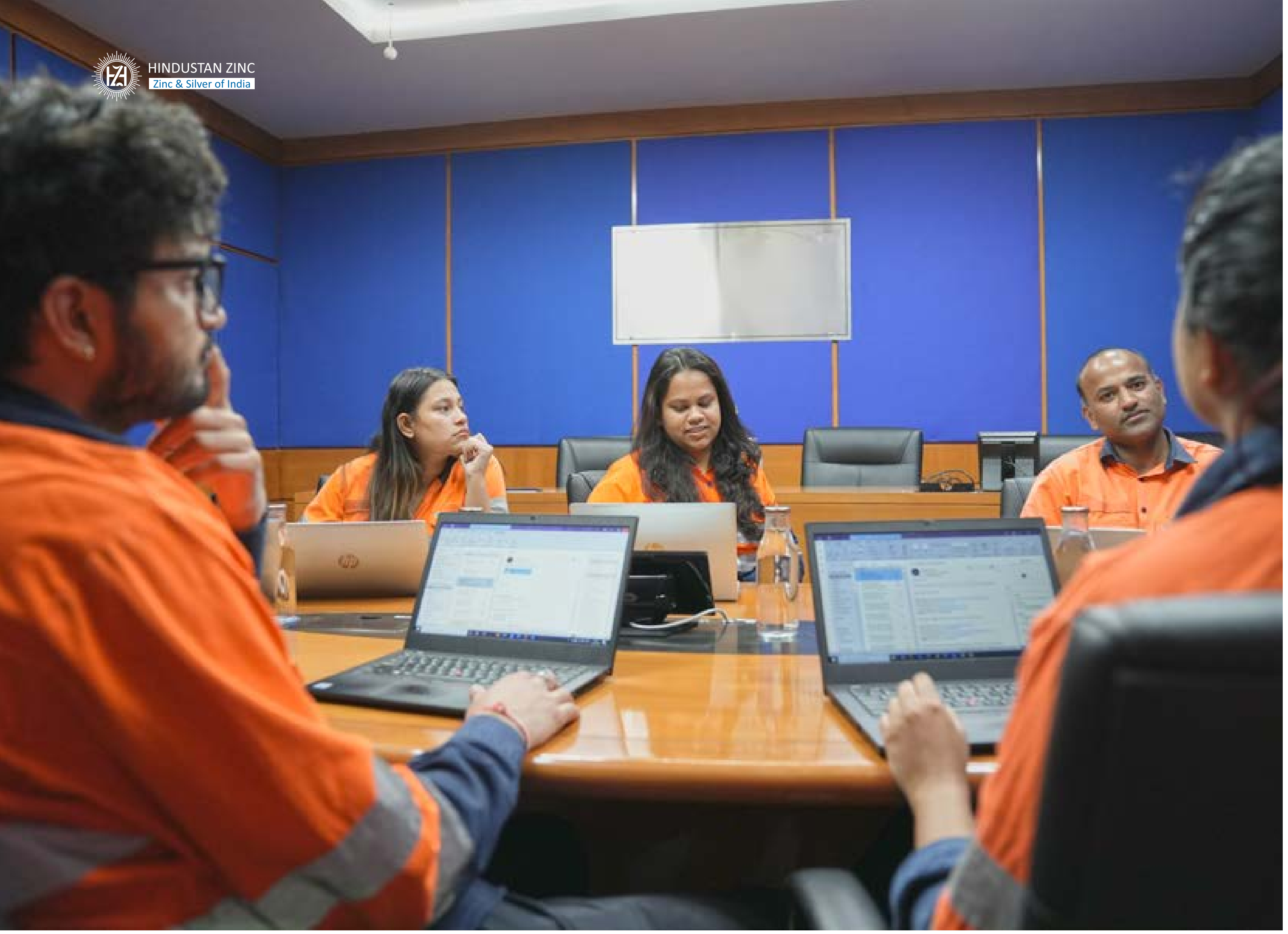
We have also launched three digital learning initiatives targeting 20 digital learning hours per individual per annum. These initiatives, namely 'UDAAN', 'Leadership +' and LAP (Leadership at the Peak) cater to senior leaders and mid-managerial levels. They serve as a structured personal development programme (PDP) on digital learning platform- 'Learning Campus', designed to enhance managerial and analytical skills.

These initiatives are part of a series of programmes on 'Learning Campus' to build a smart, future-ready learning organisation. We aim to cultivate a conducive learning environment, where speed (content at your doorstep), flexibility (available 24x7) and convenience (any device approach) are ensured for optimal learning experiences.

A 30-minute mandatory digital learning module focussing on Diversity, Equity, and Inclusion (DEI) was introduced, acknowledging its essential role in cultivating a workplace culture where every voice is valued, every perspective matters and every individual is allowed to thrive.

In FY 2023-24, Hindustan Zinc achieved an outstanding milestone in digital learning, totalling 16,000 hours, which is the highest ever. This reflects the dedication of our employees to embrace digital learning opportunities and the effectiveness of these methodologies in enabling continuous improvement and professional development.

Ambavgarh Dialogue in #ZincCity, where our technical and business leaders exchanged insightful ideas with CEO Arun Misra and ExCo members



PERFORMANCE MANAGEMENT

Building high-performance organisation: Quality of KPIs

We are committed to a performance-driven culture. Building on this journey, we made significant advancements in aligning individual efforts with our overall vision during FY 2023-24.

To ensure the effective cascading of impactful key performance indicators (KPIs) throughout the organisation, we conducted a series of "Quality KPI Workshops" for managers. Titled "Re-crafting KPIs for Excellence" and aligned with our "One Team - One Goal" philosophy, these workshops equipped leadership with the tools to re-assess team KPIs through the lens of ESG, core roles, enablers, self-development, and value-added projects. This comprehensive approach not only fostered collaboration but also team building.

Over 200 plus managers across the organisation were empowered through a “Constructive Feedback Workshop” on giving constructive feedback to their direct reports, as a critical step towards optimising both individual and collective performance to ensure quality & continuous feedback for individual’s growth.

REMUNERATION GOVERNANCE PRACTICES

Remuneration philosophy

We strive to create a work environment that prioritises employee well-being and encourages entrepreneurship. Trust and a sense of purpose form the foundation of this culture, helping drive both productivity and profits and propelling the interests of both the Company and its shareholders.

Our remuneration philosophy promotes a ‘Pay for Performance’ culture, aligning rewards with business priorities and enabling holistic employee value proposition capturing the purpose with which our employees are aligned. All reward schemes are perfectly aligned with this culture. Our executive compensation emphasises operational/financial fundamentals, social responsibility and business sustainability, aiming to create wealth for all our stakeholders.

Recognising the importance of differentiated rewards and growth, we champion talent development through various initiatives. High-potential employees benefit from enrolment in fast-track programmes, alongside being incentivised with market-competitive monetary and non-monetary rewards for exceptional performance. Additionally, stock options and long-term incentive schemes are offered to identified talent, fostering a long-term commitment to the Company's success. Our differentiated rewarding efforts underscore our belief in recognising and nurturing exceptional talent, ensuring a pipeline of future leaders who will drive our continued growth.

Performance orientation

At Hindustan Zinc, a performance-driven culture is key to our ability to continually set newer benchmarks in operational excellence and industry-leading growth. We accomplish this through an emphasis on business planning and defining key performance indicators (KPIs) alongside continually monitoring the progress through our robust performance measurement mechanism.

All our Executives including CEO and Executive Committee members’ performance-based compensation is determined through a combination of the Company’s operational and financial results besides non-financial indicators such as leadership, progress on strategic goals, and contribution to sustainability performance. Inclusion of ESG including climate related issues, risk and compliance metrics as mandatory goals for all employees including CEO and embedded in the reward schemes, focussed on achieving ‘Zero Harm, Zero Waste, Zero Discharge’. Sustainability KPIs like climate-related issues, carbon footprint, risk management form an integral performance parameter aligned with our Sustainability Goals 2030.

- Industry-benchmarked executive remuneration with a focus on business delivery; this is reviewed annually by the Nomination and Remuneration Committee (NRC) whose composition is compliant with listing regulations with a majority of Independent Directors including the Chairperson
- Annual performance bonus also known as short-term bonus based on a balanced scorecard (financial, operational, sustainability and strategic metrics) with appropriate weightage for people and individual performance. The ESG Component in the Annual Performance Bonus constitutes a variable portion of every employee's annual pay, directly tied to the Company's sustainability performance
- Conditional Long-Term Incentive Plan based on a 3-year business and individual performance against pre-determined criteria. Sustainability KPIs covered under the VSAP including climate related issues such as carbon footprint, form an integral performance parameter aligned with our Sustainability Goals 2030
- Multiplier concept in the rewards programme to reinforce positive behaviour, whereby superior individual and safety performance leads to a positive multiplier on the annual bonus of all employees, while the contrary results in a negative multiplier
- Voice of the stakeholders: Employees from diverse functions get involved in policy formulation each year and expert independent consultants are engaged to advise and support the Committee on Board evaluation and best reward practices
- Robust governance practices with comprehensive vigilance, accountability and commitment to integrity and the highest standards of compensation and remuneration practices, helping continuous improvement in reward practices
- Timely risk assessments of remuneration policies for consistency with the stated rewards philosophy, along with:
  - Simulation of the long-term cost of reward plans and their return on investments (ROI)
  - Set upper limits and caps on incentive pay-outs to prevent windfall gains on over-achievement of targets
  - Inclusion of clawback clause in annual bonus and long-term incentive scheme
  - Maintaining equity in pay with continual legal and ethical compliance checks

QUALITY OF LIFE

Employee well-being and assistance programme (EWAP)

EWAP is designed to promote employee well-being through early identification and resolution of mental stressors in their personal and professional lives. Dedicated to fostering employee well-being and mindfulness, Hindustan Zinc partnered with mental wellness professionals and trained psychologists to offer 24x7 confidential counselling services to employees and three dependents along with support for diet and nutrition, legal and financial matters. Monthly webinars are also conducted on varied topics. In FY 2023-24, 36 such webinars were conducted by experts, helping employees gain valuable insights on well-being. Additionally, a week-long drive of on-site wellbeing sessions was organised across locations, engaging 500+ participants.

We also hosted on-site sessions for the #ZincParivar community across units. These sessions included a range of activities, such as group discussions on achieving work-life balance, movement therapy, stress management techniques, education on various types of stress, and insights into the Employee Well-being & Assistance Programme (EWAP) services available for our Zinc Parivar. The primary goal of these sessions was to highlight the importance of mental and physical well-being and to encourage individuals to prioritise self-care. We urged everyone to actively engage in the sessions and to make use of the app for themselves and their loved ones.

Across the Company, we have well-equipped sports facilities in our premises. Mega tournaments such as Dariba Premier League, Agucha Football Tournament, Chanderiya Badminton & Table Tennis Championship, Debari Volleyball Championship, etc., are also part of our engagement activities. There are clubs at every township location which also have gyms, courts, garden areas, indoor and outdoor sports facilities available for the employees and their families.

Grievance and feedback mechanism

We have automated the procedure for capturing and redressal of grievances. An online query management system is used by employees to raise queries.

561	561
Queries/ Grievances Raised	Queries/ Grievances Resolved/Closed

(During FY 2023-24)

MAINTAINING CORDIAL LABOUR RELATIONS

We have a workers' union across each location affiliated with the Indian National Trade Union Congress (INTUC) and recognised by management. At the corporate level, we have the Hindustan Zinc Workers' Federation (HZWF), constituted on October 23, 1982, and subsequently recognised by the Company vide letter dated November 27, 1982. Comprising core members from recognised unions across locations, HZWF is the sole negotiating agent for workers at the apex level. HZWF operates under the dictum that 'If the Company grows, our growth will be taken care of'.

The Federation/unions discuss various workmen matters including service conditions, wages and benefits and policies at both the unit and corporate levels. These discussions aim to resolve matters through dialogue and mutual consideration. All executive members of the Federation, either current or former company employees, represent the recognised unions in their respective units. They collaborate with management to decide strategies for dealing with employee issues.

We have multiple bipartite forums across locations, like Joint Consultation Committee, Welfare Committee, House Allotment Committee, Safety Committee, Canteen Committee and Transport Committee. These committees, having equal representation from the management and the union, handle all matters of workmen.

HR DIGITAL TRANSFORMATION

In an era defined by rapid technological advancements, Hindustan Zinc has embraced the imperative of HR digital transformation with unwavering resolve. As a cornerstone of our organisational strategy, the integration of digital solutions within the HR landscape has not only revolutionised processes but has also redefined the very fabric of employee engagement and organisational efficiency.

Launching a unified HRMS platform

Digital transformation is all about learning new practices, unlearning old practices and going through a transition journey together. At Hindustan Zinc, we launched a unified HR Management System (HRMS) platform to streamline end-to-end HR processes across all our group companies. With its easy-to-use mobile-first interface, we aim to enhance the agility, efficiency, effectiveness, and connectivity of our HR function.

The platform will help bridge the gaps in employee experience, ensuring a more seamless HR interaction. Moreover, it will contribute to our vision by establishing a robust employee data infrastructure and utilising analytics to make informed people decisions. We are also excited about the business partner module, which will nurture strong business partnerships.

Comprehensive digitalisation efforts

In our commitment to comprehensive HR digitalisation, we have adopted a holistic approach toward transforming every facet of the HR ecosystem. From talent acquisition to employee life cycle management, learning and development to rewards and recognition, attendance management to statutory and workforce compliances, every aspect has been digitised and optimised for efficiency. This not only streamlines operations but also fosters organisation-wide culture of innovation and collaboration.

Key measures undertaken towards ensuring the success of our digital transformation journey include:

- **Strategic alignment with business objectives:** Human capital drives sustainable growth, and we have integrated digital initiatives into our strategy to complement and enhance it. By aligning HR processes with our mission and vision, we ensure that every digital transformation endeavour catalyses the achievement of strategic milestones and enhances organisational agility.
- **Maturity and adoption of digital modules:** Through rigorous implementation and continuous refinement, we have elevated digital HR solutions into indispensable components of daily operations. Every employee seamlessly interacts with digital platforms, leveraging advanced features to enhance productivity, collaboration, and decision-making.
- **Enhanced user experience and data-driven decision-making:** We have prioritised usability, accessibility and functionality to ensure that our digital HR solutions exceed employee expectations. The integration of advanced analytics capabilities empowers top management with actionable insights, enabling data-driven decision-making and strategic foresight. Real-time analytics help leverage data to anticipate trends, mitigate risks, and capitalise on opportunities, thereby driving continuous improvement and competitive advantage.

Enhanced user experience and data-driven decision-making

Our HR digital transformation journey epitomises synergy between technological innovation and strategic vision. By aligning digital initiatives with business objectives, adopting a comprehensive approach, and prioritising user experience and data-driven decision-making, we have elevated the role of HR as a strategic function in driving organisational success. As we continue to pioneer innovation and excellence, our HR digitalisation efforts will help shape the future of work and support sustainable growth.

Since 2004, I've been with Hindustan Zinc, embodying unforeseen possibilities. The company sets itself apart by nurturing women professionals through initiatives like V-Reach and Emerging Leader. As Deputy CHRO, I champion business partner management, skill acquisition, and gender diversity, aligning with the Company's vision. Hindustan Zinc serves as both a workplace and a platform for realising aspirations.

Mamta Sharma
Dy. CHRO, CLZS & CHRO - Fert. Busi., HZL

HONOURING ACHIEVEMENT IN HR EXCELLENCE

- ★ Recognised as the Best Employer in India by Kincentric for second time in a row and also honoured a presence among the Best Employer Club
- ★ Honoured with 'Leadership in HR Excellence' at the 14th CII National HR Excellence Awards, achieving a score of over 600
- ★ Won the prestigious People First HR Excellence Awards 2023 in the categories of "Leading Practices in Talent Management" & "Leading Practices in Employee Relations (Industrial Relations)". Also, three of our HR Leaders were awarded 'Leading Minds in HR' award by People First HR Excellence Leaders
- ★ Outstanding results on HR scorecard, securing the top ranking across all group companies, leading in the key areas of performance management, learning and development, business partner management and employee engagement
- ★ 'A' rating in HR & Payroll Audit for the 4th time in a row, reaffirming the sustenance and robustness of our processes

PROTECTING HUMAN RIGHTS

Our approach

Respecting the fundamental rights of people is central to our business ethos. We ensure this with our human rights policy, aligned with the United Nation's Guiding Principles on Business and Human Rights. We strictly pursue this policy, helping prohibit forced labour, including our operations and our supply chain.

Additionally, we have integrated a mandate into our business ethics and corporate Code of Conduct. This helps protect the fundamental rights of all direct and indirect employees, business relationships, supply chain partners, and communities directly or indirectly affected by us. This mandate explicitly communicates our expectations to business partners relating to compliance with relevant legislation and our policies in all operations for or on behalf of Hindustan Zinc.

As per the Company's Human Rights Policy, Hindustan Zinc is committed towards all employees and contractor workforce and ensures that they are fairly and equitably paid. The remuneration structure is compliant with statutory obligations of the jurisdiction in which we operate.

Commitment to address human rights exposure

We recognise the human rights risks with all aspects of our business and operations, including dealing with suppliers, service providers, clients and other stakeholders. We are committed to implementing programmes that address and protect the unique industry-specific human rights exposure as evident in the following actions:

- Adopting a comprehensive human rights policy, which defines our commitments and guiding principles, and also educating our personnel on these policies
- Establishing transparent procedures for tracking, evaluating and reporting human rights concerns and grievances
- Collaborating with impacted groups to safeguard their human rights
- Human rights due diligence to address and resolve all related issues in business activities
- Ongoing efforts to enhance our procedures and guidelines

Business and human rights practices at Hindustan Zinc

Equal opportunity policy

Our people philosophy is aligned with the Group's policies, valuing workforce diversity. We are committed to providing equal employment opportunities and fostering an inclusive and trust-driven work culture where all employees feel supported and are treated with respect, care, fairness and sensitivity. In our strive for equal employment opportunity, we uphold a policy of non-discrimination based on age, colour, disability, marital status, nationality, geography, ethnicity, religion, sex or sexual orientation. This ensures a harassment and bullying-free environment. This also helps achieve our priority of workforce diversity through a representation of all sections of society, empowering us to deliver better business outcomes.

Slavery and human trafficking

We are aligned with disclosure obligations under the UK Modern Slavery Act 2015, and ensure that neither our business nor our supply chain engage in any form of modern-day slavery. Stringent monitoring of all functions has ensured that none of our contractors, suppliers and business partners employ child, forced or trafficked labour.

Protecting labour rights

We respect our employees' rights to freedom of association, collective bargaining, and to freely join a trade union. We ensure all collective bargaining agreements are negotiated and agreed upon by the management and union representatives. These agreements include clauses relating to remuneration, allowances, working conditions, incentives and bonuses, including provisions for health and safety, manpower productivity, etc.

Environment management

Addressing environmental concerns is a priority at Hindustan Zinc. We adopt a precautionary stance by proactively identifying any soil and water contamination across our sites, undertaking responsible waste management, assessing environmental impact and implementing remedies. We further conduct systematic risk assessments of materials used and products and processes deployed.

Effective communication of human rights policy

We are committed to ensuring that our human rights policy and the importance of upholding it are understood by all our personnel and external stakeholders. We ensure this through organisation-wide open communication and regular updates. Greater effectiveness is ensured using appropriate communication techniques in the local language, including in-person meetings, emails, newsletters and other forms. Our robust mechanism ensures immediate notification of any changes or updates to the policy or procedures to ensure compliance.

Human rights due diligence

We use the United Nations Global Compact (UNGC) human rights self-assessment tool to identify human rights risks and analyse and update salient human rights. Any concerns identified during this due diligence process are promptly addressed through corrective and preventive action planning.

Also, in 2022, a Human Rights Due Diligence assessment was carried out by a 3rd party, across all the Hindustan Zinc units, for our employees, female workers, contract labour and local communities. The assessment report highlights the compliance of the Company in terms of ascertained human rights, and validates that no case of violation was observed.

Commitment to human rights integrity

All our personnel are expected to adhere to all applicable human rights laws and regulations as well as the principles outlined in the Universal Declaration of Human Rights. This includes the right to life, liberty, and security of a person, freedom of thought and expression, and freedom from discrimination. They are expected to advocate for and respect each other's rights, regardless of race, religion, gender, sexual orientation, ethnicity, age, or disability. We maintain zero tolerance for any form of harassment, abuse or discrimination, with appropriate actions for any breaches.

SOCIAL – HEALTH & SAFETY

Moving Responsibly Towards Zero Harm

The responsibility ethos at Hindustan Zinc encompasses the crucial aspects of health and safety. It extends to ensuring the protection and well-being of our employees, as well as our business partners and the communities around our operations. This ethos is embedded in the organisational fabric. It is aligned to our steadfast focus on minimising, and eventually eliminating, all adverse impacts of our operations on people within and outside the organisation.

Material Theme	Strategic Response	SDGs Impacted	Capitals impacted	Sustainability Goal 2025
Health, Safety & Well-being	**S5** - Progressing Towards a Sustainable Future	3, 8	Human Capital	Zero work-related fatalities and 50% reduction in total recordable injury frequency rate (TRIFR)

Vision

Hindustan Zinc is committed to achieving excellence in Health and Safety (H&S) management. Our goal is to ensure zero harm for all our stakeholders by eliminating unsafe work conditions either on-site or off-site.

TOWARDS SAFER & HEALTHIER ENVIRONS

Stringent compliance with the highest standards of Health, Safety and Environment (HSE) for our people and the society at large is a key strategic priority for us, at Hindustan Zinc. Forging responsibly ahead, we have made significant progress in our safety excellence journey - 'Aarohan', and will continue to strengthen the excellence parameters that are ingrained in it.

- Our corporate safety council, chaired by the Chief Executive Officer (CEO) and leaders from all verticals, governs the organisation's safety standards and procedures
- Oversee the effective functioning of corporate sub-committees and establishes a system to monitor the status of the safety management systems in order to achieve a world-class safety culture in Hindustan Zinc
- Establish and approve policies, procedures, and resources to establish a world-class safety culture in Hindustan Zinc
- Continual safety culture transformation, capacity building and process safety management are the key tenets of our HSE compliance

Our strategic priorities are crafted to strengthen these pillars to achieve our 2025 sustainability goals.

Our Strategic Priorities

- Achieve zero fatality
- Achieve zero cases of occupational illness
- Improve occupational health and hygiene
- Critical risk management
- Critical review of the Vedanta Sustainability Assurance Programme (VSAP) audit process

Mapping our Performance

	Fatality at Work Site	Lost Time Injury Frequency Rate	Total Recordable Injury Frequency Rate
FY 2019-20	2	1.38	2.67
FY 2020-21	0	0.97	2.57
FY 2021-22	4	0.81	2.22
FY 2022-23	7	0.70	1.93
FY 2023-24	0	0.88	1.84

TARGET FY 2024-25

Fatality at Work Site	Reduction in Total Recordable Injury Frequency Rate*
Zero	50%

*From base year FY 2019-20

Workplace safety workshop at mines for #ZeroHarm

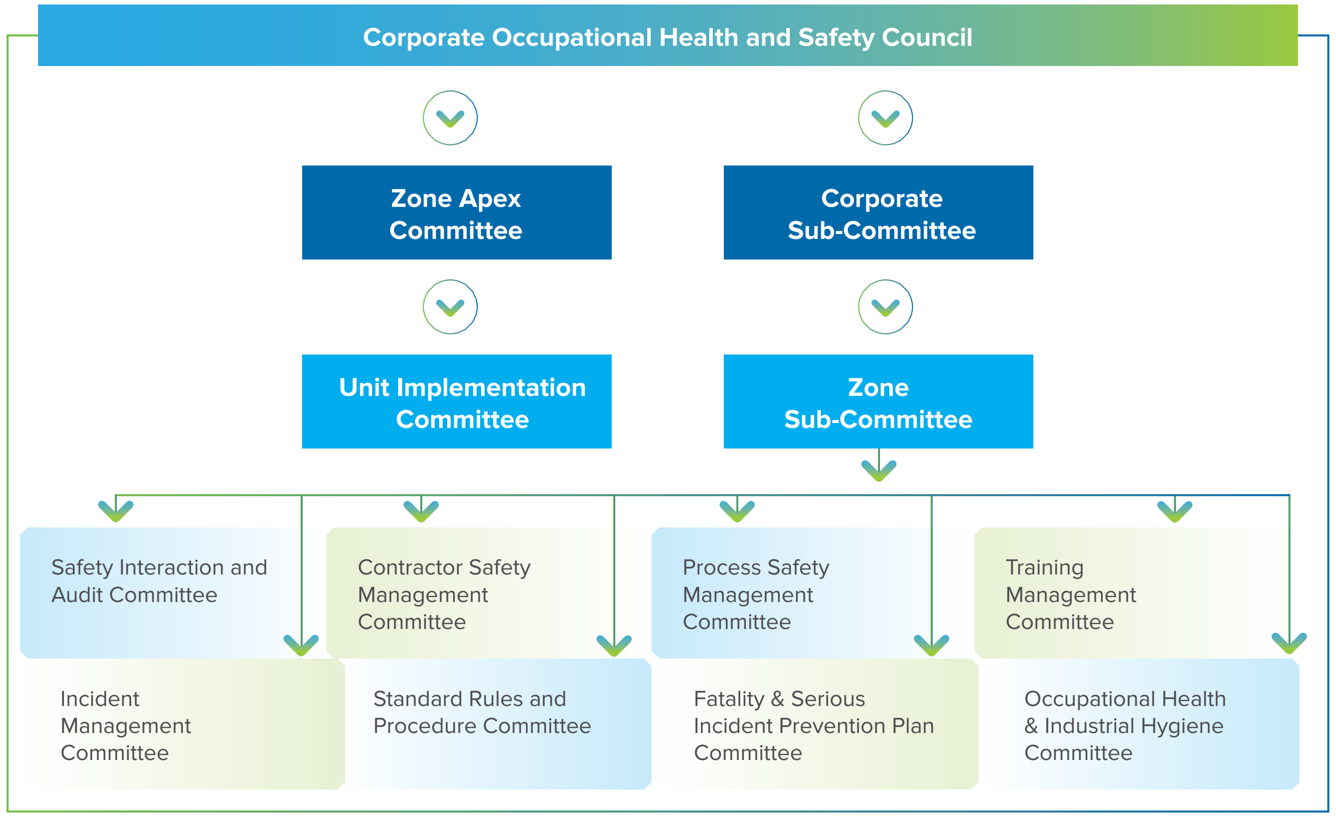
REINFORCING THE SAFETY GOVERNANCE STRUCTURE

We have in place a robust governance structure to steer our safety excellence journey 'Aarohan', on which we have been moving forward since 2013. We are continuously nurturing and reinforcing this structure through strategic initiatives.

- Visible Felt Leadership
- Right MIP in place
- Tracking of critical barriers through Fatal and Serious Injury Prevention Programme and Critical Risk Management
- Focus on process safety management
- Increased employee engagement
- Standardisation of safety systems
- Competency development and skill enhancement
- Automation and Innovation
- Enhanced Risk Perception

Our safety governance structure is driven by the corporate occupational health and safety council, which guides the safety management system at Hindustan Zinc.

- The council has the CEO as its chairman, Deputy CEO as vice chairman, Chief HSE & Sustainability Officer as secretary, Head Safety as convenor and senior leaders as its members
- There are eight corporate sub-committees and eight zone apex committees that assist the council in carrying out its primary objective of formulating the safety policy and standards. They also facilitate the council in ensuring adequate resource deployment and providing the strategic safety roadmap for the organisation
- The safety sub-committees are entrusted with the role of setting up various safety systems, standards, rules and procedures. They are mandated to build a positive safety culture, conduct quality investigations, provide training, and introduce innovations. Process safety, workplace hygiene and business partner selection are also under the purview of these sub-committees



From coordinating VSAP audits to leading safety calls and engaging with senior leaders, I've embraced growth opportunities. Recognition, like receiving the Sword of Honour and being named star performer, fuels my dedication. Hindustan Zinc's training initiatives, including ISO 45001 Lead Auditor courses, fostered my professional development profoundly.

Kammaganti Lakshmi Vani
Team Member - Safety, DSC

Leading the digitisation of our Safety Management System, I improved processes and data accuracy, creating a safer work environment. With unwavering support from the Company, I've excelled in an innovative, collaborative culture. Hindustan Zinc prioritises safety through investments in employee competency, advanced equipment, and sustainable practices, and I look forward to further growth within the organisation.

Hansa Vyas
Lead Digitization & Safety Management

Launch of SURAKSHA KAVACH – Phase 1
(25 Routine and Non-Routine Activities)
23,460
inspections during the year

Critical Risk Management Implementation
(11 Identified Risks - 252,747 critical control verifications during the year)

Quarterly Fatality CAPA Assurance Program
(Fatality CAPA Closure – 96%)

Safety Pause – Right to Refuse Unsafe Work
(6 Safety Pauses conducted across the Company)

Community of Practice – Structural Stability

Inframatrix Implementation
(11 Risks)

Competency Enhancement Program

Safety Governance Structure for Business Partners

Zero Fatality

HOW WE FORGED AHEAD TOWARDS ZERO FATALITIES IN FY 2023-24

During the year, we strengthened our safety proposition manifold through several impactful initiatives.

The development of a robust integrated structural stability programme across the organisation was a significant milestone during the year in our journey towards zero fatalities. We have put in place a structure integrity management community, chaired by our Deputy CEO.

Hindustan Zinc has always pursued world-class practices for improving the safety of its assets and facilities through the journey of continuous improvement. To strengthen our focus on the integrity of the structures, we have in place the structure integrity management community to work towards predictive assessment and corrosion mapping. It will also manage risks through timely rectification of old, damaged and corroded structures in the plant, ensuring safe and reliable operations.

The Company's smelters have 21 sulphuric acid bulk storage tanks. For assessing and ensuring the integrity of these tanks, a third-party thickness inspection is conducted every six months. We have completed residual life assessment phase 1 study of all acid tanks across locations.

1,789.11 tonnes
Asset integrity/structural stability works carried out across Hindustan Zinc in FY 2023-24

This inspection includes external visual inspection, magnetic particle testing, dye penetrant test, ultrasonic thickness measurement, time-of-flight diffraction (TOFD) scanning, hardness test and visual inspection.

Critical Risk Management (Vihan)

A vital aspect of ensuring safety relates to awareness and attitude. It is important for all those associated with Hindustan Zinc to be cognisant of the critical risks, and to be imbued with an attitude that is focussed on observing safety. Our critical risk management programme – Vihan, is aimed at enlightening everyone in the organisation about all critical risks. It draws inspiration from the Sanskrit word for dawn, Vihan - the harbinger of light. The key facets of the programme are identification of the early warning signs and implementation of critical controls.

Strong controls are in place across all the business units at Hindustan Zinc for the following critical risks:

I. Fall of ground
II. Fall of person/object from height
III. Vehicle pedestrian interaction
IV. Entanglement

The above-mentioned four risks were rolled out in FY 2022-23, in alignment with the Company's mission of zero harm. For managing the critical risks associated with our operation and for fatality elimination, we launched seven more risks across all business units of Hindustan Zinc during FY 2023-24. These are:

I. Contact with electricity
II. Uncontrolled release of energy
III. Loss of containment of molten metal
IV. Uncontrolled load during lifting
V. Confined space
VI. Incidents during blasting
VII. Shaft and hoisting

Vihan has enabled us to ensure close monitoring of all the identified critical controls, and installation of proper systems to implement the same. During the year, we implemented Critical Risk Management through 'Enablon', integrating all critical control checks to centrally monitor and take necessary actions.

Inframatrix Implementation

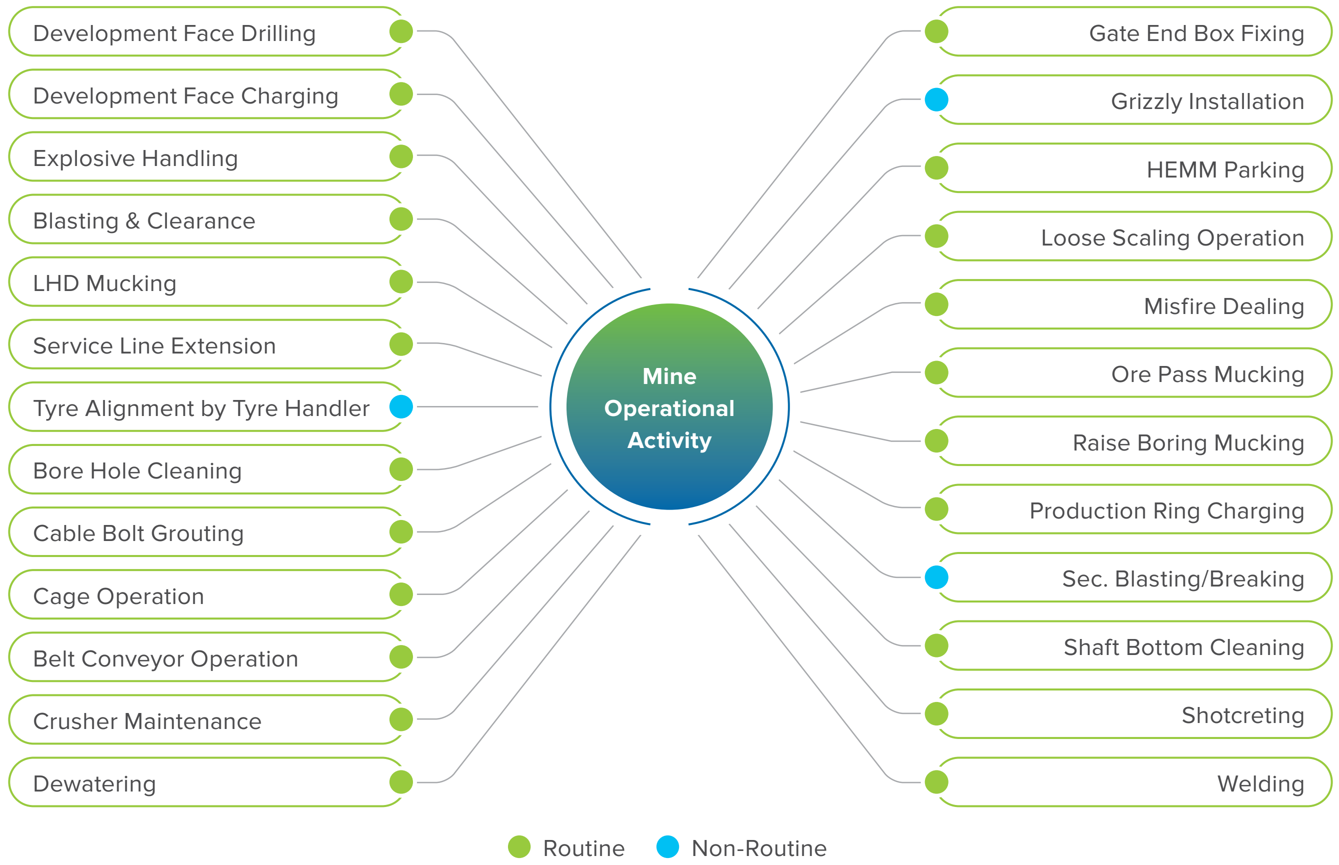
A key safety initiative of FY 2023-24 was the launch of Infrastructure matrix across the Company. This is a consolidated matrix developed by a group of subject matter experts after a series of risk workshops. The initiative is in line with our vision of 'Zero Harm' and seeks to prevent reoccurrence of similar fatalities within the Group. It helps to eliminate the probability of occurrence of fatalities for the identified critical risks among the Group businesses, by improving the infrastructure of various risks.

SURAKSHA KAVACH - Phase 1 for Mining Activities

In a momentous step towards enhancing the safety and well-being of our people, we have introduced 'SURAKSHA KAVACH' - Phase I of the Fatality Prevention Controls initiative for our underground mining operations. In Phase I, the initiative is designed to proactively address potential risks associated with 25 diverse activities, both routine and non-routine, conducted in our underground mining operations. It outlines clear NO-GO criteria and critical checks that must be meticulously conducted by our statutory supervisors and competent personnel, including mining mates, foremen and operators, before the commencement of any of these activities.

'SURAKSHA KAVACH' goes beyond CRM, which is a risk-specific initiative that focusses on the top risks that exist within our business. We have identified critical controls associated with each risk, and ensure that these controls are in place while carrying out the job. We drive CRM through the critical control verification checklist, and we ensure we have developed a governance structure for each risk, with well-defined frequency for carrying out the inspection.

'SURAKSHA KAVACH', on the other hand, is an activity-based risk control programme, aimed at ensuring that all the activities (both routine and non-routine) take place safely. This programme acts as a catalyst in our risk management approach. It helps us ensure that all basic and critical requirements are available and complied, with respect to the developed safe operating procedures while performing the activity. This is a risk management process that is being driven by end users.



Safety Pause

We conducted safety pause across all our operational units during the year, with the theme 'stop work if it's not safe'. During this connect, all recent safety incidents in the Group were discussed and key learnings were shared. The programme was organised by business partners in all the three shifts, including the night shift.

Intent

To spread a positive message on safety among the masses

Purpose

Serious incidents/fatalities to be discussed along with other Group entities, and positive learnings to be shared

HZL conquers the 52nd All India Mines Rescue Competition

Disaster Management Emergency Response Training

A 10-day capacity building training programme on disaster management emergency response was conducted by National Disaster Response Force (NDRF) at Dariba Smelting Complex.

- A total of 31 trainees across the Group and 8 trainees across Hindustan Zinc participated and benefitted
- It covered medical first responder, collapsed structure search and rescue, fire management, chemical and gas disaster management emergencies, among others

52nd All India Mines Rescue Competition

- Hindustan Zinc's all women mine rescue team secured the first place at the 52nd All India Mine Rescue Competition held in Telangana under the aegis of the Directorate General of Mines Safety (DGMS), Dhanbad
- It was the only women's team among the 25 participants, and excelled at the RG-II Area Mines Rescue Station, triumphing in the 'fresh air base' event inside the GDK-7 LEP underground coal mine
- All boys team from Hindustan Zinc secured the third position, making it a double celebration for the Company

Intra-zonal Mine Rescue Competition

Underscoring the importance of safety, Hindustan Zinc hosted and concluded a 3-day intra-zonal mine rescue competition at Rampura Agucha Mine, Bhilwara.

- The competition included various activities like fresh air base challenge, rescue and recovery events, theory and first aid exams, and rescue relay race, all meticulously designed to replicate real life emergency scenarios
- Overall champion: Rampura Agucha Mines; runner up: All Women's Mine Rescue Team

Major Awards and Recognitions

- 7 business units of Hindustan Zinc were recognised by the British Safety Council at International Safety Awards 2024, in the distinction, merit and pass categories
- Rajpura Dariba Complex's rescue team received international acclamation as a certified member of the International Mines Rescue Body (IMRB)
- Hindustan Zinc won Apex India Occupational Health and Safety Awards 2023 in the topmost platinum category under metal and mining sector

CASE STUDY

Innovative Winder System Headrope Strand Breakage Solution at RAM

Ensuring the safety and reliability of a winder system is vital in the industries where it is used. However, detection of a broken strand of the headrope within the winder system is often overlooked, even though the headrope is an essential component. An undetected breakage in a strand of the headrope, which is responsible for bearing the load during hoisting operations, can lead to catastrophic consequences, such as equipment damage, injuries, or even fatalities. It is vital, therefore, to have in place robust methods to detect a broken strand of the headrope to ensure operational safety and prevent potential mishaps.

Our innovative solution helps in the quick identification of broken headrope strands in the winder system at Rampura Agucha Mine (RAM).

Key features

- It involves the installation of a detection wire encircling all three headropes, linked to a pulley mechanism
- Counterweights are affixed to the wire ends, exerting pressure on limit switches

Key outcome

- In the event of a broken strand, the detection wire activates, prompting the winder system to come to a stop
- This ensures both safety and operational continuity at a reasonable cost

CASE STUDY

Online Monitoring of Hydrogen Gas in Leaching Area at DSC

The flammable hydrogen gas in the leaching area is a potential safety hazard as it can ignite and trigger a fire. To address this safety concern, we have implemented an online monitoring system for hydrogen concentration range at the Dariba Smelting Complex (DSC). The initiative is guided by the key performance indicator (KPI) of achieving zero fire incidents due to hydrogen ignition.

Key features

- The system comprises hydrogen-specific catalytic sensors designed to detect concentrations ranging from 0% to 125% of the lower explosive limit (LEL)
- It features digital output, explosion-proof housing, and intelligent sensor design
- The sensors offer highly selective and instantaneous responses to hydrogen, minimising false alarms from other gases

Key outcome

- Enables early detection of hydrogen leaks to prevent hazardous conditions
- Facilitates quicker responses, through installation of alarm set points for enhanced safety, ultimately contributing to a safer working environment

EFFECTIVE OCCUPATIONAL HEALTH MANAGEMENT

As part of our sustained efforts to ensure employee safety, we continue to invest in effective occupational health management across the organisation. Our efforts are focussed on boosting retention and reducing absenteeism to boost productivity. Fostering a healthier lifestyle among our people is key to this strategy, which covers lifestyle management training backed by advanced technologies.

- Regular monitoring of our employees' exposure to hazardous substances is undertaken to control the same
- Regular health examinations are conducted at the occupational health centres at all our locations, for both permanent and contractual employees
- There is a centralised health management system in place, to coordinate with employees on patient registration, care and discharge
- We also have on-site medical professionals conduct pre-employment medical check-up, periodic medical check-ups, etc.
- To ensure timely lifesaving assistance in the event of an emergency, we have deployed advanced life support ambulance services at all our occupational health centres

ZERO
Cases of occupational health illness

32,609
Medical Examinations (initial and periodical) conducted

(During FY 2023-24)

MENTAL HEALTH AND EMPLOYEE WELLNESS

At Hindustan Zinc, we have taken significant strides in prioritising the mental health and overall well-being of our employees and their family members through the Employee Well-being & Assistance Programme (EWAP). The services under EWAP are not only available to the employees but also extend to three dependents, offering a comprehensive support system.

- Designed to proactively address mental well-being, this programme offers 24x7 confidential counselling services, along with support for diet and nutrition, legal and financial matters, and more
- One of the key components of the EWAP is the monthly webinar sessions, covering a wide range of topics including mindfulness, work-life balance, nutrition, mental health, and emotional well-being. Employees gained valuable insights for the enhancement of their overall well-being from the 36 online webinars held during FY 2023-24
- A week-long drive of on-site well-being sessions was also organised during the year at all our locations, engaging 500+ participants, including employees, their families, and children. The active participation of our leaders in these sessions underscores our commitment to supporting strong mental health within the organisation

Going forward, we are committed to further strengthening our employee well-being initiatives, ensuring a healthy and supportive environment for all.

Our relentless focus on continuous security improvement is reflected in our physical security audit results. Security processes are audited by a renowned global security risk consultancy firm as part of this exercise, underlining our commitment to enhance our security profile through people, process, and technology improvements.

INVESTING IN PHYSICAL SECURITY

At Hindustan Zinc, we are cognisant of the critical importance of strong physical security measures for safeguarding our operations, employees and assets. With a strong focus on insulating our business operations from security risks, we have in place a robust security function, which we are continually strengthening through strategic investments. We ensure strict compliances to regulatory and other norms, adherence to safety processes, and development of physical security best practices and guidelines to provide the Company with a competitive advantage in the continuously transforming business landscape. We also collaborate closely with our stakeholders to reinforce our physical security edge.

Physical Security Services

Our physical security function is:

- Crafted to provide a broad range of integrated and uniform physical security and other protection services
- Aimed at securing the workplace environment and supply chain with the best technologies
- Built around continuous assessment of existing and emerging risks, their mitigation, and management of contingencies
- Focussed on protecting and securing the human community, assets and brand reputation across the Group at an optimal cost

Building on Security Capabilities

We have been progressively augmenting our security capabilities through a series of targeted measures, which include:

Security Team

We have developed a synergised, lean, hybrid, engaged and highly skilled security team, with a focus on optimal cost and higher productivity. The team is aligned with the Company's thrust on promoting gender diversity, with 35% gender diversity among our security leaders. Our business partner security team comprises 4 transgenders and has 3/4th ex-servicemen.

Security Training

In collaboration with Rashtriya Raksha University, a central university and an institution of national importance under the aegis of the Ministry of Home Affairs, Government of India, Hindustan Zinc has been organising customised certified courses and training programmes for its security team. These initiatives are tailored to address identified specific training needs, empowering our security personnel with the skills and knowledge needed to effectively mitigate security risks.

Master Trainers' Training

We have been organising certified Master Trainers' Training courses for our officers through our partnership with the National Disaster Response Force (NDRF) under the Ministry of Home Affairs, Government of India. These trained officers serve as first responders, and play a vital role in training the shop floor personnel on emergency management, particularly during disasters. This helps in safeguarding human lives and assets during the golden hour.

Sustainable Security Management

Our physical security function is driven by our commitment to the pursuance of sustainable practices in security management. As part of the Group's commitment to comply with the guidelines and objectives of Voluntary Principles on Security and Human Rights (VPSHR), Hindustan Zinc has been imparting training to all security personnel on human rights compliance. We are fully compliant to the key performance indicators (KPIs) of the Voluntary Principles initiative. Vedanta Group has already applied for membership of VPSHR, and Hindustan Zinc too is part of the initiative.

Hindustan Zinc remains unequivocally dedicated to maintaining the highest standards of physical security management. By leveraging strategic partnerships, investing in our security team, and embracing innovative technologies, we continue to strengthen our defences, mitigate risks, and uphold our commitment to operational excellence and safety.

Convergence of Physical Security & IT

Hindustan Zinc has adopted a proactive approach to security management by implementing the convergence of physical security with information technology (IT), on a Build-Own-Operate-Transfer (BOOT) model in collaboration with its security business partners. This innovative approach enables real-time alerts on identified security breaches and structured response capabilities, enhancing our ability to thwart crime attempts effectively. Our process-driven and audited security systems management has facilitated the implementation of the first-ever end-to-end security management in our kind of industry in India. This initiative has augmented detection and response capabilities of our security systems management, while optimising security manpower deployment and cost.

Workplace safety workshop

53rd National Safety Week across all BU's

- Incidence Management
- Camera, NVR Health & Uptime
- Daily/Weekly Report

- Tethered Drones for Surveillance & Response

Automated Access Control

- ANPR records
- RFID-operated Boom
- Biometric-based Turnstile
- Breath Analyser

- Walkie Talkie with Vehicle & Control Room Console & Live Location display
- Armed QRT

Mobile App

- Black list Detection on FRS
- GTS+ Tasklist
- Incidence Reporting

Additional Systems

- Hardening of Critical Assets with Iron Fencing, and Access Controlled Gate
- PA System Controlled from Control Room

AI System

- Intrusion Alert with AI
- Fire & Smoke Detection in Designated Places
- Crowd Detection

ENVIRONMENT

Making Strides in Environmental Stewardship

Being responsible to the environment is an inherent aspect of our business philosophy. Our Environmental, Social and Governance (ESG) initiatives prioritise environmental conservation as an important pillar, which we continue to strengthen through targeted investments aimed at reducing the carbon footprint of our operations. Lowering the air emissions, managing water and waste effectively, and fostering biodiversity are other major imperatives of our ESG journey. We are also cognisant of the importance of resource management and are working continually towards judicious use of natural resources.

Material theme	Our strategic priority	SDGs impacted	Sustainability Goals 2025
Climate Change & Decarbonisation	S5 Progressing towards a sustainable future	7, 13	0.5 mn tCO_2e greenhouse gas (GHG) emission savings in our operations from base year 2017
Water Management	S5 Progressing towards a sustainable future	6, 11, 15	Become 5x water positive company and achieve 25% reduction in freshwater consumption
Tailings Management	S5 Progressing towards a sustainable future	6, 11, 12, 15	Transition from wet tailings disposal to dry tailings disposal by 2025*
Air Emissions & Quality	S5 Progressing towards a sustainable future	7	Reduction in non GHG emission (SOx and NOx emission) by 17% by 2025*
Biodiversity & Ecosystems	S5 Progressing towards a sustainable future	15	Protect and enhance biodiversity throughout the lifecycle 1 million plantation drive by 2025
Circularity & Waste Management	S5 Progressing Towards a Sustainable Future	11, 12	3x increase in gainful utilisation of smelting process waste

*Part of strategic initiatives

Focus Areas

- Energy & Climate Change Management
- Water Stewardship
- Tailings Dam Management
- Waste Management
- Maintaining Air Quality
- Biodiversity Management

KEY HIGHLIGHTS FY 2023-24

- Received validation on our near-term and net-zero targets by the Science Based Targets initiative (SBTi); the targets include:
  - Commitment to reducing 50% of absolute scope 1 and 2 GHG emissions, and further reduction of 25% of absolute scope 3 GHG emissions by 2030 from the base year 2020
  - Achieving net-zero emissions across the value chain by 2050 or sooner
- Became the only Indian company to be shortlisted for setting Science Based Targets for Nature (SBTN) pilot project, and now aim to set targets against freshwater and land; we are amongst the 17 companies globally participating in the initial target validation pilot
- Selected as a leadership band 'A-' listed company for both 'Climate Change' and 'Water Security' in CDP 2023
- Surged ahead towards sustainable logistics by deploying 10 electric vehicle (EV) trucks, under a contract with Inland EV Green Services Pvt Ltd., with each truck having a capacity of 55 metric tonnes, to facilitate inter-unit transportation of concentrate resulting in the reduction of scope 3 emissions
- Made another significant leap towards green transportation by signing a contract with Greenline, a subsidiary of Essar Group, for 180 liquified natural gas (LNG) vehicles, of which 41 LNG vehicles have already been deployed during the year
- Inaugurated phase 1 of 4,000 KLD zero liquid discharge (ZLD) plant at Zawar Mines, deploying advanced technology to help in water conservation
- Completed the commissioning of the 1st fuming furnace at Chanderiya Lead-Zinc Smelter (CLZS) to avoid generation of Jarosite
- Obtained environment clearance for CLZS expansion project, covering expansion of pyro metallurgical smelter unit and other debottlenecking projects
- Received two Indian patents, titled 'Method for production of lead by performing dross removal procedures' and 'Method for production of zinc by utilising lead plant slag', for pioneering new methodologies
- Rampura Agucha mines and Zawar mines become India's 1st mines to be GreenCo certified

As a piloting member for Science Based Target for Nature (SBTN) target setting, we are working on the required steps to assess and prioritise our impact on nature and define the areas requiring the maximum intervention. The exercise will help us in setting science-based targets to reduce the pressure on freshwater and land. We shall strive to set similar science-based targets to address other material impacts in the future.

STRENGTHENING ENERGY AND CLIMATE CHANGE MANAGEMENT

The fast-paced energy transition taking place globally, coupled with the aggressive shift towards climate change mitigation, has led to enhanced investments in this area by both developed and developing nations. Manufacturing and sale of solar photovoltaic (PV) panels and energy storage solutions has witnessed significant growth in recent years amid the global transition towards net-zero carbon emissions. This is catalysing increased demand for our products – zinc, lead and silver.

We are proactively augmenting the capacities and capabilities at Hindustan Zinc, in line with the evolving market trends, to meet the growing demand for our high-quality products. As a part of the Company's net-zero journey, we are also focussed on scaling its innovation capabilities and sustainability thrust.

FORGING AHEAD TOWARDS 1.5°C

Our net-zero journey is powered by our climate actions, which in turn are driven by our stringent emission targets. The strength of our initiatives has been validated by the recent approval accorded by Science Based Targets initiative (SBTi) for our near-term and long-term net-zero targets. Hindustan Zinc is among the few Indian companies in the mining sector with validated and approved SBTi targets in alignment with 1.5°C – an ambitious campaign led by SBTi in partnership with the UN Global Compact and the 'We Mean Business' coalition.

In the short term, our targets are aimed at helping the Company reduce its scope 1 and 2 emissions by 50% and scope 3 emissions by 25% by 2030 from the baseline of FY 2019-20. In the long term, we will steer Hindustan Zinc's journey towards net-zero emission by 2050 or sooner.

Propelled by these stringent targets, we have been continuously enhancing our renewable energy transition over the past few years. Our total green power capacity includes 273.5 MW of wind power (non-captive), 40.70 MW of solar power (captive) and 48.46 MW of waste heat recovery power. Going forward, we shall strive to further expand renewable power under our greenhouse gas reduction goals.

Further supporting our energy transition journey is the sourcing of 100% green power for the operations at Pantnagar Metal Plant, which we achieved last year. This one-of-a-kind initiative is helping us reduce emissions by more than 30,000 tCO_2e per annum. We have successfully reduced another 76,035 tCO_2e of emission by minimising our coal consumption through use of biomass as an alternative fuel.

Our commitment to a cleaner and sustainable future stems from our actions to create impactful change. It is driven by our focus on increasing our renewable energy mix. We made major progress during the year towards the execution of the power delivery agreement we had signed in FY 2022-23 for 450 MW round-the-clock renewable energy (RE-RTC), and successfully advanced the first phase of delivery to May 2024. The agreement will boost our renewable power share to 50%. This will help in reduction of 2.7 mn tCO_2e to enable the achievement of the Company's SBTi targets.

We acknowledge the importance of aligning our upstream and downstream suppliers to our goals. We conducted several training sessions during FY 2023-24 to create awareness amongst them on topics such as climate change, biodiversity, no net loss and human rights.

SERENTICA RENEWABLES INDIA PRIVATE LIMITED

serentica

In 2022, Serentica Renewables India Private Limited ('Serentica') was founded with a singular vision to decarbonise India's industrial sector, which is one of the largest contributors to greenhouse gas emissions. It aims to become a leading sustainable energy platform to accelerate clean energy transition for 'hard-to-abate' industries by providing round-the-clock renewable energy, through a blend of solar, wind and energy storage solutions.

True to its commitment and with c.1,800 MW of power delivery agreements (PDAs) signed till date, Serentica has emerged as the decarbonisation partner of choice for India's largest consumers of electricity in the aluminium, steel, chemical, oil & gas, and mining sectors. To meet the round-the-clock renewable energy requirement, the company is building c.4,000 MW renewable energy projects across the states of Karnataka, Maharashtra and Rajasthan.

Serentica is on course to develop 5 GW of renewable energy capacities across the country to deliver round-the-clock to the green energy needs of its customers. By 2028, it plans to supply over 50 bn units of clean energy annually, and displace 47 Mt of CO_2 emissions.

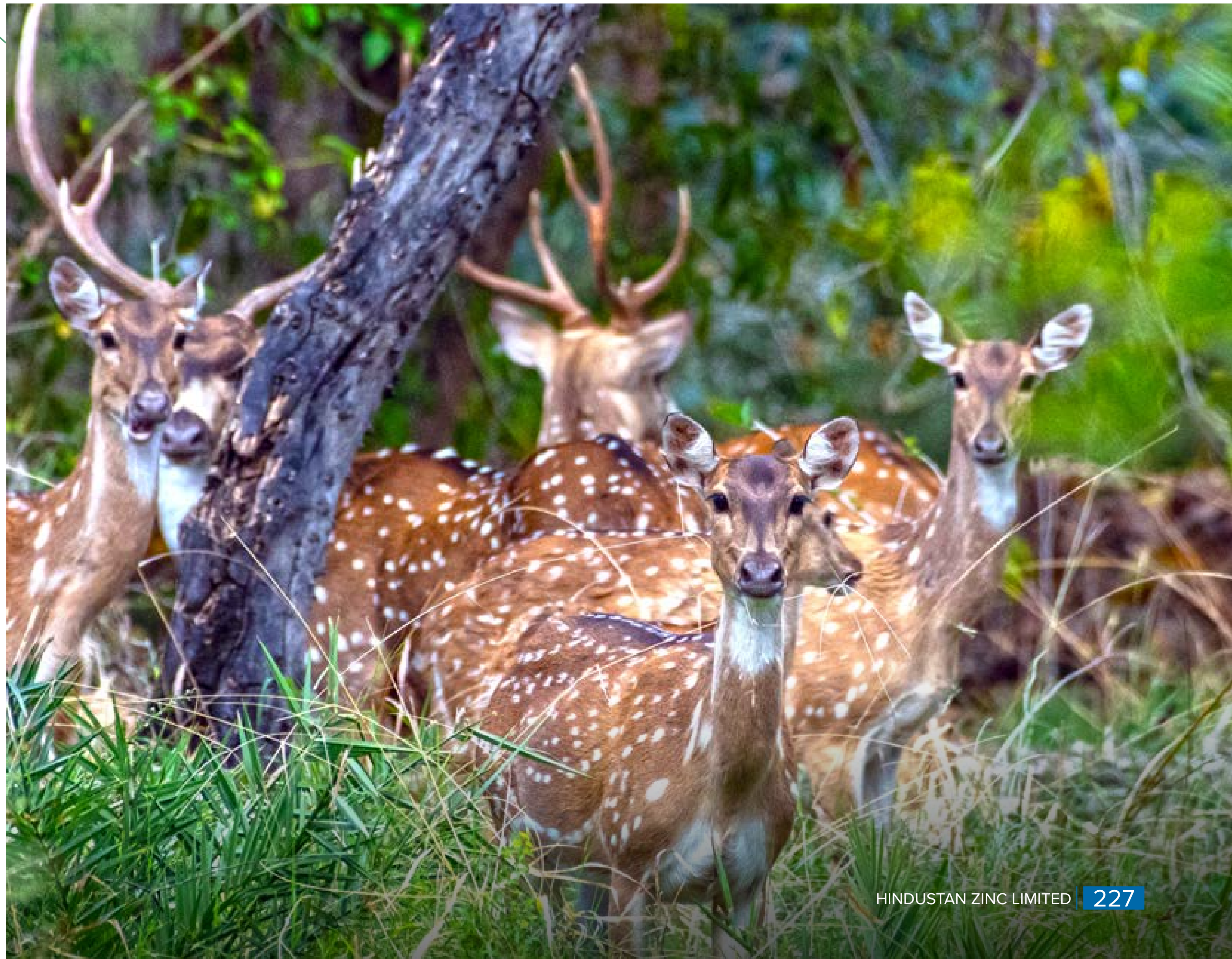
Partnering with Serentica (SRI4PL & SRI5PL), Hindustan Zinc, in FY 2022-23, entered into renewable energy PDA for Dariba (200 MW) and Chanderiya (250 MW) plant locations. The 180 MW Bikaner solar power project is the centrepiece of this strategic partnership, and has been completed a year ahead of the schedule. Phased completion and commissioning are planned till June 2025 with the first power flow started from May 2024.

As a cornerstone of Hindustan Zinc's decarbonisation strategy, this arrangement provides the Company with multiple benefits, including:

- access to a more reliable, less carbon intensive source of power, thereby meeting 50% of its power demand
- facilitating Hindustan Zinc's transition from thermal generation towards renewables, aligned with the Company's sustainability goals
- a more reliable power supply for Hindustan Zinc's operations, which will translate into improved operational efficiency and reduced downtime, thereby strengthening the Company's competitiveness

POWERING INTO A GREEN FUTURE

Electric vehicles (EVs) have emerged as a major alternative to reducing the dependence on petroleum products. Companies worldwide have embarked on EV and alternate fuel journeys to reduce their CO_2 emissions. In line with this trend, which is picking up momentum in India too, we further augmented our fleet of battery-operated EVs for use in our underground (UG) operations during FY 2023-24 to steer us towards our net-zero goal. Having become the first Indian company to deploy underground battery electric vehicle (UG BEV) in SKM in the previous fiscal, we scaled up our investments in this area in FY 2023-24 by deploying two more UG BEVs to reduce emissions and move towards sustainable mining.



We have also deployed passenger EV vehicles, EV forklifts and EV light motor vehicles in our operations, as a part of our commitment to decarbonisation and reduction of the environmental impact on our business. In addition, we have made inter-unit transport more sustainable with the deployment of 10 EV trucks of 55 metric tonnes capacity each. These initiatives will help reduce scope 3 emissions and enable us to progress towards our SBTi targets.

In addition to zero emission and reduction in the mine carbon footprint, EVs provide a host of other key advantages over the diesel-operated vehicles. These include the lower cost and time involved in their maintenance, quicker commissioning, lesser ventilation requirement, besides elimination of diesel and lubricant storage, transportation and handling. EV deployment in mines also helps improve the ambient air condition underground, leading to better health for the underground workers.

Hindustan Zinc has led by example in its GHG emissions reduction journey by inducting LNG-powered trucks for upstream and downstream transportation. In FY 2023-24, we reinforced our commitment to green transportation by entering into an agreement with Greenline, a subsidiary of Essar Group, for the supply of 180 LNG vehicles. We have already received and deployed 41 LNG vehicles as part of this agreement during the year. The move is aimed at further reducing our carbon footprint in inter-unit and finished goods transportation by 30% in comparison to traditional diesel vehicles, thereby minimising scope 3 emissions.

783,201 GJ
Cumulative energy savings

73.90 mn units
Solar power produced

212.78 mn units
Waste heat energy produced

409.60 mn units
Wind power produced

(During FY 2023-24)

Our Commitment to Climate Change

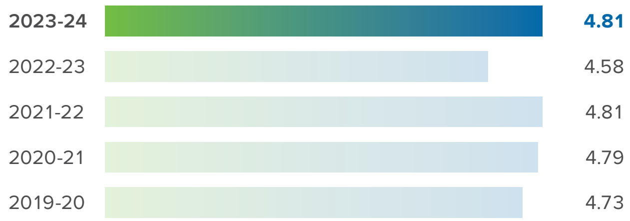
- Strong governance system to drive the low-carbon economy strategy

TIER 1	TIER 2	TIER 3
Board-level ESG Committee	Executive Sustainability Committee and Energy and Carbon Community	SBU ESG Committee

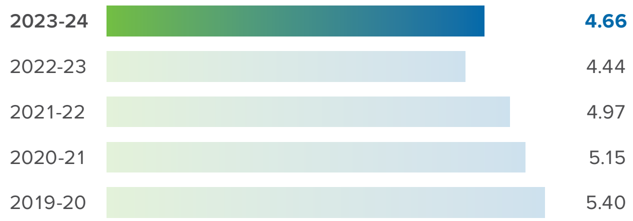
- Commitment to set long-term targets to reach net-zero emission by 2050, in line with business ambition for 1.5°C campaign led by SBTi
- Climate action report in line with IFRS S2
- Commitment to invest US$ 1 bn in decarbonisation journey
- Exploring new technologies to diversify our energy portfolio and lower our GHG emissions

PERFORMANCE

Scope 1 + 2 (Absolute Emission)
(In mn tCO_2e)



GHG Intensity
(Scope 1 & 2)/MT



ENHANCING WATER RESPONSIBILITY

Our sustainability ethos extends to the precious water resource, and we continue to make investments in optimising the water usage at Hindustan Zinc. Our efforts are aimed at reducing our freshwater dependency through innovative water recycling initiatives. They are driven by our goals to:

- Become five times water positive by 2025
- Achieve 25% reduction in freshwater consumption by 2025

To steer the realisation of these goals, we have embraced the vision of 'Zero Harm, Zero Waste, Zero Discharge', which is aligned with SDG 6 of 'clean water and sanitation'. Our strategic approach is centred around:

- Minimising freshwater consumption
- Exploring alternative water solutions
- Increasing the use of recycled water
- Replenishing groundwater
- Monitoring and auditing of water consumption at end-user, withdrawal from source, water balance, quality of water, including wastewater and efficiency of wastewater treatment facility.

STRENGTHENING WATER STEWARDSHIP AT SITE

To reduce our freshwater consumption and to create an alternative source of recycled water, we have undertaken extensive upgradation and improvement projects across all our sites over the past few years. Using cutting-edge technologies, we have successfully recycled and reused the treated water effectively in the operations at our sites to reduce our dependency on fresh water.

Augmenting Zero Liquid Discharge Capacities

As part of our water stewardship journey, phase 1 of a ZLD plant, with a capacity of 4,000 KLD, was completed and made operational at Zawar Mines during FY 2023-24. It led to a reduction in freshwater dependency, thus facilitating water recovery and conservation through application of advanced technologies. It reaffirms Hindustan Zinc's vision of zero waste and zero discharge. Work has also been initiated for a ZLD at Rampura Agucha Mine (RAM), with targeted capacity of 3,800 KLD. During the year, we commissioned a dry tailing plant and a paste-fill plant at Rajpura Dariba Complex (RDC) for saving 3,000 KLD of water with improved recovery and recycling.

These initiatives come in the wake of the expansion in capacities undertaken during FY 2022-23 at the zero liquid discharge (ZLD) plants at Dariba, Debari and Chanderiya smelting locations. Additional capacities of 3,200 KLD, 3,000 KLD and 600 KLD were made operational at these smelters, respectively.

Understanding and Mitigating Water Risks

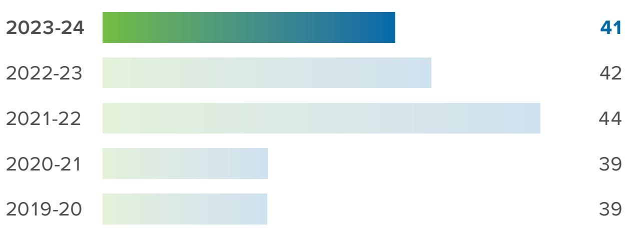
Hindustan Zinc conducted a detailed organisation-wide water risk assessment to identify and measure the specific risks at its operating sites and its overall impact on water resources. The study involved a sensitivity analysis and stress testing for water-related risks, and calculation of a suitable water pricing structure for the Company. It was completed with the help of multiple quantitative and qualitative tools, including the World Business Council for Sustainable Development (WBCSD) India Water Tool, as well as the World Resources Institute (WRI) Aqueduct and Global Environmental Management Initiative (GEMI) local water tools. Using these tools, we identified and assessed the various water-related risks and developed a management strategy.

We also got a futuristic analysis done by Aqueduct Water Risk Atlas, which revealed the water-stress indicators to be high in most of our locations. We remain committed to managing the water risks through application of rigorous standards and processes, irrespective of their level.

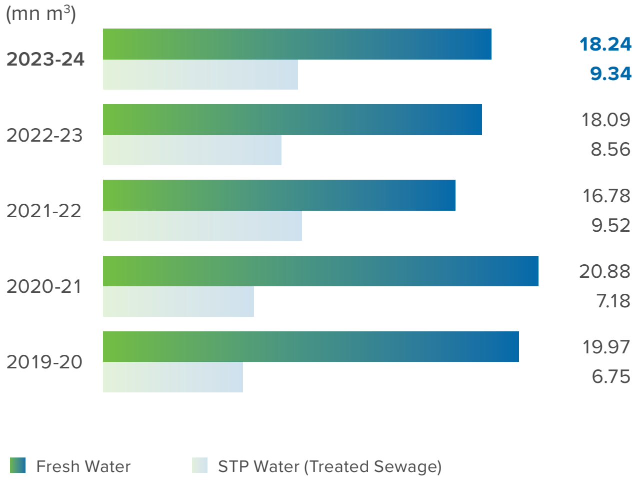
Besides being focussed on completing actions that align with the UN Sustainability Goals, we are also committed to the UN Global Compact Water Action Platform (CEO Water Mandate). The platform is designed to steer the adoption and implementation of the mandate's strategic framework and its six core elements for water management.

Water Performance for FY 2023-24

Water Recycled
(%)



Water Withdrawal
(mn m^3)



Preserving the beauty of biodiversity in nature

Boosting Tailings Dam Management Efficiency

We have continually enhanced the management of our tailings dams to create more sustainable business operations:

- We follow the most advanced global practices in tailings dam management to ensure high levels of efficiency
- We collaborate with global experts for long-term monitoring and consultancy on the design, construction and operation of our tailings storage facilities (TSFs)
- We adhere to the Group's tailings management facility standard for our three active dams
- We repurpose tailings materials and waste rock as backfill wherever possible while keeping the remaining tailings in specially designed storage conditions to minimise their environmental, social and economic risks

Tailings Management Plan for Storage

We have a well-articulated tailings management plan to ensure sound and safe storage. All steps are taken to effectively implement the plan, enabling a safer tailings storage facility.

Benchmarked to High TSF Standards

Our TSF design, construction, safe operation and closure practices are benchmarked to the highest global standards, which include:

1. Clear policy on tailings management, with strong organisational commitment for implementation of safe and responsible practices
2. TSF Committee of in-house experts to strengthen compliance with the Group's TSF standard
3. Selection of reputed engineering firms for TSF designing
4. Periodic TSF risk assessments, with mitigation plans to minimise associated risks
5. Tailings utilisation in back filling through paste-fill/ hydro-fill
6. Replacement of wet tailings disposal system with dry tailings disposal
7. Collection and recycling of supernatant water in process
8. Construction of garland drains around the dams to maintain zero liquid discharge
9. Deployment of satellite-based interferometric synthetic aperture radar (InSAR) monitoring technique to provide early warning of surface ground movements

Advanced Geotech Monitoring of Tailings Dam

- We use sophisticated tools and methodologies for geotech monitoring of our tailings dam:
  - Pillar-prism-total station data for measurement of slope displacement
  - Piezometer for measurement of pore water pressure
  - Inclinometer for measurement of sub-surface deformation
  - Cameras placed strategically to monitor security of the structures
- We apply internal assurance processes to confirm the alignment of our TSFs with the Group's standard
- Our TSFs have emergency response plans, which are tested through training exercises in collaboration with stakeholders

During the year, a third-party audit was conducted to identify any deficiencies against Global Industry Standard on Tailings Management (GISTM) requirements, as per the Group's business target to fully implement all the GISTM principles by FY 2024-25.

MANAGING WASTE, CIRCULARISING ECONOMY

With its lifecycle rooted in the principles of circular economy, zinc has emerged as a major contributor to sustainable development. Its versatility and durability make it one of the most resilient and recyclable materials, and a key enabler of the mining industry's role in promoting regenerative economy. With its growing focus on the adoption of the latest, best-in-class technologies and tools, the mining industry is surging actively towards reduction in waste generation, conservation of natural resources, promotion of energy efficiencies, and minimisation of the carbon footprint.

As a frontrunner in sustainable business development, Hindustan Zinc has prioritised circular economy and continues to invest in the latest technological advancements, to reduce waste and to promote recycling and reuse.

Validation of our waste reduction efforts

In a key endorsement of its successful waste reduction efforts, Hindustan Zinc received two Indian patents during FY 2023-24. The patents, titled 'Method for production of lead by performing dross removal procedures' and 'Method for production of zinc by utilising lead plant slag', validate our success in increasing the yield of zinc and lead through in-house innovations in pyro metallurgy.

Please refer to Business Excellence chapter, located on page 48, for further information

Our circular economy approach

We drive our circular economy efforts by:

- Promoting responsible material production with sustained focus on conserving natural resources
- Implementing the latest mining processes and techniques to reduce waste and ensure the maximum resource recovery
- Optimising the refining process to ensure efficient extraction of zinc and valuable by-products
- Investing in energy-efficient practices to reduce the environmental impact of our operations

RUNAYA GREEN TECH PRIVATE LIMITED

runaya

In a strategic alliance aimed at advancing sustainability and maximising resource utilisation, Hindustan Zinc has partnered with Runaya Green Tech Private Limited (Runaya) to establish an Integrated Minor Metals Complex (IMMC) at Chanderiya. This collaboration underscores Hindustan Zinc's commitment to innovative solutions and environmental stewardship.

Led by the belief that resource efficiency, environmental consciousness, and economic growth are seamlessly intertwined, Runaya stands to reshape the metals and minerals sector through its innovative approach, hinging on cutting-edge technology and a sustainable mindset, aiming to overhaul traditional practices in the industry.

Through this partnership, at the state-of-the-art IIMC facility at Chanderiya, Runaya is efficiently processing the lead and zinc residues generated by Hindustan Zinc's smelters situated at Chanderiya, Dariba, and Debari. Embarking on a series of initiatives set to commence in FY 2024-25, the joint efforts are focussed on the recovery of various valuable metals, including cadmium, cobalt, copper, and antimony.

In FY 2023-24, this partnership, backed by Runaya's specialised expertise, achieved remarkable milestones, significantly enhancing operational efficiency at IIMC. Through strategic debottlenecking efforts, the Company successfully increased plant capacity by 30% and improved recoveries by 5%, showcasing its focus on '4R' waste strategy – 'Reduce, Recycle, Reuse and Reclaim', and 'eco-friendly' disposal of process residues. In the same period, Runaya processed a total of 20,000 MT of hazardous smelter waste, recovering 13,157 MT of metal.

With the commissioning of new plants on the horizon in FY 2024-25, a substantial increase is expected in both processing of waste and metal recovery, to 56,300 MT and 31,300 MT respectively. The Company aims to achieve 3x growth in processing and recovery, signalling its continued momentum and trajectory of growth.

CASE STUDY

Gainful Utilisation of Jarosite

Jarosite is a waste produced in the hydrometallurgy process of zinc extraction, necessitating additional investment for its stabilisation and disposal. We conducted a feasibility study, in collaboration with IIT Roorkee, to use jarosite in construction-related works, such as concrete, mortar and paver blocks, as an alternative for cement to the extent of 10%-15%.

163,795 MT
Jarosite used in cement construction

90,832 MT
Jarofix used in road construction

(During FY 2023-24)

We also partnered with some government agencies, like National Council for Cement & Building Materials (NCCBM), National Environmental Engineering Research Institute (NEERI) and Central Road Research Institute (CRRI), for the utilisation of jarosite in cement and road construction.

In FY 2023-24, Hindustan Zinc signed a Memorandum of Understanding (MoU) with VEXL Environ Projects Ltd to pioneer innovative solutions for utilisation of waste like jarofix and jarosite, generated during zinc extraction, for productive applications. The agreement was aimed at revolutionising the smelting process sustainably and forging ahead towards a greener tomorrow. Under the pathbreaking agreement, the two companies will establish a pilot plant for pioneering sustainable solutions by leveraging cutting-edge technology and expertise. The partnership sets a new benchmark for environmental responsibility and economic prosperity in the mining industry.

Driving our sustainability journey

Achieving a '3x increase in the gainful utilisation of smelting process waste from baseline FY 2019-20' is one of the sustainability goals we have identified to drive sustainable future growth. In our pursuit of this goal, our Waste to Wealth Community continues to explore new ways of recycling and gainfully utilising our manufacturing waste. The community is engaged in continuous monitoring and review of the progress made by the Company towards the implementation of this sustainability goal. Based on the assessment, it develops the necessary strategies to steer the realisation of our waste related goal.

Some of the key initiatives undertaken during FY 2023-24 to make our methods and processes more efficient, sustainable, and environment-friendly included the following:

Value-added product from smelter waste residue

Hindustan Zinc has enhanced the intensity of its research and development (R&D) through investments in skilled scientists and technical facilities. Collaborations with world-class universities and institutes, technology providers and start-ups are an essential part of our innovation process.

- We are committed to achieving the goal of zero waste, and thereby eliminate the need for waste disposal in secure landfills (SLF) by 2030. We are continually directing our R&D efforts towards utilisation of in-process waste into various segments of our processes in line with this objective
- The zinc fumer plant was successfully commissioned and operationalised at Chanderiya, marking a significant progress in metal recovery, particularly silver, from zinc waste residue. This helps convert jarosite into clean slag, allows recycling of waste, and provides both economic and environmental benefits. Under an MoU signed with Environ Projects Ltd, we will be converting waste products into usable resources, minimising environmental impact and maximising resources, with focus on utilising waste products like jarosite and jarofix, generated during zinc extraction, for productive applications at pilot plant
- Our R&D team has developed a laboratory process to recover Iron (Fe) from jarosite in the form of Fe_2O_3 (Hematite) product; the process will be further validated on a bench scale to assess the product specifications and explore the potential market
- We are progressing on our efforts to apply an innovative recycling method to recover zinc metal losses and reduce the solid waste generation in effluent treatment plants (ETPs)

We collaborate with world-class universities and institutes, technology providers and start-ups to effectively steer our circular economy journey. Such collaborations enable us to innovate impactful waste-to-wealth creation strategies and set new benchmarks for responsible mining practices. These innovations enable us to unlock the true value hidden within our waste streams, transforming them into valuable resources for a greener tomorrow.

The commissioning of the fumer plant at CLZS during the year was a major step towards reducing the smelter's waste footprint. It will lead to 100% elimination of jarosite waste from one of the hydro zinc smelters and help reduce jarosite generation by 160 kt annually. The plant will further lead to reduction in the demand for land, thus saving the precious land resource.

(Details on page 156 of this Report

Initiative – Workshop on Circular Economy

As part of its efforts to transition to a circular economy, Hindustan Zinc conducted a workshop on 'Extended Producers Responsibility & Waste Management' during the year. Important stakeholders from waste management team came together to understand the implications of EPR rules and how to efficiently handle waste.

PROGRESSIVELY REDUCING AIR EMISSIONS

Reduction of air emissions is a key priority at Hindustan Zinc, and we are committed to enhancing the quality of air in and around our operational areas.

- We regularly measure, control and minimise air emissions at each site through investment in advanced systems and technologies
- We also engage with the local communities to address their environmental concerns with respect to air emissions, and formulate processes and procedures to address the same
- We ensure strict compliance with the conditions of our environmental licence
- Our continuous emissions monitoring systems, directly connected with the servers of the Pollution Control Board, provide real-time updates on our air emissions

The focus of these initiatives is on reducing particulate matter emissions and gases emitted by our operational activities, including mining, materials handling, processing and transportation.

BEING RESPONSIBLE TOWARDS BIODIVERSITY

We are working closely with various organisations to mitigate the negative effects of our operations on biodiversity. Our initiatives in this regard include:

- Dedicated biodiversity policy, biodiversity management plans (BMPs), and standards to prevent/reduce the impact on biodiversity and compensate for any damage caused at any stage, from project scoping to site closure and beyond
- Application of mitigation hierarchy to achieve no net loss of biodiversity (against a 2020 baseline) at all mine sites by closure
- Biodiversity risk assessment, afforestation programme, restoration of exhausted waste dumps, conservation of schedule-1 fauna species, awareness, and partnership, etc., for efficient biodiversity management
- Plantation of native species and removal of invasive species

We continue to make progress on our 3-year agenda to revisit our BMP for driving no net loss. The exercise, being undertaken in engagement with the International Union for Conservation of Nature (IUCN), involves:

- Reframing of the biodiversity policy/technical standard and guidance note towards achieving the immediate goal of no net loss, working in line with global standards
- Review of current BMPs and practices, development of site-specific biodiversity and ecosystem services management protocols, and consideration of global best practices with a mission to achieve no net loss
- Development of annual action plan with reference to BMP and biodiversity policy, and support for the implementation of BMP
- Training and building of employee capabilities in biodiversity and ecosystem services management

Our strong commitment to biodiversity conservation was manifest in the Company's participation in the task force on nature-related financial disclosures (TNFD) reporting of a risk management and disclosure framework to address the current needs of the organisation by factoring nature-related risks and opportunities into the financial and business decisions.

We are progressing well on the study undertaken to assess the impact and dependency of our direct operations on ecosystem, and to develop BMPs for all our Rajasthan-based units. The review is being done by IUCN to identify business risks and opportunities arising from ecosystem change. During FY 2023-24, we planted 72,000 native species across Hindustan Zinc.

1st Ever Animal Care Club at RAM

In December 2023, we launched Rajasthan's first ever TACO (The Animal Care Organisation) Club at Rampura Agucha Mine, with the aim of spreading awareness and sensitivity among school children on issues related to animal cruelty and violence. The club will conduct monthly activities, exposure visits, etc.

The plan is to include 100 government schools across Rajasthan by FY 2024-25 to run the TACO club. This will be followed by further expanding the reach to 250-300 schools by next year.

Wildlife Conservation at RDC and Zawar Mines

We have initiated a wildlife conservation programme at Rajpura Dariba Complex (RDC) to preserve and develop the wildlife habitat in the region, along with removal of invasive species. The programme involves spreading awareness in nearby communities and schools against illegal poaching, hunting and man-animal conflict. Extension of support to the forest department for monitoring, rescue and rehabilitation of wildlife is another key initiative. The programme also covers fencing of habitat and abandoned wells to prevent decline in wildlife. It further encompasses ecological development as well as construction of water holes and water tanks. During FY 2023-24, Zawar Mines also contributed to the Rajasthan Forest Department for habitat conservation.

SUSTAINABILITY IN SITE CLOSURE

We have developed progressive closure plans for all our mines to ensure sustainable site closure, as and when required. We believe it is essential to have in place proper plans to identify, minimise or mitigate, and manage the various risks associated with site closure. Such risks may be environmental, socio-economic, health and safety related or reputational in nature.

Our site closure plans:

- Incorporate stakeholder engagement and land rehabilitation, and are designed to ensure environmental and social stability
- Are aligned with international standards, such as ICMM Principles, IFC performance standards, and IFC EHS guidelines, the Group's technical standard on site closure, and other statutory requirements
- Contain systematic impact and risk assessment, focussing on both environmental and social issues
- Define post-closure land use and related objectives in consultation with the Company's stakeholders, including local communities and government agencies
- Address the requirements and concerns of the local communities, who are also involved in the formulation of the plans
- Underline our commitment to the rehabilitation of land to minimise any negative impact of closure, and to set aside sufficient funds to cover closure and rehabilitation
- Contain measures to address and avoid any environmental or landscape impacts of site closure
- Are updated at least once every five years, or when any material change occurs
- List out clearly assigned responsibilities for the implementation of each part of the closure plan, establishing a clear line of accountability and authority

We periodically communicate the progress against our closure plans to all the internal stakeholders and relevant external stakeholders in a transparent manner. We also maintain a funds corpus, held separately from our operational funds, to meet the closure costs for ensuring successful implementation of the site closure plans.

SOCIAL – RESPONSIBLE SOURCING

Being Responsible to Forge Sustainable Growth

Material theme	Strategic response	Impact on SDGs	Capitals Impacted
Climate Change & Decarbonisation Water Management Diversity, Equal Opportunity & Inclusion Health, Safety & Well-being Sustainable & Inclusive Supply Chain Labour Practices Innovation R&D Human Rights Indigenous People & Cultural Heritage	**Progressing towards a sustainable future** ▸ Lowering carbon footprint by improving efficiencies, ensuring optimal utilisation of natural resources, increasing the use of renewable energy in operations, growing in a safe & sustainable manner ▸ Aligned Supplier Code of Conduct to key material issues ▸ Environmental stewardship in supply chain ▸ Promoting use of EVs in procurement ▸ Business partners' ESG assessment ▸ Sustainability assessment (water & biodiversity) for critical business partners ▸ Local sourcing ▸ Monitor BP grievances	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 13 CLIMATE ACTION 17 PARTNERSHIPS FOR THE GOALS	

At Hindustan Zinc, we are fully committed to unlocking business values in terms of cost reduction and volume growth through continuous business partner engagement and effective contracting. We remain focussed on achieving our strategic goals through effective market analysis, benchmarking and online price discovery, while building strong relationship with our business partners. Sustainability and ethical business practices are at the core of our business model to ensure long-term success and also to make a positive impact on the societies we serve. In addition, we remain fully focussed on strengthening the foundations of our growth through process automation and quality control. We are moving in the direction of decarbonising our upstream and downstream supply chain now which has the potential to be a major growth driver with our forward-looking vision.

Durairaj M
Chief Commercial Officer

Driven by our strong sustainability focus, we, at Hindustan Zinc, have prioritised responsible sourcing as a key tenet of our business strategy. We have embedded sustainability considerations into our supply chain processes to enhance our performance, and ensure better assessment of risks and opportunities. We collaborate closely with our business partners (BPs) to mitigate supply chain risks and ensure sustainable sourcing. Integration of the environmental, social & governance (ESG) performance of our partners into procurement decisions further nurtures our sustainability ethos. We achieve such integration through a structured framework, supported by various policies, procedures and guidelines such as Supplier Code of Conduct, Sustainable Sourcing Policy, Supplier Sustainability Management Policy and Supply Chain Strategy Document.

Pre-Check Assessment & Qualification → **Onboarding** → **RFQ** → **Technical Qualification**

Pre-Check Assessment & Qualification
- Onboarding Questionnaire
- ESG Qualification
- Quality Qualification

RFQ
- COC Signing
- MSA Signing
- SUP Declaration
- ESG Expectation Document
- RFQ Questions on ESG

Technical Qualification
- Pre-Qualification
- HSE Qualification
- ESG & MIP Qualification
- Sub-Contractor Evaluation (SOP rolled out)

Commercial Evaluation → **Supplier Risk Assessment** → **SAP Order Placement** → **Vendor Performance**

Vendor Performance
- Scorecard Performance

Supplier Risk Assessment
- Supplier Due Diligence
- On-Site Assessment (if required)

Commercial Evaluation
- Carbon Emission Loading
- Local Procurement
- MSME Inclusion

ROBUST CODE & POLICY

To ensure responsible and sustainable sourcing, we have put in place a strong Supplier Code of Conduct and a Sustainable Sourcing Policy. Both the documents encapsulate our vision and approach to sustainable sourcing, and outline our efforts to mitigate the health, safety and environment (HSE) related occupational risks. They are crafted to enforce a zero-tolerance policy against human rights violations and promote the adoption of ESG principles among business partners. They also ensure thorough conduct of supply chain risk assessments and skill enhancement, along with transparency in business operations. They cultivate strong and effective relationships with BPs through continuous improvements and digitalisation initiatives.

Stringent Supplier Code of Conduct

The code is required to be stringently complied by all BPs, without exception.

- It primarily addresses key areas, such as labour and human rights, health, safety & environmental sustainability, business integrity, prevention of unethical practices, grievance redressal mechanisms, climate change considerations, legal compliance, zero tolerance towards governance issues, and prohibition of insider trading
- It has been developed through collaboration with customers, BPs, Group companies, and Development Organisations
- It underscores our dedication to uphold internationally recognised standards, including the fundamental conventions outlined by the International Labour Organisation (ILO), the principles of the United Nations Universal Declaration of Human Rights, and prevailing industry norms
- It involves annual assessments of all our BPs in accordance with the code

Strong Transparency Focus

Both the Supplier Code of Conduct and Sustainable Sourcing Policy are driven by our unwavering commitment to ethical governance and transparency.

- Transparency plays a pivotal role in enabling the BPs to identify and address ethical, social and environmental risks within their supply chains
- This facilitates more sustainable and ethical sourcing practices; we consistently maintain compliance and disclosure, in line with internationally recognised standards and frameworks, such as Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), Task Force on Climate-Related Financial Disclosures (TCFD), Dow Jones Sustainability Indices (DJSI), and others concerning our supply chains

We have strategically developed our Sustainable Sourcing Policy in conjunction with our Supply Chain Strategy document.

"Hindustan Zinc has offered opportunities for learning and bringing new perspectives into my life and work. Participation in Vice Chairman workshops, engagement with top emerging leaders, and involvement in the V-lead initiative have encouraged me to tackle new challenge."

Purva Pancholi
Deputy - CCO, Dariba IBU

Key Highlights of FY 2023-24

- Formed an alliance to deploy 180 liquified natural gas (LNG) vehicles for inter-unit concentrate movement and finished goods transportation, as part of our supply decarbonisation initiative; successfully deployed 41 LNG vehicles across Hindustan Zinc in the 1st phase
- Forged an alliance to successfully deploy 10 electric vehicle (EV) trucks, with 55 MT capacity each, for inter-unit concentrate movement
- Added 25 BPs under "Use and Pay" initiative for spare part management
- Started using rail transport for coal supply to Dariba mines, to ensure a greener supply chain
- Developed 18 alternate BPs for critical commodities, spares & services, to reduce supply chain disruption
- Collaborated with 25 critical BPs for ESG goal alignment
- Launched supplier portal for ESG self-assessment, along with a video guide on Code of Conduct awareness
- Conducted sustainability assessment (water & biodiversity) for critical BPs

957
Total Commercial BPs transacted

403
Local Tier-1 BPs

205
Total critical/ significant tier 1 BPs

390
MSME BPs

620
Total active BPs

₹ 9,127 cr
Spent on critical tier 1 BPs

21%
of MSME spend

73%
Sustainable sourcing

64%
Local spend – state (Rajasthan & Uttarakhand)

FY 2023-24 was a year of innovation in the MSME payment processing system at Hindustan Zinc. As part of our sustained support to the MSME sector, we provide them with business and ensure timely payments. The implementation of the touchless payment feature has further streamlined the process, with Hindustan Zinc reporting an average payment cycle of 35 days in FY 2023-24, which is 22% better than the statutory requirement. We closed the year at a payment cycle of 26 days in March 2024.

"As a transitioning military veteran, I've advanced through dynamic roles in Logistics, achieving notable milestones in internal, FG, and acid movements. Hindustan Zinc's dedication to nurturing talent is evident through my award for career advancement via the Ex-Defence Services leadership workshop. Continuing to learn and evolve, I aim to expand my role within the organisation, contributing to its mission of sustainable progress and innovation while also reducing life cycle management costs for HEMM equipment."

Imtiaz Begam Rowther
Dy Head - HEMM (Mining Equipment) SCLM - HZL

"During my time at Hindustan Zinc, I've consistently grown through various HR flagship programmes. The Company has supported me in all aspects of my life, including balancing my professional and personal responsibilities as a parent to a three-year-old daughter. Hindustan Zinc's flagship diversity programs, including those for LGBTQ inclusion, are excellent. With sustainability as a core vision, at DSC, we ensure 100% responsible sourcing from a commercial standpoint."

Apoorva Vyas
CCO - Dariba Smelter Complex

"Hindustan Zinc's transparent leadership and unwavering support have fuelled my growth in a positive work environment where I thrive. I'm grateful for the inclusive culture that inspires my best effort daily. Hindustan Zinc's ethical empowerment, pride, and collaboration culture resonates with my values, providing opportunities for growth and cross-functional skill development."

Aditi Rai
Chief Commodity & Alternate Fuels, HZL

"Transitioning from a 15-year career in the Indian Air Force, I embarked on a new chapter in corporate life, finding purpose at Hindustan Zinc. As a team leader, I achieved significant savings in procurement and streamlined supply chain operations. Through leadership workshops and hiring drives, I've aligned with the company's vision for innovation and diversification, aiming to create safer workplaces."

Richa Varshney
Dy Head PSSC, HZL

SUSTAINED BUSINESS PARTNER ENGAGEMENT & PARTNERSHIPS

At Hindustan Zinc, we strive to procure raw materials from BPs who follow sustainable business practices. We partner with BPs who have similar sustainability ethos embedded in their own supply chains as followed by the Company, and whose policies and practices mirror the standards we uphold internally, as part of our efforts to establish a responsible value chain.

- We have introduced ESG expectations in our procurement process via the ARIBA platform
- All our requests for quotation (RFQs) comply with the bidder's undertaking on waste management rules for prohibition of single-use plastics (SUPs)
- We conducted awareness sessions to facilitate effective communication and promote awareness
- We organised a series of training sessions called "Wednesday for Transition", designed to provide BPs with essential knowledge on ESG topics, including Business Responsibility & Sustainability Reporting (BRSR), climate change risk management, human rights in supply chains, and biodiversity risk & conservation, with active participation from more than 200 participants

These initiatives were aimed at promoting the adoption of best practices in ESG risk management throughout the value chain.

Further to this, we have completed an ESG assessment of our critical value chain partners to evaluate their performance on key ESG criteria, such as greenhouse gas (GHG) emissions, water conservation, Modern Slavery Act in the supply chain, etc. Following this, we have engaged with their teams to align with our long-term ESG objectives and communicate our expectations.

BPs who may not meet Hindustan Zinc's ESG expectations can refer to the Company's Business Partner Information Portal for guidance on meeting our expectations and aligning their practices accordingly. The portal offers a resource for Hindustan Zinc's expectations and provides its own best ESG practices for reference.

"NO" TO SINGLE-USE PLASTIC IN SUPPLY CHAIN

Our goal is to eliminate the use of single-use plastic items within our premises, aligning with the latest Plastic Waste Management (Amendment) Rules, 2021 set forth by the Ministry of Environment, Forest and Climate Change (MoEF&CC). This initiative targets zero usage of single-use plastics across our entire value chain.

We have prohibited both single-use plastic items and the use of plastic bags with a thickness of less than 100 microns from FY 2021-22 onwards, and we continue to ensure strict compliance with the same. All our BPs are required to share an undertaking acknowledging their responsibility towards Hindustan Zinc's ESG commitments with 'no usage of single-use plastics' during packaging as a part of the tendering process. As an alternative, biodegradable packaging or use of plastic complying with established rules is preferred across the supply chain.

ENVIRONMENT STEWARDSHIP IN SUPPLY CHAIN

We have embraced environmental stewardship as a core belief guiding our actions. We ensure sourcing of products and materials in a manner that minimises our environmental footprint and promotes sustainability.

Transition towards battery electric vehicles (BEVs)

- Introduced BEVs for our underground mining operations and BEV material handling equipment across our smelters, in line with our goal to reduce our carbon footprint through responsible sourcing initiatives
- Aim to convert 50% of our equipment fleet to EVs by 2030

100% greener fuels in logistics

- Transitioning all our inter-unit transport (IUT) & finished goods (FG) movement to 100% greener fuels in logistics, with EV and LNG vehicles

Alternative product development

- Shifted to a non-toxic, eco-friendly alternative from highly toxic materials to reduce iron impurity content in our flotation process at mills
- Led to the reduction of our environmental impact and improved safety for our employees and communities
- Resulted in substantial savings in inventory expenses as the new product is cost effective
- Reduced reliance on imports, simplifying logistics and cutting international procurement costs

Product-level life cycle assessment

- Comprehensive strategy and tools developed for product-level life cycle assessment for our critical machines & commodities
- Aimed at significant reduction in our Scope 3 emissions
- Started systematic collection of data from BPs to determine the Scope 3 GHG emissions brought to our supply chain through procurement of certain goods, as well as the associated economic cost
- Conducted training sessions for internal procurement teams and critical material BPs to facilitate the implementation of life cycle assessment within our procurement process

Once the process is streamlined, we will factor in the carbon cost of procuring these supply items when making procurement decisions.

TRANSPARENT BP IDENTIFICATION, ESG ASSESSMENT & SCREENING

1

Identification of potential BPs

- Market research
- Consultation
- Expression of interest (EOI)
- Online searches
- Direct outreach

2

Screening

- ESG, quality & business relevance

3

Risks considered during BP screening

- Country-specific
- Sector-specific
- Commodity-specific

4

BP evaluation and registration

- Registration questionnaire
- Evaluation & approval by designated authorities
- Commitment to ESG criteria
- ARIBA supplier lifecycle and performance (SLP) module

5

Pre-qualification questionnaire for screening BPs

- ESG & HSE questionnaire based on international standards
- Meticulous evaluation to ensure BPs meet our standards, including HSE criteria
- Partners scoring at least 75% to upload all necessary documents, including technical and commercial qualifications, on ARIBA portal for verification

6

Performance assessment

- Against compliance and ESG criteria
- BP payments linked to adherence with safety and statutory obligations
- Penalty/incentive system in place to enhance productivity and safety across all locations

7

Regular monitoring for key contracts

- Covers safety, human rights and environmental compliance
- Includes data monitoring on GHGs, water, climate & water risks, etc.

8

Regular contractor field safety audits (CFSAs)

- For on-site service contractors to promote health, safety, environment & social (HSES) governance practices

9

Integrated performance module in ARIBA

- Tracking of BP performance on quality and delivery
- Corrective action, if necessary

SUPPLY CHAIN RISK ASSESSMENT & MITIGATION

- Three-level Assessment: Desktop-based assessment conducted every 3 years for all BPs, second party assessment for critical BPs, third-party assessment for sustainability high-risk BPs
- Assessment of BPs is based on international standards and methodologies such as LME responsible supply chain guidance, Modern Slavery Act, SMETA (Sedex Members Ethical Trade Audit), Responsible Minerals Initiative, or others
- Effective due diligence and risk management practices implemented for mitigating conflict affected and high-risk areas (CAHRA) related supply chain risks and promoting responsible sourcing practices
- Pre-defined criteria for identifying critical BPs and service providers, to address inbound supply chain risks
- Effective internal management practices established for due diligence, to identify, assess and manage potential risks associated with mineral supply chains
- Process in place to identify and report red flags, along with results of risk assessments, to senior management; covering risks related to serious human rights abuses, use of public or private security forces, support to non-state armed groups, money laundering, tax evasion, bribery, and misrepresentation of material origin
- Annual due diligence assessments & sustainability questionnaires for BPs by independent third parties, along with on-site evaluations, as needed, to assess quality practices, ESG initiatives and HSE practices

DIGITALISING TO STRENGTHEN SUPPLY CHAIN

BP grievance mechanism

- Grievance portal integrated into a mobile app, ensuring prompt, efficient and effective redressal of grievances of BPs
- Grievance committee set up with pre-defined escalation procedures to ensure prompt tracking and redressal of grievances, through automated emails and updates

Vendor zone, information portal and e-learning training module on ARIBA network

- Available on our website at https://www.hzlindia.com/vendor/, to guide new BPs
- Easy-to-follow video guides available on the BP training e-module to create awareness of our Code of Conduct, ESG expectations, and various processes, such as auctions, invoice creation, supplier profile management, etc.

ARIBA SLP

- Streamlined our procurement operations, ensuring transparency, compliance and efficiency
- Automation of BP management processes and centralisation of information, helping us engage with qualified BPs, mitigate risks, and drive continuous improvement in supplier relationships

We recognise the importance of leveraging digital technologies to drive efficiency, transparency, and environmental stewardship across our supply chain. As part of our digital transformation agenda, we have embarked on a journey to revolutionise our end-to-end procurement processes by embracing paperless request for proposals (RFPs) to touchless payment. The introduction of paperless RFPs has enabled Hindustan Zinc to accelerate the procurement cycle, from the stage of creation of RFP documents to BP selection and contract negotiation.

We successfully avoided approximately 1.07 million pieces of paper in FY 2023-24 with the implementation of the SAP Business Network, which facilitated electronic transactions. Our digital platforms are helping in real-time collaboration, document sharing, and electronic signatures, reducing manual effort and speeding up decision-making processes. The use of the latest digital technologies on our platform has positively impacted 11 of the 17 UN Sustainable Development Goals.

RESPONSIBLE SOURCING GOVERNANCE

Our multi-tier sourcing governance structure is aligned to ISO 20400. This involves integrating frameworks and providing training to internal stakeholders to enhance their competency in sustainable sourcing practices. During FY 2023-24, we conducted a full-day training session, with the support of a third-party certification company, to acquaint participants with ISO 20400 requirements, backed by simple BP evaluation.

FORGING AHEAD STRATEGICALLY

Our focus, going forward, will be on:

- Establishing and executing a sustainable supply chain methodology, aimed at fostering deeper engagement with BPs on ESG. It involves conducting risk assessments, mapping materiality, evaluating compliance with the Modern Slavery Act (MSA), implementing corrective measures, and crafting an engagement plan to address any identified issues
- Conducting third-party audits, aligned with international frameworks to evaluate BP performance across ESG pillars
- Implementing local/preferential procurement policies, engaging local BPs, and partnering with Indian associations to identify potential local partners
- Recognising and awarding BPs who demonstrate excellence in ESG parameters, with established ESG practices in place
- Creating a supplier best practice database to facilitate collaboration and support the growth of BPs
- Implementing a BP feedback mechanism to identify and address gaps for continuous improvement
- Implementing memorandum of understanding (MoU) with critical BPs to formalise agreements and align them with the Company on shared objectives

For more information related to supply chain management, please refer to our Sustainability Report.

CASE STUDY

Decarbonising our logistics

As a sustainability-focussed organisation, we are continuously exploring ways to reduce our carbon footprint across our business operations. To decarbonise our logistics operation, we have adopted various measures to reduce its ecological impact and de-risk the supply chain from emerging regulatory and other climate change risks.

During FY 2023-24, we deployed 10 electric vehicle (EV) trucks and 41 liquefied natural gas (LNG) trucks through a strategic partnership with a business partner. These trucks, of 55-tonne capacity each, ensure uninterrupted operation, while ensuring the required infrastructure for charging the EV fleet along with LNG station.

The deployment of these vehicles will propel us further towards achieving our net zero goal and establishing a standard for responsible mining practices.

Key features

- Long-term contracting for 10 years & 5 years for EV and LNG fleet, respectively
- Enhancing the reliability of transport movement
- Incorporating additional safety features to reduce incidents
- Ergonomically designed driver cabin to provide additional comfort with fatigue management

Key outcome

- c.100% carbon emission reduction on EV fleets
- c.30% carbon emission saving in LNG fleets
- 7% reduction in operational cost with respect to fossil fuel fleets

CASE STUDY

Boosting Efficiencies with Centralised Warehousing System

Hindustan Zinc identified challenges in its supply chain operations, including decentralised sourcing and warehousing for spare parts procurement, which led to inefficiencies, higher costs, and discrepancies in order fulfilment. To address these challenges, we implemented centralised supply chain solutions, comprising centralised sourcing and warehousing, in 2021, translating into important benefits for the Company during FY 2023-24.

Key features

- Partnered with TVS Supply Chain Solutions to establish a 4PL (4th party logistics) warehousing system, with the aim to streamline processes and achieve cost savings through a "Use & Pay" model
- Made efforts to standardise spare parts across business units, and transition inventory from unit stores to centralised warehouses
- Undertook automation projects to enhance system efficiency and transparency, including real-time GPS tracking for vehicles, bar code scanner-based material movement, and electronic proof of delivery (e-POD) through web and mobile applications

Key outcome

- Improved stock transparency, enhanced order accuracy and robust transportation
- Reduced plant breakdowns, reduced manpower and operating costs, minimised freight expenses, and heightened customer satisfaction
- Achieved impressive inbound and outbound order fulfilment metrics, with 98% of inbound turnaround time within 24 hours and 97% of outbound orders served within 48 hours
- Substantial operational cost savings of ₹ 85.65 lakhs per annum

A workshop on spares supply chain management was organised at a third-party mega warehouse that covered key aspects such as inventory management and storage, demand forecasting quality improvement, and the use of technology for efficient tracking and procurement.

CASE STUDY

Enhancing Mining Equipment Life with Full Machine Rebuild

The mining equipment at Hindustan Zinc had a medium lifespan, resulting in higher capital expenditure (capex) on account of purchase of new machineries due to excessive equipment deterioration. To enhance the life of heavy earth moving machines (HEMMs) and low-profile dump trucks (LPDTs), we initiated a rebuilding project during the year. The project was aimed at achieving additional life of 20,000 hours (equivalent to 5 years) post rebuild, resulting in capex deferment for the same period.

Key features

- Involved full machine rebuild project, with extended scope of work, including power train replacement, overhaul with software testing, and updates with warranty
- Pilot project undertaken for 5 machines, to be replicated to other equipment post successful implementation

Key outcome

- Machine condition restored to new-like, with new product identification number and service meter unit (SMU) starting from zero
- Engineering updates made to the latest available options
- Achieved certified powertrain, commercial engine, hydraulic and machine component rebuilds, cab overhaul, work implement overhaul, software testing and painting
- Total economic life extended to c.12 years, translating into 71% additional life with investment of 47% of new equipment cost
- Improved availability and lowered operational cost
- 1.5 months payback against capex of new equipment
- ₹ 7.81 crore saving achieved per equipment

PRE & POST REBUILD

Before Rebuild: Availability - 77%

After Rebuild: Availability - 88%

Working with Hindustan Zinc Limited has been an exceptional experience. Your commitment towards innovation, exemplified by the introduction of 1st Battery Electric Vehicle (BEV), has significantly enhanced safety & quality standards setting up a new benchmark in UG space of operation. HZL's dedication to sustainability & quality align perfectly with our values. Their proactive approach and relentless pursuit of excellence have consistently delivered outstanding results, solidifying our partnership as one built on trust, reliability, and mutual growth.

Subhasis Mohanty
Vice President & Managing Director
Normet India Pvt. Ltd.

Epiroc greatly appreciates the continued long and strong partnership we have with HZL. We are thankful for the open and transparent discussions with mutual respect we have with the commercial team enabling us to find a win-win solution which is key for any business relationship. We always admire the in-depth, fact-based analysis your team does, which keeps us on our toes but also enables us to do our best. Thank you for the continued patronage of Epiroc products enabling us to be your sustainability & productivity partner.

G Arunkumar
President - India
Epiroc

As a premier mining equipment solutions provider, Sandvik has forged a robust partnership with Hindustan Zinc Limited, spanning a remarkable 15 years.

We remain steadfast in our commitment to becoming their preferred primary ally, providing pioneering solutions such as digital transformation, automation and electrified equipment to support their sustainability and decarbonisation goals in mine operations. These efforts not only advance their growth trajectory but also align with both our organisations' broader objective of creating future-ready mines.

Together, we are poised to redefine industry standards and lead the charge towards a brighter, more sustainable future.

Manojit Haldar
Managing Director and President
Sales Area India
Sandvik Mining and Rock Technology India Pvt Ltd

GOVERNANCE

Committed to Highest Level of Governance

As a responsible corporate focussed on sustainable growth, Hindustan Zinc has embedded the highest standards of governance practices in its organisational structure, encompassing all our systems, processes and functions. We have strategically integrated Environmental, Social and Governance (ESG) metrics in our decision-making processes. A robust governance framework is in place to drive transparency and ethics in our decision-making and conduct. We are continuously striving to meet our environmental goals, while concurrently upholding our social responsibilities towards our customers, employees and the communities around which we operate. To propel our long-term business growth and stakeholder value creation, we pursue fair and ethical practices, designed to nurture our reputation as a trusted partner for all our stakeholders.

PROMOTING ACCOUNTABILITY AND INTEGRITY

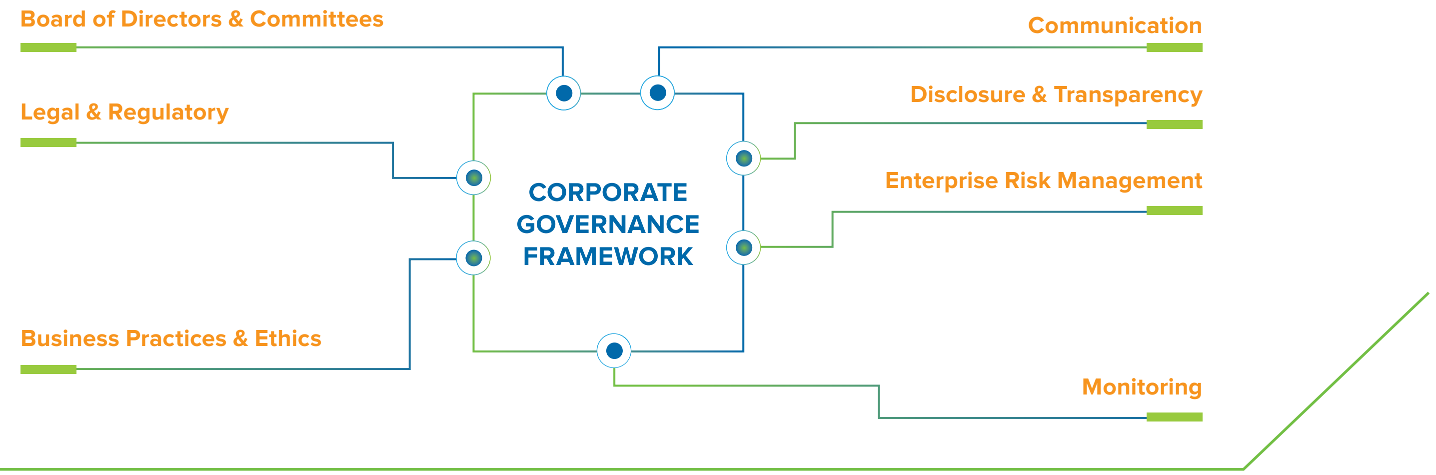
Adherence to the highest standards of governance is a key tenet of our business focus. We have in place a well-structured Corporate Governance (CG) framework that is centred around promoting a culture of responsibility, ethics, integrity and accountability across the organisation.

- Our CG philosophy is aimed at fostering stakeholder's trust, and ensuring fairness and objectivity in all our decision-making processes
- Our governance approach is driven by our value system, backed by continual communication and training
- Strong decision-making processes, visionary leadership and industry recognitions further endorse our commitment to good governance
- We believe in providing our stakeholders with a transparent and comprehensive perspective of the Company's performance and progress

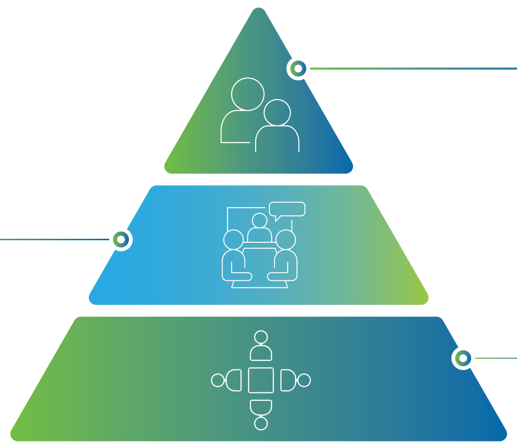
Stringent compliance with these aspects of CG enables us to surge ahead towards the accomplishment of our goals and targets.

REINFORCING THE CG FRAMEWORK

To effectively steer our CG philosophy and principles, we have developed a three-tier framework, comprising the elements of strategic supervision, management, control and execution. These elements are built around the fundamental pillars of ethics, transparency, accountability, inclusion, equity, and commitment to legal principles. Our investment in these pillars enables us to reinforce our CG framework, helping augment our brand reputation. They help in suppliers and employee retention, enabling us to nurture stakeholder trust and confidence in the Company. Collectively, these pillars equip us to deliver on our purpose and ambitions.



At the heart of our good governance proposition is the Board's commitment to drive sustainable and responsible growth, which we believe is the key engine of our sustained success. Our governance structure is guided by the Company's vision, mission, values and legacy, backed by strong internal controls and risk management mechanisms. These mechanisms are put in place by our vigilant and proactive Board, and are aimed at boosting the organisation's resilience to existing and emerging challenges. They empower the Board to fulfill its responsibilities to both, the shareholders, debenture and other security holders and the broader community.



Board of Directors

Responsible for ensuring long-term business strategy, enhancing shareholders, debenture and other security holders' value, and overseeing the interest of all stakeholders

Board Committees

Oversees specialised areas of operations, and provides recommendation based on expertise

Management

Implement policies and procedures, manages everyday operations

ENSURING REGULATORY COMPLIANCE

We are cognisant of the importance of compliance with various regulations and norms to enhance the Company's reputation. We have integrated the compliance function into the management's role and responsibility.

- Our compliance function ensures risk-based compliance evaluation, taking 360-degree compliance into account
- A robust digital tool is deployed to monitor compliance, and regular alerts are sent to all the process owners for timely compliance basis the requirement in the law

We are committed to continuing to ensure timely regulatory compliance, to uphold the trust and confidence of our stakeholders. At the same time, we are committed to avoiding legal consequences by ensuring that our operations are in line with relevant and applicable laws.

BOARD COMMITTEES

Our Board of Directors plays a vital role in providing leadership and strategic guidance in shaping our procedures and processes to drive value creation. A robust mechanism is in place for continuous monitoring and strengthening of our CG modules. This is enabled through the various Board Committees established for overseeing different functions. Each committee is assigned distinct roles and responsibilities. The decisions of the committees are aligned with our responsibility ethos, which is central to the overall management strategy at Hindustan Zinc.

AUDIT & RISK MANAGEMENT COMMITTEE

PRIMARILY RESPONSIBLE FOR:

- Overseeing the accuracy, integrity and transparency of the Company's financial statements and its compliance with legal and statutory requirements
- Overseeing the internal control arrangements
- Overseeing the performance, qualifications and independence of the statutory auditors and performance of the internal audit function
- Assisting the Board in monitoring and reviewing the risk management policy, and implementation of the risk management framework
- Evaluating the risk exposure of the Company and assessing the management's actions to mitigate the exposure on time

Stakeholders Impacted

- Shareholders, debenture and other security holders
- Government

Capitals Impacted

STAKEHOLDERS RELATIONSHIP COMMITTEE

PRIMARILY RESPONSIBLE FOR:

- Assisting the Board in fulfilling its responsibilities towards the review of investor service standards of the Company
- Looking into various aspects of the interests of shareholders, debenture holders and other security holders, and redressal of their grievances

Stakeholders Impacted

- Shareholders, debenture and other security holders

Capitals Impacted

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

PRIMARILY RESPONSIBLE FOR:

- Formulating and recommending to the Board, a Corporate Social Responsibility (CSR) policy, indicating the activities to be undertaken by the Company
- Recommending the amount of expenditure to be incurred on the CSR activities, and monitoring the CSR policy from time to time

Stakeholders Impacted

- Government
- Communities
- Development Organisations

Capitals Impacted

Financial Capital | Manufactured Capital | Intellectual Capital
Human Capital | Social & Relationship Capital | Natural Capital

NOMINATION AND REMUNERATION COMMITTEE (NRC)

PRIMARILY RESPONSIBLE FOR:

- Recommending candidates for appointment as Directors on the Board, or as key managerial personnel or senior management following the criteria laid down in NRC policy which can be accessed at https://www.hzlindia.com/wp-content/uploads/HZL-Nomination-Remuneration-Policy_final-19.04.2024.pdf
- Recommending the level and structure of remuneration for members of the Board, and senior management and key managerial personnel
- Performance evaluation of the Board, its Committees and individual Directors
- Formulating the criteria for determining qualifications, positive attributes, and independence of a Director

Stakeholders Impacted

- Employees & Business Partners' Employees (including Directors)

Capitals Impacted

SUSTAINABILITY AND ESG COMMITTEE

PRIMARILY RESPONSIBLE FOR:

- Reviewing the policies & action plans regarding the sustainable development of the Company's projects and operations, comprising social, economic and environmental responsibility in the regions where the Company operates
- Reviewing targets for ESG performance, and reporting to the Board on their appropriateness, time horizons, and ambitions, and assessing the progress towards achieving those targets

Stakeholders Impacted

- Government
- Communities
- Business Partners
- Customers

Capitals Impacted

COMMITTEE OF DIRECTORS

PRIMARILY RESPONSIBLE FOR:

- Reviewing and approving all policies relating to the financial matters of the Company, inter alia, investment policy, foreign exchange policy, commodity hedging policy, and banking authorisation policy
- Supporting the Board by considering, reviewing and approving all borrowings, investments, finance, banking and treasury-related proposals within the overall limits approved by the Board

Financial Capital
Manufactured Capital
Intellectual Capital
Human Capital
Social & Relationship Capital
Natural Capital

EXECUTIVE COMMITTEE

Hindustan Zinc has a high-powered Executive Committee (EXCO) that serves as a link between its Management and the Board.

- EXCO comprises the Company's functional and plant leaders, including the Chief Executive Officer & Whole-time Director (CEO & WTD), Deputy CEO, Chief Financial Officer (CFO), and the Independent Business Unit (IBU) CEOs
- The key responsibility of EXCO is to supervise the management and control functions within the Company, and to play a pivotal role in the effective execution of the Company's strategies
- Its responsibilities also include coordinating business transactions, driving enhancements in the mining and smelting processes, and implementing a range of policies and procedures, including the Code of Conduct
- The IBU CEOs help in the successful implementation of the Company's business strategies, plans and programmes; they steer the realisation of Hindustan Zinc's business and sustainability goals

For more details on our sustainability governance framework, read the Sustainability chapter on page 168 of this Report.

POLICIES & FRAMEWORK GUIDING ETHICAL BUSINESS CONDUCT

A culture of ethical behaviour is imbued in the organisation and we make continual efforts to create a favourable environment, backed by well-drafted policies and frameworks, to promote appropriate business conduct. These policies are regularly communicated to our management, employees and stakeholders.

Code of Conduct

The Company stringently adheres to its Code of Conduct ('Code') across its business segments, functions, and external stakeholders, including business partners (BPs), contractors, and others including Directors, officers, and employees of the Company and its subsidiaries. The fundamental principles of this Code include trust, mutual respect, professionalism, responsibility, accountability and open communication, which directs our conduct and activities. The Code of Conduct complies with the provisions of the Foreign Corrupt Practices Act and the UK Bribery Act of 2010. It embodies the Company's core values and purposes and plays a vital role in creating a healthy business relationship with all stakeholders. It ensures ethical handling of conflicts of interest, promotes complete and timely disclosures, besides maintaining a keen focus on aspects essential for upholding the highest ethical standards and fostering a culture of honesty.

Zero

Complaints relating to child labour, forced labour and involuntary labour

All Board members and senior management personnel have affirmed their compliance with the Code of Conduct for FY 2023-24. A declaration to this effect signed by the CEO & Whole-time Director forms part of the Report.

Strict Adherence to the Code

Every year, our Board members, executives and employees participate in the annual affirmation of their commitment to uphold the Code of Conduct. We have established Ethics Committees at Hindustan Zinc and at the Group level to ensure effective implementation and adherence to the principles and standards outlined in the Code. The Ethics Committee consists of key stakeholders along with management assurance head who conducts detailed investigation independently of the complaints received with respect to violation of Code of Conduct. This Committee plays an important role in providing guidance, addressing enquiries and handling any complaints received directly or through the whistle-blower mechanism. It serves as a body dedicated to foster a culture of ethics, transparency and accountability throughout the organisation. We had earlier strengthened the Code to provide more precise direction on a number of evolving subjects, including facilitation of payments and gifts and interactions with BPs. It encompasses contemporary principles concerning sanctions, trade controls and online conduct on social media. We have expanded the confidentiality aspect of the Code to encompass data privacy, general data protection regulation (GDPR) and information security, ensuring that the Code remains relevant and comprehensive in addressing evolving challenges and complies with established standards and regulations. The Code is available on our website, at https://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-CODE-OF-CONDUCT-22.04.2022.pdf

Policy on Prevention of Sexual Harassment at the Workplace

Our gender-neutral prevention of sexual harassment (POSH) policy reflects our commitment to diversity, inclusion and equal opportunity. These measures demonstrate our unwavering dedication to foster a diverse and inclusive workplace environment, while upholding high ethical standards and promoting openness and transparency.

The Company strives to create safe workplace for all, fostering a culture that promotes respect and equality by proactively addressing any behaviours or attitudes that contribute to sexual harassment. The Company abides by the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013 and under its purview have conducted multiple awareness trainings across Hindustan Zinc. These are specifically curated for various cohorts of entry level employees, managers, leadership, business partners and their workforce, women professionals, Internal Complaints Committee members and many more. In FY 2023-24, around 1,500+ workforce underwent trainings throughout the year across our mining and smelting locations.

During the financial year 2023-24, we received 6 cases under prevention of sexual harassment (POSH), which were promptly investigated in accordance with our POSH policy. As a result of these investigation, appropriate disciplinary actions were taken against the perpetrators, in line with our zero tolerance approach towards any form of harassment.

The policy can be accessed at https://www.hzlindia.com/wp-content/uploads/Policy-of-Prevention-of-Sexual-Harrassment-at-Workplace%E2%80%93The-Posh-Plus-Policy.pdf.

Whistle-Blower Policy

We have a proactive whistle-blower policy that encourages and empowers our employees and all stakeholders to report any instances of unethical behaviour and unfair business practices through a dedicated 'whistle-blower portal' to promote moral and ethical business practices within the organisation. The responsibility of addressing such complaints falls under the purview of the group head of management assurance. Our complaint registration process is simple, efficient and streamlined, making it convenient for employees and all stakeholders to raise their concerns through just three clicks on a mobile application. Once a complaint is received, a thorough investigation is conducted, and the findings are shared with the Audit and Risk Management Committee for review.

Link to our whistle blower policy is as follows: https://www.hzlindia.com/wp-content/uploads/HZL-WHISTLE-BLOWER-POLICY-19.10.2015.pdf.

Anti-Bribery and Anti-Corruption

To promote fair and transparent business practices, we have implemented an anti-bribery and anti-corruption policy, and ensure strict compliance with the same. Our business ethics and Code of Conduct also covers the anti-bribery and anti-corruption policy which can be accessed at https://www.hzlindia.com/wp-content/uploads/Anti-Bribery-and-Anti-Corruption-Policy-21.01.2022.pdf. To build a clear understanding of the policy, and ensure adherence to the Code of Conduct, we conduct annual training and awareness programmes for our employees and BPs. The policy strictly prohibits any form of improper monetary or facilitation payment to individuals or organisations, including public officials and customers.

Number of incidents reported under Code of Conduct and Business Ethics are as under:

S. No.	Categories	Occurrences	% Split
1	Employee Misconduct	0	0%
2	Corruption & Bribery	1	11.1%
3	Business Integrity Breach	1	11.1%
4	Conflicts of Interest	0	0%
5	Workplace Harassment and Discrimination	6	66.7%
6	Money Laundering or Insider Trading	0	0%
7	HSE Breach	0	0%
8	Data and Privacy Breach	0	0%
9	Customer Privacy Breach	0	0%
10	Others	1	11.1%

1 Employee Misconduct

This refers to all matters involving employees, contractors and business partners, including concerns related to unfair human resources (HR) processes that cover recruitment practices, benefits and compensation, job assignment and performance, breaches of labour standards, issues related to payroll, remuneration, benefits and compensation (including legal breaches).

2 Corruption & Bribery

This refers to the abuse of power or position for personal gain, often involving unethical or illegal behaviour such as bribery, fraud, or embezzlement. Bribery specifically involves the offering, giving, receiving, or soliciting of something of value in exchange for influence or action that is dishonest, unfair, or illegal, typically to gain an advantage in business transactions, government affairs, or other contexts.

3 Business Integrity Breach

It relates to any violation or deviation from the code of business conduct, and/or any unethical behaviour, including but not limited to the facilitation of bribes and fraud, and misuse of the Company's resources and benefits.

During FY 2023-24, the Company took strong actions to uphold our commitment to integrity and ethical standards within our organisation. Regrettably, we had to part ways with two employees due to integrity/bribery breaches. Additionally, we made the difficult decision of blacklisting a business partner for similar reasons.

4 Conflict of Interest

This refers to all the matters when an individual or entity is in a position where their personal interests or loyalties could potentially clash with their professional duties or responsibilities. This conflict may occur when there is a risk that their personal interests could influence their decision-making or actions in a way that could harm their ability to perform their duties impartially, resulting in unfair advantages, biased decisions, or compromised integrity.

5 Workplace Harassment and Discrimination

These are matters relating to inclusiveness and discrimination, such as inappropriate employee conduct and harassment.

6 Money Laundering or Insider Trading

This includes matters related to concealing the origins of illegally obtained money, typically by passing it through a complex sequence of banking transfers or commercial transactions in order to obscure its source and make it appear legitimate along with matters related to illegal practice of trading stocks, bonds, or other securities based on material, non-public information about a Company's affairs, operations, or financial performance.

7 HSE Breach

This is related to Health, Safety and Environment (HSE) concerns, referring to workplace conditions that represent dangerous physical situations for employees and others. It includes environmental concerns regarding potential harm or a potential situation that can cause actual or perceived loss or damage to people, the environment, or plant and equipment.

8 Data and Privacy Breach

It refers to any unintended loss of data or information, and failure to comply with local legislation relating to the collection, usage, processing, storage, disclosure and transfer of personal data. This also includes failure to process data for legitimate business purposes or related purposes.

9 Customer Privacy Breach

This is related to unauthorised access to disclosure or misuse of personally identifiable information or sensitive data belonging to customers.

10 Others

All other breaches come under this umbrella. During FY 2023-24, we took action to address an integrity issue involving a contractual employee. Following a thorough investigation, it was determined that the individual's actions were not aligned with our organisation's values and standards of conduct. As a result, we mutually agreed to separate from the contractual employee, reaffirming our commitment to maintaining integrity and accountability across all levels of our workforce.

BOARD OF DIRECTORS

Charting the Course for Strategic Leadership

PRIYA AGARWAL HEBBAR

(DIN: 05162177)

Non-Executive and Non-Independent Chairperson

Directorship: w.e.f. January 19, 2023

Qualification: Bachelor's in Psychology and Business Management from the University of Warwick, UK

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Capital Projects
- Global experience
- Sustainability & ESG
- Corporate governance
- Mergers & Acquisitions
- Government and international relations
- Information Technology/Digital/ Cybersecurity

NAVIN AGARWAL

(DIN: 00006303)

Non-Executive Director

Directorship: w.e.f. April 11, 2002

Qualification: Graduation in Commerce from Sydenham College, Mumbai, the President Management Programme from Harvard University

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Capital Projects
- Global experience
- Sustainability & ESG
- Corporate governance
- Mergers & Acquisitions
- Government and international relations
- Information Technology/Digital/ Cybersecurity

ARUN MISRA

(DIN: 01835605)

Chief Executive Officer & Whole-time Director

Directorship: Appointed as Deputy CEO on November 20, 2019 and elevated to CEO & WTD w.e.f. August 1, 2020

Qualification: Bachelor's in Electrical Engineering from IIT Kharagpur, Diploma in Mining and Beneficiation from University of New South Wales, Sydney and Diploma in General Management from CEDEP, France

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Capital Projects
- Global experience
- Sustainability & ESG
- Corporate governance
- Mergers & Acquisitions
- Government and international relations
- Information Technology/Digital/ Cybersecurity

AKHILESH JOSHI

(DIN: 01920024)

Non-Executive Independent Director

Directorship: w.e.f. August 1, 2020

Qualification: Bachelor's in Mining, 1st class Mining Manager Certificate of Competency under MMR-1961 (unrestricted), Diploma from Paris School of Mines in Economic Evaluation of Mining Projects

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Capital Projects
- Global experience
- Sustainability & ESG
- Corporate governance
- Mergers & Acquisitions
- Government and international relations
- Information Technology/Digital/ Cybersecurity

KANNAN RAMAMIRTHAM

(DIN: 00227980)

Non-Executive Independent Director

Directorship: w.e.f. September 1, 2022

Qualification: Post Graduation in Mathematics from Madras University, PGDMS from Bombay University and Certified Associate of Indian Institute of Bankers with Industrial Finance

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Capital Projects
- Global experience
- Sustainability & ESG
- Corporate governance
- Mergers & Acquisitions
- Government and international relations
- Information Technology/Digital/ Cybersecurity

PALLAVI JOSHI BAKHRU

(DIN: 01526618)

Non-Executive Independent Director

Directorship: w.e.f. August 10, 2023

Qualification: Fellow Member of the Institute of Chartered Accountants of India and Indian Institute of Corporate Affairs

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Sustainability & ESG
- Corporate governance
- Mergers & Acquisitions
- Government and international relations

DR. VEENA KUMARI DERMAL

(DIN: 08890469)

Non-Executive Nominee Director

Directorship: w.e.f. July 29, 2021

Qualification: PhD in Horticulture and PGP in Public Policy Management, specialist in mineral policy and legislation. Currently, Joint Secretary in the Ministry of Mines

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Global experience
- Sustainability & ESG
- Corporate governance
- Government and international relations
- Information Technology/Digital/ Cybersecurity

NIRUPAMA KOTRU

(DIN: 09204338)

Non-Executive Nominee Director

Directorship: w.e.f. July 26, 2021

Qualification: Bachelor's in Economics and a Master's in Politics and International Relations. Currently, Joint Secretary and Financial Advisor with the Ministry of Coal and the Ministry of Mines

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Capital Projects
- Global experience
- Sustainability & ESG
- Corporate governance
- Government and international relations
- Information Technology/Digital/ Cybersecurity

FARIDA M. NAIK

(DIN: 07612050)

Non-Executive Nominee Director

Directorship: w.e.f. March 14, 2017

Qualification: Graduation in Psychology. Currently, Joint Secretary in the Ministry of Mines, Government of India

Areas of expertise

- Financial expertise & Risk Management
- Business leadership
- Natural resources
- Capital Projects
- Global experience
- Sustainability & ESG
- Corporate governance
- Government and international relations
- Information Technology/Digital/ Cybersecurity

Read full profile of Board of Directors at https://www.hzlindia.com/about-hzl/leadership/board-of-directors/

COMMITTEE DETAILS

Audit and Risk Management Committee	A
Stakeholders Relationship Committee	SR
Corporate Social Responsibility Committee	C
Nomination and Remuneration Committee	N
Sustainability and ESG Committee	S
Committee of Directors	CD
Chairperson	

BOARD DIVERSITY

Board Composition

- **1** Non-Executive & Non-Independent Chairperson
- **4** Non-Executive & Non-Independent Director
- **1** Executive and Whole-time Director
- **3** Independent Director

Gender

- **4** Male
- **5** Female

Age

1	1	7
Up to 45 years	46 to 55 years	Over 55 years

Tenure

5	2	2
Up to 3 years	Between 3 and 6 years	Over 6 years

5 years

Average tenure of Board of Directors*

*does not include the tenure of Mr. Anjani Agrawal as the data is as on March 31, 2024

SENIOR MANAGEMENT TEAM

PRADEEP SINGH
Chief HSE & Sustainability Officer

Pradeep has over 23 years of experience across non-ferrous metals, cement and consultancy.

MUNISH VASUDEVA
Chief Human Resources Officer

Munish has over 30 years of experience in the human resources function across various verticals of talent acquisition, business partnering, rewards & remuneration, organisational design, leadership development, succession planning and mergers & acquisitions. He has been in leadership roles in a large multinational for over two decades.

SANDEEP MODI
Chief Financial Officer

Sandeep has two decades of work experience in metals & mining and power industry in areas of core finance including cost control, digitalisation, treasury, investor relations, mergers & acquisition, taxation, risk management and internal audit among others. He has been instrumental in various strategic transactions in his key leadership roles for over a decade. He has been recognised among top CXOs in India at various platforms.

DURAIRAJ M
Chief Commercial Officer

Durairaj has over 19 years of cross-functional experience in procurement, supply chain, logistics, plant operations and growth projects. He served in various leadership roles across the Group's zinc & power sector and Group commercial.

ANUPAM NIDHI
Head - CSR

Anupam has 23 years of experience in the CSR and sustainability spheres. She has served large Indian conglomerates and multinational corporations in leadership roles.

KRISHNAMOHAN NARAYAN
Deputy Chief Executive Officer

Krishnamohan has 29 years of experience in the field of operations and business management. He has served in leadership roles in the chemical industry across diverse geographies in Asia and Europe.

ARUN MISRA
Chief Executive Officer & Whole-time Director

Arun has 36 years of experience in the metal and mining industry and in the strategic areas of quality management and breakthrough leadership. He is also the Chairman of International Zinc Association (IZA) and Chairman of Confederation of Indian industry, Rajasthan.

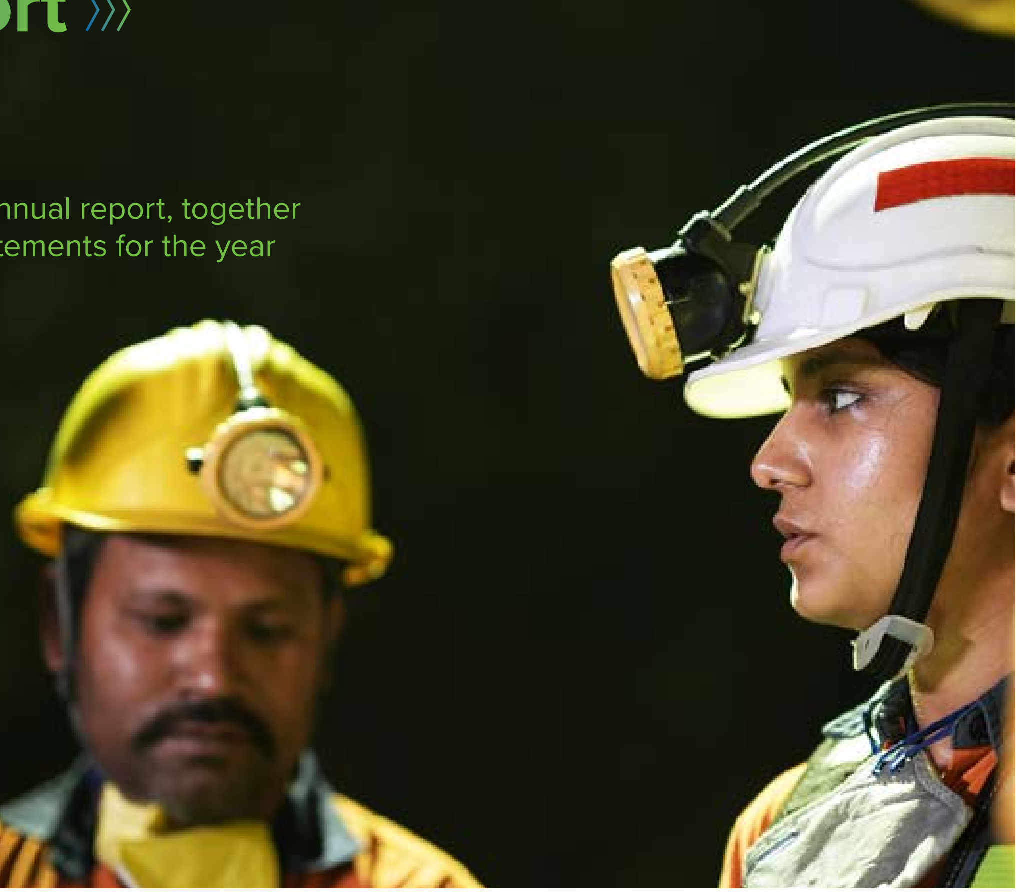
VIJAY MURTHY
Chief Marketing Officer - Metals & Acid

Vijay has 20 years of cross-functional experience in finance, procurement, sales & marketing and corporate strategy. He has served in leadership roles across the Group's zinc and copper business in South Africa and India. He has also held leadership positions in cement and chemicals industry.

HUGO SCHUMANN
Advisor - Silver Value Creation

Hugo has 19 years of diverse experience in the mining, energy, and metal industries. He is an expert professional in the fields of value creation in mining business, mine development and energy projects handling them globally for a wide range of commodities. He has served in the mining industry across diverse geographies in Asia and Europe.

Board's Report



DEAR MEMBERS,

We share with you our 58th annual report, together with the audited financial statements for the year ended March 31, 2024.

Your directors are pleased to inform 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 structured stakeholder engagement. With this multi-faceted proactive approach towards its hyperopic strategy, the Company has shown resilience against the market headwinds.

I. KEY BUSINESS, OPERATIONS AND FINANCIAL PERFORMANCE

Company Overview:

Hindustan Zinc Limited ("**Hindustan Zinc**" or "**Company**"), a subsidiary of Vedanta Limited, is India's largest and world's second largest integrated zinc producer and 3rd largest silver producer globally. With operational facilities located in the states of Rajasthan and Uttarakhand, the Company is headquartered in Udaipur, Rajasthan, India.

Hindustan Zinc has a robust portfolio of products including zinc, lead and silver and value-added products including continuous galvanising grade (CGG), special high grade (SHG) jumbos and other die-cast alloys. With over 50 years of experience, our Company is dedicated to delivering results and increasing stakeholder value. We achieve this through exploration, innovation, and operational excellence. We prioritise the safety of our people and the conservation of scarce natural resources by leveraging advanced technology and innovative solutions.

With a total R&R base of 456.3 million tonnes and an average zinc-lead grade of ~7%, the Company's mine life is over 25 years and our fully integrated zinc operations currently hold ~75% market share in India's primary zinc industry.

Uniquely Positioned in the Metal and Mining Landscape

- 3rd leading silver producer globally with capacity of 800 MT silver per annum
- 2nd largest integrated zinc producer globally
- 2nd highest zinc R&R base globally with an average grade of over 5%
- World's largest underground mine at Rampura Agucha and largest single-location zinc-lead smelting complex globally at Chanderiya
- In the first decile of the global zinc mining cost curve, consistent cost optimisation of 11% during the year
- Industry leading 5 years production CAGR of over 4% in metal and 5% in silver
- Robust EBITDA margin of 47% backed by operational excellence, technological advancements, cost optimisation and strong resource base
- Consistently AAA rated by leading credit rating agencies
- Sustainability leader with first rank in S&P corporate sustainability assessment (CSA) in metals & mining sector globally
- ESG focus with economic prudence - renewable power delivery agreement of 450 MW signed in FY 2022-23, is advancing successfully, catering c.50% of the Company's total power requirements. The project is expected by FY 2025-26, reducing emissions and providing cost advantage
- Irreplaceable resource and asset base with technologies providing flexibility of running operations based on the market landscape

Business Highlights

Your Company maintained exceptional performance throughout the year, achieving significant operational milestones. Ore production for the full-year was 16.52 million tonnes, and mined metal production recorded 1,079 kt, up 2% y-o-y, driven by improved mined metal grades. Mine development crossed the 100 km mark for the 3rd consecutive year in line with increasing production requirements and securing future resource base.

The Company crossed the 1 million tonne refined metal production mark for two consecutive years producing ever highest refined metal of 1,033 kt, supported by strong MIC production and better plant availability.

Key Highlights:

- Highest ever annual mined metal production of 1,079 kt, up 2% y-o-y
- Highest ever annual refined metal production of 1,033 kt, marginally up y-o-y
- Record silver production of 746 MT, up 5% y-o-y
- Lowest zinc cost of production (COP) in last 3 years with COP of US$ 1,117 per MT for FY 2023-24
- First rank at S&P Global CSA and featured in S&P Sustainability yearbook 2024 as Top 1% ESG score Company in metals & mining sector

OPERATIONAL PERFORMANCE

Production performance

Production	FY 2023-24	FY 2022-23	% Change
Total mined metal (kt)	1,079	1,062	2%
Refined saleable metal production (kt)	1,033	1,032	-
Refined zinc (kt)	817	821	-
Refined lead (kt)	216	211	3%
Saleable silver production (in tonnes)	746	714	5%

Production

For the full-year, ore production was at 16.52 million tonnes, marginally down y-o-y, on account of lower production at Zawar, Rajpura Dariba & Kayad which were down 6%, 3% and 14% respectively partly offset by strong production growth at Rampura Agucha & Sindesar Khurd which were up 3% and 1% respectively. FY 2023-24 saw the best-ever mined metal production of 1,079 kt compared to 1,062 kt in the previous year driven by improved mined metal grades.

For the full year, we saw our highest metal production at 1,033 kt in line with consistent mined metal flow from mines, while silver production was 5% higher at 746 MT in line with higher lead metal production.

The Company generated 3,989 million units of thermal based power in FY 2023-24. Total green power generation was 696 million units as compared to 713 million units in FY 2022-23.

Sales

During the year, domestic refined zinc metal sales was 580 kt as against 484 kt last year, while export sales for the year stood at 238 kt as compared to 337 kt a year ago. The aggregate sales were flat versus previous year, in line with production. Lead metal sales in the domestic market were 127 kt, while export sales were 89 kt leading to increase in aggregate sales by 2% from a year ago, in line with the increase in lead metal production. Silver sales were 746 MT in FY 2023-24, all in the domestic market and 4% higher than previous year.

Consolidated Financial Performance

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Revenue from operations (Incl. other operating income)	28,932	34,098
Other income	1,074	1,379
Profit before depreciation, interest, tax, and exceptional item	14,730	18,885
Less: Interest	955	333
Less: Depreciation and amortisation expense	3,468	3,264
Less: Exceptional item	-	-
Profit before tax	10,307	15,288
Less: Net tax expense	2,548	4,777
Net profit	7,759	10,511
Earnings per share (₹/share)	18.36	24.88

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/IR-PPT_Q4FY24-_-190424-revised.pdf

Revenue

The Company reported 'revenue from operations' including other operating income of ₹ 28,932 crore, a decrease of 15% y-o-y primarily on account of decrease in zinc prices, strategic hedging gain in previous period and lower zinc sales, partly offset by higher lead and silver sales resulting from higher production, better lead and silver prices and favourable exchange rate.

The 'other income' was ₹ 1,074 crore during the year compared to ₹ 1,379 crore in the previous year, in line with the investment portfolio.

Production Cost

Zinc's cost of production (COP), excluding royalty for FY 2023-24 was ₹ 92,470 (US$ 1,117) per tonne, lower by 8% y-o-y. The full year COP was better, largely on account of better grades, softened coal & input commodity prices, and better linkage coal materialisation partly offset by lower acid realisation.

Operating margin

The above revenue and production cost resulted in profit before depreciation, interest and tax (PBDIT) of ₹ 14,730 crore in FY 2023-24, down by 22% on account of lower zinc prices, strategic hedging gain in previous year and lower zinc production as a part of the silver maximisation strategy to leverage the rising silver prices, partially offset by better lead & silver volume and prices and lower cost of production.

Net profit

Net profit was ₹ 7,759 crore, down 26% y-o-y mainly on account of lower PBDIT, higher depreciation and amortisation and interest expense. Effective tax rate for the year stood at 24.7% as compared to 31.2%.

Earnings Per Share (EPS)

The EPS for the year was ₹ 18.36 per share as compared to ₹ 24.88 per share in FY 2022-23.

Cash Flows

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23
Opening Cash*	10,061	20,789
Add: EBITDA**	13,677	17,590
Add: Net Interest Income	(490)	1,151
Less: Income Tax	1,757	3,140
Less: Dividend	5,493	31,901
Less: Capital Account Payments	3,866	3,561
Add: Borrowings	(3,349)	8,978
Add: (Increase)/Decrease in Working Capital & Others	1,403	155
Closing Cash*	10,187	10,061

(*) 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, income tax assets and other current assets decreased from ₹ 3,450 crore to ₹ 2,516 crore as at March 31, 2024, primarily due to realisation of long pending income tax receivable, optimisation of inventory in spares, decrease in trade receivables and coal stock. The working capital cycle was 33 days in FY 2023-24 as compared to 38 days in FY 2022-23.

Gross Block

The gross block during the year increased from ₹ 40,426 crore to ₹ 43,684 crore. This was largely due to the ongoing mining projects and other sustaining capex.

Capital Employed*

The total capital employed as at March 31, 2024 was ₹ 13,465 crore, as compared to ₹ 14,712 crore at the end of previous fiscal year.

*Refer page 482 for description

Projects and Expansion Plan

As Hindustan Zinc advances in the journey of 1.25 Mtpa metal in concentrate (MIC) expansion by FY 2025-26, multiple projects have been undertaken throughout the year:

Revamping of Rajpura Dariba mill for improved recovery of zinc, lead, and silver. It has been commissioned in Q2 FY 2023-24 and ramping up.

160 ktpa roaster project at Debari is under construction with commissioning being targeted by Q4 FY 2024-25. It will further enhance metal volume towards matching capacity of 1.25 Mtpa MIC.

Zinc alloy plant under Hindustan Zinc Alloys Pvt. Ltd. (HZAPL), a wholly owned subsidiary of Hindustan Zinc, got commissioned in Q3 FY 2023-24 and ramp up is under progress. In FY 2023-24, 0.7 kt of metal production was from HZAPL plant.

Fumer plant has also been commissioned in Q2 FY 2023-24 and ramp up is under progress. It is envisaged to add approximately 33 MT silver additionally on an annual basis.

For the fertiliser plant of 510 ktpa in Chanderiya, work is under progress and the project is targeted to be completed by Q2 FY 2025-26.

Company has also received requisite regulatory approvals for Bamnia Kalan Mines and is in process of finalising the business partner to start the site activities.

Consent to Establish was granted for PAP (Phosphoric Acid Plant) in March 2024 by Rajasthan State Pollution Control Board. The project includes the establishment of PAP plant with a capacity of 240 ktpa inside CLZS complex based on Hemidihydrate (HDH) technology.

Environment clearance was granted for CLZS expansion project in December 2023 by the Ministry of Environment, Forest, and Climate Change (MOEF&CC). The project includes expansion of pyro metallurgical smelter unit and other debottlenecking projects in CLZS.

For the next phase of expansion of mines and smelters, preliminary studies are under progress and proposal is expected to be finalised by the first half of FY 2024-25.

Dividend Distribution Policy and Dividend

Interim dividend of 650%, i.e., ₹ 13.0 per share on equity share of ₹ 2 each, amounting to ₹ 5,493 crore was declared in FY 2023-24.

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 at https://www.hzlindia.com/wp-content/uploads/Dividend-Policy-2016.pdf.

Credit Rating and Liquidity

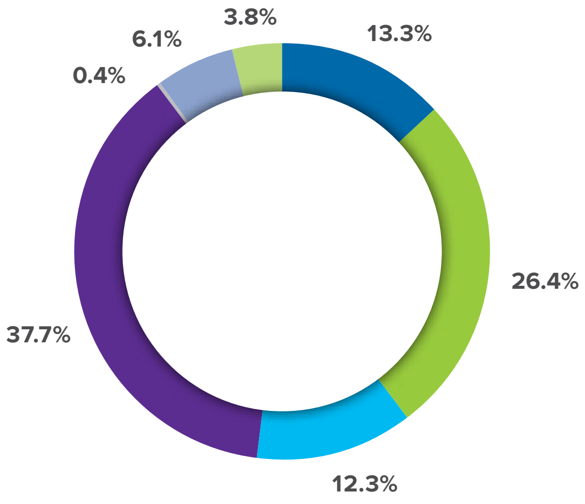
CRISIL has reaffirmed the Company's long-term rating of AAA/Stable and short-term rating of A1+. The ratings continue to reflect the Company's low-cost operations, strong market position, efficient and integrated operations, high reserve & resource, and a strong balance sheet.

The Company follows a conservative investment policy and invests in high quality debt instruments. As on March 31, 2024, the Company's gross investments and cash & cash equivalents were ₹ 10,187 crore.

Contribution to the Government Treasury

The Company has contributed ₹ 13,195 crore during FY 2023-24, in terms of royalties, dividend and taxes to the Government treasury.

TOTAL CONTRIBUTION TO EXCHEQUER OF ₹ 13,195 CRORE



- ₹ 1,757 crore — Taxes on income
- ₹ 3,490 crore — Government Royalties
- ₹ 1,622 crore — Corporate Dividend to Govt. of India
- ₹ 4,974 crore — Indirect Taxes
- ₹ 53 crore — Other Indirect Contributions
- ₹ 803 crore — Withholding Taxes
- ₹ 496 crore — Other Taxes Borne

II. SUSTAINABILITY GOALS AND HIGHLIGHTS

ESG Highlights

SUSTAINABILITY GOALS 2025	ESG HIGHLIGHTS
Climate Change	**RE Power** • Signing of Power Delivery Agreement (PDA) of 450 MW renewable energy project • Adoption of 31 EVs across Hindustan Zinc • India's 1st UG BEV at Sindesar Khurd Mine (SKM) **GHG Intensity** • 4.66 tCO_2e per tonne of metal • 14.34% lower emission intensity from FY 2019-20 baseline **Biomass** • 76,035 tCO_2e GHG emission reduced due to firing/power generation using biomass
Water Stewardship	• Achieved 2.41 times water positivity at Hindustan Zinc • 1.73 million m^3 (8.67%) reduction in freshwater consumption from base line 2020 • Commissioning of dry tailing plant • Pilot study as per Niti Aayog's Water Neutrality standard at Rajpura Dariba Complex (RDC)
Circular Economy	• 100% fly ash usage • Completed the commissioning of the 1st fumer at CLZS to convert jarosite to more valuable and useful product • 1.67x increase in gainful utilisation of smelting process waste from the base line 2020 (2.55 lakhs MT* utilisation in FY 2023-24) *Jarosite and Jarofix
Biodiversity Conservation	• 0.67 million trees planted as part of commitment to plant 1 million trees by 2025, 122,755 planted this year • Engaged with International Union for Conservation of Nature (IUCN) for 3 years for the development of Biodiversity Management Plan (BMP) • Implementation of Schedule 1 conservation plan in progress at Chanderiya Lead-Zinc Smelter (CLZS), Rajpura Dariba Mine (RDM), SKM & Zawar Mine (ZM)
Diversity in Workforce	• 21.7% diversity (versus 14.39% in FY 2019-20) • 16 people from LGBTQ community introduced in workforce
Ensuring Zero Harm	• Zero fatalities across all the sites • 32% reduction in Total Recordable Injury Frequency Rate (TRIFR) from base line 2020
Responsible Sourcing	• 309 active suppliers assessed for sustainability criteria • Local procurement policy & framework under development • Business partner selection criteria on ESG, carbon pricing in commercial decision
Social Impact	• Impacted over 1.91 mn lives across 3,685 villages with sustained and systematic CSR interventions • 1.39 mn women and children benefited through women empowerment and education initiatives • 0.13 mn beneficiaries skilled through sustainable livelihood programs

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 the employees entering our premises. Setting a milestone in FY 2023-24, in-line with our commitment to 'Zero Harm', we have achieved zero fatalities in this financial year.

LTIFR for the year was 0.88 as compared to 0.70 in FY 2022-23.

To avoid fatalities and catastrophic incidents in the Company, '**Vihan': a critical risk management (CRM) initiative** was launched in FY 2022-23 to improve managerial control over rare but potentially catastrophic events by focusing on the critical controls. Through the initiative, we have reinforced the focus upon seven more risks in FY 2023-24, totalling to eleven critical risks:

- Fall of ground (FOG)
- Fall of person/object from height (WAH)
- Vehicle pedestrian interaction (VPI)
- Entanglement
- Uncontrolled release of energy
- Contact with electricity
- Uncontrolled load during lifting
- Molten metal handling
- Incidents during blasting
- Shafts & hoisting
- Events in confined space

Through these initiatives, we want to ensure that all identified critical controls are being monitored on daily basis and systems are in place. We drive CRM through the critical control verification checklist, and we ensure we have developed governance structure for each risk with well-defined frequency for carrying out the inspection.

In alignment with our vision of zero-harm, Hindustan Zinc introduced '**SURAKSHA KAVACH' phase I of fatality prevention controls initiative** for underground mining operations. This initiative signifies a momentous step in our unwavering dedication to the safety and well-being of our colleagues. 'SURAKSHA KAVACH' can proactively address potential risks associated with activities conducted at our sites, encompassing 25 diverse activities, both routine and non-routine, for underground mining operations in phase I. It outlines clear NO-GO criteria and critical checks that must be meticulously conducted by our statutory supervisors and competent personnel, including mining mates, foremen, and operators, prior to commencing any such activity. It helps us to ensure that all basic and critical requirements are available and complied with respect to the developed safe operating procedures while performing the activity. This is a risk management process that is being driven by end users.

During the year, **4 safety pauses** were conducted across all our operational units under the theme 'stop work if it's not safe'. The initiative was led by business partner leaders and employees reaffirming our commitment of safety first. During this connect, all recent safety incidents that had occurred across the Group were discussed and key learnings were shared. The programme was organised by business partners in all the three shifts, including the night shift. In line with our vision of 'zero-harm' & to prevent reoccurrence of similar fatalities within the Group, we have launched **infrastructure Inframatrix** across Hindustan Zinc for top 9 risks that exist in our business. This consolidated matrix is being developed by a group of subject matter experts post several risk workshops. It helps to eliminate the probability of occurrence of fatalities for the identified critical risks in the business by improving the infrastructure of various risks.

10 days of **capacity building training programme on disaster management** was conducted by National Disaster Response Force (NDRF) emergency response at Dariba Smelting Complex (DSC). 31 trainees across the Group, including 8 trainees from Hindustan Zinc participated and benefitted from the programme. The training included medical first responder, collapsed structure search and rescue, fire management, chemical and gas disaster management emergencies.

Hindustan Zinc has always set world-class practices in continuous improvement of safety of the assets and facilities. To provide further focus on the integrity of structures, we have established the formation of '**Structure Integrity Management' community**, which will work towards predictive assessment, corrosion mapping and managing risk through timely rectification of old, damaged & corroded structures in the plant and ensure the safety and reliability of operations.

Competence is a great creator of confidence. Training and capability building was taken as the core theme during the year and many external and internal training programs were organized for the Employees and Business Partners' Employees of the Company like ISO 45001 Lead Auditor Course, Vedanta Sustainability Assurance Program (VSAP) Corrective Action and Prevention Action (CAPA) training, Safety Integrated Level/Layers of Protection Analysis Course, Process Safety Management (PSM) workshop, NEBOSH International PSM course, Mining mate enhancement program and other internal safety trainings.

For demonstrating a higher degree of safety, we have been awarded with below awards:

- Highly prestigious International Safety Awards by British Safety Council in the year 2024
- Zinc Smelter Debari and Zawar group of mines have been awarded in Distinction Category, Chanderiya Lead Zinc smelter, Rajpura Dariba projects and DSC in Merit Category and Rampura Agucha Mine, Sindesar Khurd Mine and Rajpura Dariba in pass category
- Hindustan Zinc was also honoured with platinum in metal and mining sector at Apex India Occupational Health and Safety Awards 2023

Environment

Hindustan Zinc has received validation on its near-term and net-zero targets by the Science Based Targets initiative (SBTi). Hindustan Zinc's 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 2030 from the base year 2020 and achieving net-zero emissions across the value chain by 2050. These target ambitions have been approved by the SBTi in line with 1.5°C trajectory. To achieve this target, we are working towards improving our energy efficiency, switching to low carbon energy sourcing, introducing battery operated electrical vehicles (EVs) and increasing the role of renewables in our energy mixes. We also became the only Company in India to be shortlisted for setting Science Based Targets for Nature (SBTN) based on which Hindustan Zinc will set targets against freshwater & land.

In FY 2022-23, we signed renewable power delivery agreement of 450 MW round-the-clock (RE-RTC), aligned with our commitment of increasing renewable mix in our total energy consumption. The project is progressing well and the first flow of renewable power was moved up and commenced in May 2024. This 450 MW RE-RTC will help us reduce our GHG emissions significantly by 2.7 million tCO_2e per annum.

In FY 2022-23, we signed renewable power delivery agreement of 450 MW round-the-clock (RE-RTC), aligned with our commitment of increasing renewable mix in our total energy consumption.

EVs are globally recognised means to reduce dependency on petroleum products thereby reducing CO_2 emissions. We have deployed two more BEVs in our underground operations at Sindesar Khurd Mine. We have taken a significant leap towards sustainable logistics by signing a contract with Inland EV Green Services Pvt Ltd. The agreement marked the deployment of 10 EV trucks, each boasting a capacity of 55 MT, helping in inter unit transport of goods & reduction of scope 3 emissions.

Hindustan Zinc has led by example by inducting LNG powered trucks for upstream and downstream transportation which shall reduce GHG emissions. In a significant move towards green transportation, the Company has joined forces with Greenline, a subsidiary of Essar Group, by signing a contract for 180 Liquified Natural Gas (LNG) vehicles. With their deployment, Hindustan Zinc will reduce its carbon footprint in inter unit transportation and finished goods transportation by 30% in comparison to traditional diesel vehicles, thereby reducing scope 3 emissions. As on date, the Company has deployed 41 LNG vehicles.

The Climate Action Report (CAR) details Hindustan Zinc's progress towards its climate change goals, including performance against targets and the implementation of relevant projects. The report provides insights into the Hindustan Zinc's climate change strategy and actions taken to mitigate impacts. It is aligned with the recommendations of the International Sustainability Standards Board's (ISSB) IFRS S2 Climate-related disclosures and provides an insight into the Company's actions for climate related physical and transitional risks and opportunities.

Task Force on Nature-Related Financial Disclosures (TNFD) report will uncover key dependencies, impacts, risks, and opportunities on nature, setting an industry benchmark towards a sustainable and nature positive future. The report also aims to formulate an action plan to achieve no net loss.

The Company has inaugurated a 4,000 KLD zero liquid discharge (ZLD) plant phase 1 at Zawar Mines, which utilises advanced technology to help in water conservation. The ZLD plant facilitates water recovery, reaffirming the Company's vision of zero waste & zero discharge. The ZLD plant at Zawar Mines has resulted in reduction of freshwater dependency, aligning with the vision of becoming 5 times water positive by 2025.

Dry tailing plant at Rajpura Dariba Mine is in progress and will result in significant amount of water recovery from the tailings.

The 3-year engagement with International Union for Conservation of Nature (IUCN) is in progress with 3rd season assessment completed. 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

Site visit by IUCN team members was done for three seasons. These studies will help the Company prepare a strategy to achieve 'no net loss' towards biodiversity. Various bird-watching sessions were also organised in association with the IUCN across all locations.

First fuming furnace commissioning was completed at CLZS through remote support of original equipment manufacturer (OEM)/designer/Hindustan Zinc team from China, making it first-of-its-kind innovative commissioning across the Company. This will help 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 two Indian patents titled "Method for production of lead by performing dross removal procedures" and "Method for production of zinc by utilising lead plant slag".

Please refer to the Business Excellence chapter in the Integrated Annual Report, located on page 48, for further information.

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. These sessions addressed critical areas such as 'Business Responsibility & Sustainable Reporting', 'Climate Change Risk Management', 'Human Rights in Supply Chains', and 'Biodiversity Risk & Conservation'. More than 200 participants actively participated in these sessions. Through these initiatives, our goal is to encourage the adoption of best practices in ESG risk management throughout the entire value chain.

Our sustainability related activities received several endorsements during the year:

- Hindustan Zinc ranked #1 globally at S&P Global Corporate Sustainability Assessment in metals and mining sector. Score improved from 80 last year to 85 this year
- Included in Sustainability Yearbook 2024 amongst the top 1% most sustainable organisations globally
- Climate Action Programme (CAP) 2.0° - Oriented Award in the Energy, Mining and Heavy Manufacturing Sector
- Hindustan Zinc selected as Leadership band A- listed Company in "Climate Change" and "Water Security" in CDP 2023
- Rampura Agucha Mine became the first mine in India to receive GreenCo Rating & Zawar Mines received Silver Rating
- Zawar Group of Mines won Platinum award at Apex India Green Leaf Awards 2022
- Zawar Mines received CII National Award in Innovation Project category for Environment Best Practices

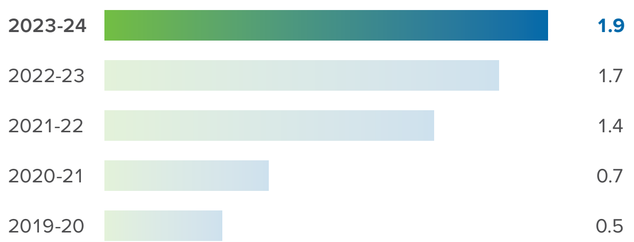
Corporate Social Responsibility (CSR)

The Company's CSR endeavours 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.

Please refer to the community development chapter in the Integrated Annual Report, located on page 188, for further information.

CSR Outreach

No. of direct beneficiaries (in million)



Children Well-being and Education
377,480 children benefited
7 initiatives

Community Infrastructure
251,174 people benefited
4 initiatives
Total **121** infrastructure developed under **4** categories including education, rural infra works, water and sports infra projects

Drinking Water and Sanitation
378,008 people benefited
2 initiatives

Environment Protection and Restoration
364,769 people benefited
2 initiatives

Health
174,184 people benefited
10 initiatives

CSR impact in FY 2023-24
1,911,395

Community Safety and Awareness Programmes
70,124 people benefited
6 initiatives

Women Empowerment
119,482 women benefited
2 initiatives

Livelihood
32,531 people benefited
3 initiatives

Sports and Culture
143,643 people benefited
12 initiatives

Hindustan Zinc is listed as one of the top 10 companies for CSR in India 2023 by the CSR Journal. During the year, the Company spent ₹ 269.26 crore on CSR programmes, more than the 2% of CSR mandate which was ₹ 264.70 crore. For further details, refer Annexure 3 and 'Business Review' section of this annual report.

External Assessment

Indices and Ratings	Best Possible Rating/Score	2023	2022	2021	2020
Sustainalytics	Negligible (0-10)	29.9*	29.6	47.0	44.0
S&P CSA	100	85.0	80.0	77.0	74.0
CDP Climate	A	A(-)	A	B	A
CDP Water	A	A(-)	A(-)	A(-)	B
FTSE4 Good	5	4.2#	4.2	4.0	4.3
Environment		4.2	4.2	3.6	4.5
Social		4.0	4.0	4.0	4.0
Governance		4.6	4.6	4.3	4.6

* Last updated on February 26, 2024
# Last updated on June 19, 2023

III. RESERVE AND RESOURCE (R&R)

On an exclusive basis, total Ore Reserves at the end of FY 2023-24 stood at 175.1 million tonnes (net of depletion of 16.5 million tonnes during FY 2023-24) and exclusive Mineral Resources totalled 281.2 million tonnes. Total contained metal in Ore Reserves is estimated at 9.9 million tonnes of zinc, 2.8 million tonnes of lead and 312.2 million ounces of silver. The Mineral Resource contains approximately 12.7 million tonnes of zinc, 5.5 million tonnes of lead and 542.1 million ounces of silver. At current mining rates, the R&R underpins metal production for more than 25 years.

IV. HUMAN RESOURCE MANAGEMENT

At Hindustan Zinc, we believe that the workforce always plays a pivotal role in driving the success and sustainable growth of an organisation in an increasingly competitive business landscape. We have therefore embraced a fully performance-driven culture that places at its core a strong emphasis on employee growth and development. We remain committed to building an environment based on meritocracy and trust to foster a culture of innovation and resilience for executing our business transformation strategy.

Please refer to the human resource chapter in the Integrated Annual Report, located on page 196, for further information.

HR initiatives

1 DIVERSITY, EQUITY & INCLUSION

- Redefining workplace inclusivity with progressive parenthood policies
- **WINSPIRE:** Initiative to encourage women in leadership roles covering 150 women across the Group
- **ZINCLUSION:** Empowering diversity at its core, embracing ex-defence hires, LGBTQ+, PwD, and minority communities. Through awareness, family involvement, inclusive policies, and infrastructure enhancements, we pave the way for an inclusive workplace, offering front-end roles and township accommodations, fostering a truly diverse and inclusive workplace.
- Women ratio increased from 12% to 21.7% in last 5 years

2 TALENT MANAGEMENT

- **Talent Identification:** 400+ talents identified through FY 2023-24 initiatives for larger roles
- **Succession Planning:** Three-level succession planning done for key & critical positions
- **Talent Review Council:** Institutionalized for developing future ready leaders. It is carried centrally and in locations for 250+ leaders

3 APPRECIATION & QUALITY OF LIFE

- **High Performance Organization:** 2.0x increments to high performers, fast track promotions and disruptive rewards
- **Appreciation & Awards:** 500+ employees & 200+ business partner employees rewarded over the year
- **Employee Wellness:** 24/7 support through Employee Well-being & Assistance Programmes (EWAP) to employees including on-site sessions & top-tier facilities, including sports events, community engagements, and well-equipped townships

4 CAPABILITY BUILDING

- **Work Integrated Learning Program:** Collaboration with leading universities across the country for programs like Metallurgy for Non-Metallurgy at MNIT Jaipur, Finance for Non-Finance at IIM Udaipur & BITS Pilani, Executive Leadership Program at ISB Hyderabad, and Rock Mechanics at NIT Rourkela
- **Digital Learning for All:** Launch of digital capsules of learning for all & promoting speed, convenience and 24x7 access to learning opportunities like UDAAN, Leadership at the Peak & Leadership+, and enhancing business acumen through HZL Mine to Metal modules
- **Mining Mate Competency Program:** The flagship '6-Days Mining Mate Competency Training' has groomed over 360 mining mates and the 'Mining Academy' authorized 12 trainees as Jumbo Operators till date enhancing our mining operations capability

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 annexed as **Annexure 4**. 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, in terms 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 through electronic mode. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on 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

Company has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the ICC are responsible for conducting enquiries pertaining to such complaints. The policy broadly covers below viewpoints:

- Promote a workplace based on equality & respect
- Provide a safe and congenial work environment
- Awareness & sensitisation about sexual harassment at the workplace
- Provide formal and informal mechanism for redressal in case of complaint of sexual harassment at the workplace
- Ensure protection against retaliation to complainants, witnesses, Committee members and other employees involved in prevention and complaint resolution

V. RISK MANAGEMENT

We understand that it is imperative for an organisation to manage its risk for achieving strategic goals. 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 88, for further information.

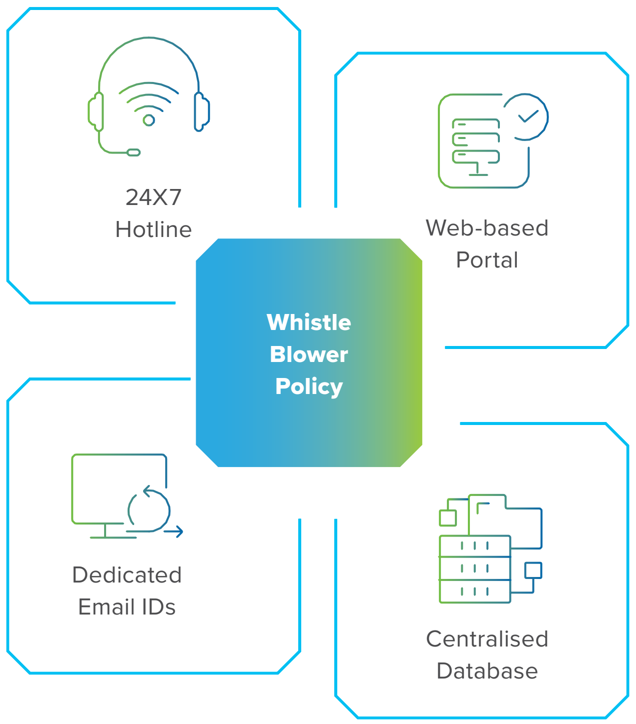
Internal Financial Control Systems and their adequacy

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 reviews performed by the management and 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 2023-24.

Vigil Mechanism and Whistle Blower Policy

Your Company is committed towards retaining highest standards and ethical code of conduct. 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 at https://www.hzlindia.com/wp-content/uploads/HZL-WHISTLE-BLOWER-POLICY-19.10.2015.pdf. All the 'Complaints' under this policy should be reported to the Group's management assurance head, who is operating independently from the management and business team. 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 http://www.vedanta.ethicspoint.com.

All reported incidents 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 quarterly basis.



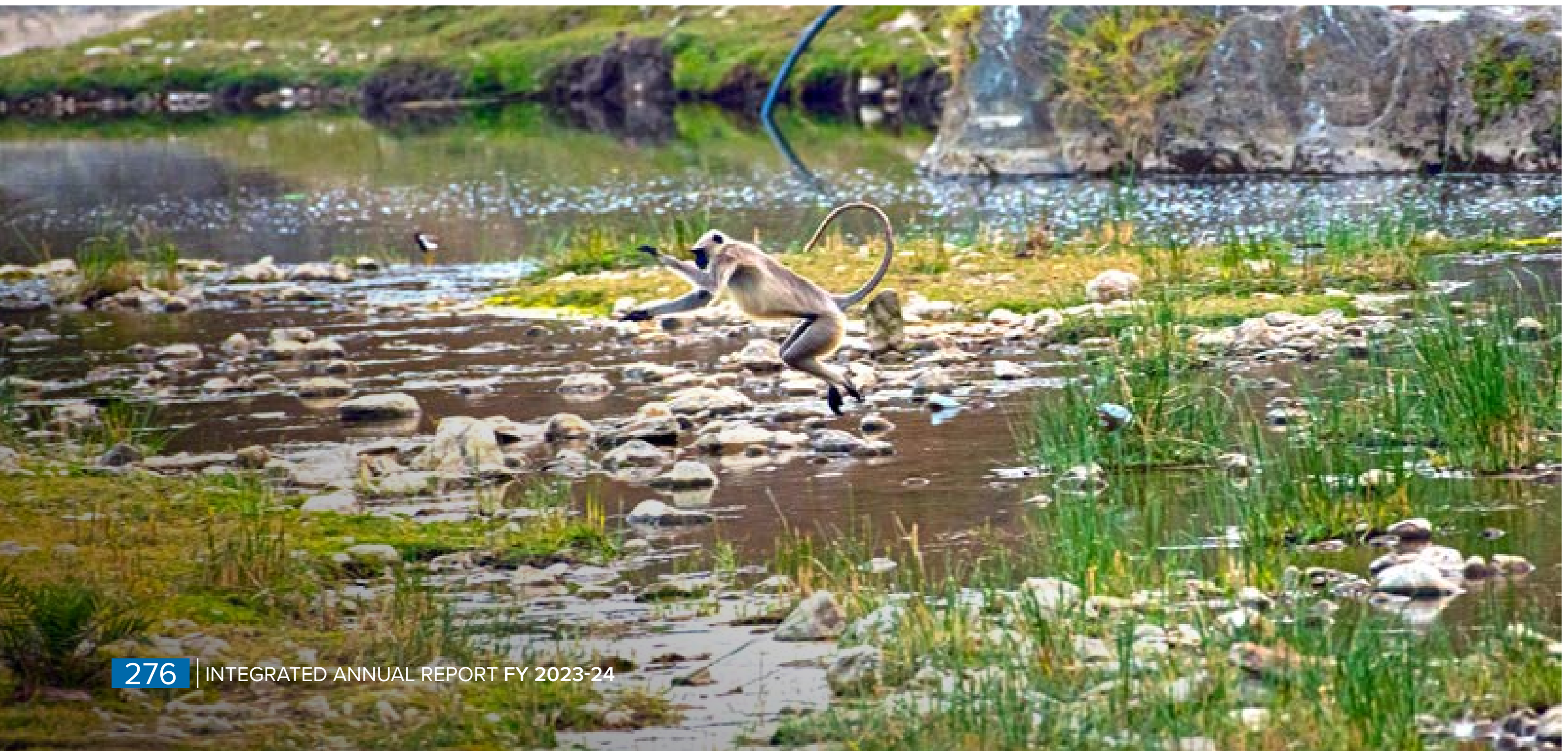
VI. SUBSIDIARIES/JOINT VENTURES

As on March 31, 2024, your Company had 5 wholly owned subsidiaries (WOS) and 1 joint venture (JV) as per The Companies Act, 2013 (the Act) which have been classified as subsidiaries/JVs under Indian Accounting Standards (Ind AS). Same are as follows: -

1. Hindustan Zinc Alloys Private Limited (WOS)
2. Vedanta Zinc Football & Sports Foundation (WOS)
3. Hindustan Zinc Fertilisers Private Limited (WOS)
4. Zinc India Foundation (WOS)
5. Hindmetal Exploration Services Private Limited (WOS)
6. Madanpur South Coal Company Limited (JV)

For further details on subsidiaries, please refer to the Corporate Overview section in the Integrated Annual Report, located on page 30.

During the year under review, no changes occurred in your Company's holding structure. Hindmetal Exploration Services Private Limited was incorporated on February 26, 2024. The Company has no material subsidiaries during the year under review. Further, the report 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 believes in adopting and adhering to 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. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. 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.

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 on page 296 forms part of this report. Further, Business Responsibility and Sustainability Report on page 340 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

Directors

Appointment of Ms. Pallavi Joshi Bakhru as Non-executive Independent Director

Based on the recommendations of the Nomination and Remuneration Committee (NRC) and in terms of the provisions of the Companies Act, 2013, the Board, on August 10, 2023, appointed Ms. Pallavi Joshi Bakhru (DIN: 01526618) as an Additional Director of the Company effective August 10, 2023. Further, based on the recommendations of the NRC and subject to the approval of the members, the Board, in accordance with the provisions of Section 149 read with Schedule IV to the Act and applicable SEBI Listing Regulations, appointed Ms. Pallavi Joshi Bakhru as an Independent Director of the Company, not liable to retire by rotation, for a term of 2 years commencing from August 10, 2023, through August 9, 2025. On October 15, 2023, the shareholders of the Company, by way of a special resolution passed through postal ballot, approved the appointment of Ms. Pallavi Joshi Bakhru as an Independent Director of the Company for the above mentioned tenure.

Cessation of Mr. Anjani Kumar Agrawal

As per the terms of his appointment, Mr. Anjani Kumar Agrawal (DIN: 08579812) completed his term on July 31, 2023, and accordingly ceased to be the Non-executive Independent Director w.e.f. July 31, 2023 (from the close of business hours). The Board of Directors placed on record their deep appreciation for the wisdom, knowledge and guidance provided by Mr. Anjani Kumar Agrawal during his tenure.

Re-appointment of Mr. Arun Misra as the CEO & Whole-time Director

Based on the (i) recommendations of the Board of Directors, NRC; and (ii) considering the exceptional leadership and business expertise of Mr. Arun Misra (DIN: 01835605) in the Company's operations and strong performance, the shareholders of the Company at their 57th AGM held on August 24, 2023, had approved his re-appointment as the CEO & Whole-time Director of the Company for a further period of 2 years w.e.f. June 01, 2023 to May 31, 2025.

Re-appointment of Mr. Akhilesh Joshi as Non-executive Independent Director

Based on the recommendations of the Board of Directors and Nomination and Remuneration Committee, the shareholders of the Company at their 57th AGM held on August 24, 2023, had approved the re-appointment of Mr. Akhilesh Joshi (DIN: 01920024), as Non-executive Independent Director for 2nd and final term of 2 years w.e.f. August 1, 2023 to July 31, 2025.

Re-appointment of Mr. Kannan Ramamirtham as Non-executive Independent Director

Based on the recommendations of the Board of Directors and Nomination and Remuneration Committee, the shareholders of the Company at their 57th AGM held on August 24, 2023, had approved the re-appointment of Mr. Kannan Ramamirtham (DIN: 00227980), as Non-executive Independent Director for 2nd and final term of 2 years w.e.f. September 1, 2023 to August 31, 2025.

In the opinion of the Board, the Independent Directors appointed/re-appointed during the year possess requisite integrity, expertise, experience and proficiency.

Director retiring by rotation

In terms of the provisions of the Companies Act, 2013, Mr. Navin Agarwal (DIN: 00006303), Director of the Company, retires at the ensuing AGM and being eligible, seeks re-appointment. Based on the performance evaluation and recommendation of NRC, the Board recommends his re-appointment.

Disclosure on resignation of Directors

None of the Directors of the Company have resigned during the year under review.

Key Managerial Personnel

In terms of Section 203 of The Companies Act, 2013, the key managerial personnel (KMP) of the Company are Mr. Arun Misra, CEO & Whole-time Director, Mr. Sandeep Modi, Chief Financial Officer and Ms. Harsha Kedia, who was appointed as the Company Secretary & Compliance Officer and KMP of the Company w.e.f. January 19, 2024, in place of Mr. Rajendra Pandwal who ceased to be the Company Secretary & Compliance Officer, and KMP of the Company.

Board and Committees

The Board met eight times during the year under review. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI 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. Details of the composition of the Board and its Committees as well as details of Board and Committee meetings held during the year under review and Directors attending the same are given in the Corporate Governance Report forming part of this Integrated Annual Report FY 2023-24.

Familiarisation Programme for Directors

The Board members are provided with necessary documents, reports, internal policies and site visits to enable them to familiarize 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. Details of the familiarisation program are provided in the Corporate Governance Report and is also available on website of the Company at https://www.hzlindia.com/about-hzl/corporate-governance/familiarization-program/.

Board Evaluation

The NRC 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, the Company 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 ensuring transparency and independency of the management. The evaluation parameters and the process have been explained in the Corporate Governance Report.

The evaluation process endorsed a high level of commitment and engagement of the Board, its various Committees and the senior management. The Board was satisfied with the overall performance and effectiveness of the Board, Committee and individual Directors and appreciated Company's ethical standards, transparency, and progress on sustainability/ESG during the year. The Board members also provided their inputs for further enhancing the overall effectiveness of the Board and 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 NRC, the Board has approved the Nomination and Remuneration Policy which enumerates the criteria for assessment and appointment/re-appointment of Directors, KMPs and senior management personnel (SMP) on the basis of their qualifications, knowledge, skills, industrial orientation, independence, professional and functional expertise among other parameters with no bias on the grounds of ethnicity, nationality, gender or race or any other such discriminatory factor.

The policy sets out the guiding principles for the compensation to be paid to the Directors, KMPs and SMP; and it also provides for implementation of Board familiarisation, diversity, performance evaluation and succession planning for cohesive leadership management.

The Company ensures the compliance with the policy in true letter and spirit. Company's policy on appointment of Directors and their remuneration is available on the Company's website https://www.hzlindia.com/wp-content/uploads/HZL-Nomination-Remuneration-Policy_final-19.04.2024.pdf.

Declaration from Independent Directors

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

a. they continue to meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and rules issued thereunder and the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

b. they have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013.

c. they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

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.

All members of the Board and senior management have affirmed compliance with the Code of Conduct for the financial year 2023-24. The Company had also sought certificate from independent and reputed Company Secretary in practice confirming that:

"None of the Directors on the Board of the Company have been debarred or disqualified from being appointed and/or continuing as Directors by the SEBI/MCA or any other such statutory authority."

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 account of the Company's strategy, operations and the market in which it operates including industry wide developments, product wise performance and outlook. It also discusses the key performance indicators, ratio analysis and financial performance with respect to operational performance.

The 'Operating Context and Value Creation' section of this Integrated Annual Report discusses the operating context, risks and concerns and risk management strategy of the Company. The initiatives and material development in the areas of human resources/industry relations and sustainability are covered in the 'Environmental, Social and Governance' chapter of this Integrated Annual Report.

Directors' Responsibility Statement

As required under section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

ii. they have selected such accounting policies and applied them consistently and made judgements & estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the annual accounts have been prepared on a 'Going Concern' basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

VIII. AUDIT REPORTS AND AUDITORS

Statutory Auditor

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) of the Company to hold office for a period of 5 years, i.e. until the conclusion of the 60th AGM (FY 2021-22 to FY 2025-26). 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 have issued unmodified opinion on the financial statements of the Company as of and for the year ended March 31, 2024.

The Statutory Auditors' report for FY 2023-24 does not contain any qualification, reservation or adverse remarks which calls for any explanation from the Board of Directors.

Secretarial Auditor

M/s Vinod Kothari & Company, Practicing Company Secretaries, New Delhi, (Firm Registration No. P1996WB042300) have been appointed by the Board of Directors of the Company as Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2023-24. The Company had received a certificate confirming their eligibility and consent to act as the Secretarial Auditors. The Secretarial Audit Report for FY 2023-24 forms part of this report and confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non compliances except pertaining to shortage of Independent Directors on the Board.

Internal Auditor

M/s KPMG Assurance and Consulting Services LLP, (LLPIN: AAT-0367) has been appointed as Internal Auditors to carry out the internal audit of the Company for the financial year 2023-24. 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 Auditor

M/s K.G. Goyal & Co. (Firm's Registration No. 000017), has been appointed as Cost Auditor of the Company for the financial year 2023-24 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 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, for which the Company is following up with the Ministry of Mines, Government of India for appointment of more Independent Directors

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

IX. OTHER DISCLOSURES

Related Party Transactions

In line with the requirements of the Act and the Listing Regulations, the 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. The Company has voluntarily adopted a stricter policy as against the legal requirements.

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 SEBI 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 SEBI 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

The Company has redeemed the last instalment on debentures which was due on September 29, 2023, pre-paid on September 28, 2023. These debentures were listed on BSE. No further issue of debentures took place during the year under review.

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, 2024, Company does not have any 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.

Annual Return

Pursuant to section 92(3) read with section 134(3)(a) of the Act, the annual return as on March 31, 2024 is available on the Company's website at https://www.hzlindia.com/investors/reports-press-releases/.

Particulars of Loans, Guarantees or Investments

Details of loans given, advances in the nature of loans, investments made, guarantees given and securities provided as per the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2024, are provided in the standalone financial statements (refer to notes to the standalone 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 the financial year 2023-24 and the date of this report.

Significant and material orders passed by the Regulators or Courts or Tribunals

There are no significant and 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 the 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 1** 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 an 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 have been provided separately under various sections of this Integrated Annual Report.

XI. AWARDS AND ACCOLADES

Your Company has gardened numerous awards for its outstanding innovative work, attracting attention with eye catching awards. The Company's commitment to excellence enabling to win multiple accolades at different forums proves a testimony to a sustainable and ethical conduct and seasoned workplace. The details of some of the significant accolades earned by the Company during the financial year 2023-24 have been provided as part of this Integrated Annual Report.

XII. 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	**Kannan Ramamirtham**
CEO & Whole-time Director	Director
DIN : 01835605	DIN : 00227980
Udaipur	Mumbai

Date: April 19, 2024

Annexure 1

Particulars of technology absorption and foreign exchange earnings and outgo as per Section 134(3)(m) of the Companies Act, 2013 and the rules made therein and forming part of the Board's Report for the year ended March 31, 2024

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 conservation of energy and for utilising alternate sources of energy are as follows:

Zawar Captive Power Plant

- Running hour optimization of cooling water pumps, saving 11,500 kW/day (0.71 MU in FY 2023-24)
- Replacement of old fiber reinforced plastic (FRP) blades with new gen E-glass blades in cooling tower (CT) fan 5 with a saving of 276 kW/day (0.074 MU in FY 2023-24)
- Chiller running hours optimisation resulted in saving of 1,680 kW/day (0.01 MU in FY 2023-24)

Dariba Captive Power Plant

- Variable frequency drive (VFD) operation in roaster 5 steam turbine generator set 3x110 KW air cooled condenser fans initiated to achieve upto 3000 kWh/day energy saving
- VFD operation in roaster 5 steam turbine generator set 1x45 KW condensate extraction pump application to achieve upto 500 kWh/day saving
- Other initiatives included process optimization and continuous monitoring to avoid deviations, such as control on 10x110 KW CT fan & air handling unit system running and revolutions per minute reduction upto 800 revolutions per minute (RPM) during low ambient temperature, boiler fans loading, electrostatic precipitator hopper heaters, ash handling compressor running optimization, stream stoppage during low load.
- Alternate fuel - biomass consumption of 14,535 MT equivalent to 19.6 MU power generation RPO.

Chanderiya Captive Power Plant

- U3 MV ABB VFDs availability improvement during shutdown opportunity
- Actual cost of work performed (ACWP) VFD installation in Unit-3
- Installation of CT fan 4 VFD
- Occupancy sensor installation in five of the electrical switchgear rooms
- Boiler feed pump (BFP) cartridge overhauling

Capital investment on energy conservation equipment:
NIL

B) TECHNOLOGY ABSORPTION

a) Specific areas in which R&D has been carried out by the Company in FY 2023-24

- Enhance grade and recovery of zinc and lead metals during mineral processing on various circuits
- Development of new flotation depressants for iron and graphite
- Hematite production from the jarosite
- Process improvements in the Waelz kiln operations to treat lead smelting slag
- Developments of test methods for melt levels in furnaces and ingot thickness to control uniformity of the same
- Development of process for metal recovery from jarosite
- Development of online test methods for roasting process monitoring, detailed sample testing and plant data analysis towards increasing process stability
- Improvement of current efficiency in electrowinning of zinc, including development of test method for online process monitoring
- Geo-metallurgical performance like ore minerology and flotation performance for individual ore types across the mines
- Installed X-ray fluorescence (XRF) and X-Ray diffraction (XRD) equipment and started characterization of flotation and other samples
- Provided technical support to mills for occasional operational issues like increased misplacements and concentrate grades
- Silver recovery improvement by testing of alternate reagents and flotation conditions
- Continued nitrate based leaching test work to enhance zinc recovery and reduce the waste footprint in zinc hydro process
- Comparison of new flotation cells performance
- Developments of methods for quick test of metals in furnace residue to guide completion of batch process
- Development of model and simulation for flotation circuits

b) Benefits derived as result of above R&D

- Implemented the process to improve silver recovery at Rampura Agucha (RAM) and Rajpura Dariba Mines (RDM) by utilizing silver promoter reagent
- Developed and deployed non-hazardous iron depressant at RAM while simultaneously reducing costs
- Customer tests and implementation of low capex process for jarosite preparation for its use in cement industry
- Developed and implemented test cell for current efficiency at all 3 zinc cell houses helping attribute current efficiency deviations and addressing the same
- Developed online overpotential test method to identify short term process deviation at Zinc Smelter Debari (ZSD) cell house, helping determine within day trends in process deviations and addressing the same
- Reduce the soda ash consumption in the water softening process in reverse osmosis (RO) - zero liquid discharge (ZLD) plant
- Introduced an alternative fluxing agent in the Waelz kiln process to improve the zinc recovery from the lead smelting slag treated therein
- Developed process and installed a pilot sieving equipment at ZSD for Waelz kiln furnace slag that will allow recycling of unburnt coke
- Implemented online melt-level measurement in the ZSD holding tank using new no contact based inexpensive sensor to achieve weight uniformity in zinc ingots
- Contactless method developed for ingot level and thickness detection on the conveyor at ZSD. Data analysis/automation will be used for deciding off-spec ingot's fate
- Developed online oxygen analyzer and implemented it at ZSD roaster 3. Data analysis showed good relation of roaster outlet gas temperature (OGT) with sulfide sulfur. Aim is to enhance roaster process stability through OGT
- Developed new reagent for lead and silver recovery improvement at Sindesar Khurd Mine (SKM). Plant trial is being planned
- Several circuit surveys and flotation tests in commissioning of new mill at RDM is helping stabilize the mill performance.

c) Future projects for R&D in FY 2024-25

- Develop relation of online overpotential measurements with process variables at ZSD zinc cell house and use for improving process performance by reducing variations. Implement the same at Chanderiya Lead-Zinc Smelter (CLZS) and Chanderiya cell houses
- Implement online overpotential measurement method for Dariba Smelting Complex (DSC) lead cell house and analyse relation to process parameters to guide process uniformity
- Assist implementation and monitoring of the new flux for Waelz kiln at ZSD for zinc recovery increase
- Assist pilot trial and monitoring of at ZSD Waelz kiln for unburnt coke recycling and then implement with suitable equipment
- Develop method to utilize online melt level measurement in the holding tank at ZSD for achieving weight uniformity in zinc ingots and explore opportunities to evaluate and implement the same at other zinc and lead melting & casting lines
- Develop automated method to use the online thickness measurement in casting section for deciding off-spec ingot's fate and implement on all casting lines
- Confirm roaster OGT as representative on sulfide sulfur of roaster calcine to develop a process for using this as a guide to enhance roaster process stability
- Plant tests and implementation of new reagent for lead and silver recovery at SKM. Develop recipe for suitability at other mills
- Support full commissioning and optimisation of new mill at RDM
- Plant support with ore and mill specific mineralogical characterisation and metallurgical performance studies
- Progress implementation of online monitoring tool to enhance process performance of cupola furnace
- Explore utilisation of calcium bearing residue
- Reduce misplacement of zinc in lead concentrate making
- Develop an ecofriendly process for magnesium removal from zinc spent solution
- Improve silver recovery from zinc leach residue for processing in a zinc fumer plant
- Explore an innovative process to reduce the waste generation in zinc hydro smelters

d) **Information regarding imported technology (last three years):**

Particulars	
the details of technology imported	Advanced process control (APC) system from Mintek
the year of import	2021 - 22
whether the technology been fully absorbed	Yes, and is regularly monitored for utilisation reaping benefits of improved recovery

e) **Expenditure on Research & Development (R&D)**

(₹ crore)

Particulars	Amount
Capital	2.9
Recurring	9.7
Total	**12.6**
Total R&D expenditure as a % of total turnover	0.043%

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year, foreign exchange outgo was ₹ 1,217.04 crore (which includes import of capital goods, stores & spares, coal, consumables, consultancy, travelling etc.), while foreign exchange earned was ₹ 6,538.82 crore.

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Particulars	Unit	Year ended March 31, 2024	Year ended March 31, 2023
A Electricity, Power Generation & Fuel consumption			
Purchase Units	Million kWh	834	1640
Total Amount	₹ crore	713.53	1132.18
Average rate of purchasing	₹/kWh	8.56	6.90
CPP - Units generated from fuel oil			
Own Generation Units (from Fuel Oil)	Million kWh	0.6	1.3
Quantity Consumed			
LSHS/FO	MT	0.0	0.0
HSD	KL	164	257
Total Amount	₹ crore	1.42	2.55
Average cost of fuel per Kg	₹/kg	106.11	99.00
Average cost of generation	₹/kWh	24.90	24.71
Unit generated per unit of fuel (LSHS/FO/HSD)	kWh/kg	4.26	5.05
CPP - Units generated from Coal			
Own Generation Units (from Coal)	Million kWh	3,672	2,739
Quantity Consumed			
Coal	MT	16,83,542	12,72,533
LDO	KL	456	382
Total Amount	₹ crore	1,853.27	2402.66
Average cost per Kg (Coal)	₹/kg	11.01	18.88
Average cost per Kg (LDO)	₹/kg	91.36	72.28
Average cost of generation	₹/kWh	5.86	9.47
Unit generated per unit of fuel (Coal)	kWh/kg	2.37	2.35
B) Fuel consumption for Metal Production			
(a) L.P.G./Propane			
Quantity	Million kg	7.75	6.91
Total Amount	₹ crore	41.18	43.78
Average cost per Kg	₹/kg	53.15	63.32
(b) L.D.O./LSHS/FO			
Quantity	KL	23,536	22,413
Total Amount	₹ crore	157.04	172.05
Average cost per Ltr	₹/Ltr	66.72	76.76
(c) HSD			
Quantity	KL	55,444	56,280
Total Amount	₹ crore	452.10	557.16
Average cost per Ltr	₹/Ltr	81.54	99.00
(d) Coal for Steam & others			
Quantity	MT	22,399	11,702
Total Amount	₹ crore	27.50	23.60
Average cost per MT	₹/MT	12,276	20,168
(e) Met Coke & Coke breez			
Quantity	MT	89,042	99,048
Total Amount	₹ crore	355.81	491.06
Average cost per MT	₹/MT	39,960	49,578
(f) Gas, PNG, Process			
Quantity	m3	17,32,896	56,06,314
Total Amount	₹ crore	9.8	34.7
Average cost per MT	₹/m3	56.4	61.9

For and on behalf of the Board of Directors

Arun Misra
CEO & Whole-time Director
DIN : 01835605
Place: Udaipur

Kannan Ramamirtham
Director
DIN : 00227980
Place: Mumbai

Date: April 19, 2024

Annexure 2

Particulars of contract or arrangements with related parties

FORM NO. AOC-2

Form for disclosure of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

For and on behalf of the Board of Directors

Arun Misra
CEO & Whole-time Director
DIN : 01835605
Place: Udaipur

Kannan Ramamirtham
Director
DIN : 00227980
Place: Mumbai

Date: April 19, 2024

Annexure 3

FORMAT FOR THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2023-24

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 organization's philosophy & governance protocols wherein various aspects of geographical reach, thematic areas, execution & monitoring of programs 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 CSR policy and projects or programs undertaken by the Company are available on the link given below:
   https://www.hzlindia.com/csr/overview/

2. **Composition of CSR Committee:**

Sl. 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	Ms. Priya Agarwal	Chairperson	2	2
2	Mr. Akhilesh Joshi	Non-Executive Independent Director	2	2
3	Ms. Nirupama Kotru	Non-Executive Nominee Director	2	2

   Notes:

   During FY 2023-24, CSR Committee meetings were held on April 17, 2023 & October 16, 2023

3. **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 is provided above and is also available on the Company's website on https://www.hzlindia.com/wp-content/uploads/Committee-Composition-as-on-August-01-2023.pdf

   CSR policy - https://www.hzlindia.com/wp-content/uploads/CSR-Policy-2024.pdf

   CSR projects - https://www.hzlindia.com/csr/overview/

4. **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**

   The Impact Assessment of CSR projects is applicable for FY 2023-24, the report of which can be accessed at https://www.hzlindia.com/csr/framework/governance/.

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**

Sl. 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.	2023-24	50.77	50.77
	TOTAL	**50.77**	**50.77**

6. Average net profit of the Company as per section 135(5) - ₹ 13,235.07 crore

7. (a) Two percent of average net profit of the Company as per section 135(5) - ₹ 264.70 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 - ₹ 50.77 crore
   (d) Total CSR obligation for the financial year (7a + 7b - 7c) ₹ 213.93 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
218.49*	NIL	NA	NA	NIL	NA

* excluding opening prepaid asset of ₹ 50.77 crore

(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	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	
				State	District						Name	CSR Registration number
1	Shiksha Sambal	(ii)	Yes	Rajasthan	Udaipur, Chittorgargh, Bhilwara,Salumbar, Shahpura, Ajmer, Rajsamand	4	4.29	4.29	0	No	Vidya Bhawan Society	CSR00003180
2	Child Care Centers	(i)	Yes	Rajasthan	Udaipur, Rajsamand, Chittorgarh,Salumbar	4	0.37	0.37	0	No	Seva Mandir	CSR00000288
3	Jeevan Tarang	(ii)	Yes	Rajasthan	Udaipur, Ajmer, Bhilwara	4	0.13	0.13	0	No	Noida Deaf Society	CSR00000396
4	Jeevan Tarang	(ii)	Yes	Rajasthan	Bhilwara, Udaipur	4	0.03	0.03	0	Yes	-	
5	Jeevan Tarang	(ii)	Yes	Rajasthan	Ajmer	4	0.14	0.14	0	No	Badhit Bal Vikas Samiti	CSR00007782
6	Jeevan Tarang	(ii)	Yes	Rajasthan	Bhilwara	4	0.21	0.21	0	No	Badhir Bal Kalyan Vikas Samiti	CSR00007249
7	Unchi Udaan	(ii)	Yes	Rajasthan	Udaipur	4	2.28	2.28	0	No	Vidya Bhawan Society	CSR00003180
8	Unchi Udaan	(ii)	Yes	Rajasthan	Udaipur	4	0.95	0.95	0	Yes	-	
9	Support for Higher Education	(ii)	Yes	Rajasthan	Udaipur, Chittorgargh, Bhilwara,Salumbar, Shahpura, Ajmer, Rajsamand	4	0.52	0.52	0	No	Vedanta Foundation	CSR00001617
10	Company Run Schools	(ii)	Yes	Rajasthan	Chittorgarh, Bhilwara, Rajsamand, Udaipur	4	6.14	6.14	0	Yes	-	
11	Vedanta-Zinc Heart Hospital, Udaipur	(i)	Yes	Rajasthan	Udaipur	4	0.28	0.28	0	Yes	-	
12	Company Run Hospitals	(i)	Yes	Rajasthan	Udaipur, Chittorgarh, Bhilwara, Rajsamand	4	14.01	14.01	0	Yes	-	
13	Zinc Kaushal	(ii)	Yes	Rajasthan	Rajsamand, Bhilwara, Ajmer, Udaipur	4	2.67	2.67	0	No	Ambuja Cement Foundation	CSR00006913
14	Zinc Kaushal	(ii)	Yes	Rajasthan/ Uttarakhand	Chittorgarh, Udham Singh Nagar	4	1.35	1.35	0	No	Tata Community Initiatives Trust	CSR00002739
15	Samadhan	(iv)	Yes	Rajasthan	Udaipur, Chittorgargh, Bhilwara,Salumbar, Shahpura, Ajmer, Rajsamand	4	4.75	4.75	0	No	BAIF Institute for Sustainable Livelihoods and Development (BISLD)	CSR00000308

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	
				State	District						Name	CSR Registration number
16	Sakhi	(iii)	Yes	Rajasthan/ Uttarakhand	Udaipur, Chittorgargh, Bhilwara,Salumbar, Shahpura, Ajmer, Rajsamand,Udham Singh Nagar	4	4.66	4.66	0	No	Manjari Foundation	CSR00000074
17	Zinc Football Academy	(vii)	Yes	Rajasthan	Udaipur	4	8.27	8.27	0	No	Vedanta Zinc Football & sports Foundation	CSR00029273
18	Sewage Treatment Plant	(iv)	Yes	Rajasthan	Udaipur	4	15.05	15.05	0	No	Zinc India Foundation	CSR00037080
19	Microenterprises/SME	(ii)	Yes	Rajasthan/ Uttarakhand	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer, Udham Sing Nagar	4	4.42	4.42	0	No	Manjari Foundation	CSR00000074
20	Drinking water supply to community	(i)	Yes	Rajasthan	Udaipur, Rajsamand, Chittorgarh, Bhilwara, Ajmer	3	3.39	3.39	0	Yes	-	-
21	Construction of international cricket stadium	(vii)	No	Rajasthan	Jaipur	4	55.00	55.00	0	No	Rajasthan Cricket Association	CSR00044864
22	Maintenance of stadium	(vii)	Yes	Rajasthan	Rajsamand	4	0.33	0.33	0	Yes	-	-
23	Swasthya Sewa	(i)	Yes	Uttarakhand	Udham Singh Nagar	4	0.08	0.08	0	No	Seva Mob	CSR0001153
24	Coaching for Competitive Exams	(ii)	Yes	Rajasthan	Rajsamand, Bhilwara, Chittorgarh	2	0.06	0.06	0	No	Dr Anushka Memorial Educational Soc	CSR000029833
25	Community asset creation (Rural Infra)	(x)	Yes	Rajasthan	Udaipur, Chittorgarh, Rajsamand	2	0.60	0.60	0	Yes	-	-
26	Education & Water Infra	(x)	Yes	Rajasthan	Udaipur, Rajsamand	2	0.20	0.20	0	Yes	-	-
27	Partnership with AAF	(ii)	No	PAN India	PAN India	2	48.75	48.75	0	No	Anil Agarwal Foundation	CSR00021184
	Total							**178.93**				

(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 Implementa tion - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Health & Sanitation Infra	(i)	Yes	Rajasthan	Rajsamand, Bhilwara, Udaipur, Ajmer	1	0.10	0.10	0	Yes	-	-
2	Health & nutrition	(i)	Yes	Rajasthan	Udaipur, Rajsamand, Chittorgarh, Bhilwara, Ajmer	4	0.05	0.05	0	No	Care India	CSR00000786
3	Promotion of Sports & Culture	(v)	Yes	Rajasthan	Udaipur	1	0.01	0.01	0	No	Maharana Kumbha	CSR00028381
4	Stakeholder Engagement Programme	(v)	Yes	Rajasthan	Udaipur, Ajmer	1	0.18	0.18	0	Yes	-	-
5	Promotion of Sports & Culture	(v)	Yes	Rajasthan	Udaipur	1	0.06	0.06	0	No	Srajan The Spark	CSR00009867
6	Promotion of Sports & Culture	(v)	Yes	Rajasthan	Udaipur	1	0.06	0.06	0	No	Tabla Wizard Pt. Chaturlal Memorial Society	CSR00002154
7	Promotion of Sports & Culture	(v)	Yes	Rajasthan	Rajsamand	1	0.25	0.25	0	No	Vishwas Sansthan	CSR00009867
8	Promotion of Sports & Culture	(v)	Yes	Rajasthan	Bhilwara, Chittorgarh, Ajmer, Udaipur, Rajsamand	1	2.99	2.99	0	Yes	-	-
9	Environment & safety Awareness	(iv)	Yes	Rajasthan	Udaipur	1	0.37	0.37	0	Yes	-	-
10	Plantation & Canal Development	(iv)	Yes	Rajasthan	Udaipur, Rajsamand, Bhilwara, Chittorgarh, Ajmer	1	0.40	0.40	0	Yes	-	-
11	Street Light Solutions	(iv)	Yes	Rajasthan	Rajsamand, Chittorgarh	1	0.16	0.16	0	Yes	-	-
12	Community asset creation (Rural Infra)	(x)	Yes	Rajasthan	Bhilwara, Chittorgarh, Ajmer, Udaipur, Rajsamand	1	22.36	22.36	0	Yes	-	-
13	Promotion of education	(ii)	Yes	Rajasthan	Chittorgarh	1	0.57	0.57	0	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		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 Implementa tion - Direct (Yes/NO)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
14	Sustainable livelihood	(iv)	Yes	Rajasthan	Rajsamand	1	0.07	0.07	0	No	Vishwas Sansthan	CSR00044751
15	Swasthya Seva	(i)	Yes	Rajasthan/ Uttarakhand	Udaipur, Rajsamand, Chittorgarh, Bhilwara and Ajmer, Udham Sing Nagar	1	0.00	0.00	0	No	Deepak Foundation	CSR00000353
16	Community asset creation (Education & water Infra)	(x)	Yes	Rajasthan	Bhilwara, Rajsamand, Chittorgarh, Udaipur, Ajmer	1	4.07	4.07	0	Yes	-	-
TOTAL							**Total**	**31.71**				

d. Amount spent in administrative overheads - ₹ 7.70 crore

e. Amount spend on Impact assessment, if applicable - ₹ 0.15 crore

f. Total amount spent for the financial year (8b + 8c + 8d + 8e) - ₹ 218.49 crore *

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)	264.70
(ii)	Total amount spent for the financial year	218.49*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(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)]	0.00**

* Excludes ₹ 50.77 crore carried forward from previous year.

** Total amount to carry forward for set off in succeeding financial year is ₹ 4.55 crore.

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 ₹ crore)	Amount spent in the reporting financial year (in ₹ crore)	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 ₹ crore)
				Name of the Fund	Amount (in ₹ crore)	Date of transfer	
1.	NA	NIL	NIL	NA	NIL	NA	NIL
	TOTAL	**NIL**	**NIL**	**NA**	**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		International cricket stadium	2022-23	36 Months	60.03	55.00	60.03	Ongoing
2		Partnership with AAF	2023-24	24 Months	48.75	48.75	48.75	Ongoing
3		Vedanta Zinc Heart Hospital	2021-22	48 Months	0.61	0.28	0.61	Ongoing
4		Swasthya Sewa	2023-24	48 Months	0.08	0.08	0.08	Ongoing
5		Shiksha Sambal	2021-22	48 Months	11.96	4.29	11.96	Ongoing
6		Child Care Centers	2020-21	48 Months	1.79	0.37	1.79	Ongoing
7		Jeevan Tarang	2022-23	48 Months	0.38	0.13	0.38	Ongoing
8		Jeevan Tarang	2021-22	48 Months	0.25	0.03	0.25	Ongoing
9		Jeevan Tarang	2021-22	48 Months	0.17	0.14	0.17	Ongoing
10		Jeevan Tarang	2021-22	48 Months	0.55	0.21	0.55	Ongoing
11		Unchi Udaan	2020-21	48 Months	8.31	2.28	8.31	Ongoing
12		Unchi Udaan	2020-21	48 Months	4.46	0.95	4.46	Ongoing
13		Support for Higher education (Ringus)	2020-21	48 Months	0.89	0.52	0.89	Ongoing
14		Company Run Schools	2020-21	48 Months	24.85	6.14	24.85	Ongoing
15		Company Run Hospitals	2020-21	48 Months	45.33	14.01	45.33	Ongoing
16		Zinc Kaushal	2022-23	48 Months	6.70	2.67	6.70	Ongoing
17		Zinc Kaushal	2021-22	48 Months	2.52	1.35	2.52	Ongoing
18		Samadhan	2021-22	48 Months	18.89	4.75	18.89	Ongoing
19		Sakhi	2021-22	48 Months	15.98	4.66	15.98	Ongoing

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
20		Zinc Football Academy	2021-22	48 Months	20.24	8.27	20.24	Ongoing
21		STP	2020-21	48 Months	38.29	15.05	38.29	Ongoing
22		Microenterprises/ SME	2021-22	48 Months	11.19	4.42	11.19	Ongoing
23		Sports - Maintenance of stadium	2020-21	48 Months	0.40	0.33	0.40	Ongoing
24		Drinking water supply to community	2022-23	48 Months	3.72	3.39	3.72	Ongoing
25		Education & Water Infra	2023-24	48 Months	0.20	0.2	0.20	Ongoing
26		Rural infra	2022-23	48 Months	0.60	0.6	0.60	Ongoing
27		Coaching for competitive exam	2021-22	48 Months	0.06	0.06	0.06	Ongoing
				Total	**327.20**	**178.93**	**327.20**	

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**

(a) Date of creation or acquisition of the capital asset(s)

(b) Amount of CSR spent for creation or acquisition of capital asset

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.

(d) 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

Priya Agarwal
(Chairperson, CSR Committee)
DIN: 05162177

Date: April 19, 2024

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.	Requirement	Disclosure		
		Name of the Director	**Category**	**Ratio to median remuneration of employees**
1	**Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year**	Arun Misra	Chief Executive Officer & Whole-time Director	90
	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	Priya Agarwal#	Non-Executive Non-Independent Director	3
		Navin Agarwal	Non-Executive Non-Independent Director	3
		Anjani K Agrawal#	Non-Executive Independent Director	1
		Pallavi Joshi Bakhru#	Non-Executive Independent Director	-
		Akhilesh Joshi	Non-Executive Independent Director	3
		Kannan Ramamirtham#	Non-Executive Independent Director	3
		Nirupama Kotru*	Non-Executive Nominee Director	
		Veena Kumar Dermal*	Non-Executive Nominee Director	-
		Farida M. Naik*	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	34
		Navin Agarwal	Non-Executive Non-Independent Director	11
		Akhilesh Joshi	Non-Executive Independent Director	7
		Sandeep Modi	Chief Financial Officer	32
		Rajendra Pandwal$	Company Secretary	8
		Harsha Kedia#	Company Secretary	-
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**	3,564 (including 2 expats & 759 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: 5% Average increase in the remuneration of KMPs: 32% Justification: Remuneration is based on the current year's performance, industry trend and overall market situation and external benchmarking.		
6	**Affirmation that the remuneration is as per the remuneration policy of the Company**	Yes		

Notes:

1 The aforesaid details are calculated on the basis of remuneration for the financial year 2023-24 and include sitting fees paid to Directors during the financial year.

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

3 The remuneration to Directors is within the overall limits approved by the shareholders of the Company.

4 #Percentage increase/decrease in remuneration is not reported as they were holding Directorship/KMP position for part of either FY 2022-23 or FY 2023-24.

5 $Mr. Rajendra Pandwal has ceased to be Company Secretary & Compliance Officer of the Company w.e.f close of business hours on January 19, 2024. Full year remuneration has been considered for the purpose of comparison.

6 This analysis is for executives only who were on rolls of the Company throughout FY 2022-23 & FY 2023-24.

7 *Government Nominee Directors in the employment of the Government are not paid any remuneration.

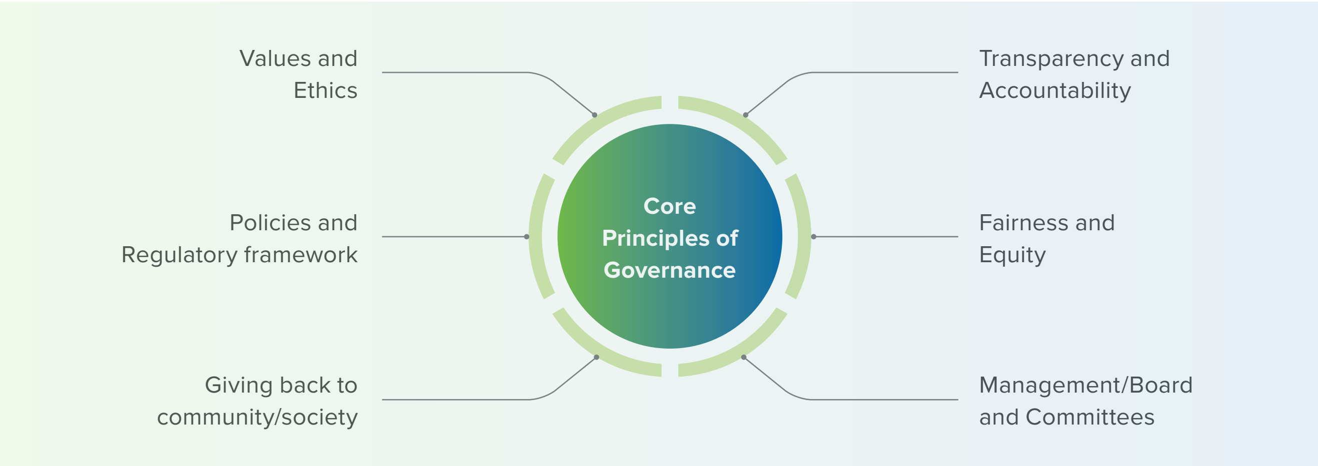
Report on Corporate Governance FY 2023-24

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

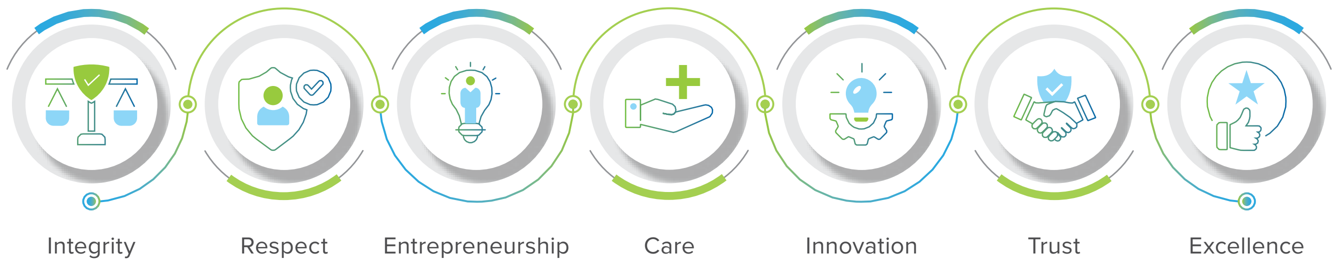
Hindustan Zinc is committed towards achieving the highest standards of Corporate Governance and its adherence in the true spirit, at all times by staying true to its core values of transparency and accountability in all its engagements which are the two basic tenets of Corporate Governance. Responsible corporate conduct is integral to the way the Company does its business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. 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. The Company remains resolute in its commitment to conduct business in accordance with the highest ethical standards and sound Corporate Governance practices so that the Company's reliability and reputation are not put at stake. This approach to value creation emanates in our belief that a sound governance system, based on relationship and trust, is integral to creating enduring value for all.

We believe that any business can be conducted ethically only when it rests on the six core values viz. Customer Value, Ownership Mindset, Respect, Fairness, Integrity, One Team One Goal. Company's Business Ethics & Code of Conduct provides the overarching philosophy of its Corporate Governance practices. Our Business Ethics & Code of Conduct inspires us to set standards which not only meet applicable legislation but goes beyond in many areas of our functioning.

Sustainable governance requires the highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for all our stakeholders. All Directors and employees are bound by the Code of Conduct that sets out the fundamental standards to be followed in all activities carried out on behalf of the Company.



Hindustan Zinc Values



Hindustan Zinc has always been a frontrunner in adopting best governance practices and endeavours to embed and sustain a culture of highest ethical standards, personal and professional integrity and upholding its core values of Trust, Entrepreneurship, Innovation, Excellence, Integrity, Respect and Care.

The governance framework of the Company is underpinned through its resounding core values with the strength of leading vision, strategic mission, and the primary objective of delivering sustainable growth.

We believe, Corporate Governance is not just a destination, but a continuous journey to constantly improve its long-term sustainable value for all stakeholders, comprising regulators, employees, business partners, customers, investors, and the society at large, through ethically-driven business practices. It is a rising target that we collectively strive towards achieving.

The Company is compliant with the requirements as prescribed under Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, and amendments thereto hereinafter referred to as the "Listing Regulations" or "SEBI (LODR)" except as stated in the secretarial audit report.

Some of the Corporate Governance initiatives undertaken by the Company are elucidated below:

- Separate roles of Chairperson & Chief Executive Officer ("CEO") and held by different individuals
- All Statutory Committees of the Board are chaired by an Independent Director except CSR Committee which is chaired by the Chairperson & Non-Executive Director of the Company
- Online secured platform for circulation of documents to Directors
- Online platform for performance evaluation of Directors, Board and its Committees
- Additional disclosure of Tax Transparency Report ("TTR") as per Indian Accounting Standards
- Implementation of structured digital database (SDD) portal in MyInsider
- Board diversity in place as a subset of Nomination & Remuneration Policy

GOVERNANCE STRUCTURE

Hindustan Zinc's governance structure comprises one-tier Board (which includes Executive Directors and Non-Executive Directors), Committees of the Board and the Management. Corporate Governance at Hindustan Zinc is implemented through robust Board governance processes, internal control systems & processes and strong audit mechanisms. These are articulated through the Company's various governance policies, Code of Conduct, charters of various Committees of the Board and the Company's disclosure and reporting practices.

BOARD OF DIRECTORS

Hindustan Zinc is a professionally managed Company functioning under the overall supervision of the Board. The Board is at the core of our Corporate Governance practice. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed, and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best global practices across industries.

The primary role of the Board is that of trusteeship – to protect and enhance stakeholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth.

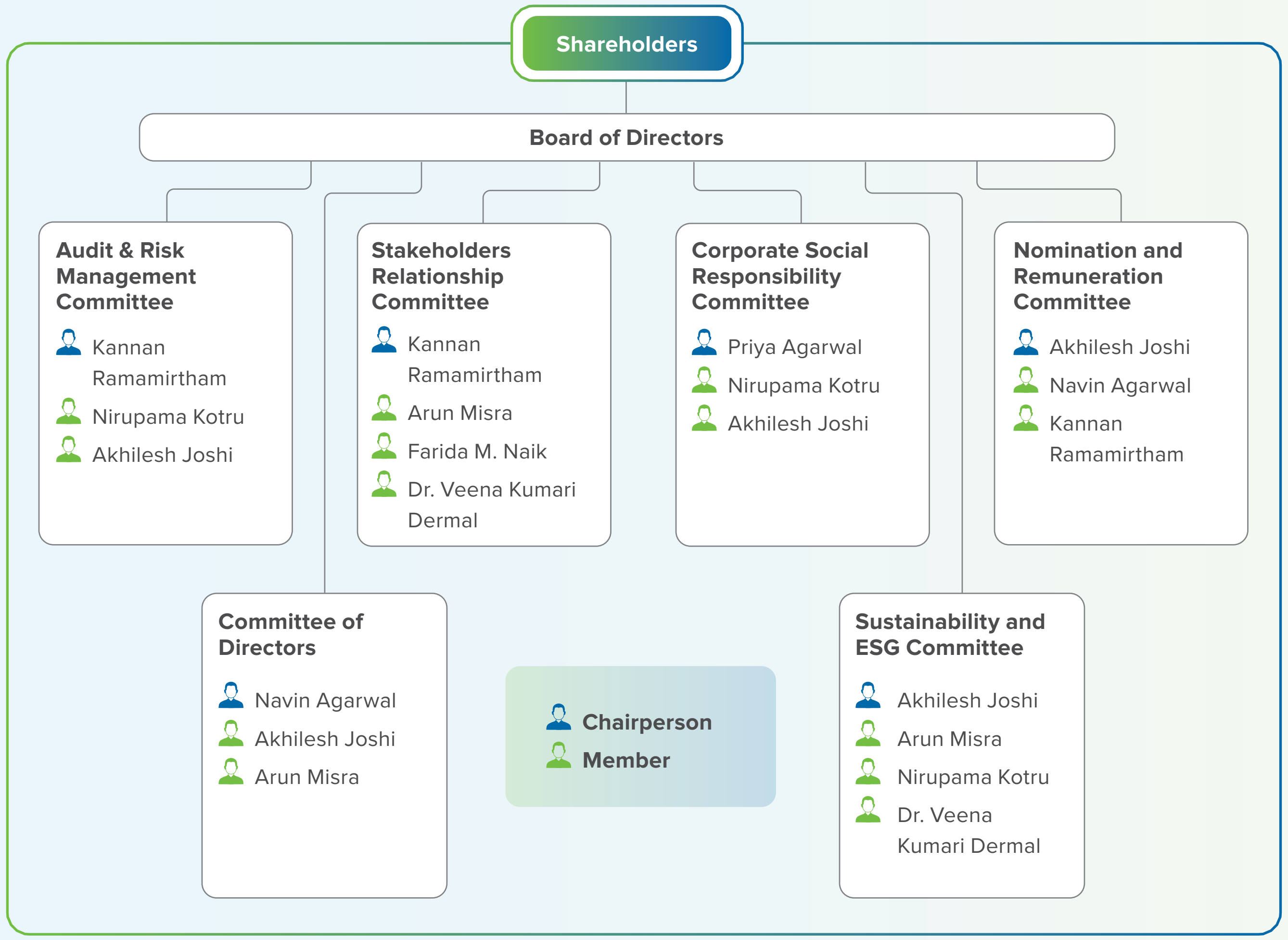
Our Board represents a confluence of complementary skills, attributes, perspectives, expertise in critical areas and diverse backgrounds. The Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to systematise the decision-making process at the meetings of the Board and its various Committees in an informed and efficient manner. The Board sets strategic goals and seeks accountability for their fulfilment. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils all stakeholders' aspirations, enhance value and societal expectations. The details of these Committees have been provided in subsequent sections in this report.

The profile of the Board of Directors is available at https://www.hzlindia.com/about-hzl/leadership/board-of-directors/

SEPARATE ROLE OF CHAIRPERSON AND CHIEF EXECUTIVE OFFICER & WHOLE-TIME DIRECTOR

The Chairperson of the Company is a Non-Executive Non-Independent Director while the CEO & Whole-time Director is an Executive Director looking after day-to-day operations of the Company. Role of the Chairperson and the CEO & Whole-time Director are different as per the requirement of the SEBI (LODR). Further, the Company also has a separately designated Chief Financial Officer ("CFO") and Company Secretary ("CS") & Compliance Officer.

The reporting structure as shown below between the Board and the Board Committees forms the backbone of the Company's Corporate Governance framework.



CHANGES IN THE DIRECTORS/KEY MANAGERIAL PERSONNEL ("KMP") OF THE COMPANY DURING FY 2023-24:

Director/KMP	Designation	Nature of Change (Appointment/ Re-appointment/Cessation)	Date of Change	Tenure Till
Anjani K Agrawal	Non-Executive Independent Director	Cessation on account of completion of term	July 31, 2023	NA
Akhilesh Joshi	Non-Executive Independent Director	Re-appointment for 2nd term	August 01, 2023	July 31, 2025
Pallavi Joshi Bakhru	Non-Executive Independent Director	Appointment	August 10, 2023	August 09, 2025
Kannan Ramamirtham	Non-Executive Independent Director	Re-appointment for 2nd term	September 01, 2023	August 31, 2025
Arun Misra	CEO & Whole-time Director	Re-appointment for a term of 2 years	June 01, 2023	May 31, 2025
Harsha Kedia	Company Secretary & Compliance Officer	Appointment	January 19, 2024	NA
Rajendra Pandwal	Company Secretary & Compliance Officer	Cessation	January 19, 2024	NA

SENIOR MANAGEMENT OF THE COMPANY AS ON MARCH 31, 2024

Name	Designation
Arun Misra	CEO & Whole-time Director
Sandeep Modi	Chief Financial Officer
Munish Vasudeva	Chief Human Resources Officer
Harsha Kedia*	Company Secretary & Compliance Officer

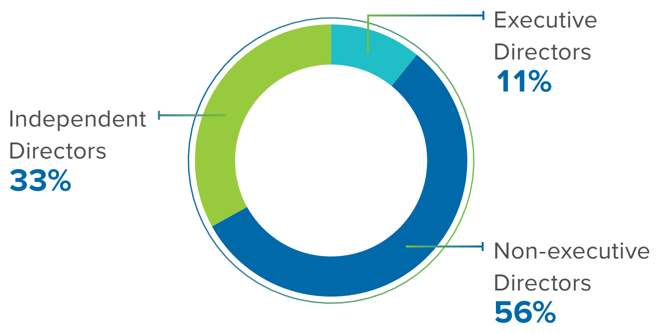
*Ms. Harsha Kedia is appointed as Company Secretary & Compliance Officer w.e.f. January 19, 2024 in place of Mr. Rajendra Pandwal, who ceases to be Company Secretary & Compliance Officer w.e.f. close of business hours on January 19, 2024.

BOARD COMPOSITION AND SIZE

The Company recognises and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge, nationality, skills and other domains, which will ensure that Hindustan Zinc retains its competitive advantage.

The Board comprised of a one-tier structure with an optimum mix of Executive, Non-Executive, Independent and Women Directors. As on March 31, 2024, the Board comprises 9 (nine) members, out of which 8 (eight) are Non-Executive Directors (including 5 (five) women Directors) and 1 (one) Executive Director. The Company has 3 (three) Independent Directors.

Board Composition as on March 31, 2024 (%)



The Chairperson of the Board is a Non-Executive Chairperson and is related to the promoter. As per Regulation 17(1)(b) of SEBI (LODR), at least half of the Board of Directors shall consist of Independent Directors, however, at the end of the financial year, the Company is short by 2 (two) Independent Directors. The matter is pending with the Ministry of Mines – Government of India for appointment of more Independent Directors.

Board members representation

Criteria	Specifications	Number
By age group	Up to 45 years	1
	Between 46 and 55 years	1
	Over 55 years	7
By gender	Men	4
	Women	5
By tenure	Up to 2 years	3
	Between 2 and 4 years	4
	Over 4 years	2
Average tenure of Board members	**5.01 years**	

BOARD OF DIRECTORS

Priya Agarwal

Chairperson Non-Executive Director

DIN: 05162177

Age (As on March 31, 2024)	**34 years**
Nationality	United States of America
Initial Date of Appointment	January 19, 2023
Date of Re-appointment	NA
Tenure Till	NA
Tenure as on March 31, 2024	1.2 years
Relationship with other Directors	Relative of Mr. Navin Agarwal
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited	Non-Executive Director
No. of Directorships in Public Limited Companies	2
Member/Chairperson in Committee(s)	Member: Nil
	Chairperson: Nil

Navin Agarwal

Non-Executive Director

DIN: 00006303

Age (As on March 31, 2024)	**63 years**
Nationality	Indian
Initial Date of Appointment	April 11, 2002
Date of Re-appointment (by rotation)	August 09, 2021
Tenure Till	NA
Tenure as on March 31, 2024	21.11 years
Relationship with other Directors	Relative of Ms. Priya Agarwal
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited	Executive Director (Vice Chairman)
No. of Directorships in Public Limited Companies	2
Member/Chairperson in Committee(s)	Member: Nil
	Chairperson: Nil

Farida M Naik

Non-Executive Nominee Director

DIN: 07612050

Age (As on March 31, 2024)	**53 years**
Nationality	Indian
Initial Date of Appointment	March 14, 2017
Date of Re-appointment (by rotation)	August 24, 2023
Tenure Till	NA
Tenure as on March 31, 2024	7 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	Nil
No. of Directorships in Public Limited Companies	3
Member/Chairperson in Committee(s)	Member: 1
	Chairperson: Nil

Arun Misra

Chief Executive Officer and Whole-time Director

DIN: 01835605

Age (As on March 31, 2024)	**58 years**
Nationality	Indian
Initial Date of Appointment	August 01, 2020
Date of Re-appointment	June 01, 2023
Tenure Till	May 31, 2025
Tenure as on March 31, 2024	3.8 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited	Executive Director
No. of Directorships in Public Limited Companies	4
Member/Chairperson in Committee(s)	Member: 3
	Chairperson: Nil

Akhilesh Joshi

Non-Executive Independent Director

DIN: 01920024

Age (As on March 31, 2024)	**70 years**
Nationality	Indian
Initial Date of Appointment	August 01, 2020
Date of Re-appointment	August 01, 2023
Tenure Till	July 31, 2025
Tenure as on March 31, 2024	3.8 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Vedanta Limited	Independent Director
No. of Directorships in Public Limited Companies	6
Member/Chairperson in Committee(s)	Member: 6
	Chairperson: Nil

Pallavi Joshi Bakhru

Non-Executive Independent Director

DIN: 01526618

Age (As on March 31, 2024)	**56 years**
Nationality	Indian
Initial Date of Appointment	August 10, 2023
Date of Re-appointment	NA
Tenure Till	August 09, 2025
Tenure as on March 31, 2024	7 months
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Gabriel India Limited Filatex India Limited Neuland Laboratories Limited	Independent Director Independent Director Independent Director
No. of Directorships in Public Limited Companies	5
Member/Chairperson in Committee(s)	Member: 4
	Chairperson: 2

Kannan Ramamirtham

Non-Executive Independent Director

DIN: 00227980

Age (As on March 31, 2024)	**74 years**
Nationality	Indian
Initial Date of Appointment	September 01, 2022
Date of Re-appointment	September 01, 2023
Tenure Till	August 31, 2025
Tenure as on March 31, 2024	1.7 years
Relationship with other Directors	None
Shareholding	3,500 shares
Board Membership - Other Indian Listed Companies	
Orient Press Limited Ram Ratna Wires Limited	Independent Director Independent Director
No. of Directorships in Public Limited Companies	3
Member/Chairperson in Committee(s)	Member: 4
	Chairperson: 2

Dr. Veena Kumari Dermal

Non-Executive Nominee Director

DIN: 08890469

Age (As on March 31, 2024)	**56 years**
Nationality	Indian
Initial Date of Appointment	July 29, 2021
Date of Re-appointment	NA
Tenure Till	NA
Tenure as on March 31, 2024	2.8 months
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
National Aluminium Company Limited	Non-Executive - Nominee Director
No. of Directorships in Public Limited Companies	3
Member/Chairperson in Committee(s)	Member: 1
	Chairperson: Nil

Nirupama Kotru

Non-Executive Nominee Director

DIN: 09204338

Age (As on March 31, 2024)	**55 years**
Nationality	Indian
Initial Date of Appointment	July 26, 2021
Date of Re-appointment	NA
Tenure Till	NA
Tenure as on March 31, 2024	2.8 years
Relationship with other Directors	None
Shareholding	Nil
Board Membership - Other Indian Listed Companies	
Coal India Limited	Non-Executive – Nominee Director
No. of Directorships in Public Limited Companies	3
Member/Chairperson in Committee(s)	Member: 1
	Chairperson: Nil

Notes:

- The details provided above are as on March 31, 2024
- The number of Directorships in Public Limited Companies includes Hindustan Zinc Limited
- The number of Directorships excludes Private Companies, Foreign Companies and Companies under Section 8 of the Act
- For the membership and chairpersonship in Committees, only Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of the Listing Regulations. Also, all Public Limited Companies, whether listed or not, have been included and all other Companies including Private Companies, Foreign Companies, high-value debt listed entities and Companies under Section 8 of the Act, have been excluded
- In the Committee details provided, every chairpersonship is also considered as a membership.
- Mr. Arun Misra has been re-appointed as Whole-time Director designated as Chief Executive Officer of the Company for a further period of 2 years with effect from June 01, 2023, to May 31, 2025. The re-appointment has been approved by the shareholders at the 57th AGM of the Company held on August 24, 2023
- Mr. Akhilesh Joshi has been re-appointed as Non-Executive Independent Director of the Company for the second and final term of 2 years with effect from August 01, 2023 to July 31, 2025. The re-appointment has been approved by the shareholders at the 57th AGM of the Company held on August 24, 2023
- Mr. Kannan Ramamirtham has been re-appointed as Non-Executive Independent Director of the Company for the second and final term of 2 years with effect from September 01, 2023 to August 31, 2025. The re-appointment has been approved by the shareholders at the 57th AGM of the Company held on August 24, 2023
- Ms. Pallavi Joshi Bakhru has been appointed as Non-Executive Independent Director of the Company for the first term of 2 years with effect from August 10, 2023 to August 09, 2025. The re-appointment has been approved by the shareholders through the postal ballot resolution dated October 15, 2023
- The Company has not issued any convertible instruments. Hence, none of the Directors hold any such instruments

DECLARATION AND CONFIRMATIONS

With respect to Directorship and Membership of the Directors in Committees, it is hereby confirmed that:

1

None of the Directors:

a) serves as a Director in more than 20 (twenty) companies or is a Director in more than 10 (ten) public limited companies in terms of Section 165 of the Companies Act, 2013 (Act);

b) holds Directorship in more than 7 (seven) listed entities pursuant to Regulation 17A (1) of Listing Regulations;

c) acts as an Independent Director in more than 7 (seven) listed entities pursuant to Regulation 17A (1) of Listing Regulations;

d) who serves as a Whole-time Director of the Company, is serving as an Independent Director in more than 3 (three) listed entities pursuant to Regulation 17A (2) of Listing Regulations;

e) is a member of more than 10 (ten) Board level committees of Indian public limited companies;

f) is a Chairperson of more than 5 (five) committees across all companies in which he/she is a Director.

2

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and Listing Regulations.

DIVERSITY AND INCLUSION ("D&I")

The Company continues to recognise that an appropriate mix of diversity and skills is key for introducing different perspectives into Board discussion and for better anticipating the risks and opportunities in building a long-term sustainable business. As set out below, each member of the Board offers a range of core skills and experience that is relevant to the successful operation of the Company.

KEY BOARD QUALIFICATIONS, SKILLS AND ATTRIBUTES

The below table summarises the key qualifications, skills and attributes which are taken into consideration while nominating any person to serve on the Board.

Business Leadership

Sustainable success in business at a senior executive level.

Financial Expertise & Risk Management

Proficiency in financial accounting and reporting, corporate finance and internal controls, corporate funding, and associated risks.

Natural Resources

Senior executive experience in a large global mining organisation involved in the discovery, acquisition, development and marketing of natural resources.

Capital Projects

Experience working in an industry with projects involving large-scale long-cycle capital outlays.

Global Experience

Experience of working/ handling multiple Indian/global locations, exposed to a range of political, cultural, regulatory and business environments.

Sustainability & ESG

Familiarity with issues associated with workplace health and safety, asset integrity, sustainability, environment and social responsibility and communities.

Corporate Governance

Experience with a major organisation that demonstrates rigorous governance standards.

Government & Industry Associations/Chambers

Interaction with government and regulators and involvement in public policy advocacy.

Technology/Digital/ Cyber Security

A strong understanding of technology and innovation, and the development and implementation of initiatives to enhance production.

Mergers & Acquisition

Experience in corporate transactions and actions and joint ventures.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark (√) against a member's name does not necessarily mean the member does not possess the corresponding qualification or skills:

Name of Director	Areas of Expertise									
	Business Leadership	Financial Expertise & Risk Management	Natural Resources	Capital Projects	Global Experience	Sustainability & ESG	Corporate Governance	Mergers & Acquisition	Government & Industry associations/ chambers	Technology/ Digital/ Cyber Security
Priya Agarwal	√	√	√	√	√	√	√	√	√	√
Navin Agarwal	√	√	√	√	√	√	√	√	√	√
Farida M Naik	√	√	√	√	√	√	√		√	√
Arun Misra	√	√	√	√	√	√	√	√	√	√
Pallavi Joshi Bakhru	√	√	√			√	√	√	√	
Akhilesh Joshi	√	√	√	√	√	√	√	√	√	√
Kannan Ramamirtham	√	√	√	√	√	√	√	√	√	√
Nirupama Kotru	√	√	√	√	√	√	√		√	√
Dr. Veena Kumari Dermal	√	√	√		√	√	√		√	√

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information of the Company and has been regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the CEO and CFO is presented in the quarterly Board meetings, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of all the Board Committees
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and their status monitoring
- Materially important notices of show cause, demand, prosecution and penalty, if any
- Fatal accidents or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods purchased by the Company, if any
- Any issue involving possible public, or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Details of any joint venture or significant collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property, if any
- Significant labour issues and their proposed solutions, whenever necessary
- Any significant development in human resources or industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Sale and purchase of material equity investments and fixed assets, which is not in the normal course of business, if any
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividends, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Corporate Social Responsibility activities
- Substantial non-receipt of payments for goods sold by Company
- Related Party Transactions, if they are not at arm's-length or not in the ordinary course of business
- Near-term outlook
- Operation of subsidiary companies
- Sustainability and ESG
- All other matters required to be placed before the Board for its review or information or approval under the statutes

BOARD AND EXECUTIVE LEADERSHIP REMUNERATION POLICY

The Remuneration Policy is significant in ensuring that competitive and impartial rewards are linked to key deliverables and are also in line with market practices and shareholders' expectations.

Remuneration to Non-Executive Directors

Non-Executive Directors, except Government Nominee Directors in the employment of the Government, are paid a remuneration in the form of commission and sitting fees for each meeting, as recommended by the Nomination and Remuneration Committee and approved by the Board. The Board decides the payment of commission within the limits approved by the members subject to the limit not exceeding 1% of the net profits of the Company.

Remuneration to Executive Director

The remuneration paid to Mr. Arun Misra, CEO & Whole-time Director, is as per the approval granted by the Board and the shareholders.

Approach towards Remuneration of Mr. Arun Misra, CEO & Whole-time Director is detailed below:

The remuneration structure is in line with the relevant industry peers and it is benchmarked periodically to ensure it provides enough excitement and motivation to the individuals to stretch and aim to deliver beyond the set KPIs and business plan targets.

The CEO's performance-based compensation is determined through a combination of the Company's financial returns (return on assets, equity, invested capital), total shareholder return, volume growth of integrated metal, non-financial indicators such as leadership, progress on strategic goals, and contribution to sustainability performance.

- **Fixed Pay:** This is a fixed component of compensation including the basic salary, house rent allowance, personal allowance, statutory benefits such as provident fund, leave travel allowance, etc. as per employment contract and aims to ensure to remunerate the individual for their KPIs which are inclusive of operational, financial, people, carbon footprint, water footprint and other ESG parameters.
- **Grade Linked Benefits:** Grade-wise benefits given to employees include vehicle maintenance allowance, furniture allowance and car benefit, club membership, cell phone and sim card benefits reimbursable to employees in accordance with the Group Policy.
- **Annual Bonus:** The bonus scheme as part of the total rewards philosophy is a testament to the high performance and results-driven culture and is linked to Company/business and individual performance for the financial year in accordance with the business plan targets approved by the Board. CEO's annual bonus has a weightage of 60% (Hindustan Zinc scorecard) and 40% (Group scorecard).

#	Bucket	Performance Parameters	Weightage FY 2023-24	Multiplier: APA Rating	Multiplier: Fatality
1	Organisational Parameters	Volume, COP & Reserves Creation	60%	A - 125% B - 100% C - 50% D - 0%	Nil - 100% 1 - 90% 2 - 80% >2 - 75%
2		EBITDA, FCF			
3		Strategic / Regulatory Objectives			
4	HSE Parameters	Safety (5%)	15%		
5		Sustainability / VSAP (10%)			
6	People Metrics	1) Management in Place 2) Talent Retention/Development 3) Employee Engagement	5%		
7	Individual Performance	Annual Performance Appraisal (APA) Rating	20%		
Total			100%		

Strategic Objectives: 1/3rd of the organisational performance metric weightage shall be attributed to strategic objectives as indicated below for FY 2023-24:

1. Complete milestones of Fertiliser project in FY 2023-24 as per approved plan
2. Complete milestones of Roaster project in FY 2023-24 as per approved plan
3. Preparedness for 1.35 Mt mined metal in FY 2023-24

- **Long-Term Incentive Plan:** Employee Stock Option Scheme (of Holding Company) is a conditional share plan for rewarding performance on pre-determined performance criteria and continued employment with the Company during the vesting period of 36 months from the date of grant. The pre-determined performance criteria shall focus on rewarding him for Company performance and superior individual performance.

  Mr. Arun Misra is eligible for an annual grant of up to a maximum of 100% of his fixed pay, subject to necessary approvals. The vesting may range between 0% and 125% of the target number of units based on achievement of specified goals/KPIs over the three-year period.

- **Performance parameters:**

Business Category	Business Performance (40%): Vol	COP	NSR	ESG / Carbon Footprint	Individual Performance	Management Discretion	Multiplier: APA Rating	Multiplier: Nil Fatality
Hindustan Zinc	60%	15%	10%	15%	40%	20%	Sustained 3 years rating	110%

The target, threshold and corresponding actual performance values of business-wise metrices shall be the same as will be used for computing the Annual Bonus for the respective financial years under the approved Annual Bonus Scheme for the year.

Performance Period:

Business Performance: The performance period for the business/SBU performance-based option will be a period of 3 financial years (April 1 – March 31), i.e., FY 2022-23, FY 2023-24 and FY 2024-25.

Sustained Individual Performance: The performance period for the individual performance-based option will be a period of 3 financial years (April 1 – March 31), i.e., FY 2022-23, FY 2023-24 and FY 2024-25.

Management Discretion: Vesting period from Date of Grant to Date of Vesting.

The overall vesting basis performance will be on completion of the vesting period. Furthermore, for an employee to be eligible for performance-based vesting, he/she is required to be in continued employment as on the date of vesting.

Other incentive programmes such as monthly incentives, production incentives, etc., will continue to be paid with 100% linkage to key business outcomes.

Claw Back Policy: Annual performance pay of employees including the CEO and Key Managerial Personnel (KMPs) is subject to clawback and malus provisions (which includes clawback of the already paid amount and/or forfeiture of the outstanding amount). This is applied:

a. On grounds of indiscipline, violation of Code of Conduct, ethics, integrity or governance

b. Misrepresentation of performance achievement of the business resulting in an increased pay-out

c. Clawback clause is also applicable to employees receiving retention bonuses as a reward

Remuneration paid or payable to Directors for the year ended March 31, 2024

(In ₹)

Name of the Director	Relationship with other Directors	Sitting Fees	Salary and Perquisites	Provident, and Superannuation Funds	Commission to NED and performance incentive to CEO&WTD**	Total	No. of Vedanta Limited ESOS 2021; ESOS 2022; ESOS 2023
Chief Executive Officer and Whole-time Director							
Mr. Arun Misra	None	-	84,216,412	4,204,874	38,730,000	127,151,286	340,800
Non-Executive Independent Director							
Mr. Anjani K Agrawal*	None	250,000	-	-	962,500	1,212,500	-
Mr. Akhilesh Joshi	None	925,000	-	-	2,992,500	3,917,500	-
Mr. Kannan Ramamirtham	None	625,000	-	-	2,940,000	3,565,000	-
Ms. Pallavi Joshi Bakhru	None	200,000	-	-	1,887,344	2,087,344	-

(In ₹)

Name of the Director	Relationship with other Directors	Sitting Fees	Salary and Perquisites	Provident, and Superannuation Funds	Commission to NED and performance incentive to CEO&WTD**	Total	No. of Vedanta Limited ESOS 2021; ESOS 2022; ESOS 2023
Non-Executive Non-Independent Director							
Ms. Priya Agarwal#	Refer note#	450,000	-	-	3,100,000	3,550,000	-
Mr. Navin Agarwal#	Refer note#	675,000	-	-	2,992,500	3,667,500	-

Notes:

*Mr. Anjani Kumar Agrawal ceased to be Non-Executive Independent Director of the Company with effect from close of business hours on July 31, 2023

#Ms. Priya Agarwal is niece of Mr. Navin Agarwal

**The performance incentive to CEO & WTD is for FY 2022-23 which was paid during FY 2023-24

The details of shares held by the Directors in the Company as on March 31, 2024, are given above in the Board of Directors section. The Directors do not have any pecuniary relationships or transactions vis-à-vis the Company, except as mentioned above. The Company has not granted any stock options to any of its Directors.

Company does not give any ESOP to its employees/ Directors. However, senior management/certain executives of the Company are given ESOP by its Holding Company.

During FY 2023-24, the Company did not advance any loan or advance in nature of loan or guarantee to any of its Directors or firms/companies in which the Directors are interested.

We hereby confirm that:

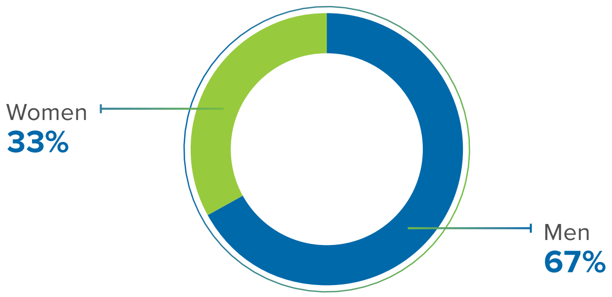
- The total managerial remuneration paid/payable for FY 2023-24 does not exceed 11% of the net profit of the Company
- The total remuneration received by CEO & WTD of the Company does not exceed 5% of the net profit of the Company
- The total remuneration received by the Non-Executive Directors does not exceed 1% of the net profit of the Company
- None of the Non-Executive Directors, have received remuneration exceeding 50% of the total annual remuneration payable to all Non-Executive Directors

INDEPENDENT DIRECTORS

The Independent Directors of the Company abide by the definitions/criteria prescribed in the Act and Listing Regulations. Based on the disclosures received from all the Independent Directors and in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act, the Listing Regulations and are independent of the Management.

The Board consists of 3 (three) Independent Directors, out of which, one is a woman.

Independent Directors



MEETING OF INDEPENDENT DIRECTORS

Regulation 25 of SEBI LODR and Schedule IV of the Act, read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management.

At such meetings, the Independent Directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, project execution, strategy, governance, compliance, Board movements, human resource matters and performance review of the Non-Independent Directors, the Board as whole, including the Chairperson, CEO & Whole-time Director.

During FY 2023-24, the Independent Directors met without the presence of management on March 30, 2024, chaired by Mr. Akhilesh Joshi.

DECLARATIONS FROM INDEPENDENT DIRECTORS

a. The Company has received declarations from the Independent Directors that they meet the criteria of independence stipulated under Section 149 of the Act read with Rule 5 of the Companies Appointment and Qualification of Directors) Rules, 2014 and Regulations 16(1)(b), 25(1) and 25(8) of the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs

b. The Independent Directors under Regulation 25(8) of the Listing Regulations have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective, independent judgement and without any external influence.

Based on the declaration(s) received from the Independent Directors, the Board has confirmed the veracity of such disclosures and confirmed that the Independent Directors fulfil the conditions of independence specified in the Act and the Listing Regulations and are independent of the management of the Company.

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Board members are provided with necessary documents, reports, internal policies and site visits 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 updates of the Company, global business environment, business strategy and business risks and sustainability. Details of the familiarisation programme are available on the website of the Company https://www.hzlindia.com/about-hzl/corporate-governance/familiarization-program/

SUCCESSION PLANNING

Succession Planning is critical to the success of the Company as it ensures continuity and sustainability of corporate performance. It involves a process that recognises, develops and retains top leadership talent and further helps in identifying key roles and mapping out ways to ensure the organisation has the right people with the right blend of skills, aptitude, expertise and experiences, in the right place and at the right time.

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Human Resources team of the Company works in close coordination with the Management/Nomination and Remuneration Committee for a structured leadership succession plan.

The Board, with the support of the Nomination & Remuneration Committee, keeps under constant review the composition of the Board and its Committees, succession planning, diversity, inclusion and remuneration-related matters.

Performance evaluation criteria for Directors

The Nomination and Remuneration Committee has devised criteria for a yearly 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, through a very structured questionnaire for which live links were circulated to all the Directors.

For the last 3 years, the 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. DHS used the digital platform for carrying out Board performance evaluation.

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:

- its 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 the Committee to contribute effectively

Apart from third-party assessment, there is a self-assessment of each Director on the Board done by the other Directors including that of various Committees once in a year. The consolidated outcome from all the Directors is prepared by the Chairperson of the Nomination and Remuneration Committee and presented to the Board of Directors. All the Directors had been rated very good to excellent and overall findings show that the Board and its various Committees are working well. All Board members come with very strong backgrounds and add a lot of value to the meetings by making them participative and engaging.

COMMITTEES OF THE BOARD

The Company has six Board-level Committees – Audit & Risk Management Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, Sustainability and ESG Committee, and Committee of Directors. The Company Secretary officiates as the Secretary of these Committees.

All decisions pertaining to the constitution of Committees, the appointment of members and the fixing of terms of reference for Committee members are taken by the Board of Directors. The minutes of the Committee meeting are placed before the Board for their review and noting. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

COMPOSITION OF COMMITTEES AS ON MARCH 31, 2024

Name of Director	Audit and Risk Management Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Sustainability and ESG Committee	Committee of Directors
Ms. Priya Agarwal	--	--	--	Chairperson	--	--
Mr. Navin Agarwal	--	--	Member	--	--	Chairperson
Ms. Farida M. Naik	--	Member	--	--	--	--
Mr. Arun Misra	--	Member	--	--	Member	Member
Mr. Akhilesh Joshi	Member	--	Chairperson	Member	Chairperson	Member
Dr. Veena Kumari Dermal	--	Member	--	--	Member	--
Mr. Kannan Ramamirtham	Chairperson[1]	Chairperson[2]	Member[3]	--	--	--
Ms. Nirupama Kotru	Member	--	--	Member	Member	--
Total No. of Members	**3**	**4**	**3**	**3**	**4**	**3**

Note:

1. Mr. Kannan Ramamirtham has been appointed as Chairperson of Audit & Risk Management Committee effective from August 01, 2023
2. Mr. Kannan Ramamirtham has been appointed as Chairperson of Stakeholders Relationship Committee effective from August 01, 2023
3. Mr. Kannan Ramamirtham has been appointed as Member of Nomination & Remuneration Committee effective from August 01, 2023

BOARD AND COMMITTEE MEETINGS HELD DURING FY 2023-24

Meeting	Q1 Apr-Jun	Q2 July-Sep	Q3 Oct-Dec	Q4 Jan-Mar
Board	April 21, 2023 May 23, 2023	July 21, 2023 August 10, 2023 September 29, 2023	October 20, 2023	January 19, 2024 March 27, 2024
Audit & Risk Management Committee	April 21, 2023	July 21, 2023 September 20, 2023	October 20, 2023	January 19, 2024 March 15, 2024
Nomination and Remuneration Committee	April 21, 2023 May 23, 2023	July 20, 2023 August 10, 2023	-	January 19, 2024 March 30, 2024
Stakeholders Relationship Committee	-	-	-	March 27, 2024
Corporate Social Responsibility Committee	April 17, 2023	-	October 16, 2023	-
Sustainability and ESG Committee	-	September 21, 2023	-	March 27, 2024
Committee of Directors	April 14, 2023	September 04, 2023	November 03, 2023 December 20, 2023	January 16, 2024

The maximum interval between any two Board meetings did not exceed 120 days, as prescribed in the Act.

ATTENDANCE FOR BOARD AND COMMITTEE MEETINGS HELD DURING FINANCIAL YEAR 2023-24

Name of Director	Whether attended AGM held on August 24, 2023	Board Meeting$		Audit & Risk Management Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Sustainability and ESG Committee	Committee of Directors
		(Attended/ Entitled)	% of Attendance	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)	(Attended/ Entitled)
Ms. Priya Agarwal	Yes	8/8	100	-			2/2		
Mr. Navin Agarwal	No	8/8	100	-	6/6				5/5
Ms. Farida M. Naik	No	5/8	62.5	-		0/1			
Mr. Arun Misra	Yes	8/8	100	-		1/1		2/2	5/5
Mr. Anjani K Agrawal*	No	3/3	100	2/2	2/3				
Mr. Akhilesh Joshi	Yes	8/8	100	6/6	6/6		2/2	2/2	5/5
Ms. Pallavi Joshi Bakhru#	-	4/4	100	-					
Mr. Kannan Ramamirtham	Yes	8/8	100	4/4	3/3	1/1			
Dr. Veena Kumari Dermal	No	4/8	50	-		0/1		2/2	
Ms. Nirupama Kotru	No	5/8	62.5	5/6			1/2	1/2	

*Mr. Anjani K Agrawal ceased to be Director of the Company w.e.f. July 31, 2023.

#Ms. Pallavi Joshi Bakhru was appointed as a Non-Executive Independent Director of the Company w.e.f. August 10, 2023.

$Average Board meeting attendance is 87.5% and minimum attendance required of all Directors in Board meeting is 12.5%.

Pursuant to Section 167 of the Act, a Director shall incur disqualification if he/she does not meet the minimum attendance criteria and absents himself/herself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence from the Board. All Directors of the Company have duly met the attendance criteria during FY 2023-24.

AUDIT & RISK MANAGEMENT COMMITTEE

Name of the Member	Position	Sitting Fees (₹)
Mr. Kannan Ramamirtham	Chairperson	100,000
Mr. Akhilesh Joshi	Member	150,000
Ms. Nirupama Kotru	Member	-
Mr. Anjani K Agrawal*	Chairperson	50,000

*Mr. Anjani K Agrawal ceased to be Chairperson of the Audit & Risk Management Committee effective from July 31, 2023.

67% Independence	3 Members
6 Meetings	94.44% Attendance

The Audit & Risk Management Committee is one of the main pillars of the corporate governance of the Company. The primary function of the Audit & Risk Management Committee of the Board includes:

- monitoring and providing effective supervision of the financial reporting process
- reviewing the efficacy of the risk management systems
- maintaining robustness of internal financial controls and risk management frameworks including cyber security
- approval of Related Party Transactions

The Committee, in its meetings, in addition to the members also has the following set of invitees:

Audit & Risk Management Committee Meeting Invitees

- The Chief Executive Officer, Chief Financial Officer, Head of Management Assurance Cell
- The representatives of Statutory Auditors
- The representatives of Internal Auditors
- Representatives of Executives from several departments including Accounts, Finance, Corporate Secretarial and Internal Audit

Each of the member of the Audit & Risk Management Committee are well-versed with financial management. Each of the member of the Committee brings immense experience and possess strong accounting and financial management knowledge. In carrying out its oversight responsibilities transparently and efficiently, the Committee majorly relies on the expertise and knowledge of the management, the Internal Auditors, the Statutory Auditors and also uses external expertise, if required.

The quorum for the Audit & Risk Management Committee meeting shall either be two members or one third of the members of the Committee, whichever is greater, with at least two Independent Directors. The Audit & Risk Management Committee functions in accordance with its constitution and charter, framed in compliance with SEBI (LODR).

Role and function of the Audit & Risk Management Committee:

Oversight of Financial Reporting

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are true, fair, sufficient and credible
- Discuss and review, with the management and auditors, the annual/quarterly financial statements before submission to the Board
- Review of key significant issues, tax and legal reports and management's reports
- Review of management's analysis of significant issues in financial reporting and judgements made in preparing the financial statements

Oversight of Financial Reporting

- Discuss with the management regarding pending technical and regulatory matters that could affect the financial statements, and updates on management's plans to implement new technical or regulatory guidelines, and
- Review of draft limited review/audit reports and qualifications, if any, therein

Internal Audit and Internal Financial Control

- Review of internal audit observations and monitoring of implementation of any corrective actions identified
- Reviewing the internal financial control framework
- Review of the performance of the internal audit function and internal audit plan
- Consideration of statutory audit findings and review of significant issues raised
- Reviewing Related Party Transactions, and
- Management discussion and analysis of financial condition and results of operations

Risk Management

- Review of the risk management framework, risk profile, significant risks, risk matrix and resulting action plans
- Review of the significant audit risks with the Statutory Auditor during interim review and year-end audit
- Oversight over the effective implementation of the risk management framework across various businesses
- Assurance of appropriate measures in the organisation to achieve prudent balance between risk and reward in both ongoing and new business activities
- Evaluation of significant and critical risk exposures for assessing management's action to mitigate or manage the exposures in a timely manner
- Formulate, monitor and review risk management policy and plan, inter alia, covering cyber security risks, data privacy risks

Auditors

- Appointment of Statutory, Internal, Secretarial, Cost and Tax Auditors, recommending their fees and reviewing their audit reports
- Review of the independence of the Statutory Auditor and the provision of audit/non-audit services including audit/non-audit fees paid to the Statutory Auditor, and
- Independent meetings with Statutory Auditors

Governance

- Reviewing minutes
- Review of its own charter and processes
- Reviewing ethics (whistle blower, sexual harassment, insider trading) and statutory compliances, and
- Reviewing feedback from the Audit & Risk Management Committee's performance evaluation

The Audit & Risk Management Committee is empowered pursuant to its terms of reference to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee, and
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary

The schedule of Audit & Risk Management Committee meetings held in FY 2023-24 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the Audit & Risk Management Committee during FY 2023-24.

STAKEHOLDERS RELATIONSHIP COMMITTEE ("SRC")

Name of the Member	Position	Sitting Fees (₹)
Mr. Kannan Ramamirtham	Chairperson	25,000
Mr. Arun Misra	Member	-
Ms. Farida M. Naik	Member	-
Ms. Veena Kumari D	Member	-
Mr. Anjani k Agrawal*	Chairperson	-

*Mr. Anjani K Agrawal ceased to be Chairperson of SRC effective from July 31, 2023.

25% Independence	4 Members
1 Meeting	50% Attendance

Role and function of the Stakeholders Relationship Committee:

Shareholder Grievances

- Review and timely resolution of the grievances of security holders related to issue, allotment, transfer/ transmission, dematerialisation, rematerialisation, etc.
- Review and timely redressal of all the security holders' grievances related to non-receipt of annual report, non-receipt of declared dividend, issue of new/ duplicate share certificates, general meeting, etc.
- Review from time to time, the shares and dividend that are required to be transferred to the IEPF Authority, and
- Review and closure of all investor cases

Enhancing Investor Relations/Shareholder Experience/Services

- Review of measures taken for effective exercise of voting rights by shareholders
- Initiatives for registration of email IDs, PAN and bank mandates and demat of shares

The schedule of SRC meetings held in FY 2023-24 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the SRC during FY 2023-24.

Details of investor grievances received and addressed by the Company during FY 2023-24 are given below:

Nature of complaints received and attended during FY 2023-24

1.	Number of complaints received from the investors comprising non-receipt of dividend warrants, non-receipt of securities sent for transfer and transmission, complaints received from SEBI/Registrar of Companies/ Bombay Stock Exchange/National Stock Exchange/SCORE and so on	48
2.	Number of complaints resolved	48
3.	Number of complaints not resolved to the satisfaction of the investors as on March 31, 2024	0
4.	Complaints pending as on March 31, 2024	0
5.	Number of share transfers pending for approval, as on March 31, 2024	0

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Name of the Member	Position	Sitting Fees (₹)
Ms. Priya Agarwal	Chairperson	50,000
Ms. Nirupama Kotru	Member	-
Mr. Akhilesh Joshi	Member	50,000

33% Independence

3 Members

2 Meetings

83.33% Attendance

Role and function of the Corporate Social Responsibility Committee:

CSR Policy

- Formulate and recommend to the Board, the CSR Policy and the activities to be undertaken, and
- Review the CSR Policy and associated frameworks, processes, and practices

CSR Activities

- Identify the areas of CSR activities and projects and ensure that the Company is taking the appropriate measures to undertake and implement CSR projects successfully
- Assess the performance and impact of CSR activities of the Company
- Set a path for implementation and monitoring mechanism and the progress status to ensure achievement, and
- Ensure the values, ethics and principles are upheld in all its activities

CSR Budget

Decide and recommend to the Board, the amount of expenditure to be incurred on CSR activities

Formulation of Annual Action Plan

Evaluate and monitor expenditure towards CSR activities in compliance with the Act, and

Evaluation of need and impact assessment of the projects undertaken by the Company

In this financial year, the Company has spent ₹ 269.26 crore on CSR activities (including ₹ 50.77 crore brought forward). As per 2% criteria, amount required to be spent on CSR activities for FY 2023-24 is ₹ 264.70 crore. The excess amount spent of ₹ 4.56 crore is being carried forward and would be adjusted in coming years.

The schedule of CSR Committee meetings held in FY 2023-24 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the CSR Committee during FY 2023-24.

NOMINATION & REMUNERATION COMMITTEE ("NRC")

Name of the Member	Position	Sitting Fees (₹)
Mr. Akhilesh Joshi	Chairperson	150,000
Mr. Navin Agarwal	Member	150,000
Mr. Kannan Ramamirtham	Member	100,000
Mr. Anjani K Agrawal*	Member	50,000

*Mr. Anjani K Agrawal ceased to be Member of NRC effective from July 31, 2023.

33% Independence

3 Members

6 Meetings

94.44% Attendance

Role and function of the Nomination and Remuneration Committee:

Board Composition and Nomination

- Formulate the criteria/policy for appointment of Directors, KMP and SMP (as defined by the NRC) in accordance with identified criteria
- Review and appoint shortlisted candidates as Directors, KMPs and SMP (including evaluation of incumbent Directors for potential re-nomination) and make recommendations to the Board
- Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities required for an appointment, and
- Formulate and recommend to the Board, the criteria for determining qualifications, positive attributes and independence of a Director

Remuneration

- Recommend to the Board a policy relating to the remuneration of Directors (both Executive and Non-Executive Directors), KMP and SMP
- Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully
- Ensuring remuneration to Directors, KMP and SMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals

Evaluation of the Board, its Committees and individual Directors

- To develop, subject to approval of the Board, a process for an annual self-evaluation of the performance of the Board, its Committees and the individual Directors in the governance of the Company and to coordinate and oversee this annual self-evaluation
- To formulate a criterion for evaluation of Independent Directors, Chief Executive Officer & Whole-time Director and the Board as a whole and carry out an evaluation of every Director's performance and present the results to the Board

Succession Planning and Governance

- Review of succession planning for Executives, Non-Executive Directors and other SMPs
- Establishing policies and procedures to assess the requirements for induction of new members to the Board
- To maintain regular interaction and collaborate with the leadership including the HR team to review the overall HR vision and people development strategy of the Company
- To develop and recommend a policy on Board Diversity

Criteria for Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as an Independent Director on the Board. The Committee inter alia considers qualification, positive attributes, area of expertise by such persons in accordance with the Company's Policy for selection of

Directors and determining Directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

As per the requirement of Companies Act, 2013 and SEBI (LODR), the NRC has carried out a performance review of the individual Directors on the following parameters:

- The size and composition (Executive, Non-Executive, Independent members and their background in terms of knowledge, skills and experience) of the Board is appropriate
- The Board conducts itself in such a manner that it is seen to be sensitive to the interests of all stakeholders (including minority shareholders) and it has adequate mechanism to communicate with them
- The Board is active in addressing matters of strategic concerns in its review of the Board agenda with the executive management
- The Board makes well-informed high-quality decisions on the basis of full information and clear insight into the Company's business
- The Board is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations
- The Board meets frequently enough and for sufficient duration to enhance its effectiveness
- The Board meeting time is appropriately allocated between management presentation and Board discussion
- The Board has a good understanding of the Company's key drivers of performance and associated risks, threats and opportunities
- The Board devotes a considerable amount of time in developing the business strategy and annual business plan
- The Board has clearly defined the mandates of its various Committees and effectively oversees their functioning
- The Board is effective in formulating and monitoring various financial and non-financial policies and plans
- The Board is effective in developing a corporate governance structure that allows and encourages the Board to fulfil its responsibilities
- The Board pays considerable attention to the quality of the financial reporting process and internal financial controls and effectively oversees them
- The Board regularly follows up on its decisions to ensure that action is taken on all its decisions
- The Board gives effective advice and assistance for achieving the Company's mission and vision
- Board Members' performance is assessed through internal assessment

The Committee expressed its overall satisfaction with the performance of the individual Board members and the overall Board.

The schedule of NRC meetings held in FY 2023-24 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the NRC Committee during FY 2023-24.

SUSTAINABILITY AND ESG COMMITTEE

Name of the Member	Position	Sitting Fees (₹)
Mr. Akhilesh Joshi	Chairperson	50,000
Ms. Nirupama Kotru	Member	-
Mr. Arun Misra	Member	-
Dr. Veena Kumari Dermal	Member	-

25% Independence

4 Members

2 Meetings

87.5% Attendance

Role and function of the Sustainability and ESG Committee:

ESG Performance

- Oversight on fatality investigations, learning dissemination across the organisation
- Engagement with expert agencies to improve systematic response to work environment
- Oversight on decarbonisation roadmap for the businesses including long-term projections and scenario planning
- Review of semi-annual GHG performance
- Inclusion of scope 3 emission calculation for business

ESG Governance

- Review of progress of ESG goals and selected KPIs
- Review of the annualised roadmap of each ESG goal
- Oversight and guidance on future plans to deliver on Hindustan Zinc's ESG roadmap
- Review of progress on Hindustan Zinc's ESG ratings

The schedule of Sustainability and ESG Committee meetings held in FY 2023-24 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

The Board accepted all the recommendations made by the Sustainability and ESG Committee during FY 2023-24.

COMMITTEE OF DIRECTORS ("COD")

The objective of the COD is to consider, review and approve the proposals relating to policies on financial matters, investments, securities, general authorisations and treasury-related proposals including all borrowing proposals, including borrowing for the purpose of refinancing existing debt, including that for working capital facilities, within the overall limits as may be approved by the Board from time to time.

Name of the Member	Position	Sitting Fees (₹)
Mr. Navin Agarwal	Chairperson	125,000
Mr. Akhilesh Joshi	Member	125,000
Mr. Arun Misra	Member	-

33% Independence

3 Members

5 Meetings

100% Attendance

The schedule of COD meetings held in FY 2023-24 along with its members' attendance records are disclosed in the earlier section of the Corporate Governance Report.

SHAREHOLDERS MATTERS

DIVIDEND

During the year 2023-24, Company declared two interim dividends details of which are as under:

Dividend	₹ per share	% of Dividend	Date of Declaration
1st interim dividend	7	350	July 08, 2023
2nd interim dividend	6	300	December 06, 2023
Total	**13**	**650**	

Total amount of dividend declared during the financial year 2023-24 is ₹ 54,929,147,000

Transfer of Unclaimed/Unpaid Dividend amounts to the Investor Education and Protection Fund (IEPF)

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to unpaid dividend account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodic reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven years. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends transferred to IEPF during FY 2023-24 are as follows:

Financial Year	Amount of Unclaimed Dividend transferred (in ₹)
2015-16 (Golden Jubilee)	46,795,176.00
2016-17 (Special Interim Dividend)	3,872,958.00

The members who have a claim on the above dividends and shares may claim the same from the IEPF Authority by submitting an online application in web Form No. IEPF-5, available on the website www.iepf.gov.in, and sending a physical copy of the same, duly signed, to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred to IEPF authority.

Details of the dividend due to be transferred to IEPF are provided below:

Particulars	Date of Declaration	Due date for transfer to IEPF
Interim Dividend 2016-17	March 22, 2017	April 27, 2024
Interim Dividend 2017-18	October 23, 2017	November 28, 2024
Second Interim Dividend 2017-18	March 16, 2018	April 21, 2025
Special Interim Dividend 2018-19	October 22, 2018	November 27, 2025
Interim Dividend 2019-20	May 12, 2020	June 17, 2027
Interim Dividend 2020-21	October 16, 2020	November 21, 2027
Interim Dividend 2021-22	December 07, 2021	January 12, 2029
Interim Dividend 2022-23	July 13, 2022	August 18, 2029
Second Interim Dividend 2022-23	November 16, 2022	December 22, 2029
Third Interim Dividend 2022-23	January 19, 2023	February 24, 2030
Fourth Interim Dividend 2022-23	March 21, 2023	April 26, 2030
Interim Dividend 2023-24	July 08, 2023	August 13, 2030
Second Interim Dividend 2023-24	December 06, 2023	January 11, 2031

LISTING DETAILS

Particular		Scrip Code	ISIN Code
Indian Stock Exchange	BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	500188	INE267A01025
	National Stock Exchange of India Limited ("NSE") Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	HINDZINC	INE267A01025

1. During the year, none of the securities of the Company were suspended from trading.
2. No funds were raised through Preferential Allotment or Qualified Institutional Placement as per the Regulation 32(7A) of Listing Regulations.
3. Company has paid annual listing fees for FY 2023-24 to all the Stock Exchanges, where the securities of the Company are listed.

SHAREHOLDERS

Means of Communication

Financial Results

- The quarterly/half-yearly/annual results along with audit/limited review report, press release and investor presentation is filed with the stock exchanges immediately after the approval of the Board
- The results are also published in at least one prominent national and one regional newspaper having wide circulation vis-à-vis Business Standard, Financial Express, Economic Times and Maharashtra Times, within 48 hours of the conclusion of the meeting
- Financial results are also uploaded on the Company's website and can be accessed at www.hzlindia.com

Access to Documents

Shareholders can also access the details of corporate, financial information, shareholding information, details of dividends and shares transferred to IEPF, etc., on the Company's website.

Website

The Company has a dedicated section on 'Investors' on its corporate website which encompasses all the information for the investors like financial results, policies and codes, stock exchange filings, press releases, annual reports, etc.

News Releases

- Stock exchanges are regularly updated on any developments/events and the same are simultaneously displayed on the Company's website as well
- All the releases can be accessed on the website of the Company at www.hzlindia.com.

Annual Report

In accordance with the circulars issued by MCA and SEBI, the Notice of the 58th AGM along with the Integrated Annual Report for the Financial Year (FY) 2023-24 is being sent by electronic mode to members whose e-mail IDs are registered with the Company or the Depository Participants (DPs).

Institutional Investor/Analysts Presentation

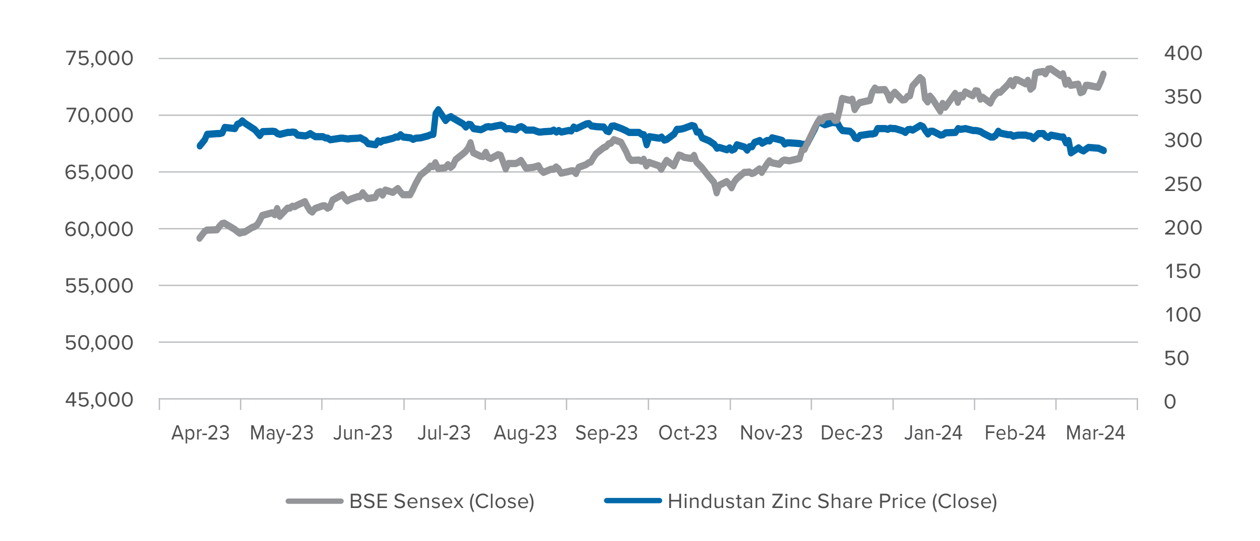
- The schedule of analyst/investor meets is filed with the stock exchanges and the presentations are uploaded on the website of the Company
- The transcripts and audio/video recordings of post earnings/quarterly calls/production releases are filed with the Stock Exchanges and the same are uploaded on the website of the Company

Stock Market Data

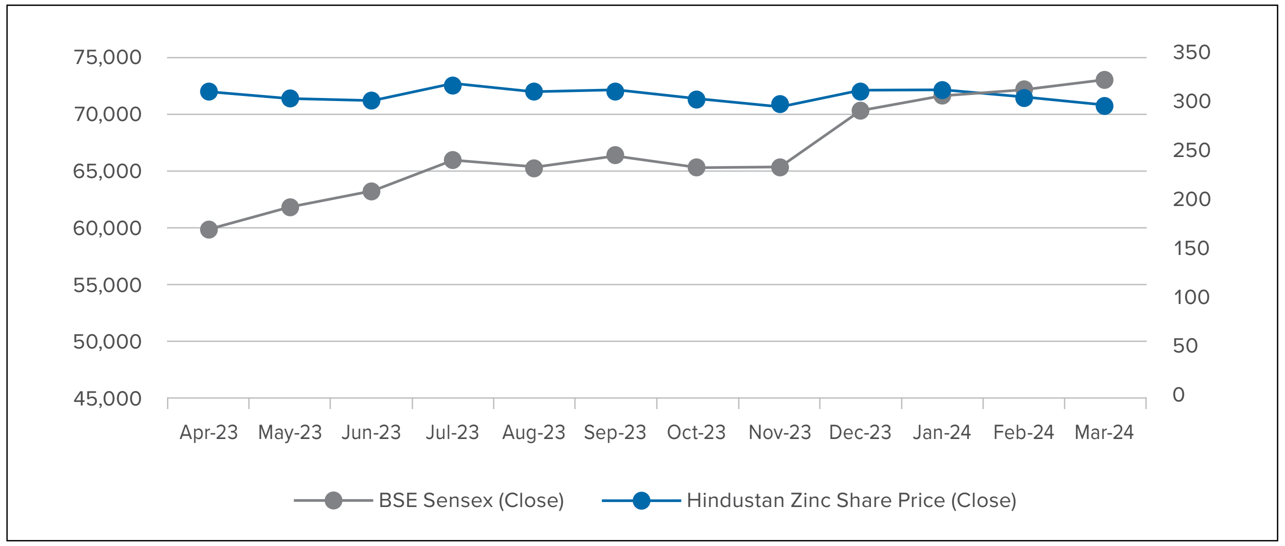
High, Lows and Volumes of the Company's Equity Shares for FY 2023-24

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of Shares)	High (₹)	Low (₹)	Volume (No. of Shares)
Apr-23	328.45	293.15	1,032,332	328.50	293.35	14,606,898
May-23	317.95	304.30	989,247	317.80	304.40	7,822,951
Jun-23	312.80	298.60	1,524,904	313.60	298.70	12,112,449
Jul-23	344.00	307.95	2,203,419	344.00	308.20	24,013,985
Aug-23	324.70	312.10	1,012,869	324.70	312.05	7,221,695
Sep-23	326.00	294.00	1,271,325	326.45	294.00	9,730,822
Oct-23	324.50	290.55	1,278,388	324.60	290.50	12,216,136
Nov-23	309.95	291.30	648,326	308.95	291.15	5,503,768
Dec-23	331.80	297.95	2,388,781	332.00	297.85	18,784,820
Jan-24	325.10	304.50	1,555,220	325.45	304.40	14,263,672
Feb-24	321.10	305.25	1,087,489	321.45	305.00	7,545,442
Mar-24	314.95	285.00	1,083,230	314.95	284.60	10,322,626

Chart: Share Performance versus BSE Sensex



Based on monthly averages



Market Capitalisation Performance from March 31, 2014 to March 31, 2024 (in ₹ crore)

Distribution of Shareholding

Below table lists the distribution of the shareholding of the equity shares of the Company by size and by ownership class, as on March 31, 2024.

Shareholding pattern by size on March 31, 2024

		Distribution Schedule as on March 31, 2024			
S. No.	**No. of Shares**	**No. of Shareholders**	**% of Shareholders**	**No. of Shares**	**% of Shareholding**
1	1 - 5000	427,273	98.98	48,222,375	1.14
2	5001 - 10000	2,530	0.59	9,418,395	0.22
3	10001- 20000	1,011	0.23	7,644,089	0.18
4	20001- 30000	340	0.08	4,265,956	0.10
5	30001- 40000	176	0.04	3,179,329	0.08
6	40001- 50000	78	0.02	1,783,800	0.04
7	50001- 100000	144	0.03	5,115,254	0.12
8	100001 & Above	113	0.03	4,145,689,802	98.12
	Total	**431,665**	**100.00**	**4,225,319,000**	**100.00**

Shareholding pattern by ownership as on March 31, 2024

	Category & Name of the Shareholder	Total no. of shares held	Shareholding as a % of total no. of shares
(A)	**Promoter's Holding**		
	Promoters		
	Indian Promoters		
	Vedanta Limited	2,743,154,310	64.92
	Foreign Promoters	0	0.00
	Sub Total (A) (1)	**2,743,154,310**	**64.92**
(B)	**Public Shareholding**		
(1)	**Institutions (Domestic)**		
(a)	Mutual Funds	1,589,280	0.04
(b)	Venture Capital Funds	0	0.00
(c)	Alternate Investment Funds	9,946	0.00
(d)	Banks	900	0.00
(e)	Insurance Companies	124,111,556	2.94
(f)	Provident Funds/Pension Funds	0	0.00
(g)	Asset Reconstruction Companies	0	0.00
(h)	Sovereign Wealth Funds	0	0.00
(i)	NBFC Registered with RBI	17,004	0.00
(j)	Other Financial Institutions	0	0.00
(k)	Any Other		
	Sub Total (B)(1)	**125,728,686**	**2.98**
(2)	**Institutions (Foreign)**		
(a)	Foreign Direct Investment	0	0.00
(b)	Foreign Venture Capital Investors	0	0.00
(c)	Sovereign Wealth Funds	0	0.00
(d)	Foreign Portfolio Investors Category I	23,698,905	0.56
(e)	Foreign Portfolio Investors Category II	1,643,534	0.04
(f)	Overseas Depositories (holding DRs) (balancing figure)	0	0.00
(g)	Any Other		
	Foreign Institutional Investors	99,000	0.00
	Banks	10,000	0.00
	Sub Total (B)(2)	**25,451,439**	**0.60**
(3)	**Central Government/State Government(s)/President of India**		
(a)	Central Government/President of India	1,247,950,590	29.54
(b)	State Government/Governor		
(c)	Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter	310	0.00
	Sub Total (B)(3)	**1,247,950,900**	**29.54**

	Category & Name of the Shareholder	Total no. of shares held	Shareholding as a % of total no. of shares
(4)	**Non-Institutions**		
(a)	Associate companies/Subsidiaries	0	0.00
(b)	Directors and their relatives (excluding Independent Directors and Nominee Directors)	0	0.00
(c)	Key Managerial Personnel	0	0.00
(d)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	0	0.00
(e)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'	0	0.00
(f)	Investor Education and Protection Fund (IEPF)	424,356	0.01
(g)	Resident Individuals holding nominal share capital up to ₹ 2 lakhs	71,664,577	1.70
(h)	Resident Individuals holding nominal share capital in excess of ₹ 2 lakhs	1,429,674	0.03
(i)	Non-Resident Indians (NRIs)	3,261,344	0.08
(j)	Foreign Nationals	7,100	0.00
(k)	Foreign Companies	0	0.00
(l)	Bodies Corporate	3,478,235	0.08
(m)	Any Other		
	Clearing Members	1,481	0.00
	H U F	2,626,674	0.06
	Trusts	140,224	0.00
	Sub Total (B)(4)	**83,033,665**	**1.97**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)	**1,482,164,690**	**35.08**
	Grand Total	**4,225,319,000**	**100.00**

Dematerialisation of Shares and NCD's

The shares and NCD's of the Company are compulsory traded in dematerialised form only. The Company's shares are available for trading in the depository system of both NSDL and CDSL. As at the financial year end, 4,223,425,375 equity shares forming 99.95% of the share capital of the Company, stand dematerialised.

Capital details as on March 31, 2024

Details	Number of shares	% of total issued capital
Held in dematerialised form in CDSL	1,282,270,414	30.35
Held in dematerialised form in NSDL	2,941,154,961	69.61
Physical	1,893,625	0.04
Total no. of shares	**4,225,319,000**	**100.00**

The Company's shares are actively traded on both the stock exchanges, namely BSE and NSE.

All the NCDs issued are in demat form only. As on March 31, 2024, the Company didn't have any outstanding NCDs.

Outstanding GDRs/ADRs/Warrants/Options

The Company has not issued any Global Depository Receipts/American Depository Receipts/Warrants/Options.

Details of Public Funding obtained in the last three years

Company has not obtained any public funding during the last three years.

SHARE TRANSFER SYSTEM

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be affected only in dematerialised form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialised form only for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholders shall make a request to the Depository Participant for dematerialising those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, there are no shares lying in the demat suspense account/ unclaimed suspense account.

REQUEST FOR UPDATION OF PAN, KYC AND NOMINATION DETAILS

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details before getting any investor service request processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC or Nomination/Opt-out of Nomination, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from April 1, 2024. Members may refer to the FAQs provided by SEBI in this regard, for investor awareness, on its website at https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC and Nomination/Opt-out of Nomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to einward.ris@kfintech.com or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. KFin Technologies Limited, (Unit: Hindustan Zinc Limited) at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Telangana, India - 500 032.

In accordance with the SEBI circular dated March 16, 2023 and updated vide Master Circular dated May 17, 2023, the Company has sent/will be sending out intimations to those members, holding shares in physical form, whose PAN, KYC and/or Nomination details are not updated, requesting them to update the details.

DISPUTE RESOLUTION

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login)

ADDRESS FOR CORRESPONDENCE

- All correspondence by members should be forwarded to M/s. KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company at the address mentioned below.
- The Company's dedicated e-mail address for Investors' Complaints and other communications is hzl.secretarial@vedanta.co.in

Registrar and Transfer Agent	Company Secretary and Compliance Officer
KFin Technologies Limited (Unit: Hindustan Zinc Limited) Selenium Building, Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500 032	**Harsha Kedia** Company Secretary & Compliance Officer Hindustan Zinc Limited Yashad Bhawan, Yashadgarh Udaipur – 313004, Rajasthan
Ph. No.: +91 40 6716 1591 / 2222 E-mail: anandan.k@kfintech.com / einward.ris@kfintech.com	Ph. No. +91 294 6604000 E-mail: hzl.secretarial@vedanta.co.in

DETAILS OF THE ANNOUNCEMENT OF THE FINANCIAL RESULTS FOR FY 2023-24

Description	Date
Unaudited Financial Results for the quarter ended on June 30, 2023	July 21, 2023
Unaudited Financial Results for the quarter and half year ended on September 30, 2023	October 20, 2023
Unaudited Financial Results for the quarter and nine months ended on December 31, 2023	January 19, 2024
Audited Financial Results for the quarter and year ended on March 31, 2024	April 19, 2024

GENERAL BODY MEETINGS

Annual General Meetings

The details of the last three years Annual General Meetings held through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") are as follows:

Date	AGM	Location	Time
August 09, 2021	55th AGM	Convened through video conferencing ("VC")/ other audio-visual mode ("OAVM")	12.00 Noon
August 08, 2022	56th AGM	Convened through video conferencing ("VC")/ other audio-visual mode ("OAVM")	12.00 Noon
August 24, 2023	57th AGM	Convened through video conferencing ("VC")/ other audio-visual mode ("OAVM")	12.00 Noon

Details of the Special Resolutions passed at the 57th AGM

1	To consider and approve the re-appointment of Mr. Arun Misra (DIN: 01835605) as Whole-time Director, designated as Chief Executive Officer of the Company for a further period of 2 years
2	To consider and approve the re-appointment of Mr. Akhilesh Joshi (DIN: 01920024) as a Non-Executive Independent Director for the second and final term of 2 (two) years effective from August 01, 2023 to July 31, 2025
3	To consider and approve the re-appointment of Mr. Kannan Ramamirtham (DIN: 00227980) as a Non-Executive Independent Director for the second and final term of 2 (two) years effective from September 01, 2023 to August 31, 2025
4	To consider and approve the amendment in Articles of Association of the Company

POSTAL BALLOT

No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Integrated Annual Report. The details of the business transacted through Postal Ballot during financial year 2023-24 are as follows:

The Company had sought approval of the shareholders by way of Special Resolution through notice of postal ballot dated August 10, 2023. The details of the same are as follows:

Date of Postal Ballot Notice	August 10, 2023
Voting Period	Remote e-voting period commenced at 10:00 a.m. IST on Saturday, September 16, 2023 and ended at 5:00 p.m. IST on Sunday, October 15, 2023
Date of passing the resolution(s)	October 15, 2023
Date of declaration of result to Stock Exchange	October 16, 2023
Resolution(s)	Appointment of Ms. Pallavi Joshi Bakhru (DIN: 01526618) as an Independent Director of the Company to hold office for a period of 2 years effective from August 10, 2023 to August 09, 2025
Type of Resolution(s)	Special Resolution

Procedure adopted for Postal Ballot

In accordance with the provisions of the General Circular No. 11/2022 dated December 28, 2022 and other relevant Circulars issued by the Ministry of Corporate Affairs ("MCA Circulars") from time to time, the special resolution was proposed by means of Postal Ballot only by way of remote e-voting process ("e-voting"). The Company engaged the services of KFin Technologies Limited, Registrar and Transfer Agent of the Company, to provide remote e-voting facility to all its members.

Notice was sent only through electronic form to those members, whose names appeared in the Register of Members/List of Beneficial Owners as received from the Depositories/Registrar and Transfer Agent ("RTA") as on Friday, September 08, 2023 ("Cut-off Date")

Mr. Manoj Maheshwari, Partner of M/s. V.M. & Associates, Practicing Company Secretary (Membership No. FCS 3355, CP No. 1971) acted as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

The Scrutinizer submitted his report on October 16, 2023, after the completion of scrutiny and result of the e-voting was announced on the same day. The summary of voting result is given below:

Particulars	% of total votes	Result
Votes in favour of the Resolution	99.7835	Passed with requisite majority
Votes against the Resolution	0.2165	

POLICIES AND OTHER DISCLOSURES

Details of the Policies and other disclosures available on the website of Company

Sr. No.	Particular	Statutes	Detail	Website link of the policy
1	Related party transactions	Regulation 23 of Listing Regulations	There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered with related parties during FY 2023-24 were in the ordinary course of business and at arm's-length basis and were approved by the Audit & Risk Management Committee. The Board's approved policy for related party transactions is uploaded on the website of the Company.	https://www.hzlindia.com/wp-content/uploads/HZL_RPT-Policy_Revised_21.04.2023.pdf
2	Whistle Blower Policy and Vigil Mechanism	Regulation 22 of Listing Regulations	The Company has Whistleblowing Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairperson of the Audit & Risk Management Committee. The said policy has been uploaded on the website of the Company	https://www.hzlindia.com/wp-content/uploads/HZL-WHISTLE-BLOWER-POLICY-19.10.2015.pdf
3	Discretionary requirements	Schedule II Part E of the Listing Regulations	• A message from the CEO & Whole-time Director is published as a part of the press release issued at the time of declaration of quarterly/half-yearly financial performance of the Company • The auditors' report on financial statements of the Company are unmodified • Internal Auditors of the Company make quarterly presentations to the Audit & Risk Management Committee on their reports	
4	Material Subsidiary Company	Regulation 24 of Listing Regulations	The Company does not have any material subsidiary company. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website	HZL-Policy-for-Determing-Material-Subsidiaries.pdf (hzlindia.com)
5	Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted this policy	Policy-for-determination-of-materiality-of-evensUPSI-and-archival-policy.pdf (hzlindia.com)
6	Policy on Archival and Preservation of Documents	Regulation 9 of Listing Regulations	The Company has adopted this policy.	HZL-Policy-for-preservation-of-Documents-21-01-16.pdf (hzlindia.com)
7	Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No. D&CC / FITTC/ Cir-16/2002 dated December 31, 2002.	Practising Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL	https://www.hzlindia.com/investors/share-information/reconciliation-of-share-capital-audit-report/

Sr. No.	Particular	Statutes	Detail	Website link of the policy
8	Business Ethics & Code of Conduct	Regulation 17 of the Listing Regulations	All the employees and Board of Directors have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2024. The Integrated Annual Report of the Company contains a certificate by the CEO & Whole-time Director, on the above compliance.	hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-CODE-OF-CONDUCT-22.04.2022.pdf
9	Dividend Distribution Policy	Regulation 43A of the Listing Regulations	Company has adopted a dividend distribution policy. The same has been uploaded on the website of Company.	Dividend Policy.pdf (hzlindia.com)
10	Terms of Appointment of Independent Directors	Regulation 46 of Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and Conditions of appointment/re-appointment of Independent Directors is available on the Company's website.	Letter_of_Apptt_of_Independent_Director-1.pdf (hzlindia.com)
11	Familiarisation programme conducted for Independent Directors 2023-24	Regulations 25(7) and 46 of SEBI Listing Regulations	Details of familiarisation program imparted to Independent Directors are available on the Company's website.	https://www.hzlindia.com/wp-content/uploads/HZL-Familiarization-Program-final.pdf
12	Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2018	Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014	The Company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 Policy on prevention of sexual harassment at the workplace is also available on the Company's website. The details have been disclosed in the Business Responsibility and Sustainability Report forming part of the Integrated Annual Report.	Microsoft Word - HZL SH policy.docx (hzlindia.com)
13	Insider trading prohibition code	Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015	To regulate, monitor and report trading in securities of the Company. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information & Policy for determination of "Legitimate Purpose".	insider-policy-R7-SEPT-V7.pdf (hzlindia.com)
14	Nomination & Remuneration Policy	As per provisions of Companies Act, 2013 and SEBI Listing Regulations	The Committee shall evaluate the balance of knowledge, skill, professional & functional expertise, industry orientation, gender, age, etc. Terms and Conditions of appointment/re-appointment of the Directors	HZL-Nomination-Remuneration-Policy_final-19.04.2024.pdf (hzlindia.com)
15	Anti-Bribery & Anti-Corruption Policy	UKBA/FCPA	Compliance of UKBA & FCPA on AB & AC clauses.	https://www.hzlindia.com/wp-content/uploads/Anti-Bribery-and-Anti-Corruption-Policy-21.01.2022.pdf
16	Board Diversity Policy	As per provisions of Companies Act, 2013 and SEBI Listing Regulations	To ensure an inclusive and diverse membership of the Board of Directors of Hindustan Zinc as per Good Governance practice	HZL-Board-Diversity-Policy-final-19.04.2024.pdf (hzlindia.com)
17	Disclosure of certain type of agreements binding listed entities	Schedule III, Para A, Clause 5A of Listing Regulations	There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.	

ANNUAL GENERAL MEETING FOR FINANCIAL YEAR 2023-24

Date: 29th July, 2024
Day: Monday
Time: 12:00 Noon
Venue: VC/OAVM

FINANCIAL YEAR

The Financial Year of Company commences from April 01 and concludes on March 31 of each year. Each quarter, the Company reviewed and approved its financials.

For the year ending March 31, 2024, financial results will be announced within the statutory time period provided under the Act.

SCHEME OF ARRANGEMENT BETWEEN COMPANY AND ITS SHAREHOLDERS

Pursuant to the directions of the Hon'ble National Company Law Tribunal (NCLT), Jaipur Bench vide order dated February 06, 2023, on Scheme of Arrangement pursuant to Section 230(3) of the Companies Act, 2013 and rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for transfer of general reserve to retained earnings, meeting of equity shareholders of the Hindustan Zinc Limited was held on March 29, 2023. The scheme was approved by the shareholders by the requisite majority (by value 99.997%, by number 94.58%). The scheme would be implemented post receipt of further regulatory and statutory approvals.

GOVERNANCE & COMPLIANCE

1. Code of Conduct

Our values and principles are enshrined in the Business Ethics & Code of Conduct ('Code') applies to all executives of the Company. All Board members and all executives annually affirm compliance with the Code. This Code also ensures compliance with the provisions of the SEBI (LODR). All existing executives were imparted training during the year in addition to 100% of new joinees.

The Business Ethics & Code of Conduct covers:

- Securities Dealing Code (Insider Trading Regulations)
- Whistle Blower Policy
- The UK Bribery Act
- Foreign Corrupt Practices Act (USA)
- Prevention of Fraud
- Environment Health and Safety Political Activities & Personal Political Contribution
- Prevention of Sexual Harassment
- CSR, Charity & Sponsorship
- Anti-Corruption & Bribery
- Business Partner Relations
- Gifts, Entertainment & Hospitality
- Accuracy of Company Records
- Conflict of Interest
- Protection & Use of Company Assets
- Confidentiality Fair Dealing
- Quality of Products & Services
- Media & Communication
- Reporting Violations of the Code of Conduct
- POSH Policy
- Diversity & Inclusion with Equal Opportunity
- Sanctions & Trade Controls and Social Media Conduct
- Data Privacy & GDPR and Information Security

The Code also covers Whistle Blower Policy and Vigil Mechanism, which is available on the website of the Company, https://www.hzlindia.com/about-hzl/code-of-conduct/. The annual declaration of its compliance is given by the CEO & Whole-time Director, the same is annexed. During the year, no personnel who intended to lodge complaint as per the aforesaid policy was denied access to the Audit & Risk Management Committee.

We adhere to Section 184 of the Companies Act, 2013 which requires that every Director of a Company who is in any way concerned or interested in a contract or arrangement, is required to disclose the nature of his concern or interest at a meeting in which such agenda is being taken up.

2. Internal Control System

On the recommendation of the Audit & Risk Management Committee, the Company appointed M/s KPMG as the Internal Auditors of the Company for the financial year 2023-24. Documents, policies and authorisation guidelines comply with the level of responsibility and standard operating procedures specific to the respective businesses. Observations made in internal audit reports on business processes, systems, procedures and internal controls and implementation status of recommended remedial measures by the Internal Auditors, are presented quarterly to the Audit & Risk Management Committee of the Board. The Company has a well-established internal control system and procedures and the same has been working effectively throughout the year.

3. Risk Management

The company operates within a landscape where economic, environmental, and social risks are inherent to its operations. To address this and in accordance with SEBI (LODR) requirements, the Board has established an Audit & Risk Management Committee tasked with overseeing the Company's mitigation strategies for its key risks.

A comprehensive risk management policy has been developed, encapsulating all significant risks and corresponding mitigation plans in a "Risk Matrix". This matrix undergoes quarterly reviews by senior management and periodic assessments by the Audit & Risk Management Committee. The risk matrix includes the Company's evaluations of the impact and probability of each major risk, along with steps taken or planned for mitigation. Unit-wise risk matrices are reviewed quarterly by unit and location management.

Please refer to the Risk Management chapter in the Integrated Annual Report, located on page 88, for further information.

4. Compliance

Our compliance systems, which is ISO 37301 certified, covers a multitude of statutory obligations and ensures adherence to all applicable laws and regulations. During FY 2023-24, no material and uncontested financial or non-monetary sanctions were imposed upon the Company (except as disclosed in the Financial Statements). Some of the key compliance aspects are dealt with below:

(a) Disclosure of Related Party Transactions

All the related party transactions that were entered into during the financial year were at arm's-length basis and predominantly in the ordinary course of business and with the prior approval of the Audit and Risk Management Committee/Board. Members may refer to disclosures made in Note No. 36 to Financial Statements in compliance with Regulation 23 of SEBI (LODR) and Ind AS 24. In terms of the provisions of SEBI Listing Regulations, the Related Party Transaction policy is also available on the company website Final-HZL-RPT-Policy-21.01.2022.pdf (hzlindia.com).

(b) Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company follows the guidelines of Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 together with Ind AS issued by the Institute of Chartered Accountants of India.

(c) Compliance with Capital Market Regulations

The Company has complied with all the requirements of regulatory authorities and no penalties or strictures were imposed on the Company by stock exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

Since the company is short of Independent Directors, during the year, NSE and BSE had imposed a total penalty of ₹ 3,650,000 (excluding GST) on the Company and the same had been paid.

(d) Vigil Mechanism

The Company has formulated a Vigil Mechanism for all the employees of the Company, its subsidiaries and all external stakeholders to report genuine concerns. The Vigil Mechanism provides adequate safeguards against victimisation of any person who avails the mechanism and also provides for direct access to the Chairperson of the Audit & Risk Management Committee. The designated email id for lodging the complaints under Vigil Mechanism or Whistle Blower is hzl.whistleblower@vedanta.co.in and has also provided a dedicated phone number. The same is also available on the website of the Company.

(e) Loans and Advances

The Company has not given any loans and advances to firms/company in which Directors are interested.

(f) Code of Conduct to regulate, monitor and report trading by Designated Persons

In accordance with the SEBI Insider Trading Regulations, the Company has a Code of Conduct to regulate, monitor and report trading by Designated Person ("Code for Prevention of Insider Trading") and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure").

Further, the Company has established systems and procedures to prohibit insider trading activity. All compliances relating to the Code of Conduct for Prevention of Insider Trading are being managed through a web-based portal developed by the Company. The Company periodically circulates the informative emails on Prevention of Insider Trading, Do's and Don'ts, etc., to the employees to familiarise them with the provisions of the Code for Prevention of Insider Trading and educate and sensitise them on various aspects of Code for Prevention of Insider Trading. These activities have created substantial awareness amongst the Designated Persons.

During the year under review, the Audit & Risk Management Committee has reviewed the compliance with the provisions of the SEBI Insider Trading Regulations and has verified that the systems for internal controls are adequate and operating effectively. Any violation under the provisions of this Code is liable for penal/ disciplinary/remedial action as may be considered appropriate by the 'Insider Trading Monitoring Committee (ITMC)' as per the sanction framework decided and approved by the ITMC. All breaches of this Code with actions taken are reported to the Audit & Risk Management Committee & Board of Directors of the Company on a quarterly basis.

The said non-compliances are promptly intimated to the Stock Exchanges in the prescribed format and the penalty, if any, is being directly deposited by the Designated Person with SEBI's Investor Protection and Education Fund. The Board has also formulated a Policy for the determination of 'legitimate purposes' as a part of the Code of Fair Disclosure as per the requirements of the SEBI Insider Trading Regulations.

The Code for Prevention of Insider Trading and Code of Fair Disclosure has been uploaded on the Company's website at https://www.hzlindia.com/wp-content/uploads/insider-policy-R7-SEPT-V7.pdf

(g) Credit rating

Hindustan Zinc is rated by 2 agencies – namely CRISIL Long Term - AAA/Stable, Short Term - A1+; and by India Ratings Short Term - A1+

(h) During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of SEBI (LODR)

(i) Fees paid to Statutory Auditors

Total fees for all services paid by the Company on a consolidated basis to S R Batliboi & Co. LLP (statutory auditors of the Company) and to entities of the network of which the statutory auditor is a part for the year ended March 31, 2024 is as follows:

Particulars	Amount (₹)
Statutory Audit for March 2024 FS	10,330,600
Limited Review Report for Q1 to Q3	4,682,800
Audit of UK Reporting Package September 2023	1,119,800
Audit of UK Reporting Package March 2024	1,790,800
Consolidation Audit Fees	660,000
Other fee-Certificate	1,210,000
Out of Pocket expense	2,500,000
Total	**22,294,000**

(j) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

Fluctuation in Commodity prices

Impact: Prices of the Company's finished goods are linked to international benchmarks, i.e., LME (for zinc and lead) and LBMA (for silver) and are strongly influenced by global economic conditions and global demand & supply for the products. Volatility in commodity prices and demand may adversely affect our earnings, cash flow and reserves.

Mitigation: We consider exposure to commodity price fluctuations to be an integral part of the Company's business and its usual policy is to sell its products at prevailing market prices, and not to enter into long-term price hedging arrangements. However, to minimise price risk for finished goods and to achieve monthly average, hedging is done. The Company monitors the commodity markets closely to determine the effect of price fluctuations on earnings, capital expenditure and cash flows.

S. No.	Commodity Name	Exposure in ₹ towards the particular commodity (In absolute)	In units	Exposure in quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
					Domestic market		International market		Total
					OTC	Exchange	OTC	Exchange	
1	Zinc	180,654,864,367	MT	817,438.14	0%	0%	49%	0%	49%
2	Silver	53,310,905,980	MT	745.83	0%	0%	42%	0%	42%
3	Lead	40,756,671,884	MT	216,046.84	0%	0%	73%	0%	73%

Notes:

The term 'exposure' shall mean gross exposure of the listed entity including exposure both on the asset and liability side.

If the listed entity has exposure in non-rupee terms, the Indian rupee equivalent after conversion shall be used for the aforesaid disclosures.

Currency exchange rate fluctuations

Impact: Our assets, earnings and cash flows are influenced by a variety of currencies. Fluctuations in exchange rates of those currencies may have an impact on our financials. Although the majority of the Company's revenue is tied to commodity prices that are typically priced by reference to the US dollar, a significant part of its expenses is incurred and paid in local currency.

Mitigation: We do not speculate in forex. We have developed robust controls in forex management to monitor, measure and hedge currency risk liabilities. The treasury team reviews our forex-related matters periodically and suggests necessary courses of action as may be needed by businesses from time to time, and within the overall framework of our forex policy.

The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. The Company uses forward exchange contracts to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies as well as financing transactions denominated in foreign currencies. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

(k) CEO and CFO Certification

The CEO and CFO certification of the Financial Statements for FY 2023-24 is enclosed at the end of this report.

(l) Non-Convertible Debentures

During the year, the Company has fully redeemed its Non-Convertible Debentures (NCDs) on September 28, 2023, and there are no outstanding NCDs as on March 31, 2024.

NCDs were redeemed in three instalments, i.e., 20% on September 29, 2021, 20% on September 29, 2022, and 60% on September 29, 2023. The first and second instalments were paid on the due date, and the last instalment due on September 29, 2023, was pre-paid on September 28, 2023.

(m) Certificate of Non-disqualification of Directors

Certificate from Practising Company Secretary confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority, as stipulated under Regulation 34(3) of the Listing Regulations, is attached to this Report.

(n) The Company has complied with all mandatory requirements of SEBI (LODR) Regulations, 2015. The Company, specifically, confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations except as stated in the secretarial audit report.

(o) Additional Shareholder Information

Registered Office

Hindustan Zinc Limited
Yashad Bhawan, Yashadgarh
Udaipur – 313004
Rajasthan

Plant Locations

Mining Units (all in Rajasthan):		
Rampura Agucha Mine	:	Bhilwara District
Sindesar Khurd Mine	:	Rajsamand District
Zawar Mines	:	Udaipur District
Rajpura Dariba Mine	:	Rajsamand District
Kayad Mine	:	Ajmer District
Bamnia Kalan Mines	:	Rajsamand District
Smelting Units (all in Rajasthan):		
Chanderiya Lead Zinc Smelter	:	Chittorgarh District
Dariba Smelting Complex	:	Rajsamand District
Debari Zinc Smelter	:	Udaipur District
Captive Power Plants (all in Rajasthan):		
Chanderiya Lead Zinc Smelter	:	Chittorgarh District
Dariba Smelting Complex	:	Rajsamand District
Zawar	:	Udaipur District
Processing & Refining Units:		
Pantnagar Metal Plant	:	Rudrapur District (Uttarakhand)
Wind Power Farms:		
Samana	:	Jamnagar District (Gujarat)
Gadag	:	Gadag District (Karnataka)
Gopalpura	:	Hassan District (Karnataka)
Mokal	:	Jaisalmer District (Rajasthan)
Osiyan	:	Jodhpur District (Rajasthan)
Chakala	:	Nandurbar District (Maharashtra)
Muthiyampatti	:	Tirpur District (Tamil Nadu)

Marketing Offices

East:

Hindustan Zinc Limited 608, 6th Floor, Infinity Benchmark, Block GP, Sector – V, Salt Lake, Kolkata – 700091

West:

Hindustan Zinc Limited C-103, Atul Projects-Corporate Avenue, Guru Hargovindji Road, Chakala, Andheri (E), Mumbai - 400 099, Maharashtra, India

North:

Hindustan Zinc Limited 01st Floor, CORE 6, SCOPE Complex 7 Lodhi Road, New Delhi – 110003, Delhi, India

Details of Wholly-Owned Subsidiary Companies

- Hindustan Zinc Alloys Private Limited
- Vedanta Zinc Football & Sports Foundation
- Zinc India Foundation
- Hindustan Zinc Fertilisers Private Limited
- Hindmetal Exploration Services Private Limited

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION, 2015

A. We, Arun Misra, CEO & Whole-time Director and Sandeep Modi, Chief Financial Officer of Hindustan Zinc, have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit & Risk Management Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit & Risk Management Committee:

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sandeep Modi
Chief Financial Officer
PAN: AJKPM0857A

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Place: Udaipur
Date: April 19, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Hindustan Zinc Limited
Yashad Bhavan, Yashadgarh
Udaipur- 313004 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hindustan Zinc Limited having CIN: L27204RJ1966PLC001208 and having registered office at Yashad Bhavan, Yashadgarh Udaipur-313004 (Rajasthan) (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment*
1.	Mr. Navin Agarwal	00006303	11.04.2002
2.	Mr. Arun Misra	01835605	01.08.2020
3.	Mr. Akhilesh Joshi	01920024	01.08.2020
4.	Ms. Priya Agarwal	05162177	19.01.2023
5.	Ms. Farida Mahmood Naik	07612050	14.03.2017
6.	Ms. Veena Kumari Dermal	08890469	29.07.2021
7.	Ms. Nirupama Kotru	09204338	26.07.2021
8.	Mr. Kannan Ramamirtham	00227980	01.09.2022
9.	Ms. Pallavi Joshi Bakhru	01526618	10.08.2023

* The date of appointment mentioned above is the initial date of appointment and as reflected on the website of Ministry of Corporate Affairs

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **V. M. & Associates**
Company Secretaries
UDIN: F003355F000182041
(ICSI Unique Code P1984RJ039200)
PR 5447/2024

CS Manoj Maheshwari
Partner
Membership No.: FCS3355
C P No.: 1971

Place: Jaipur
Date: April 19, 2024

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under clause 17 (5) (a) of the SEBI (LODR) Regulation 2015, all Board Members and the Senior Management personnel have confirmed compliance with the Business Ethics and Code of Conduct for the year ended on March 31, 2024.

For **Hindustan Zinc Limited**

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Place: Udaipur
Date:s April 19, 2024

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules and 2014 Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Hindustan Zinc Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hindustan Zinc Limited (hereinafter called '**Company**' or '**HZL**') for the financial year ended March 31, 2024 ('**Audit Period**') in terms of the Engagement Letter dated November 23, 2023. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, subject to our comments herein, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

a) The Companies Act, 2013 and the rules made thereunder including any re-enactment thereof ("Act");

b) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations");

e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

f) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;

h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

i) Specific laws, as identified and compliance whereof confirmed by the Company:

   1. The Mines Act, 1952 and Rules made thereunder; and

   2. The Mines and Minerals (Development and Regulation) Act, 1957 and Rules made thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has confirmed compliance with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc except as specifically discussed herein:

Composition of the Board of Directors

Pursuant to Ms Priya Agarwal, chairperson of the Company, being the promoter/relative of promoter, at least half of the Board shall comprise of independent Directors. Presently, 3 out 9 Directors (1/3rd of the Board) comprises of independent Directors. We have been informed that, in accordance with the shareholders agreement dated April 4, 2002, with the Government of India, Ministry of Coal and Mines (GOI-MOM), two directors are to be nominated by the GOI-MOM, which remains pending.

Further, as per the Listing Regulations, the Board of Directors of the top 500 listed entities is required to have at least one independent woman Director. The Company, being one of the top 500 listed entities as on March 31, 2023, appointed Ms. Pallavi Joshi Bakhru w.e.f. August 10, 2023.

We further report that:

Save as otherwise mentioned above, the Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non Executive Directors and independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period, were carried out in compliance with the provisions of the Act and other applicable laws.

Adequate notice is given to all Directors to schedule the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance with due compliance of the Act and SS-1 except in cases where the meetings were called on a shorter notice. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. There has been no dissent on any matters.

We further report that there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We have separately given our recommendations to the Company towards good corporate governance practices.

We further report that during the Audit Period, the Company has undertaken the below mentioned specific event/ action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, standards, etc:

1. **Declaration of interim-dividend**

   During the Audit Period, two interim dividends aggregating to ₹ 13 per equity share, (total pay-out of ₹ 5492.91 crores) has been declared by the Company. As per section 123(3) of the Act, interim dividend may be declared and paid during the financial year only out of two sources viz. (a) out of the surplus in the profit and loss account, or (b) out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend.

   However, relying on an external legal opinion taken by the Vedanta Group which confirms compliance with section 123(3) of the Act, the Board of Directors has, through a circular resolution dated December 6, 2023, declared second interim dividend out of profits earned upto the month of November, 2023.

2. **Redemption of listed Unsecured, Non-cumulative Redeemable Non-Convertible Debentures of the Company ("NCDs")**

   During the period under review, the Company redeemed all its outstanding NCDs aggregating to ₹ 2,112 crores.

For **M/s Vinod Kothari & Company**
Practicing Company Secretaries
Unique Code: P1996WB042300

Nitu Poddar
Partner
Membership No.: A37398
CP No.:15113
UDIN: A037398F000190584
Peer Review Certificate No.: 4123/2023

Place: New Delhi
Date: April 19, 2024

The report is to be read with our letter of even date which is annexed as **Annexure 'I'** and forms an integral part of this report.

ANNEXURE I
AUDITOR AND MANAGEMENT RESPONSIBILITY

ANNEXURE TO SECRETARIAL AUDIT REPORT

To
The Members,
Hindustan Zinc Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in Annexure II;

2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;

3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;

4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute. We have conducted online verification & examination of records, as facilitated by the Company;

5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;

6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc;

7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedure on test basis;

8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;

9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;

10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

ANNEXURE II
LIST OF DOCUMENTS

1. Minutes for the meetings of the following held during the Audit Period:
    a. Board of Directors;
    b. Audit and Risk Management Committee;
    c. Stakeholders Relationship Committee;
    d. Nomination and Remuneration Committee;
    e. Corporate Social Responsibility Committee;
    f. Sustainability and ESG Committee;
    g. Committee of Directors;
    h. Annual General Meeting.
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
3. Resolutions passed by circulation;
4. Agendas of Board and Committee meetings on a sample basis;
5. Annual Report for financial year 2022-23;
6. Financial Statements and Auditor's Report for financial year 2022-23
7. Draft financial statements for FY 23-24
8. Directors disclosures under the Act and rules made thereunder;
9. Statutory Registers maintained under the Act;
10. Forms filed with the Registrar;
11. Policies framed under Act, 2013, Listing Regulations and PIT Regulations;
12. Memorandum of Association and Articles of Association of the Company.
13. Draft opinion dated May 16, 2020 availed by the Vedanta Group w.r.t utilisation of the year to date profits with respect to declaration of interim dividend during the financial year.

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Hindustan Zinc Limited

We have examined the compliance of Corporate Governance by Hindustan Zinc Limited ("Company") for the financial year ending on March 31, 2024, as stipulated in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), on the basis of the examination of documents provided in **Annexure - I**.

Compliance with the conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that as on March 31, 2024, the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, except that:

1. The chairperson of the Company is promoter/relative of promoter, the Board ought to have at least five (5) out its current strength of nine (9) directors as independent Directors. However, the Board currently has only three (3) independent Directors. We have been informed that in accordance with the shareholders agreement, dated April 4, 2002, with the Government of India, Ministry of Coal and Mines, two (2) directors are to be nominated by the Government of India, which remains pending.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs.

For **Vinod Kothari & Company**
Practising Company Secretaries

Nitu Poddar
Partner
Membership No.: A37398
CP No.: 15113
UDIN: A037398F000286955
Peer Review Certificate No.: 4123/2023

Date: April 19, 2024
Place: New Delhi

ANNEXURE I
LIST OF DOCUMENTS

1. Minutes for the meetings of the following held during the Audit Period:
    a. Board of Directors;
    b. Audit and Risk Management Committee;
    c. Stakeholders Relationship Committee;
    d. Nomination and Remuneration Committee;
    e. Corporate Social Responsibility Committee;
    f. Sustainability and ESG Committee;
    g. Committee of Directors;
    h. Annual General Meeting.
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
3. Resolutions passed by circulation;
4. Agendas of Board and Committees meetings on sample basis;
5. Directors disclosures under the Act and rules made thereunder;
6. Policies framed under the Listing Regulations, as available on the website;
7. Memorandum of Association and Articles of Association of the Company.

Business Responsibility and Sustainability Report

CEO STATEMENT

I am pleased to announce the release of Hindustan Zinc's 3rd Business Responsibility and Sustainability Report, demonstrating our steadfast commitment to Environmental, Social, and Governance (ESG) principles. Throughout our journey, we have recognised sustainability's pivotal role as a cornerstone of our mission. Over the years, we've established a tradition of driving impactful change within our industry and the communities we operate in. Our long-standing determination to progressively work towards the betterment of society and the planet remains unwavering as we persist in our efforts to advance our sustainability and social progress. In alignment with the evolving landscape, we are actively pursuing initiatives geared towards fostering sustainable and resilient business growth for the long-term.

Our dedication to safety is evident in achieving zero fatalities across our operations during the year, underscoring our robust safety culture and adherence to rigorous standards such as Critical Risk Management (CRM). This commitment to safety has been acknowledged with the prestigious British Safety Council International Safety Awards.

Hindustan Zinc's sustainability efforts have garnered international acclaim, with our Company ranking first in the S&P Global Corporate Sustainability Assessment and achieving A- ratings for CDP 'Climate Change' and 'Water' in the metal and mining sector.

To ensure comprehensive ESG coverage, we have established a structured three-tier framework for sustainability governance. This framework guides our strategic goals, emphasising energy efficiency, carbon footprint reduction, effective water management, biodiversity conservation, and fostering an inclusive work environment.

In alignment with our long-term vision, we are actively transitioning to a low-carbon economy, with a target of achieving Net Zero emissions by 2050. Our initiatives include the deployment of electric vehicles (EVs), zero liquid discharge plants, renewable energy investments, and proactive water management strategies.

Our Corporate Social Responsibility (CSR) initiatives are aligned with global Sustainable Development Goals (SDGs), focussing on education, livelihoods, environmental conservation, and community engagement. Noteworthy projects include Sakhi programme aimed at empowering women, support for farmer producer organisations (FPOs), and initiatives like Zinc Football Academy promoting sports.

Diversity and inclusivity are integral to our ethos, as demonstrated by initiatives like India's first all-women underground mine rescue team and progressive parenthood policies. We extend our commitment to sustainability across our supply chain with initiatives like 'Wednesday for Transition' and sustainable sourcing policies.

At Hindustan Zinc, sustainability is not merely a metric but a strategic imperative that drives our growth trajectory. We remain steadfast in our dedication to environmental stewardship, societal impact, and operational excellence.

Best Regards,

Arun Misra
CEO & WTD

SECTION A GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Listed Entity	L27204RJ1966PLC001208
2.	Name of the Listed Entity	Hindustan Zinc Limited
3.	Date of Incorporation	10/01/1966
4.	Registered Office Address	Yashad Bhavan, Udaipur, Rajasthan 313004 - India
5.	Corporate Address	Yashad Bhavan, Udaipur, Rajasthan 313004 - India
6.	E-mail	Hzl.ir@vedanta.co.in
7.	Telephone	+ 91-294-6604000/+ 91-294-6604002
8.	Website	www.hzlindia.com
9.	Financial year for which reporting is being done	April 01, 2023 to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 845.06 crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Harsha Kedia, Company Secretary & Compliance Officer Telephone Number - +91 294-6604015 Email Address - harsha.kedia@vedanta.co.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The Group comprises of Hindustan Zinc and its group entities (refer point no. 23 of Section A below), considered for the purpose of financial consolidation of the Group. The disclosures under BRSR are also made on a consolidated basis which covers Hindustan Zinc and its operating sites, based on the management's assessment of materiality, with following methodology: The financial numbers used in some of the indicators of the BRSR are extracted from the Integrated Annual Report FY 2023-24. While the financial numbers for certain entities include inter-company consolidation adjustments as per the applicable financial reporting framework (net figures), the non-financial data used in some of the indicators of the BRSR are given without adjustments (gross figures). Further, some of the entities/ sites are considered for the purpose of said consolidated financial numbers, which may have been excluded from the BRSR Reporting Boundary.
14.	Name of assurance provider	Mazars Advisory LLP
15.	Type of assurance obtained	Hindustan Zinc Limited, being in top 150 listed companies, has undertaken reasonable assurance for BRSR Core indicators and limited assurance for rest of the BRSR indicators. Assurance letters are annexed to Hindustan Zinc Limited's Business Responsibility and Sustainability Report for FY 2023-24

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of turnover of the entity
1	Manufacturing	Metal & Metal products	95%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Zinc	27204	62%
2	Lead	27209	14%
3	Silver	27205	19%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants*	Number of offices	Total
National	17	4	21
International	0	0	0

*Four discontinued units are not accounted here

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	24
International (No. of Countries)	40

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports (metals) is 23.07% of the total turnover of the entity.

c. A brief on types of customers

Our Company has B2B customers for our product as below:

- Refined zinc metal, which is used in a number of applications including galvanising, oxides, die castings and alloys
- Lead ingot is used in a number of applications including battery segment, lead-based pigments and cathode ray tubes
- We are India's largest and one of the world's leading integrated silver producers. We produce refined silver, recovered as a by-product of zinc-lead facility, used in various industrial applications and decorative applications

We were effectively able to reach out to MSME customers with live London Metal Exchange benchmarked prices, and delivery of zinc and lead metals with quantity as low as 1 tonne, through our e-Commerce portals.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B/A)	No. (C)	% (C/A)	No. (C)	% (C/A)
Employees								
1.	Permanent (D)*	2,798	2,191	78.31%	607	21.69%	0	0.00%
2.	Other than Permanent (E)	7	6	85.71%	1	14.29%	0	0.00%
3.	**Total Employees (D + E)**	**2,805**	**2,197**	**78.32%**	**608**	**21.68%**	**0**	**0.00%**
Workers								
4.	Permanent (F)**	759	744	98.02%	15	1.98%	0	0.00%
5.	Other than Permanent (G)***	20,232	19,937	98.54%	279	1.38%	16	0.08%
6.	**Total Workers (F + G)**	**20,991**	**20,681**	**98.52%**	**294**	**1.40%**	**16**	**0.08%**

*Permanent Employees means Executive employees
** Permanent Workers means Non-executive employees
***Other than Permanent Workers means Business partner employees.

b. Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently-abled Employees						
1.	Permanent (D)*	3	2	66.67%	1	33.33%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total Employees (D + E)**	**3**	**2**	**66.67%**	**1**	**33.33%**
Differently-abled Workers						
4.	Permanent (F)**	7	7	100%	0	0%
5.	Other than Permanent (G)***	0	0	0%	0	0%
6.	**Total Workers (F + G)**	**7**	**7**	**100%**	**0**	**0%**

*Permanent Employees means Executive employees
** Permanent Workers means Non-executive employees
***Other than Permanent Workers means Business partner employees.

21. Participation/Inclusion/Representation of Women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	5	55.56%
Key Managerial Personnel*	3	1	33.33%

*Key Managerial Personnel also includes one member of Board of Directors, i.e., Chief Executive Officer

22. Turnover rate for Permanent Employees and Workers

(Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14%	17%	15%	17%	19%	17%	17%	26%	18%
Permanent Workers*	17%	18%	17%	12%	15%	12%	13%	17%	13%

* This no. has been reported this year

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/ subsidiary/associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Vedanta Limited	Immediate Holding Company	64.92	Yes
2	Hindustan Zinc Alloys Private Limited	Wholly-owned Subsidiary	100	Yes
3	Vedanta Zinc Football & Sports Foundation	Wholly-owned Subsidiary – Section 8 Company	100	Yes
4	Zinc India Foundation	Wholly-owned Subsidiary – Section 8 company	100	Yes
5	Hindustan Zinc Fertilizers Private Limited*	Wholly-owned Subsidiary Company	100	No
6	Hindmetal Exploration Services Private Limited*	Wholly-owned Subsidiary Company	100	No
7	Madanpur South Coal Company Limited**	Joint Venture	18.05	No

*Newly incorporated companies (current year/previous year), hence no business activity.

**During the year, there are no business activities in the Company, and it does not have any mining asset.

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: (Yes/No) Yes

(ii) Turnover*: ₹ 28,932 crore

(iii) Net worth: ₹ 15,195 crore

*Turnover includes other operating income.

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution as at close of the year*	Remarks	Number of complaints filed during the year	Number of complaints pending resolution as at close of the year	Remarks
Communities	Yes Grievance Mechanisms Technical Standard	63	4	Employment, Environment & CSR related	85	19	Environment & CSR related
Investors (other than shareholders)	Yes HZL Whistle Blower Policy Hindustan Zinc Contact Details	0	0	-	0	0	-
Shareholders	Yes HZL Whistle Blower Policy Hindustan Zinc Contact Details	48	0	Dividend & Share related	105	0	Dividend & Share related
Employees and Workers	Yes Business Ethics Code of Conduct HZL Whistle Blower Policy	6	3	Sexual Harassment related (POSH)	5	0	Sexual Harassment related (POSH)
Customers	Yes https://vedantametalbazaar.moglix.com/	28	2	Customer's grievances on varied issues	45	4	Customer's grievances on varied issues
Value Chain Partners	Yes Supplier Code of Conduct HZL Whistle Blower Policy Vendor Grievance Redressal Portal	55	0	Supplier's and Service provider's grievances on varied issues	96	1	Supplier's and Service provider's grievances on varied issues
Other (please specify)	-	-	-	-	-	-	-

*Pending grievances or complaints as at the end of the current financial year relates to the new complaints or grievances raised during the year.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
			Environment		
1	**Water Management**	Risk Opportunity	Our operational activities involve processes in which water is an indispensable input, both for extraction and processing & smelting. Thus, it is even more important for us to strive to reduce water usage and increase reutilisation throughout the value chain. According to our climate change assessment, climate change may result in increase in extreme weather events and subsequent resource shortages. Our operations are located in Rajasthan, which is one of the designated water-stressed regions in the country based on WRI's Aqueduct tool. There is a high probability of experiencing situations of drought and extreme heat waves. Since water is a critical input to our business, these factors have the potential to disrupt operations, to impact productivity of staff as well as our revenues and logistics	Water conservation is particularly important for us as we operate in a water-stressed region. We are 2.41 times water positive and well on the path to be 5 times water positive company and reducing the water consumption by 25% by 2025 from base year 2020. Company has taken several initiatives to reduce its dependencies on fresh water and improve availability of water for the communities surrounding our sites. • Increasing efficiency in water usage and exploring less water-intensive technologies • Strengthening water recycling and installation of ZLD across all plants • Using alternative water sources like treated water from sewage treatment plant to reduce dependency on freshwater • Replenish water within local watersheds and rainwater harvesting • Water risk assessment using WBCSD's India Water Tool, WRI Aqueduct and GEMI local water tools	This would have financial implications as the Company has already taken significant initiatives to reduce water consumption and recycle it efficiently in past. However due to initiatives, we are reducing dependency on fresh water, hence positive impact also considered

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
2	**Tailing Management**	Risk	The monitoring and management of tailings storage facilities (TSFs) plays a significant role in reducing environmental impact on our local stakeholders. Tailings dam failure can lead to loss of life, injuries and damage to the environment, as well as can impact our Company's reputation. It can also entail significant financial costs/losses and stoppages in production.	Failing of tailings dams can cause a huge environmental impact. Hence, we accord top priority to managing them responsibly. • All the Company's tailings facilities are designed and constructed to the highest engineering standards and best-in-class benchmarked practices • External and internal inspection and monitoring of the TSFs to review the integrity/stability of our TSF structures and their associated management practices • Effectiveness of reclaim water system • Collection and recycling of supernatant water • Conducting periodic TSF risk assessments and developing mitigation plans to minimise associated risks • Surveillance of tailings storage facility • Effectiveness of emergency planning and response • Utilisation of tailings in backfilling • Replacement of wet tailing disposal system with dry tailing disposal • Dam break analysis and Emergency preparedness • Company introduced a novel, satellite-based Interferometric Synthetic Aperture Radar (InSAR) monitoring technique to provide early warning of surface ground movements • We aim to be fully compliant with the Global Industry Standards on Tailings Management (GISTM) by FY 2024-25	There may be negative financial consequences in case of breach of tailing dam. However, the Company is committed to taking positive steps in the right direction.
3	**Air Emissions & Quality**	Risk	Failure to comply with emission norms could lead to negative/ inevitable long-term impact on the environment and society, with imposition of levies/fines, escalation in costs related to monitoring and reporting, among others.	Large-scale air emissions can cause serious impact on the environment and local communities. We continuously work towards reducing air emissions. • Well-designed state-of-the-art air pollution control devices (APCD) are in place • Effective fugitive emission management • Continuous monitoring and reporting	Failure to comply with emission norms could lead to negative long-term impact. However, the Company is committed to taking positive steps in the right direction
4	**Climate Change & Decarbonisation**	Risk	We are an energy-intensive industry due to the nature of our operational activities, logistics and transportation processes. That is why we seek new technologies and progress regarding sustainable energy generation. This can impact the overall market value of the products in the geographies with restrictions, thus impacting our revenues. As a result, we keep track of all transition risks and changes in regional Climate Change Policy. As per our physical risk assessment for the year 2030 and 2050, Hindustan Zinc is likely to face natural disasters like droughts, heat waves and increase in extreme weather conditions. These would impose challenges to mining operations. Climate change may cause or result in increase in extreme weather events and subsequent resource shortages, impacting overall cost of acquisition of resources from alternative sources.	The rising challenges of climate change and resource scarcity have put us on a path of transformation to a low-carbon economy. Our strategies for mitigating these risks include: • Reducing fossil fuel-based energy usage in our operations by using innovative energy efficiency technologies and process optimisation • Shifting to renewables and/or low-carbon solutions where possible • The Company has committed for net zero carbon emissions by 2050 and is planning to increase RE power portfolio by addition of 450 MW renewable project by 2026 • Replace diesel-fuelled transportation vehicles with electric vehicles - We have introduced India's first underground mining electric vehicle • Introduced LNG-powered trucks and electrical trucks for upstream and downstream transportation • Business partners also introduced electrical vehicles, several forklifts, towing vehicles, and passenger vehicles • 100% RE power consumption at Pantnagar Metal Plant • Use of biomass in power plant • Climate change risk assessment	There may be negative financial consequences for failing to implement mitigation and adaptation strategies. However, the Company is committed to taking positive steps towards the journey of net zero
		Opportunity		• Use of renewable electricity may result in lower Levellised Cost of Energy (LCOE) • New market opportunities due to expected growth in solar PV panels and energy storage systems using zinc, lead and silver • Decarbonised metals may give differentiator and may command premium well before 2030	Positive
5	**Biodiversity & Ecosystem**	Risk Opportunity	Biodiversity provides many ecosystem services. If improperly managed, mining, smelting and exploration activities have the potential to negatively affect biodiversity and ecosystem services. Impact could be loss of protected species and habitat fragmentation. Such risks could affect our social licence to operate as well as our reputation.	We work to proactively manage our impact on biodiversity and strive to protect the ecosystems in which we operate. • Three year engagement with IUCN • Biodiversity Risk assessment • Implementation of project with respect to Biodiversity Management Plan and alignment with global standard practices • Miyawaki Afforestation at DSC, DZS and CLZS • Restoration of jarofix yard at CLZS using mycorrhiza technology	Negative impact could be loss of protected species and habitat fragmentation. However, if no net loss strategies are applied, it can impact positively

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
6	**Circularity & Waste Management**	Risk Opportunity	Waste generated from our operations poses challenge to us in terms of increasing our cost of production, challenge in terms of its storage & risk of non-compliance.	• At Hindustan Zinc, we believe in zero waste and have designed a comprehensive approach in managing waste generated. We have aligned our waste management practices to '4R' strategy – Reduce, Reuse, Recycle and Reclaim • Gainful utilisation of waste in terms of recovering minor metals & using waste in other industries (cement, road, etc.) • Commissioning of Fumer plant will be resulting in 100% elimination of jarosite waste from one of the hydro zinc smelters	Together with some negative implications, this would largely have a positive impact through waste to wealth initiatives
			Social		
7	**Health, Safety & Well-Being**	Risk	Hindustan Zinc's mining and smelting operations involve various procedures that can have significant consequences on the workers and the environment. Failure to ensure health and safety could result in increased cost of litigation, reduced availability of manpower, reduced employee morale, or even threaten the viability of operations in worst-case scenarios.	It is our constant endeavour to make our workplace free of fatalities, injuries and occupational diseases. • Identifying, understanding, controlling and eliminating the risks associated with hazards at workplace, including man-machine interactions, molten metal handling, fall of ground, underground fire, etc. • Implementation of critical risk management to ensure all identified critical controls are being monitored and effective on ground • Implementing engineering solution to avoid manual intervention • Implementing new innovative technologies to reduce manual interventions and man machine interaction • Horizontal implementation of all fatality/HIPO recommendations • Structured skill improvement/ competency enhancement programme for employees and business partner • Exposure monitoring for better and timely controls • Emergency response plan at all locations • The Company partnered with a globally recognised industrial hygiene service company, to develop a sustainable industrial hygiene programme to reduce potential health risks by recognising, evaluating, and controlling occupational health hazards and occupational exposures	Failure to ensure health and safety could result in increased cost of litigation, reduce availability of manpower, reduced employee morale
8	**Diversity, Equal Opportunity & Inclusion**	Risk	People are our core assets and responsible for organisational success. By establishing a culture of safety, employee engagement and support for diverse groups in our workforce, we have been able to deliver in the top quartile of the business performance. We are an employer of choice and a Company that continues to attract, develop and retain talent across all the levels. Diversity is a business imperative for us and we firmly believe that healthy diversity mix is more likely to have financial returns above industry median. Strategically, we focus on having a strong representation of women across levels and women currently constitutes 21.7% of the strength in the executive cadre. Simultaneously, we have successfully onboarded transgenders in front-end roles. We have flagship programmes for identification and development of diverse workgroups such as V-Build, V-Lead, ACT-UP, She-Leads, V-Aspire which focus on technical & behavioural aspects of individuals.	While we see opportunity in diverse workgroups, there are apparent risks. The workplace has to be inclusive, safe, secure, free of discrimination, harassment and bullying. • Mitigation: Policy on Prevention of Sexual Harassment, Anti-Discrimination Policy, Internal Complaints Committee • Grievance Redressal Committee, Women Councils are in place which are channels to directly approach for any grievance, complaint, or suggestion • Sensitisation and awareness on these policies, external and internal pulse surveys are taken care at central as well as IBU level to ensure mitigation of the mentioned risks	There may be minor financial implications while strategising improved hiring techniques and systems may reduce the risk
9	**Talent Attraction & Retention**	Risk	A high-quality talent pipeline paves the way for organisation excellence. Our talent management framework is conceptualised and implemented to maximise individual contribution by developing existing skills & experience. We believe in deploying best-in-class talent management practices that boost performance and help in building our brand to attract and retain talent. We continuously work with a focused approach to get the right people in the right jobs, developing them and creating a great work environment, which in turn will build the foundation for an exceptionally talented and successful organisation. The core operations at Hindustan Zinc including mining, smelting & refining, require workforce with niche skills. Attrition in this talent pool is considered as a threat to the business deliverables.	We build and leverage the talent through a robust framework, as mentioned below: • Attraction and Acquisition - Empanelment of premier institutes across the country to tap the best talent, unique drives for attracting best talent from diverse work groups, etc. • Promoting Young Talent - Right MIP, building the talent pipeline through succession planning • Capability Building - Ensuring that we have people with the right skills which are niche skills in mining and smelting. Also acquiring new skills at par with external requirements and be agile with both internal & external developments. We ensure the development of our people on technical & behavioural aspects through customised interventions • Driving Diversity - DEI is a business imperative and our objective is to achieve gender parity across all levels starting from the Board • Performance Management - Cascading organisation's goals to the last line to ensure that the entire workforce is aligned to achieve the business targets	There may be minor financial implications while strategising improved hiring techniques and systems may reduce the risk

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
10	**Community Engagement and Development**	Risk Opportunity	Communities are identified as foremost stakeholder group. Stakeholders, especially communities, may get impacted at the socio-cultural and economic level due to our business operations. Deficit of trust and relationship with the earmarked stakeholders may not only impede the progress on initiatives for furthering our societal impact but may also lead to consequential loss of reputation, brand and business continuity. Mismatch between expectations of community and actions deployed or lack of awareness or poor deployment of engagement initiatives may lead to discontented communities. A proactive and sustained approach towards consultation with stakeholders including communities is critical to strengthen the engagement levels and sustained interactions and engagement platforms would lead to presenting our commitment to driving value for both communities and organisation. We also are cognizant that each location has a different cultural and economic significance, which influences the expectations local communities have from us. Hence, community engagement for sustainable integrated land use planning, the training of community persons in specialised skills, importance to cultural values and its integration into the relationship, empowering and bringing women in leadership by focusing on equality, overall developing the assets within the community & intensely educating them thereby making self-sustained communities' local employment, local sourcing is one of the most important aspect for us to build trust and uplift their standard of living.	• Proactive and sustained engagement platforms like "Community Connect", "Community Leadership Connect" shall ensure two-way communication network and strengthen the trust element. Our approach towards strengthening Social Performance Steering Committees (SPSC) at business locations with active involvement of the functional leaders across Hindustan Zinc is key to monitoring the grievances and their resolution, key risks and their mitigation and creating strong relationships with the stakeholder base. Thereby, reducing the collective risks & immediately addressing the grievances and feedbacks received from the communities • Engagement of senior management at village level across all business units (BUs) on a regular basis for discussing village level development and ensure resolution of concerns/ grievances, if any • Model Village as a strategic approach is being adopted to strengthen the village infrastructure in discussion with the villages and its elected members • Assessing the community needs and impact derived of our interventions including perception studies aid us in learning the insights and further help us draw inferences and future action plans	Probable positive and negative financial impacts

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate positive or negative implication)
			Governance		
11	**Data Privacy & Cybersecurity**	Risk	Risk of leakage of personal information of stakeholder and organisation's business critical information may lead to financial/ reputational loss. Non-adherence to legal and statutory compliances may lead to financial & reputational loss. Unavailability of business-critical systems or change in integrity of system/data due to cybersecurity incident may lead to wrong business decision and/or business loss.	• Implementation of right set of policies, procedures and practices for IT operations and their effective communication and enforcement to all stakeholders • Structured and comprehensive approach for data governance through its life cycle including policies, procedures and deployment of best-in-class tools & technologies • Comprehensive Vulnerability Management programme to proactively identify vulnerabilities in technology systems/landscape and remediate them in a timely manner • Effective management of accesses to all systems, including privilege access management • Periodically conduct Business Impact Assessment for all business-critical system and deploy effective Business Continuity and Disaster Recovery Plan • Company has adopted globally recognised ISO frameworks for various domains of its IT operations and has been certified on an integrated ISO certification including ISO 27001, 27701, 31000 and 22301 • Company has also implemented a very comprehensive programme for vulnerability management, data governance and cybersecurity awareness across all its stakeholders. Company has defined a set of Risk Controls Matrix in line with ISO and Sarbanes-Oxley Compliance framework to regularly and proactively review and monitor all its IT processes	There may be negative financial consequences for failing to implement the designed roadmap and future strategies. However, the Company is committed to taking positive steps in the right direction.

SECTION B MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web-Link of the policies, if available									
Business Ethics and Code Of Conduct	✓	✓	✓	✓	✓	✓	✓	✓	✓
Insider Trading Prohibition Code	✓								
Related Party Transactions Policy	✓								
Whistle-Blower Policy	✓				✓				
Anti-Bribery And Anti-Corruption	✓				✓				
Dividend Distribution Policy	✓								
Nomination & Remuneration Policy	✓								
CSR Policy								✓	
Policy on Determination of Materiality for Disclosures	✓								
Board Diversity Policy	✓								
Policy on Prevention of Sexual Harassment at the Workplace	✓		✓		✓				
Supplier Code of Conduct	✓	✓		✓					
Vendor Grievance Redressal Policy				✓					
Alcohol & Drug Free Workplace Policy			✓						
Anti-Harassment & Anti-Discrimination Policy	✓		✓						
Biodiversity Policy		✓				✓			
Diversity and Inclusion Policy			✓		✓				
Energy and Climate Change Policy		✓				✓			
Environmental Policy		✓				✓			
Health & Safety Policy			✓						
Human Rights Policy			✓		✓				
Social Performance Policy			✓	✓	✓				
Supplier Sustainability Management Policy		✓			✓	✓			
Sustainable Sourcing Policy		✓			✓	✓			
Tailings Management Policy						✓			
Water Management Policy		✓				✓			
Customer Delight Policy									✓
Stakeholder Engagement Standard				✓					
Grievance Mechanisms				✓					
Inclusion Policy for LGBTQ+					✓				
Equal Opportunity Policy	✓		✓					✓	

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/ labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trust) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO 31000 (Risk Management System) • ISO 37301 (Compliance Management System)	• ISO 9001 (Quality Management System) • ISO 14001 (Environmental Management System)	• ISO 45001 (Occupational Health and Safety (OH&S) Management System) • ISO 22301 (Business Continuity Management System & Disaster Recovery System)	• SA 8000 (Social Accountability Standards)	• SA 8000 (Social Accountability Standards)	• ISO 14001 (Environmental Management System) • ISO 50001 (Energy Management System) • Environment Product Declaration (EPD) for Zinc Product	-	• SA 8000 (Social Accountability Standards)	• ISO 27001 • ISO 9001 (Quality Management System) • ISO 27000 (Information Security Management System) • Environment Product Declaration (EPD) for Zinc Product

5. Specific commitments, goals and targets set by the entity with defined timelines, if any

Hindustan Zinc is built on inherently sustainable principles. We believe in driving long-term sustainable economic development and value creation for our stakeholders by protecting the health and safety of our people and community, minimising the environmental impact of our operations, respecting human rights and sharing benefits with the community. We have taken a holistic view in setting our sustainability goals for 2025, aligning them with UN Sustainable Development Goals. Following a formal materiality analysis process and extensive internal and external stakeholder dialogue in 2020, we identified 8 high priority material issues and subsequently set ambitious sustainability goals for 2025 as mentioned below:

Sustainability Goals 2025*

Goal 1:

- Achieving net-zero emissions by 2050 or sooner
- 0.5 million tCO_2e GHG emission savings in our operations by 2025
- Reduction in non-GHG emission (SOx and NOx emission) by 17% by 2025

Goal 2:

- Become 5x water-positive Company and achieve 25% reduction in freshwater by 2025
- Complete transition from wet tailing to dry tailing disposal by 2025

Goal 3:

- 3x increase in gainful utilisation of smelting process waste by 2025

Goal 4:

- Positively impacting 1 million lives through social, economic and environmental initiatives by 2025

Goal 5:

- Protect and enhance biodiversity throughout the life cycle
- 1 million plantation drive by 2025

Goal 6:

- Inclusive and diverse workplace with 30% diversity by 2025

Goal 7:

- Zero work-related fatalities
- 50% reduction in Total Recordable Injury Frequency Rate (TRIFR) by 2025

Goal 8:

- 100% responsible sourcing in the supply chain by 2025

*Except climate change (baseline 2017), baseline for all others is 2020

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

	Action Taken	Performance KPIs	Status
Goal 1			
• Achieving net-zero emissions by 2050 or sooner • 0.5 million tCO_2e GHG emission savings in our operations by 2025 • Reduction in non-GHG emission (SOx and NOx emission) by 17% by 2025	• PDA signed for 450 MW renewable energy • 100% RE power consumption at Pantnagar Metal Plant • Use of biomass in power plants • Energy-efficiency programmes/ISO 50001 certification • Switching to electric mobility • Alternate fuel use for transportation	• 0.40 million tCO_2e GHG emission savings • 14.34% emission intensity decrease from FY 2019-20	On Track
Goal 2			
• Become 5x water-positive Company and achieve 25% reduction in freshwater by 2025 • Complete transition from wet tailing to dry tailing disposal by 2025	• Utilisation of STP-treated water • Maintaining zero discharge across sites • Water recycling through integrated wastewater treatment facilities • ETP/RO/MEE/MVR plants • Dry tailing plant • Rainwater harvesting • Water risk assessment	• 8.67% reduction in freshwater withdrawal from FY 2019-20	On Track
Goal 3			
• 3x increase in gainful utilisation of smelting process waste by 2025	• 100% utilisation of jarosite in cement from Debari Zinc Smelter • Jarofix utilisation in road construction • Metal recovery from waste	• 100% fly ash usage • 1.67x increase in gainful utilisation of smelting process waste from baseline 2020 (2.55 lakhs MT utilisation of jarosite and jarofix in FY 2023-24)	On Track
Goal 4			
• Positively impacting 1 million lives through social, economic and environmental initiatives by 2025	• Outreach 3,685 villages; ~1.91 million beneficiaries through sustained CSR initiatives • Enhancing the local economy by sustainable livelihood practices • Improving quality of life of communities including the lifecycle approach in education sphere and developing model villages • Promoting community-led microenterprises	• 1.91 million lives impacted	Achieved
Goal 5			

• Protect and enhance biodiversity throughout the life cycle
• 1 million plantation drive by 2025
	• Three years engagement with IUCN
	  ◦ Integrated Biodiversity Assessment Tool (IBAT) report
	  ◦ Ecosystem service review
	  ◦ Biodiversity assessment
	• Miyawaki afforestation
	• Restoration of jarofix yard
	• 1 million plantation drive
	• Wildlife conservation plan
		• 0.67 million trees planted as part of commitment to plant 1 million trees by 2025, 122,755 planted during the year	Continuous

Goal 6			
• Inclusive and diverse workplace with 30% diversity by 2025	• Improving diversity - gender, sexual orientation, specially-abled, regional diversity – Transgenders onboarded in front end role (16 nos.) • Sensitisation workshop for diversity and inclusion • Rolled out various women professional development programmes • Effective employee engagement programme	• Gender diversity increased from 14.4% in FY 2019-20 to 21.7%	Continuous
Goal 7			
• Zero work-related fatalities • 50% reduction in Total Recordable Injury Frequency Rate (TRIFR) by 2025	• Critical Risk Management/FSIPP (Fatality & Serious Injury Prevention Programme) • Community of practice: Structural Integrity • Infrastructure and automation • Safety governance structure for business partners • Elimination of high-risk manual activities • Industrial Hygiene Qualitative Exposure assessment and Quantitative Exposure assessment • Strengthening of emergency preparedness	• Zero Fatalities • TRIFR decreased by 32% from FY 2019-20	Continuous
Goal 8			
100% responsible sourcing in the supply chain by 2025	Incorporated ESG into the commercial process through below initiatives: • ESG questionnaire introduced in pre-qualification criteria • Rigorous suppliers' due diligence • Standard ESG expectations incorporated the contracts • Incorporated single use plastic and Modern Slavery Act declaration in RFQ process • Incorporating subcontractor approval during RFQ • Launched vendor grievance through ROBOS portal • Conducted webinar for ESG, human rights, biodiversity and climate change	• 88% material/services sourced directly from India • 73% of total supplier by value (total 309 suppliers) have been assessed by third party for sustainable sourcing and ESG criteria during the year	On Track

Governance, leadership and oversight

7.	**Statement by Director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) –** Mr. Arun Misra, CEO & Whole-time Director is responsible for the Business Responsibility and Sustainability Report. Please refer to page 340 of the Integrated Report FY 2023-24 for CEO statement covering ESG risk, challenges, highlights and achievements.	
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)**	Mr. Arun Misra, CEO & Whole-time Director who is also a member of Board-level Sustainability and ESG Committee is responsible for the implementation and oversight of the Business Responsibility and Sustainability Policy(ies)
9.	**Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability-related issues? (Yes/No). If yes, provide details.**	Yes, the Company has Board-level Sustainability and ESG Committee in place for decision-making on sustainability-related issues. The Sustainability and ESG Committee, chaired by an Independent Director, is responsible for providing oversight and in formulating our sustainability strategy including topics such as climate change, environment, safety, transparent disclosures besides setting long-term goals and targets. The Committee is responsible for: • Periodically review the Company's stakeholder base and their material interests • Review and approve any reporting on sustainability aspects to the public or government agencies • Implement industry best practices and standards, to ensure that the Company's sustainability strategy minimises environmental impact and creates shared value in the long-term for stakeholders • Manage risks in all forms, by applying controls and testing their effectiveness against environmental risks and opportunities, social impacts and activities related to stakeholder engagement The Committee also plays a key strategic role in all business decisions to ensure workplace safety, eliminating any potential damage to the environment, enhancing a commitment towards stakeholders and maintaining Hindustan Zinc's reputation as one of leading sustainable metal & mining Company. Committee Composition • Mr. Akhilesh Joshi - Non-Executive Independent Director - Chairperson • Mr. Arun Misra - Executive Director - Member • Ms. Nirupama Kotru - Non-Executive Nominee Director - Member • Ms. Veena Kumari Dermal - Non-Executive Nominee Director - Member ESG risk and mitigation are also reassured by the Audit & Risk Management Committee.

10. Details of review by NGRBCs by the Company:

Subject of review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee								
	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Performance against above policies and follow-up action	Committee of the Board								

Subject of review	Frequency (Annually/Half Yearly/Quarterly/ Any other – please specify)								
	P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
Performance against above policies and follow-up action	The policies of the Company are reviewed annually by Director/Board Committees, wherever applicable								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y
	Review of compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances is done by relevant Board Committee								

11.		P-1	P-2	P-3	P-4	P-5	P-6	P-7	P-8	P-9
	Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes. Vedanta undertakes an annual audit exercise, known as the Vedanta Sustainability Assurance Process audit, conducted by an external agency Det Norske Veritas (DNV) to evaluate the workings of these policies. This audit is conducted across all business locations including Hindustan Zinc to ensure Vedanta Sustainability Framework (VSF) compliance.								

12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Not Applicable

SECTION C PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

S. No.	Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
1	Board of Directors	6	• Update on key risks • Update on Sustainability & ESG initiatives • Update on CSR initiatives • Cybersecurity Awareness Session • ESG Awareness Session • Risk Management Awareness Session	100%
2	Key Managerial Personnel	15	• Overview of mining, smelting, power, marketing, ESG, fertiliser project, risk management, etc. • Awareness Trainings (ESG, Cybersecurity, CSR, Risk, etc.) • Business Ethics and Code of Conduct covering insider trading • Training on climate change, water positivity standard, TCFD, BRSR and BRSR core requirement, WEF risks, concept of no net loss, concept of double materiality etc.	100%
3	Employees other than BoD and KMPs	2,760	• Safety, Governance, Legal, Technology, ESG, Behavioural training covered	99%
4	Workers	6,710	• Legal, Technical, Behavioural, Health Safety & Environment Upskilling Training	68%

2 Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine*	Principle-1	BSE & NSE	2,869,788	1. Non-compliance related to minimum numbers of Independent Directors on Board Penalty of ₹ 1,987,200/-	No
		State Tax Officer, Rudrapur, Uttarakhand		2. Order from State Tax officer, Rudrapur, Uttarakhand, on account of procedural issues. Penalty of ₹ 882,588/-	
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

*Reporting under Regulation 30 and paid after July 2023

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of regulatory/enforcement agencies/judicial institutions
NA	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Hindustan Zinc has adopted the anti-corruption or anti-bribery policy. The policy has been developed in alignment with the Company's Code of Conduct, including whistle-blower policy bound by various laws including the Indian Prevention of Corruption Act 1988, UK Bribery Act 2010 and Foreign Corrupt Practices Act 1977, etc. The policy reiterates Hindustan Zinc's stance of zero tolerance towards fraud, bribery, and corrupt practices. The policy facilitates ethical decision-making and reinforces the Company's culture of transparency in all its dealings. This policy applies to all employees and business partners of the Company and sets out conduct that must be always adhered to.

The policy can be accessed at Anti-Bribery-and-Anti-Corruption Policy

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable as there were no fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest as mentioned above.

8. Number of days of accounts payables ((Accounts payable *365)/(Cost of goods/services procured)) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	50	46

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY 2023-24	FY 2022-23
Concentration of purchases	a. Purchases from trading houses as % of total purchases	1.25%	0.06%
	b. Number of trading houses where purchases are made from	6	3
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	43%	44%
	b. Number of dealers/distributors to whom sales are made	97	104
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	58%	61%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	3.05%	3.36%
	b. Sales (Sales to related parties/total sales)	0.35%	0.13%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0%	0%
	d. Investments (Investments in related parties/Total Investments made)	3.93%	1.04%

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
81	ARIBA (Supplier platform) training, Supplier Code of Conduct, ESG awareness, Human rights, BRSR, Climate change, Biodiversity, Life Cycle Assessment, etc. (P1 to P9)	• 100% partners for Supplier Code of Conduct training • 100% of new suppliers given training on ARIBA (Supplier portal) • 39% suppliers were given training on ESG topics (BRSR Core, Climate Change, Biodiversity & Human Rights)

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.

Yes. The Company has a policy on Business Ethics & Code of Conduct (The Code). Ethical conduct of business, at our Company, encompasses all its stakeholders, right from our Board members, top management and employees to our partners, contractors, shareholders, and others. The Code of Conduct is pillared on the ethos of trust, mutual respect, professionalism, responsibility, accountability, and transparency in communication. It is also aligned with the Indian Prevention of Corruption Act 1988, Foreign Corrupt Practices Act 1977 and UK Bribery Act 2010. The Code guides our behaviour, while helping us in the promotion of honest and ethical conduct, along with ethical handling of any conflicts of interest, complete and timely disclosures, among others. The Code ensures that the actions and policies are not only in compliance with applicable laws and regulations, but also in line with the highest standards of business ethics and integrity. On an annual basis, all the Board members provide Directorship disclosures for the entities in which they are Directors/interested. Intimations are being sent separately in case of any changes in the annual disclosures already submitted. The policy is placed on the Company's website- https://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-CODE-OF-CONDUCT-22.04.2022.pdf

PRINCIPLE 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	100%	100%	Our Research & Development (R&D) capabilities are pivotal in advancing our circular economy objectives, notably through the creation of innovative flotation reagents that enhance mineral recovery and minimise impurities. Additionally, our commitment to environmental stewardship is demonstrated by numerous waste recycling initiatives aimed at diminishing our ecological footprint and reclaiming valuable resources from waste. Furthermore, R&D has been instrumental in refining the processes within Waelz kiln operations, thereby optimising metal recovery from secondary materials. The Company's commitment to sustainable innovation has been further validated with the acquisition of Indian patents for three cutting-edge technologies (IN 468077, IN 476200, and IN 476226). These patents encompass advancements in both pyrometallurgy and hydrometallurgy, aiming to elevate zinc and lead yields through proprietary in-house developments. These technologies are pivotal in converting waste into valuable resources, thereby not only propelling the Company's operational efficiency but also empowering local entrepreneurs and communities. To bolster our research capabilities, we have equipped our facilities with advanced instruments, including X-Ray Fluorescence (XRF), X-Ray Diffraction (XRD), and a suite of other specialised equipment.
Capex	12%	10%	As a leading Company in the metal & mining sector, we are completely aligned with UN Sustainable Development Goals. The Company is working on various areas of ESG with our 8 sustainability goals 2025, having number of projects under the capex investment. The project area includes climate change, energy efficiency, water & waste management, health & safety. Some of the key projects covering under capex investment are – • Establishment of zero liquid discharge plants at Zawar mine and Rampura Agucha mine • Setting up dry tailing storage facility at Rajpura Dariba Complex • Development of [PS1] seismic monitoring system at mines • Fire detection system for UG and surface conveyors at units etc.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. The Company conducts business in a manner that improves welfare, health and safety of workers across our supply chain, ensures compliance with the law and adherence to ethical standards of governance and sustainability. To achieve this vision, we have put in place a Sustainable Sourcing policy that aligns our goals with our valued business partners and promote a culture of responsibility towards sustainability in all our stakeholders. The policy applies to all our Tier 1 suppliers including service and supply partners based on fundamental requirement of adherence to the Supplier's Code of Conduct, which embodies our commitment to internationally recognised standards on five core principles - Labour and Human Rights, Occupational Health and Safety, Environmental Sustainability, Business Integrity and Governance. We may require our business partners to provide information, complete training and perform other activities in connection with this policy before, during or after supply of goods or performance of services. We are committed to working with our Tier-1 suppliers through collaborations and improvement in their process for responsible procurement based on global best practices. To ensure responsible sourcing of minerals, including when sourcing from CAHRA (Conflict-Affected and High-Risk Area), Hindustan Zinc has established effective internal management of due diligence system to identify, assess and manage potential risks associated with our mineral supply chains. Through this, Hindustan Zinc identifies potential red flags, triggering enhanced due diligence in its mineral supply chains. Where red flags are identified, we undertake enhanced due diligence to map the factual circumstances of the presence of risks, including serious human rights abuses; risks associated with the contracting of public or private security forces; direct or indirect support to non-state armed groups; money laundering; non-payment of taxes, fees and royalties due to governments; bribery; environment violations or non-compliance, GHG emissions, non-availability of water, social unrest and fraudulent misrepresentation of the origin of the materials. We also map out risk management plans, including a feedback/grievance mechanism, to ensure prevention and quick mitigation of identified risks.

b. **If yes, what percentage of inputs were sourced sustainably?**

100% of our material and services are being sourced sustainably only through our robust supply chain process. During the year, 73% of tier 1 supplies by value have been assessed by a third party for ESG aspects.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

The products manufactured by Hindustan Zinc are integrated into various products produced by their customers, making it impractical to separate or reclaim them individually. Therefore, the question does not apply to products.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No, it is not applicable for our product/product packaging.

However, EPR is applicable for the plastic being received as packaging material for imported material goods. These materials are unwrapped in our stores and sent for further recycling and waste collection plan is in line with the EPR plan submitted to Pollution Control Board.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Company conducted Life Cycle Assessment (LCA) study as per ISO 14040/44 standard, using the approach of "cradle to grave" for their zinc, lead and silver products. The study established the baseline impact of '1 tonne of zinc, lead and silver production' for facilities of Hindustan Zinc.

A set of life cycle environmental impact indicators such as Abiotic Depletion of Fossil Elements, Acidification Potential, Eutrophication Potential, Global Warming Potential, Ozone Layer Depletion Potential, Photochemical Ozone Creation Potential, Primary Energy Demand and Blue Water Consumption were considered. While comparing the results, it was found that Company's results are at par with the world average data.

NIC Code	Name of the product/ service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
27204	Zinc	62%	Cradle-to-grave	Yes	Environment Product Declaration
27209	Lead	14%	Cradle-to-grave	Yes	hzlindia.com/wp-content/uploads/HZL_SDR-2017-18-new.pdf (page 81-82)
27205	Silver	19%	Cradle-to-grave	Yes	hzlindia.com/wp-content/uploads/HZL_SDR-2017-18-new.pdf (page 81-82)

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

Name of Product/Service	Description of the Risk/Concern	Action Taken
Zinc Lead Silver	There are no social or environmental risks or concerns arising from production or disposal of our products/services, as identified in the Life Cycle Assessments (LCA). Although there is no risk identified as arising from production or disposal of our product in the Life Cycle Assessments (LCA). Following are the recommendations from the above study for which we have worked on: • Identifying all potential areas for improvement and direct efforts so as to reduce the impact, or otherwise minimise as far as possible, getting the consequent environmental improvement and compare with the benchmark and best available technologies • Optimisation and improvement of the production processes, end-of-life scenarios, etc. • Stimulating the generation of information on the life cycle performance of materials to support both reductions in the footprint of the upstream activities to harvest the materials, as well as more sustainable applications of materials in products • Objectively analysing different future scenarios and possible alternatives and their implications and impact on the life cycle • Third party standards and rating schemes that are trying to improve the environmental footprint of product and building systems	• Energy-efficiency projects such as revamping of all the turbines, improvement of cellhouse efficiency, and other projects like installation of variable frequency drives across operations, switching from high-speed diesel to piped natural gas, have contributed to energy savings in our operations • We have signed power delivery agreement of 450 MW renewable energy which will be part of energy mix from FY 2024-25 • We are using biomass along with coal in our captive power plants • Electric vehicles have been introduced in our underground mining & smelter operations With all these initiatives and supply of RE round-the-clock with these PDAs, we will be able to source about 50% of our electrical energy requirement from renewable energy and to reduce Global Warming Potential, Acidification Potential and Blue Water Potential significantly below world average data • Company has commissioned India's 1st dry tailing plant at Zawar mines which recirculates more than 80% of the process water present in tailings • We have zero liquid discharge (ZLD) plants at all smelters which recycles processed water, which is then reused in operations • We have also set out plans to commission the ZLD plants at all our units and remain committed to principles of water conservation and zero discharge • Rainwater harvesting facility has been introduced in Rampura Agucha mines

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or reused input material to total material	
	FY 2023-24	FY 2022-23
	NIL	NIL

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2023-24			FY 2022-23		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

Not applicable, as we are primarily the manufacturer of non-ferrous metals which is sold as an intermediate product in the form of an ingot without any plastic packaging.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable, as we are primarily the manufacturer of non-ferrous metals which is sold as an intermediate product in the form of an ingot without any plastic packaging	

PRINCIPLE 3

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. **Details of measures for the well-being of Employees:**

Category	Total (A)	% of Employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2,191	2,191	100%	2,191	100%	NA	NA	2,191	100%	2,191	100%
Female	607	607	100%	607	100%	607	100%	NA	NA	607	100%
Total	**2,798**	**2,798**	**100%**	**2,798**	**100%**	**607**	**21.69%**	**2,191**	**78.31%**	**2,798**	**100%**
Other than Permanent Employees											
Male	6	6	100%	6	100%	NA	NA	6	100%	6	100%
Female	1	1	100%	1	100%	1	100%	NA	NA	1	100%
Total	**7**	**7**	**100%**	**7**	**100%**	**1**	**14.29%**	**6**	**85.71%**	**7**	**100%**

b. **Details of measures for the well-being of Workers:**

Category	Total (A)	% of Workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	744	744	100%	744	100%	NA	NA	NA	NA	744	100%
Female	15	15	100%	15	100%	15	100%	NA	NA	15	100%
Total	**759**	**759**	**100%**	**759**	**100%**	**15**	**1.98%**	**NA**	**NA**	**759**	**100%**
Other than Permanent Employees											
Male	19,937	19,937	100%	19,937	100%	0	0	NA	NA	19,937	100%
Female#	295	295	100%	295	100%	295	100%	NA	NA	295	100%
Total	**20,232**	**20,232**	**100%**	**20,232**	**100%**	**295**	**1.46%**	**NA**	**NA**	**20,232**	**100%**

#above number includes 16 transgenders

c. **Spending on measures towards well-being of Employees and Workers (including permanent and other than permanent) in the following format:**

	FY 2023-24	FY 2022-23
Cost incurred on wellbeing measures as a % of total revenue of the company	0.137%	0.12%

2. Details of retirement benefits, for current financial year and previous financial year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.9%	100%	Y	99.77%	100%	Y
Gratuity	99.8%	100%	Y	99.77%	100%#	Y
ESI*	NA	NA	NA	NA	NA	NA
Others - (Death Benefits & Medical Assistance)	100%	100%	NA	100%	100%#	NA

* Permanent Employees and Permanent Workers

This number is restated from last year

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Premises/offices of the Company are largely accessible to differently-abled employees & workers together with normal employees, barring a few places/locations/manufacturing facilities due to safety considerations and specific design and structure of certain places. We also conduct training to our employees on Indian sign language to assist them in communication with deaf & mute.

The Inclusive infrastructure facilities available at most of our premises includes:

- Elevators with braille inscribed for person with visual impairment
- Ramps for mobility-impaired person with disability
- Touchless entry places for person with disability
- Text to speech software for visually impaired
- Wheelchair accessible restrooms are available in the office at the ground floor

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. The Company has adopted an Equal Opportunity Policy in accordance with the provisions of The Rights of Persons with Disabilities Act, 2016 and the Rules framed thereunder and provides a framework, which is committed towards the empowerment of persons with disabilities. Company is committed to providing equal employment opportunities, without any discrimination on the grounds of disability.

Equal Opportunity Policy Link- https://www.hzlindia.com/wp-content/uploads/Equal-Opportunity-Policy-2024.pdf

We are guided by our Code of Conduct Policy which clearly specifies that we have zero tolerance policy against discrimination against any disability.

Business Ethics and Code of Conduct link- https://www.hzlindia.com/wp-content/uploads/HZL-BUSINESS-ETHICS-CODE-OF-CONDUCT-22.04.2022.pdf

We promote an inclusive work culture of creating a supportive professional environment that promotes trust, empathy and mutual respect for all employees including disabled employees.

Diversity, Equality and Inclusion Policy link- https://www.hzlindia.com/wp-content/uploads/6.-Diversity-Inclusion-Policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	94%	NA	NA
Female*	100%	100%	NA	NA
Total	**100%**	**94%**	**NA**	**NA**

* Hindustan Zinc's Parenthood policy offers female employees flexibility after post-maternity leave, leading them not to return to work immediately.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	**Yes, there are mechanisms available to receive and redress grievances of employees and workers which are as below:** **Grievance Redressal Committees:** Across locations are institutionalised for redressal of complaints from internal as well as external stakeholders. **Joint Consultation Committee:** A joint committee with equal representation from the management and workers meet at regular frequency ensuring grievances of workers are timely redressed. **Hindustan Zinc Limited Workers' Federation & Executive Committee Meet:** The General Secretary along with the federation representatives meet Hindustan Zinc Executive members to redress the grievances at a larger forum which requires intervention from EXCO. **Sampark:** CEO townhall is an open forum where employees as well as workers can share the grievances directly with CEO. **Visible Felt Leadership Drive:** Every leader is mandated to interact once in a month with workforce. This redresses the grievances related to safe working environment at the shopfloor. **The Vigil Mechanism:** Provides adequate safeguards against victimisation of any person who avail the mechanism as well as provides for direct access to the Chairperson of the Audit Committee. **Internal Complaints Committee:** In pursuance of the mandate under the POSH Act 2013, every employer of a workplace shall, by an order in writing, constitute a Committee to be known as the "Internal Complaints Committee (ICC)" to receive, hear and redress any and all complaints pertaining to sexual harassment at workplace. There is a designated email id and toll-free number for lodging the complaints under Vigil Mechanism or Whistle Blower i.e., hzl.whistleblower@vedanta.co.in and 000-800-100-1681. These details are also available on the website of the Company.

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	2,798	0	0%	2,566	0	0%
- Male	2,191	0	0%	2,067	0	0%
- Female	607	0	0%	499	0	0%
Total Permanent Workers*	759	759	100%	897	897	100%
- Male	744	744	100%	879	879	100%
- Female	15	15	100%	18	18	100%

*Only Non-executive Employees are Members of Unions

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2,197	1,773	81%	2,178	99%	2,074	1,557	75%	1,953	94%
Female	608	462	76%	598	98%	501	362	73%	486	97%
Total	**2,805**	**2,235**	**80%**	**2,776**	**99%**	**2,566**	**1,919**	**75%**	**2,439**	**95%**
Workers*										
Male	20,681	11,208	54%	11,065	54%	19,490	17,179	88%	6,042	32%
Female	310#	168	54%	166	54%	234	206	88%	73	31%
Total	**20,991**	**11,376**	**54%**	**11,231**	**54%**	**19,724**	**17,385**	**88%**	**6,115**	**31%**

* Previous year's numbers have been restated

above number includes 16 transgenders

9. Details of performance and career development reviews of employees and workers

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees*						
Male	2,197	2,197	100%	2,074	2,074	100%
Female	608	608	100%	501	501	100%
Total	2,805	2,805	100%	2,575	2,575	100%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	NA	NA	NA	NA	NA	NA

*Only eligible employees covers

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes, Occupational health and safety management system has been implemented by Hindustan Zinc. The coverage of the said system has been elaborated below:

- We have established Integrated Management System (IMS) in line with requirement of ISO 9001, ISO 14001, ISO 45001, and Vedanta Sustainability Framework (VSF) across all sites
- We have HSE Policy duly signed off by our CEO which is applicable to all our business units - including subsidiaries, joint ventures and acquisitions managed sites, licenses, outsourcing partners, corporate offices, and research facilities. It have been implemented across all our business unit and is applicable on Hindustan Zinc's employees including workers, business partner employees, suppliers and others with whom Hindustan Zinc does business
- Vedanta Sustainability Framework (VSF) is aligned with the International Finance Corporation (IFC), International Council on Mining and Metals (ICMM), United Nations Global Compact (UNGC) principles, standards and to confirm congruence. It includes policies, management standards, technical standards, performance standards and guidance notes on all sustainability aspects including occupational health & safety
- Hindustan Zinc's flagship programme for achieving safety excellence – "Aarohan", has been running since 2013. We have partnered with DuPont to enhance our safety culture and inculcate a behaviour and habit of safety among our workforces. Our endeavours help us work towards enhancing our safety standards and processes, to minimise the health and safety risks across all our operations

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The processes used to identify work-related hazards and assess risks on a routine and non-routine basis are as follows:

- We follow Vedanta standard (GN 07: Risk Assessment) and the Indian Standard 15656 for Hazard Identification & Risk Assessment (HIRA). Based on the requirement, we do qualitative, semi-quantitative and quantitative type risk assessment by using different risk assessment tools like Hazard and Operability (HAZOP), Process Hazard Analysis (PHA) etc.
- All the sites of Hindustan Zinc have their Hazard Identification and Risk Assessment (HIRA) registers which are updated at regular intervals
- For all routine activities, proper risk assessment has been conducted and Standard Operating Procedures (SOPs) are developed. These SOPs are reviewed periodically
- All non-routine activities are covered under Permit to Work (PTW) system which requires risk assessment prior to starting any job. Job Safety Analysis (JSA) - system is also a part of PTW which is prepared by the competent team in which all minute activities related with the job is being identified and potential risk associated with the job is assessed. The various control measures for mitigating the risk will be in place for the risk identified. Same would be also part of toolbox talk for any non-routine job
- We have initiated Critical Risk Management (CRM) programme to identify, verify and ensure healthiness of critical controls for identified high risks. We have launched CRM for 11 top risks identified till March 2024
- We launched SURAKSHA KAVACH across all our mines during the year. These covers 25 activities (Routine & Non-Routine) for UG mining & their NO-GO's criteria and critical checks to be performed by the statutory supervisors & competent persons i.e., mining mate, foreman, operator before starting of any such activity thus ensuring that the work could be carried out in a safer way

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Y/N)

Yes, we have developed various systems in our organisation through which our employees including workers and business partner employees can report the work-related hazards so that proper actions can be taken to ensure that these hazards does not result in any injury incidents. These systems have been developed to improve the reporting of leading indicators that can have a positive impact on our safety culture. Below are a few of the processes through which they can report the work-related hazards

- We have a digital platform - 'V Unified Enablon System' to report any work-related hazards
- Central safety committee meetings are being conducted across all zones in which there is participation from Hindustan Zinc Management, Union Leaders, and contract & business partner employees. Any work-related safety issues are being addressed in these meetings
- Pit safety meetings are being conducted across all our mines which includes participation from Hindustan Zinc Management, Union Leaders, and contract & business partner employees. These meetings are conducted on a monthly basis, and this provides a platform for employees and workers to report any hazards at their site
- We are also conducting Safety Pause - Right to Refuse any Unsafe Act - a mass safety communication programme in which a safety townhall is being organised to have an open discussion on work-related hazards with the employees including workers.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, employees/workers of the Company have access to non-occupational medical and healthcare services and following initiatives are in place:

- All employees of the Company are covered under the Company's medical and healthcare services. To safeguard and support them from uncertainties and during unfortunate times or distress
- We care for our employees' and our business partners' health and well-being and provide them with access to well-equipped hospitals across locations. We have some of the best medical insurance and accident coverage policies to help employees deal with medical emergencies

- Periodic health check-ups and awareness sessions for all employees have also been conducted regularly. Not only the physical well-being, but the mental well-being of our employees is also taken care of
- We conduct several programmes across locations to help employees deal with stress and maintain a healthy work-life balance. We also have in place stress reduction and mental health programme in place
- We have Advanced Life Supporting Ambulance system which carry advanced equipment and are staffed by highly trained professionals who take care of complete medical situations

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.22	0.83
	Workers	0.83	0.68
Total recordable work-related injuries	Employees	10	10
	Workers	114	117
No. of fatalities	Employees	0	1
	Workers	0	6
High consequence work-related injury or ill-health (excluding fatalities)	Employees	2	0
	Workers	2	0

* Including the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Yes. The different measures taken by our organisation for ensuring a safe and healthy workplace include:

- All our sites have undergone integrated management system assessment and are certified in ISO 45001:2018
- Hindustan Zinc has a well-established safety management system named as Aarohan Safety Management System which was launched in the year 2013 in alignment with our vision of zero harm
- It covers the following pillars or elements such as incident management, safety interaction, standard rules and procedure, contractor safety management, process safety management, FSIPP and training management sub committees
- The performance of these pillars is governed by corporate safety council committee at corporate level and zone apex committee as location level
- We ensure that all our employees are provided with safe work environment. For the same, we assess the risks in our business and ensure that proper controls are in place based on the hierarchy of controls
- For improving the worker risk perception, we conduct many initiatives for capacity building that include induction programme, refresher training, training in safe operating procedures, training on safety standards and we have also launched digital platform in which employees can assess the training sessions on safety standards
- Apart from these internal trainings, we also engage with external parties in alignment with the objective of competency enhancement of our employees. Some of the external competency enhancement initiatives include Safety Integrity Level (SIL), Layers of Protection Analysis (LOPA), Process Safety Management (PSM), Quantitative Risk Assessment (QRA) training, VSAP CAPA training, Mining Mate Competency Enhancement Program etc.
- Other major initiatives that were incorporated to address the risks include:
  - Critical risk management programme launched with 11 top identified risks across business
  - SURAKSHA KAVACH – Mining phase 1 launched covering 25 routine and non-routine activities
  - We have Incident management, Safety Interaction, Standard rules and procedure, Process safety management, Contractor safety management and FSIPP sub-committees for the implementation of safety management system
  - We have a digital platform to capture maximum leading indicators and all the lagging indicators, with the objective of ensuring transparency and improving the analytics of data being reported by our employees. Our digital platform has helped us in capturing safety-related observations for intelligent analysis, tracking closure, reduction of manual data capturing and reduction of error due to human intervention and limitations
  - We are conducting competency enhancement programmes for employees
  - Safety Pause (Right to refuse unsafe work) – 4 safety pauses conducted across our business to reinforce our commitment towards safety first culture

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year*	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	659	40	Completed	506	47	Closed
Health & Safety	357	22		690	70	

* Pending grievances or complaints as at the end of the current FY relates to the new complaints or grievances raised during the year

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100% (9 operating locations are ISO 45001:2018 certified) HSE is also a very important part of the Vedanta Sustainability Audit Program (VSAP) assessment and all units are participating in VSAP which is organised through third party
Working Conditions	100% Working conditions are assessed during the ISO certificate vigilance, VSAP and during the statutory authority's audit

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions

No significant incidents took place across Hindustan Zinc for FY 2023-24

At Hindustan Zinc, we are always committed to providing an injury-free workplace by ensuring the health and safety of all our employees including workers and business partners across all locations.

This year from October 2023 onwards, in Incident management sub-committee, we have revised the scorecard. We have included an extra parameter called Horizontal deployment of fatality and LTI recommendation which would help us to evaluate the implementation of our learnings from past LTI and fatal incidents across all sites of Hindustan Zinc.

This would help in preventing the re-occurrence of similar incidents in our organisation and help us in achieving the mission of zero harm.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends the following measures in the event of the death of employees or workers.

- For Executives, to safeguard and support them from uncertainties and during unfortunate times or distress, we have 'Group Term Life Insurance' policy with a coverage limit of 5 times of fixed salary of each employee up to a maximum of free cover limit i.e., ₹ 5.5 crore. This policy portrays our value of care and commitment to the triple bottom line.
- For Permanent Workers, we have a tripartite Long Term Settlement (LTS) with recognised Union where in the event of on-duty fatal accident, an amount of ₹ 30 lakhs is payable over and above the compensation payable under Employees Compensation Act. Further, in case of normal death, an amount of ₹ 5 lakhs is payable under contributory 'Death Benefit Scheme' along with a compensatory package ranging between ₹ 8 lakhs and ₹ 17 lakhs (as per individual's age bracket)
- For Contractual employees, in the event of on-duty fatal accident, an amount of ₹ 25 lakhs is payable over and above the compensation payable under Employees Compensation Act. Further, in case of normal death, an amount of ₹ 5 lakhs is payable under contributory 'Benevolent Fund Scheme'

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Hindustan Zinc ensures adherence to statutory compliances related to value chain partners by performing due diligence, Company has partnered with external agency as its outsourced partner to ensure all statutory dues, check Labour Law related compliances etc. In case of any non-compliances, stringent actions are taken against defaulter business partner.

Further following processes ensure that the statutory dues have been deducted and deposited by the value chain partners.

1. **Onboarding/selection process –** Compliance with applicable Labour Laws, including statutory requirements such as child labour, forced and compulsory labour are also ensured along with other necessary compliances.
2. **Compliance with Company's Code of Conduct –** All the value chain partners are also abided by our Code of Conduct through signing the same as a part of their respective contracts.
3. **Due diligence process –** Most of our value chain partners undergo desktop assessment and on-site assessment, together with usual risk assessment process

3. **Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	2	1	2	0
Workers	2	6	1	3

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

At Hindustan Zinc, retention programme is available, subject to the criticality of role, business need, and continuity of the employment. On case to case basis, some of the highly qualified senior employees have been retained as advisers post their retirement from the Company. In addition, during the employment, capacity building and training sessions for skill upgradation are provided to all employees, to facilitate continued employability.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices*	100%
Working Conditions*	100%

* Tier 1 Suppliers are covered

6. **Provide details of any corrective action taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

As a part of our strategy to prevent health & safety incidents with our service providers, we carry out Contractor Field Safety Audits (CFSAs) to ensure safety measures & proper working conditions are in place. Subsequently, we implement corrective and preventive actions based on audit findings. These observations are categorised into various buckets like Procedures, Tools and Equipment, Plant up-keep, PPEs and Positions of people.

We also take supplier's undertaking on ESG parameters, including their acceptance towards creating and maintaining a safe and healthy workplace that is free of injuries, fatalities, and illnesses for each commercial enquiry through online platform.

PRINCIPLE 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

Persons or groups that are directly or indirectly affected by our operations as well as those that may have interests in our operations or the ability to influence its outcome, either positively or negatively are considered as stakeholders for us. This inter alia includes customers, suppliers, communities, government regulators, shareholders, Development Organisations and employees. Following is the detailed process around identification, review and updating the stakeholders group within Hindustan Zinc Limited:

- Proactive stakeholder identification and analysis is completed at all the stages of project to assess potential and relevant impacts and risks to stakeholders, and the associated risks to the project
- All the sites implement their own stakeholder identification and analysis processes along with the identification of potential stakeholder representatives who could act as conduits for both dissemination of information to large numbers of stakeholders
- As part of the process above, operations/sites also identify individuals and groups who may be differentially or disproportionately affected by operations due to their disadvantaged, isolated or vulnerable status and consider specific and proactive communication routes for these groups
- Using the information gathered above, operations will determine the level of communication and consultation that is appropriate for each stakeholder or group. From this information, a Stakeholder Engagement Plan will be developed
- Throughout the lifecycle of the project, the Stakeholder Identification Analysis processes will be reviewed and updated if necessary taking into consideration feedback from stakeholder

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Total seven stakeholder groups are identified.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half Yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Intuitive Vedanta Metal Bazaar online platform for continuous engagement and feedback • Periodic connects with key customers by senior executives and top management • Biennial customer satisfaction survey • Forum for quick customer query resolution • Voice of customers workshops chaired by CEO & CFO to understand their concerns and feedback	• Engagement with regional teams on a regular basis in team meetings as well as through physical visits • Quarterly engagement with NSH • Bi-annually or once a year with CMO depending on the volume of customer • Chairman/VC/ CEO connect as required with HVT customers	• Understanding their current requirement in the market, disruptive industry trends and scope of new zinc & lead applications • Current level of serviceability and areas of improvement in same to create a buyer/user-friendly experience • Product development is guided by customer requirements basis their zinc application and any changes in their customer products • Discussion on ESG and sustainability practices being adopted to reduce environmental impact • Improving ease of business by understanding their concerns to become a preferred supplier to domestic customers

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half Yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	• Contract negotiations, supplier code of conduct, policies & standards • Regular supplier meetings and site-visits • Vendor due diligence and pre-qualification meetings • On-site quality audits of critical suppliers • Supplier sustainability desktop assessment • Helpdesk for speedy resolution of supplier query • Webinars for supplier engagement • Tracking business partners suggestions for possible implementation • Focussed discussion on ESG goal alignment with critical suppliers	Ongoing/Need basis	• Critical to ensure operational efficiency through timely supplies & logistical efficiency • Vital to our goals of sustainability and responsible sourcing • Safety of workers and workplace
Communities	Yes	• CSR initiatives, events and interventions • Robust grievance mechanism through strategic Social Performance Committees • Leadership community connect and community meetings • Third-party assessments - Impact assessment survey and perception studies • Communication via newsletters, leaflets, hoardings, print and social media, etc.	Ongoing/Need basis	• Community outreach is vital to understand the needs & expectations of the community & further accordingly plan the interventions for them. Such interventions shall further support national progress, as well as smooth business operations • To enhance their quality of life & overall wellbeing • Reduction in the environmental & social impacts that may affect communities • Capacity building, strengthening grassroot institutions and livelihoods of the nearby communities
Government and Regulatory Authorities	No	• Advocacy on favourable policy matters through panel discussions, technical representations with various trade and industry associations, state/central mines departments and MOEFCC, etc. • Regular engagement with various regulators, local administration, inspection bodies, industry associations, etc. • Partnerships in the Government's social welfare programmes through active participation and sponsorships • Regulatory, legal compliances and reporting	Periodic/Need basis	• Contribution of our business to nation-building through our products, taxes & royalties • Support to Government's on-ground initiatives through CSR & contribution to local economy • Meeting the compliance requirements • Policy advocacy on subjects relevant to company • Suggest projects to district administration/mining engineer offices for consideration & utilising of District Minerals Foundation Trust (DMFT) funds in mining areas

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half Yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders, debenture and other security holders	No	• Annual General Shareholders Meetings; financial results declaration (quarterly) and earnings calls with senior management • Investor Relations events; one-on-one investor meetings, investor conferences, NDRs • Disclosure tools, including Annual Reports, Sustainability Reports and Tax Transparency Reports, Investor Presentations • Complaints and grievance management	Annual, Quarterly, Ongoing basis	• Shareholder support and feedback on operations provides continuous guidance for the management and governance • Keeping communications channels open with analysts and investor community and helps to connect them with the management • Apprising them about the operations and sustainability initiatives regularly. ESG concerns are of importance to shareholders
Employee & Business Partners Employees	No	• Emails as an official and transparent communication medium • Mentorship programmes for new hires with senior leaders • Sampark townhall meetings with the CEO, location townhall with location heads and pulse checks by HR teams • Flyers to communicate behavioural, motivational and other aspects, promoting a positive work environment • Focus group discussions by leaders and one-on-one discussions with managers • Grievance handling portals and Company website • Company website for significant communication • In-person family gatherings during festivals and events to enhance positive atmosphere and develop a healthy community • Awareness of employee benefit policies via regular connects • Annual employee surveys (internal and external)	An ongoing task. We also bring forward need-based strategic interventions to implement required tasks	• Improve employee experience, monitor organisational health, and provide a better quality of life at workplace • Through enhanced growth opportunities, we motivate employees to perform better and improve the levels of trust and loyalty within the Company, resulting in increased employee retention, performance, and innovation • Annual employee surveys help us assess how employees navigate their experience and areas of improvement • Employee engagement helps in maintaining their positive mental health and motivates employees thereby enhancing productivity • Enable direct interaction of employees with the senior management to understand needs and requirements at grassroots level • Develop an inclusive workplace through experiences shared from our underrepresented communities with our employees and their families • Some of the initiatives at Hindustan Zinc enabling a seamless interaction and recognition, with a dual aim of nurturing growth and cultivating an inclusive workplace culture includes Leader's Unplugged, Dronas, Yuva-Guru - a reverse mentoring programme
Development Organisations	No	• CSR initiatives, events and interventions • Robust grievance mechanism through strategic Social Performance Committees • Leadership community connect and community meetings • Third-party assessments - Impact assessment survey and perception studies • Communication via newsletters, leaflets, hoardings, print and social media, etc. • Review & Governance Mechanisms	Monthly	To onboard & engage experts in the field for effective implementation of the CSR programmes as well as to regularly discuss & share updates to strengthen the existing programmes implemented.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

There is a structured procedure in place for direct dialogue between stakeholder and the Board concerning Economic, Environmental, and Social matters. Stakeholder consultation is carried out regularly by business heads/unit heads. Each unit has its own stakeholder engagement plan, overseen & monitored by the unit head/business head.

Feedbacks & identified concerns/issues are presented to the Board of Directors by the CEO during quarterly Board meetings. Periodic review of the Company's stakeholder base and their material interests is an integral part of the roles and responsibility of the Board. During the year, we have reassessed our material issues in consultation with our stakeholders.

Process for the consultation with different stakeholders

Local Communities

There is a continuous dialogue with the community stakeholders which are reviewed at business unit levels at our Social Performance Committee Meetings and at the CSR Committee level. Also, every three years through the third-party engagement, impact, baseline and need assessment, feedback from the stakeholders is taken and same is presented to the Board CSR Committee. We have also established the Board-level ESG and Sustainability Committee.

Shareholders, debenture and other security holders

Our Stakeholder Relationship Committee is primarily responsible for reviewing the investor service standards and address the interests and grievances of shareholders, debenture holders, and other security holders. Hindustan Zinc's Investor Relations department acts as a bridge between the senior management and the investors, facilitating regular interactions and feedback sessions in the form of earnings calls, one-to-one meetings, investor conferences, etc. On an annual basis, shareholders also get an opportunity to interact with the Board members through Annual General Meeting. We have appointed Kfin Technologies Limited as Registrar & Transfer Agent, who works with the Secretarial team to address all investors' queries.

Employees

Hindustan Zinc participates in Annual Tripartite Committee Meeting under the aegis of Directorate General of Mines Safety (DGMS), with discussions among the dignitaries from DGMS, Hindustan Zinc, and Hindustan Zinc Worker's Federation, revolving around health, safety, and welfare of the workers. While our employees and business partners interact with the CEO in the monthly townhalls, we also have monthly visits by our Chairperson, where such consultations happen as well.

Customers

We prioritise maintaining strong connections with our customers, ensuring their needs and concerns are addressed effectively. We have established a structured protocol for customer interaction, led by various levels of management. Our regional managers and area managers actively engage with customers on a regular basis. They serve as primary points of contact for addressing day-to-day enquiries, resolving issues promptly, and fostering positive relationships with our valued clientele. Their proactive approach ensures that customer feedback is acknowledged and acted upon swiftly, contributing to enhanced customer satisfaction and loyalty. In instances where situations require escalated attention or involve significant concerns, our national sales heads and chief marketing officer (CMO) personally intervene to meet with the customer. By engaging directly with customers on a case-by-case basis, we are committed to resolving issues and upholding our commitment to customer-centricity.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder consultation is used to support the identification and management of environmental, and social topics.

During the materiality assessment, we identify the material topics and take various initiatives to mitigate the risk due to those issues and to maintain healthy relationships with our stakeholders. Material topics are shortlisted and prioritised based on their impact on our stakeholders and our business. We ensure that we take inputs received from stakeholders and integrate them into our processes and policies. We have framed our Sustainability Goals 2025 on material topics from our stakeholder consultations. We also take stakeholder's input through public consultation prior to establishing any greenfield/brownfield projects.

In our regular interactions with the shareholders and sell-side analysts, we identify key concerns of the market and take advice/suggestions provided by them, which are considered in our decision-making process. We take consent of shareholders for major corporate actions at AGMs. We also leverage our quarterly earnings calls to provide updates on all key aspects including ESG, thereby monitoring the market's reactions for the same and proceed accordingly.

We have a monthly employee engagement session, Sampark (CEO townhall), which brings together all the executive employees and business partners' employees for an interaction with the senior management, where all their concerns including workplace health and safety are addressed, and their efforts are recognised.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups. The Company identifies the disadvantaged, vulnerable and marginalised stakeholders on an ongoing basis. A comprehensive stakeholder management and grievance mechanism exist at all our locations.**

The response to this question has been covered under the CSR section of our Integrated Annual Report 2023-24. For more details, refer page 185 of the Integrated Annual Report 2023-24.

PRINCIPLE 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	2,798	2,479	89%	2,566	2,277	89%
Other than permanent	7	4	57%	9	5	56%
Total Employees	2,805	2,483	88%	2,575	2,282	89%
Workers						
Permanent	-	-	-	-	-	-
Other than permanent*	886	886	100%	878	878	100%
Total Workers	886	886	100%	878	878	100%

* All Security personnel are accounted here

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	2,798	-	-	2,798	100%	2,566	-	-	2,566	100%
Male	2,191	-	-	2,191	100%	2,067	-	-	2,067	100%
Female	607	-	-	607	100%	499	-	-	499	100%
Other than Permanent	7	-	-	7	100%	9	-	-	9	100%
Male	6	-	-	6	100%	7	-	-	7	100%
Female	1	-	-	1	100%	2	-	-	2	100%
Workers										
Permanent	759	-	-	759	100%	897	-	-	897	100%
Male	744	-	-	744	100%	879	-	-	879	100%
Female	15	-	-	15	100%	18	-	-	18	100%
Other than Permanent	20,232	-	-	20,232	100%	19,724	-	-	19,724	100%
Male	19,937	-	-	19,937	100%	19,490	-	-	19,490	100%
Female	295#	-	-	295	100%	234	-	-	234	100%

above number includes 16 transgenders

3. Details of remuneration/salary/wages:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)$	1	127,151,286	0	0
Key Managerial Personnel*	2	24,560,042.5	0	0
Employees other than BoD and KMP#	1,832	1,558,079.5	424	975,697.5
Workers #	744	2,382,218	15	1,775,586

$ Only Executive Director (CEO) has been considered for this purpose as the other Directors do not draw any salary except for sitting fee

* Excluding the current Company Secretary as she was onboarded during the year w.e.f. January 9, 2024

Only permanent employees who are employed with the Company for the complete financial year are considered for the purpose of median remuneration

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to female as % of total wages*	9%	8%

*Permanent employees, other than permanent employees and permanent workers are included for calculations

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Mr. Gopal Prasad Choudhary, Chief Security Officer - Group and Head Security is designated as Chief Human Rights Officer, Hindustan Zinc to act as a focal point for addressing human rights related issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company considers human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. Hindustan Zinc has defined a technical standard (TS-04) for handling all types of grievances including the grievances related to human rights. Every unit has a Grievance Redressal Committee and a grievances handling procedure is defined at all units wherein any employee/worker/stakeholders can register any kind of grievance. The grievance can be captured through various means. Also, grievance boxes are available at conspicuous places where the person can post their grievance and the Committee takes it up as per the procedure. Company also has the whistle blower policy in place and aims to protect the confidentiality and anonymity of the complainant to the fullest extent possible with an objective to conduct an adequate review and consequence. Company respects the dignity of all employees working for the Company irrespective of their gender or hierarchy and expect responsible conduct and behaviour on the part of all employees at all levels. Providing for a safe and congenial work environment to all employees is an integral part of the Company's employment policy and the same commitment is there in our Human Rights policy.

Human Rights Policy link- https://www.hzlindia.com/wp-content/uploads/Human_Rights_Policy.pdf

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	6	3	3 cases upheld and 3 are under investigation	5	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced labour/involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	6*	5
Complaints on POSH as a % of female employees/workers	0.66%	0.66%
Complaints on POSH upheld	3	5

*Investigation is in progress for 3 complaints

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Yes. The Company is committed to providing equal opportunities to all individuals and is intolerant towards discrimination and/or harassment based on race, religion, colour, age, sexual orientation, national origin, gender identification, political affiliation and political beliefs, minority or vulnerable groups. The Company has adopted Diversity & Inclusion Policy with the objective to ensure that the Company continues to be an employer for all diversity groups to create and foster an open culture of inclusion for all its stakeholders; and to create an environment, which has zero tolerance for discrimination. Company also has a policy on prevention, prohibition, and redressal of sexual harassment of women at the workplace and has an Internal Complaints Committee (ICC) in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Members of the Corporation's ICC are responsible for conducting enquiries pertaining to such complaints. Hindustan Zinc follows several mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

- **Confidentiality:** Keeping the complaint and its details confidential helps to protect the complainant's privacy and prevent retaliation. The organisation ensures protection of aggrieved women by taking appropriate steps such as change of workplace or leaves, etc. as prescribed by the law.
- **Non-retaliation policy:** At Hindustan Zinc, Human Rights Policy and Prevention of "Sexual Harassment" Policy is established to ensure the prohibition of retaliation against an employee who reports discrimination or harassment.
- **Investigation:** An investigation conducted to determine whether the complaint has merit and to identify any witnesses or evidence to support the complaint.
- **Remedial actions:** If the investigation finds that discrimination or harassment has occurred, remedial actions are taken to address the situation. It includes disciplinary action against the perpetrator, training to employees and managers and change/amendment/modification in policies and procedures.
- **Support and counselling:** Support and counselling to the complainant to help them to cope with the emotional impact of the situation.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human Rights forms the part of our business agreements and contracts for all of our value chain partners. Further following processes ensure that the human rights are embedded in all the dealings we do with them:

1. **Onboarding/selection process –** Compliance with applicable Labour Laws, including statutory requirements such as child labour, forced and compulsory labour are also ensured along with other necessary compliances.
2. **Compliance with Company's Code of Conduct –** All the value chain partners are also abided by our Code of Conduct through signing the same as a part of their respective contracts.
3. **Due diligence process –** Most of our value chain partners undergo desktop assessment and on-site assessment for human rights, together with usual risk assessment process.

10. Assessments for the year:

Hindustan Zinc conducts human rights assessment once in every two years and during FY 2022-23, an extensive assessment was conducted on current readiness and compliance with respect to human rights regulations and policies across the Company through third party. The main focus on the said assessment was two-fold:

A. Identifying the risk areas

B. Formulating the mitigation plan for those highlighted areas

We used another tool (the Global Compact Self-Assessment Tool) for human right assessment. This tool was developed by the Danish Institute for Human Rights, the Confederation of Danish Industries, the Ministry of Economic and Business Affairs. The tool gives an assessment of our performance against 5 key categories as Management, Human Rights, Labour, Environment and Anti-Corruption.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

*All nine operating mines, smelters & refining units were assessed

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable, as no significant risks/concerns arose from the above assessment.

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints.

The business process is generally modified or introduced as a result of addressing human rights grievances/complaints received through the grievance redressal committee. However, there was no need for such revisions during FY 2023-24 as no such complaints were received during the year.

In our value chain, Vendor Grievance Process is introduced which can be accessed through ROBOS mobile app. Grievance resolution committee and timeline has been defined in the policy.

2. Details of the scope and coverage of any human rights due diligence conducted.

Hindustan Zinc is committed to respecting and upholding the basic principles of human rights of all its stakeholders, including executives, workers, business partner workers, suppliers at Hindustan Zinc premises. Hindustan Zinc has implemented various policies and procedures, including Human Rights Policy. It follows zero tolerance to child, forced or compulsory labour, non-discrimination, freedom of association and collective bargaining, health and safety, working hours and equal opportunity.

The Grievance Redressal Committee/Complaint Officers under various statutes are responsible for respective human rights due diligence for all respective categories of stakeholders. This Committee/Compliant officers assess the respective concerns and provide the corrective course of action. Furthermore, VSAP/Compliance audit is also conducted by external/internal agencies to ensure adherence to all the standards and protocols, covering above mentioned Human Rights.

3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Premises/offices of the Company are also accessible to differently-abled visitors, barring a few places/locations/ manufacturing facilities due to safety considerations and specific design and structure of certain places.

The inclusive infrastructure facilities available at most of our premises include:

- Elevators with braille inscribed for person with visual impairment
- Ramps for mobility-impaired person with disability
- Touchless entry places for person with disability
- Text to speech software for visually impaired
- Wheelchair accessible restrooms are available in the office at the ground floor

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at Workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	NA

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

The significant risks/concerns (if any) that arose from assessments of value chain partners at Question 4 above were addressed through emails & follow-ups.

PRINCIPLE 6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources (GJ)		
Total electricity consumption (A)	141,525	155,524
Total fuel consumption (Biomass) (B)	732,942	930,739
Energy consumption through other sources (Solar + WHRB) (C)	1,019,201	1,056,581
Total energy consumed from renewable sources (A+B+C)	**1,893,668**	**2,142,844**
From non-renewable sources		
Total electricity consumption (D)	2,855,102	6,056,204
Total fuel consumption (E)	44,489,600	34,638,170
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	47,344,702	40,694,375
Total energy consumed (A+B+C+D+E+F)	49,238,370	42,837,218
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations)	0.000170	0.000126
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed/Revenue from operations adjusted for PPP)	0.003808	0.002793
Energy intensity in terms of physical output		
Energy intensity (optional) – the relevant metric may be selected by the entity (Total energy consumption/tonne of metal)	47.63	41.53

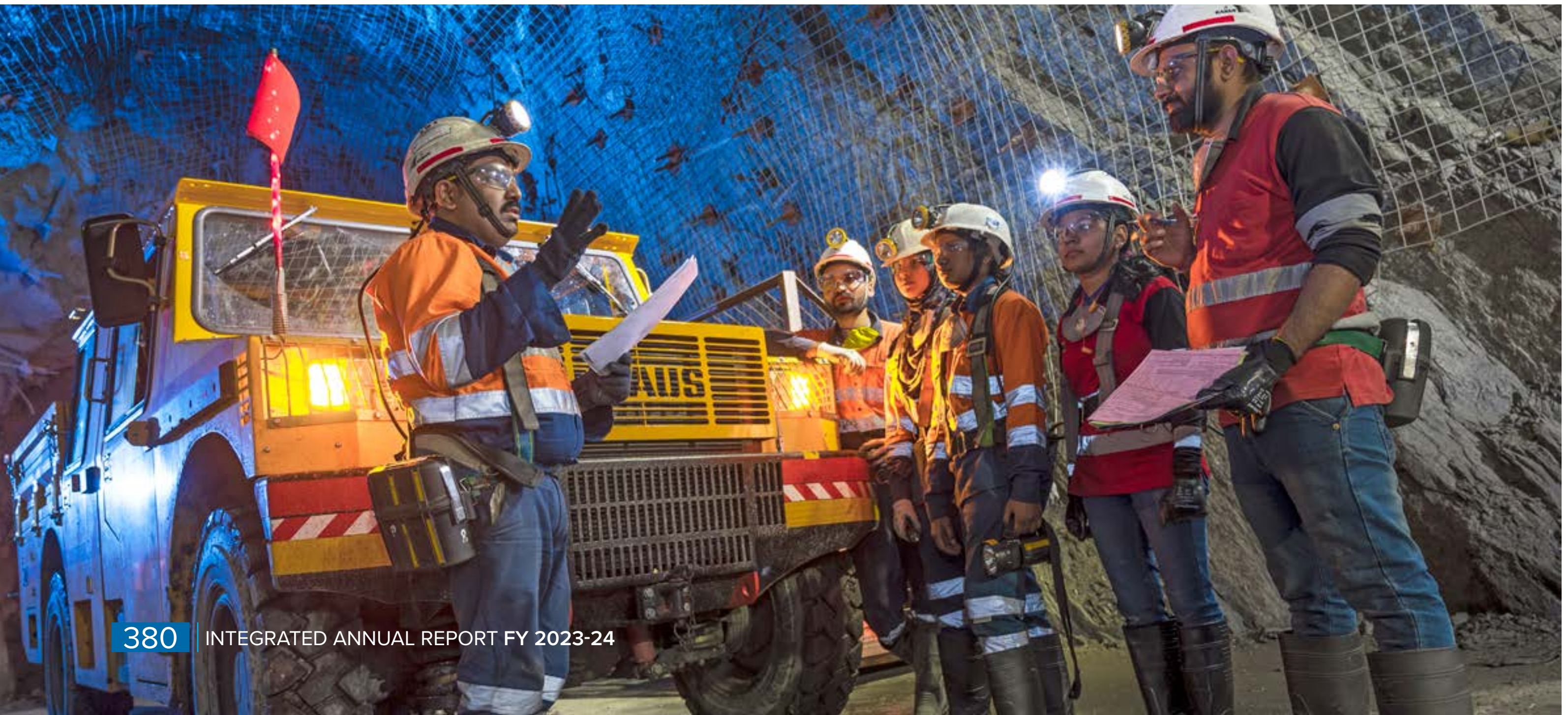
*PPP adjusted revenue in USD. PPP Factor = 22.4; World Economic Outlook (April 2024) - Implied PPP conversion rate (imf.org).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/Information of this report obtained Limited Assurance by Mazars Advisory LLP.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Hindustan Zinc, being in mining sector and producing zinc has been identified as DCs under PAT Scheme of the Government of India vide gazette notification 'Notification for New Energy Intensive Sectors under PAT Scheme' dated January 03, 2022. However, the targets under PAT Scheme are yet to be assigned to Hindustan Zinc.



3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	13,693,449	14,226,150
(ii) Groundwater	4,545,953	3,870,510
(iii) Third-party water	9,343,641	8,570,662
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	27,583,043	26,667,322
Total volume of water consumption (in kilolitres)	26,162,252	25,457,583
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	0.0000904	0.0000747
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption/Revenue from operations adjusted for PPP)	0.002025	0.001656
Water intensity in terms of physical output		
Water intensity (optional) – the relevant metric may be selected by the entity (Water consumed/tonne of metal)	25.31	24.67

*PPP adjusted revenue in USD. PPP Factor = 22.4; World Economic Outlook (April 2024) - Implied PPP conversion rate (imf.org).

Note: The difference between withdrawal and consumption is due to water distributed to communities as a part of CSR activities and Evaporation losses.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/Information of this report obtained Limited Assurance by M/s Mazars Advisory LLP.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Nil, as all plants are maintaining Zero Liquid Discharge (ZLD).	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/Information of this report obtained Limited Assurance by Mazars Advisory LLP.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, all our units are maintaining zero liquid discharge. Effluent generated at our smelters is treated in Effluent Treatment Plant (ETP), followed by two stages RO plant. The treated effluents conform to the prescribed standards and recycle in the process. Further, to strengthen Zero Liquid Discharge (ZLD), improved water recovery is achieved using upgraded technology by installation of Multiple Effect Evaporator (MEE)/Mechanical Vapour Recompression (MVR).

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	MT	7,033	4,851
SOx	MT	25,199	17,247
Particulate matter (PM)	MT	1,261	1,048
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/Information of this report obtained Limited Assurance by Mazars Advisory LLP.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	4,251,360	3,444,672
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	562,715	1,135,622
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	Total Scope 1 and Scope 2 GHG emissions/Revenue from operations	0.00001664	0.0000134
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*	Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP	0.000372	0.000297
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Total Scope 1 and Scope 2 GHG emissions/Tons of Metal produced	4.66	4.44

*PPP adjusted revenue in USD. PPP Factor = 22.4; World Economic Outlook (April 2024) - Implied PPP conversion rate (imf.org).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/Information of this report obtained Limited Assurance by Mazars Advisory LLP.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company has undertaken various projects related to reducing Green House Gas emission, as mentioned below:

Some projects namely -

- Compressor absolute power consumption reduction by 15%
- Absolute power consumption reduction for Balaria Mine by 4%
- Reduction in specific power consumption of Zawarmala 26.99 unit/Mt to 24.70 unit/Mt
- Optimisation of Grinding area power by consistent Mills operation and at rated throughput
- Stream-4 Ball Mill conversion from overflow discharge to grate discharge
- Steam Turbine Generation increment from 6.4 to 6.8
- Power optimisation of Auxiliary fans in mine by providing timers
- Reduction in average specific power consumption of zinc melting and casting furnaces from 135 kVAH/MT to 126.9 kVAH/MT
- Reduction of Specific Oil Consumption from 37 kg/T bullion consumption to 36.5kg/T bullion consumption

As an outcome of above-mentioned initiatives, the total energy saved is 783,201.36 GJ, which in turn helped us reduce 232,793.07 tCO_2e

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	7.64	37.80
E-waste **(B)**	35.18	48.4
Bio-medical waste **(C)**	3.93	1.26
Construction and demolition waste **(D)**	79.9	28
Battery waste **(E)**	110.88	189.9
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	103,164.5	116,836.6
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition, i.e., by materials relevant to the sector)	20,139,407	20,961,131.70
Total (A + B + C + D + E + F + G + H)	20,242,809	21,078,273.66
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.0000699	0.0000618
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated/Revenue from operations adjusted for PPP)	0.00157	0.00137
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity	19.58	20.44
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	263,474	681,382
(ii) Re-used	6,060,663	5,856,896
(iii) Other recovery operations	-	-
Total	**6,324,137**	**6,538,277**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	19	80**
(ii) Landfilling	13,918,629	13,535,372**
(iii) Other disposal operations	24	-
Total	**13,918,672**	**13,535,452**

*PPP adjusted revenue in USD. PPP Factor = 22.4; World Economic Outlook (April 2024) - Implied PPP conversion rate (imf.org).

**These numbers have been restated from last year

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/Information of this report obtained Limited Assurance by Mazars Advisory LLP.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste management practices description

We have in place a Resource Use and Waste Management Technical Standard and the supporting guidance notes which augment us to mitigate the environmental impacts of our products and process. The Company believes in Zero Waste and has aligned waste management practices to “4-R Policy” of Reduce, Reuse, Recycle and Reclaim in our operations.

Strategy adopted to reduce usage of hazardous and toxic chemicals in products and processes

Company is taking various initiatives and has adopted state-of-the-art technologies to reduce the waste generation, reuse of waste, recovery, of metal from waste and disposal of remaining waste in environmentally sound manner.

Processes and the practices adopted to manage Hazardous and Toxic Chemicals

With the commissioning of Fumer plant, there will be complete elimination of Jarosite generation from one of the Hydro Zinc Smelter and generated slag will be 100% utilised in cement industries, for effective metal recovery, a second ancillary plant commissioned for treatment of process residues at Chanderiya Lead-Zinc Smelter; a project to recover sodium sulphate crystal from RO Reject commissioned at Dariba Zinc Smelter; gainfully utilised waste such as Jarosite, Jarofix, slag and fly ash in cement manufacturing and road construction, also tailings used in back-filling voids in mines through Paste fill/Hydrofill.

For further information, please refer to: hzlindia.com/sustainability-management/pdf/HZL-Waste-Management-2022.pdf

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Not applicable, since, none of the entity's operations/offices are located in/around ecologically sensitive areas.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	NIL	NIL	NIL

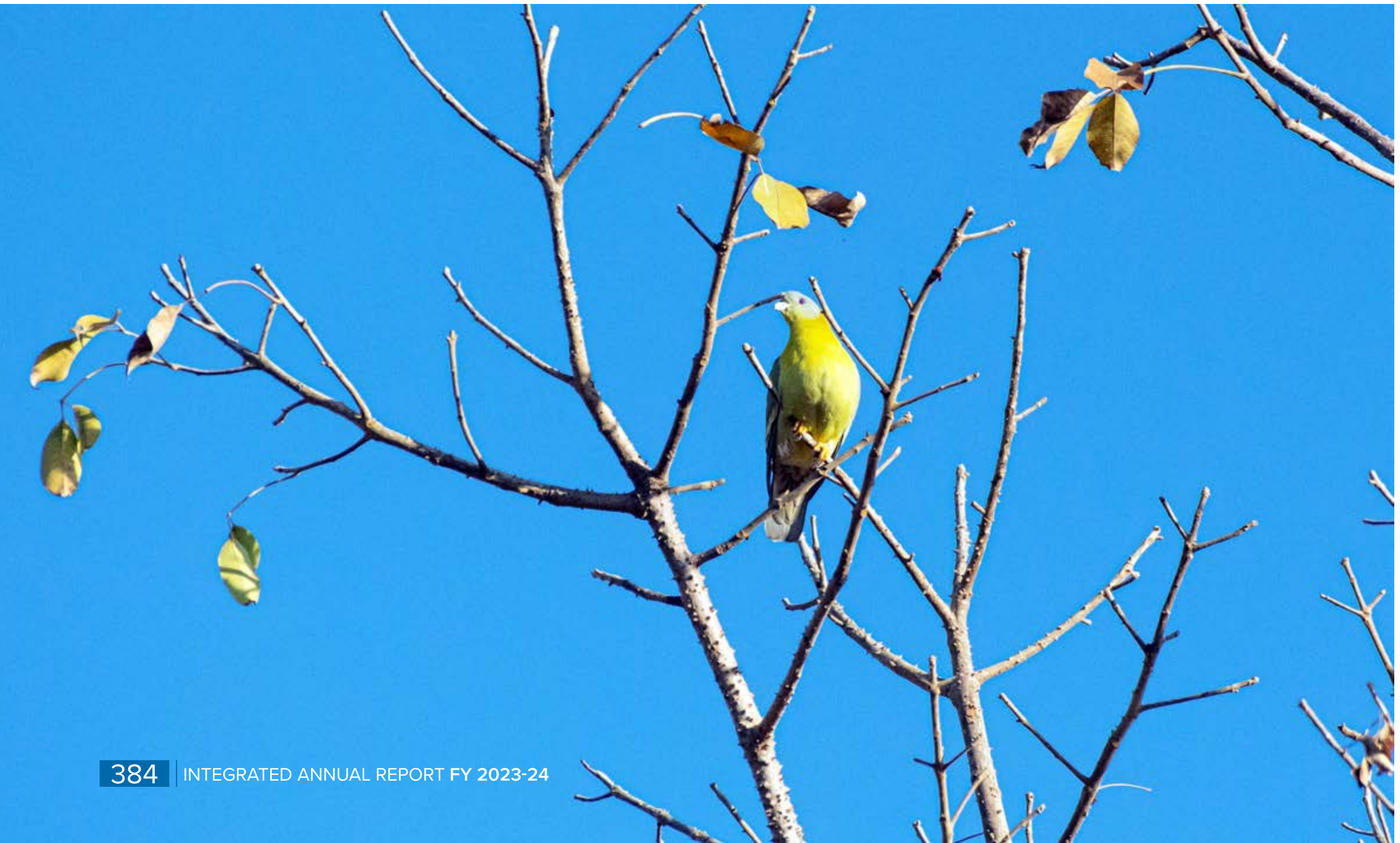
12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
No environmental impact assessments of projects was undertaken by the Company during the current financial year. Hence, this requirement is not applicable.					

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with all the applicable environmental laws/regulations/guidelines in India.

S. No.	Specify the law/regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or courts	Corrective action taken, if any
Not applicable, since there is no non-compliance with the applicable environmental laws/regulations/guidelines in India				



LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

I. **Name of the area -** Chanderiya Lead Zinc Smelter, Dariba Smelting Complex, Rajpura Dariba Mines, Sindesar Khurd Mines, Rampura Agucha Mines, Kayad Mine, Zawar Mines, Zinc Smelter Debari.

II. **Nature of operations -** Smelting & Mining

III. Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	13,678,499	14,211,922
(ii) Groundwater	4,514,375	3,830,702
(iii) Third party water	9,343,641	8,570,662
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	27,536,515	26,613,286
Total volume of water consumption (in kilolitres)	26,116,135	25,405,113
Water intensity per rupee of turnover (Water consumed/turnover)	0.0000903	0.0000745
Water intensity (optional) – the relevant metric may be selected by the entity	25.26	24.62
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(ii) Into Groundwater	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iii) Into Seawater	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iv) Sent to third-parties	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(v) Others	0	0
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	**0**	**0**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The indicators/information disclosed in the BRSR report have been externally assured. BRSR Core indicators obtained Reasonable Assurance and other indicators/Information of this report obtained Limited Assurance by Mazars Advisory LLP.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	2,089,120	1,521,564
Total Scope 3 emissions per rupee of turnover	Total Scope 3 GHG emissions/ Revenue from operations	0.00000722	0.00000446
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Total Scope 3 GHG emissions/ Tons of Metal produced	2.02	1.47

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Independent Assurance underway for this year's Scope 3 numbers and will report the assured number in FY 2023-24 Sustainability report.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable, as the Company does not have any operations in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	**STP at Udaipur**	Company commissioned a 20 MLD STP in Udaipur in 2014 under a public-private partnership, which is the first of its kind in Rajasthan. Further, Hindustan Zinc and Udaipur Smart City Limited signed an agreement in June 2017 to extend the sewage treatment capacity by another 40 MLD. 25 MLD has been commissioned in January 2019. Another 15 MLD commissioned in FY 2020-21 taking the total to 60 MLD.	The replacement of fresh water for operations by STP treated water has led to increased availability of fresh water for the community. Nearly 36% of total water withdrawal was satisfied with treated sewage.
2	**Dry Tailing Plant**	India's first Dry Tailing Plant was set up at the Zawar Mines in Rajasthan. The dry tailing technology is based on separating water from tailings slurry, which is generated in the beneficiation process. Company repurposes tailings materials and waste rock as backfill to stabilise our underground mining operations, while the remaining tailings are then placed in a specially-designed tailings storage to minimise the environmental, social and economic risks. We externally review the integrity/stability of our dam structures and their associated management practices by global experts.	Key benefits of the dry tailing technology include recirculation of more than 80% of the process water present in tailings, a faster rehabilitation and restoration of storage site at mine closure and ensuring re-availability of water for further use.
3	**4 MLD ZLD at Zawar**	ZLD at Zawar mines to help treatment of poor-quality excess water by Installing of 4,000 m^3/day effluent treatment plant with zero liquid discharge and recycling in the process.	• Reduction of freshwater intake from Tidi Dam on daily basis of approx. 3,800 m^3/day. • Being an environment compliant
4	**Rainwater Harvesting Structure**	Company executed groundwater recharge intervention project across Hurda, Shahpura, Kotri and Jahazpur blocks of Bhilwara district. We were able to complete the desilting of ponds, repairing, strengthening and increasing the height of damaged embankments and construction of 358 recharge shafts for effective groundwater recharge, in 83 ponds	>8.7 MCM/annum total groundwater recharge potential created.
5	**Agreement for 180 LNG Vehicles**	In a significant move towards green transportation, the Company has joined forces with Greenline, a subsidiary of Essar Group, by signing a contract for 180 Liquified Natural Gas (LNG) vehicles. During the year, 41 LNG vehicles (alternate fuel vehicles) were launched to aid transportation of finished goods and interunit transport.	This initiative is to help reduce Company's Scope 3 emissions and help achieve SBTi Scope 3 targets.
6	**Paste fill**	Instead of conventional hydraulic filling, Company chose to use the paste fill technology. This technology ensured fast filling and practically no bleeding water in the stopes. The other benefits of paste fill technology have been water conservation, better stope stability, surface integrity in mines and more recycling of tailings.	• Metal recovery from secondary stopes • It reduces cement consumptions with increase in uses of fly ash • It reduces water consumption as paste solids content is high (77-79% solids) • Nearly, 39% of tailings used in paste fill plant and this also helped in improving the stability of tailing dam
7	**Ancillary Plant**	It treats residues produced during smelting process leading to in-house production of few key consumables and byproducts, in collaboration with the Company's central R&D team. Few projects were successfully executed including production of copper sulphate and zinc sulphate from PF cake as well as production of potassium antimony tartrate from antimony dust.	• It treats different kinds of residues, namely copper dross, purification waste cake, antimony dust/slag and raw zinc oxide • This has also enabled improvement of metal recoveries of lead, copper and silver
8	**Jarofix Yard Restoration**	Company follows the principle of reducing the waste, quantitatively as well as qualitatively and performing recovery and recycle. The last priority is disposal in landfills. Company used Mycorrhiza technology for rejuvenation and reclamation of wasteland into productive land by increasing the green cover, enhance biodiversity and control fugitive dust emission and restoring site. It also makes plants less vulnerable to environmental stresses and by optimum use of water resources	Development of green belt in an area of 6.25 Hectare (10,000 plants). Provides overall stability to waste dump and dump failure due to heavy rains – ensuring safe and stable dump
9	**Solar Plant**	Company has installed 40.70 MW of solar power project by utilising its waste lands without disturbing any productive land	40.70 MW of renewable power capacity
10	**Resource Efficiency**	Company has been able to bring improvement in its metal recovery from beneficiation plant through digitalisation. Advanced control opportunity for grinding and flotation circuit: To address the difficulty in flotation process plants coming from the constantly changing feed characteristics, Advance Process Control (APC) system was introduced to maintain a stabilised circuit operation while optimising the process performance to maximise recovery. Three APCs were implemented for grinding & flotation operation (lead and zinc) in mills at Rampura Agucha and SK Mines.	• Lead recovery improved by 0.9% while also moving concentrate grade distribution on higher side • Zinc recovery improved by 0.9% while narrowing concentrate grade distribution around target
11	**Fumer Plant**	In the existing zinc hydro metallurgical process, Jarosite is generated which is treated with lime & cement and disposed in Jarofix Yard. In the proposed Fumer plant, a clean slag will be produced and utilised in cement manufacturing and goethite cake produced will be treated with lime & cement and disposed in captive secured landfill.	• Production of usable clean slag and elimination of Jarosite waste • Elimination of recurring land for storage of Jarofix • Power generation from waste heat recovery • Increased recovery of zinc, lead, silver, copper and sulphur • Saving of cement and lime
12	**Jarofix/Jarosite Utilisation in Cement and Road construction**	Jarosite is waste produced in the hydrometallurgy process of zinc extraction, necessitating additional investment for its stabilisation and disposal. In collaboration with IIT-R, Company conducted a feasibility study to utilise Jarosite in construction-related works, using Jarosite in concrete, mortar and paver blocks as 10%-15% replacement of cement. The study showed positive results and encouraged us to conduct field trials. Company has been granted permission by Rajasthan State Pollution Control Board for gainful utilisation of Jarofix waste for road construction/highway construction (embankment). Company also partnered with a few Government agencies like NCCBM, NEERI and CRRI for the utilisation of jarosite in cement and road construction.	• Jarosite used in cement production – 163,795 MT • Jarofix used in road construction – 90,832 MT

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
13	Closure of SLF at Vizag	Company's Vizag closure and capping was first project in the entire country in which a slurry pond was stabilised, closed and capped as per the CPCB Guidelines due to the introduction of superior geotechnical concepts and material science knowledge.	• Nearly 56,000 sqm (6 Ha.) of the plan area at site has been stabilised and capped as per CPCB guidelines • Aligned to our site closure management standard
14	450 MW Renewable power	Hindustan Zinc has signed a power delivery agreement for 450 MW Renewable Energy and it will contribute towards transitioning to green energy and reduce carbon emissions.	It will contribute towards transitioning to green energy and reduce 2.7 million tCO_2e carbon emissions by 2026
15	EV trucks for inter-unit transport	Hindustan Zinc has taken a significant leap towards sustainable logistics by signing a contract with Inland EV Green Services Pvt Ltd. The agreement will mark the deployment of 10 Electric Vehicles (EV) trucks, each boasting a capacity of 55 metric tonnes. Dedicated to the inter-operations transport of concentrates	These eco-friendly trucks reaffirm Hindustan Zinc's commitment to green and sustainable practices. The partnership signifies an important shift in the logistics landscape, aligning with global efforts to reduce carbon emissions and promote cleaner modes of transportation.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

- All our operating sites are having onsite emergency preparedness plan (including disaster control management plan) along with responsibilities in place covering all the risk associated with the operational activities to mitigate and handle the emergency and ensure business continuity. Emergency scenarios, mock drills, rescue team and training are regularly being carried out for making the system more robust and to check the healthiness of the emergency response procedure.
- We have an Incident Management Committee to investigate all the incidents (safety, environment, process) and learnings are being shared across all the locations for horizontal deployment and based on the recommendations suitable changes are being made in the emergency response plan also.
- Stand downs are being conducted on shop floor to communicate the learnings from all such incidents. Regular trainings and awareness programmes are being conducted at sites. Unit leadership regularly review the emergency preparedness and contingency planning at their sites. We have a standalone standard on emergency preparedness and contingency planning and uniformly applies to all the sites of the Company
- Hindustan Zinc recognises that Business Continuity & Disaster Recovery is not only an IT subject, rather a business subject. Aligned with this thought, Hindustan Zinc has implemented ISO 22301 Disaster Recovery & Business Continuity Management Framework to prevent the interruption in operations of Hindustan Zinc's critical IT systems and to ensure that IT systems are continuously available to all the authorised users, all statutory & legal requirements are complied with, and organisation's finance and reputational interests are protected. Business Continuity Plan (BCP) has considered various risks including technical risk, natural disasters risk, human risk, and risk related to external partners.

Business Continuity Testing & Disaster Recovery Drills are carried out on a half-yearly basis to test the readiness of recovery sites.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Hindustan Zinc assess the significant adverse impact of their Tier-1 suppliers on the environment through due-diligence process every year. During the year, no high-impact case has been identified based on the assessment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

73% of Tier 1 suppliers (by value of business done with such partners) were assessed for environmental impacts. 309 commercial vendors undergone due diligence & rest are under progress.

PRINCIPLE 7

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

1. a. Number of affiliations with trade and industry chambers/associations.

17

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Federation of Indian Mineral Industries	National
2	Confederation of Indian Industry	National & State
3	Federation of Indian Chambers of Commerce & Industry	National & State
4	Indian Chamber of Commerce	National
5	Associated Chambers of Commerce and Industry of India	National
6	India Lead Zinc Development Association	National
7	Udaipur Chambers of Commerce	National
8	Gujmin Industry Association of Gujarat	National
9	UN Global Compact Network - INDIA	National
10	Mining Engineers Association of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable, as the Company has not received any adverse orders from any regulatory authorities.

Name of Authority	Brief of the case	Corrective action taken
-	-	-

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half Yearly/Quarterly/ Others – please specify)	Web-Link, if available
1	Area Relaxation for base metals (zinc, lead, silver, iron, etc.) in the state of Rajasthan	The matter have been considered for advocacy through the State Mines department as well as the Industry Association for the benefit of pioneer companies for getting more area for enhancement of production and reduce imports.	No	NA	NA
2	Mineral Exploration	Representations through National level industry associations/geological conferences and meetings has been sent to apprise concerned authorities of the process and complexities involved in the exploration of deep-seated base metals.	No	NA	NA

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half Yearly/Quarterly/ Others – please specify)	Web-Link, if available
3	Enabling and enhancing deep seated mineral development and contiguous mining	Representations through National level Industry Associations.	No	NA	NA
4	Terms and Conditions for Tariff determination from Renewable Energy Sources	Representations through Industry Association for Solar Energy in Rajasthan.	Yes	NA	Orders - RERC JAIPUR (rajasthan.gov.in)

PRINCIPLE 8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
SK Village R&R as per LARR Act 2013	G.N. संख्या प.12/17 ( ) राजस्व/ भू. अ./2023	25/04/2023	Yes by agency headed by Dr. Alpana Kateja, Professor, Department of Economics, University of Rajasthan, Jaipur.	No, only notification is communicated in public domain (https://reams.rajasthan.gov.in/PrintingStationary) The final number of projected affected families shall be identified accurately by the administration; hence report is yet to be finalised	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in FY (In ₹)
1	SK Village R&R as per LARR Act 2013	Rajasthan	Rajsamand	325 families (Estimated) As per Gazette Notification and 228 families (*including 168 nuclear and 60 joint families) as per SIA report by Dr. Alpana Kateja	The final number of projected affected families shall be identified accurately by the administration after undertaking a detailed survey of the population and final number of families to be shifted and compensated shall also be finalised basis the same only.	Not decided as yet.

3. Describe the mechanisms to receive and redress grievances of the community.

Aligning with Vedanta Technical Standards (TS-04), structured grievance mechanisms is adhered to for receiving and resolving grievances. In line with sustainability strategy of establishing strong relationships with stakeholders and adhering to the International Finance Corporation (IFC), International Council on Mining and Metals (ICMM), Organisation for Economic Cooperation and Development (OECD) and United Nations Environment Programme (UNEP) Standards for responsible stewardship, United Nations Global Compact (UNGC) Principles & Vedanta Technical standards, Company has set up a robust Grievance Redressal Mechanism. Regular monitoring and reviewing of the mechanism established is undertaken at various platforms. To further strengthen it, effective stakeholder engagement is a continuous process taken up to reduce the grievances of the stakeholders.

Proactive and sustained engagement platforms like “Community Connect”, “Community Leadership Connect” established to ensure two-way communication network and strengthen the trust element thereby reducing the grievances.

A grievance box has been placed outside the plant main gate for stakeholders to share their grievances in written form in the local language. All grievances are required to be resolved in maximum 15 days, failing which they are escalated to the senior management for its resolution and closure. Also, at each Company location, we have well established Social Performance Steering Committee, consisting representatives of major functions and chaired by Social Performance Manager (Sr. leader from the Unit), through which all grievances are raised and discussed for the timely resolution of the same and thereby reduction in the collective risk involved. Our approaches towards strengthening Social Performance Steering Committees (SPSC) at business locations with active involvement of the functional leaders across the Board is key to monitoring the grievances and its resolution, key risks and its mitigation and creating strong relationships with the stakeholder base. Thereby, reducing the collective risks and immediately addressing the grievances and feedback received from the communities.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers*:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	21%	12.05%
Directly from within India	88%	79%

*Tier 1 suppliers are covered

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-24	FY 2022-23
Rural	88%	85%
Semi-Urban	0%	0%
Urban	12%	14%
Metropolitan	1%	1%

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable, as SIA is yet to be finalised by district authorities.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (In ₹)
1	Uttarakhand	Udham Singh Nagar	11,946,800.98

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

No, the Company does not have a preferential procurement policy.

b. **From which marginalised/vulnerable groups do you procure?**

NA

c. **What percentage of total procurement (by value) does it constitute?**

NA

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
	NIL	NIL	NA	NA

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Child Care Centre	637	100
2	Nandghar	363,930	100
3	Shiksha Sambal	8,110	100
4	Unchi Udaan	156	100
5	Jeevan Tarang	1,068	100
6	Vedanta College	104	100
7	Company Run Schools	3,475	100
8	Zinc Kaushal	1,831	100
9	Samadhan + SPARSH	30,430	100
10	Sakhi	27,485	100
11	Uthori	91,997	100
12	Microenterprise	270	100
13	Swasthya Sewa (Mobile Health Van and other Health initiatives)	20,078	100
14	Company-run Hospitals	121,386	100
15	Zinc Football Academy & Cluster-based Sports	95,253	100
16	Promotion of Art and Culture	48,390	100
17	Environment Conservation (including Plantation and STP)	322,952	100
18	Community Safety	40,043	100
19	Drinking Water Project	378,008	100
20	Rural Infrastructure	251,174	100
21	Others	104,618	100

PRINCIPLE 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

There are following mechanisms in place to receive and respond to consumer complaints and feedback:

1. **Customer Service Hotline:** Vedanta Metal Bazaar is one-stop portal for customers from buying the product to raising concerns or complaints, etc. Customers can raise their concerns or feedback through the portal. Through an automatic raised ticket by the portal, the customers can monitor the progress of their complaints and resolutions thereon. This portal can be accessed through the following link: https://vedantametalbazaar.moglix.com/#/login.

2. **Email Correspondence:** Customers can also reach out to the Company via email to lodge complaints or provide feedback. Hindustan Zinc ensures prompt responses to emails, acknowledging receipt and providing a timeline for resolution, whenever possible.

By employing these diverse mechanisms, Hindustan Zinc demonstrates its commitment to listening to consumer concerns, addressing issues promptly, and continuously improving its products and services to ensure sustainability and long-term success.

2. **Turnover of products and/services as a percentage of turnover from all products/services that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable, since we provide services in a B2B market and such information on products is provided by the final end product manufacturers.
Safe and responsible usage	100% product label explicitly state the safe and responsible usage of the product.
Recycling and/or safe disposal	Not Applicable, since we provide services in a B2B market and such information on products is provided by the final end product manufacturers.

3. **Number of consumer complaints in respect of the following:**

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other (Product and service-related complaints)	28	2*	The given number is of formal complaints logged by customers in the Company's portal related to quality.	45	4	The given number is of formal complaints logged by customers in the Company's portal related to quality.

*Pending grievances or complaints as at the end of the current FY relate to the new complaints or grievances raised during the year.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

5. Does the entity have a framework/policy on cybersecurity and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, Hindustan Zinc has an integrated framework for cybersecurity, data privacy and business continuity management, which can be accessed through below mentioned link

https://www.hzlindia.com/sustainability-management/pdf/HZL-Cyber%20Security_2022.pdf

To manage the information security in the Company, we have a well-entrenched and comprehensive Information Security Management Framework as part of our Enterprise Risk Management (ERM) framework. The framework for managing information security effectively covers the various relevant policies, standard operating procedures (SOPs) and technology standards. We have also established an effective security assessment and audit process for preventing cyber-attacks. Implementation of security-by-design in our business and technology landscape has further strengthened the framework.

The framework covers:

- A cyber resilience programme, with technical and business readiness to respond to or recover from critical incidents
- Comprehensive social engineering and security awareness for full-time Employees and Business Partners' Employees
- Data privacy compliance, to implement best-in-class privacy practices and avoid regulatory penalties
- Operational technology security, by strengthening and monitoring plant technical system (PTS) assets to prevent compromise of critical PTS infrastructure
- Protection of the Company's information assets hosted in the Vedanta cloud or external SaaS (software as a service) platforms, ensuring cloud security
- Comprehensive data leakage prevention, protecting all communication channels
- Third-party risk management, through mitigation of cyber risks posed by third parties, including strengthening of third-party contracts
- Governance, risk and compliance framework for audit and risk management, as well as continuous improvement

The framework guides the formulation of our information security strategy, as well as our long-term roadmap and annual information security plan. The ExCO reviews the framework annually, in consultation with external expert agencies. This helps in incorporating applicable regulatory requirements and prevailing industry knowledge and also enables consideration of newer threats and risks.

Company is compliant with ISO 27001 framework and is certified as per the defined Statement of Applicability (SOA) since the year 2018. Certification is applicable to all infrastructure & applications under the purview of information technology & operational technology functions across all sites of the Company. Subsequently, the Company has decided to implement an integrated framework covering various domains of information security, disaster recovery & business continuity management, risk management and data privacy management. Under this approach, the Company has achieved an Integrated ISO Certification consisting of ISO 27001 (Information Security), ISO 22301 (DR & BCP), ISO 31000 (Risk Management) and ISO 27701 (Privacy Management) in the year 2021.

All the policies and procedures enforced in the Company environment are all-inclusive to manage the information security and data governance aspects. All these policies are reviewed annually by competent personnel in the Information Security function. All the approved and enforced policies are made available to all employees and business partners over the Hindustan Zinc Limited Intranet Portal.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cybersecurity and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

Not Applicable, as there are no complaints with respect to advertising, and delivery of essential services; cybersecurity and data privacy of customers; re-occurrence of instances of product recalls. Further, no penalties were paid or regulatory actions were taken by regulatory authorities on account of the safety of our products/services.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches: NIL

b. Percentage of data breaches involving personally identifiable information of customers: Not Applicable

c. Impact, if any, of the data breaches: Not Applicable

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Hindustan Zinc provide products and services related information on its Company's website and various other platforms as mentioned below. These sites/platforms carry all the factsheets about each of the products we manufacture.

- https://www.hzlindia.com/bussiness/products-2/products/
- https://www.hzlindia.com/prodfactsheet/
- https://www.lbma.org.uk/membership/current-membership#-
- https://www.lme.com/Physical-services/Brands/Approved-brands
- https://www.lbma.org.uk/good-delivery/silver-current-list#-
- Environment product declaration zinc

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

All the customers are provided with the Material Safety Data sheet along with the delivery of the products, which has all the relevant information about the products and its usages. Our sales team also interacts with customers and all their queries are resolved during the personal interactions.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Hindustan Zinc through the issue of market circulars and in-person interaction with the customers via emails and phone calls inform the customers immediately of any risk of disruption/discontinuation of essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey regarding consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

With respect to products manufactured by Hindustan Zinc, there is no Indian regulatory mandate to display any product information thereon, Hence, this requirement is not applicable.

However, some of our products are listed on the London Metal Exchange (LME) and therefore following their guidelines for the specification of products on labels, prominent large-size labels are displayed on our product.

Hindustan Zinc carries out a consumer/customer/buyer satisfaction survey every two years relating to the major products manufactured by Hindustan Zinc for its significant locations of operation.

Recently, we have conducted the survey in last quarter of 2023 (the previous survey conducted in 2021) with help of Feedback Insights Agency.

Feedback Insights team has conducted the survey with the customers of all the products zinc, lead and silver in domestic & export regions. They have done this survey by various means such as in-person interactions, telephonic & web-based discussions to understand their satisfaction, and loyalty levels by assessing the parameters like product, packaging, delivery, contracting process, complaint handling, etc., to derive the performance score.

mazars

51-52, Sector 18, Phase-IV,
Udyog Vihar, Gurugram,
Haryana 122016, India

Tel: +91 124 481 4444
www.mazars.co.in

INDEPENDENT AUDITOR'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN HINDUSTAN ZINC LIMITED'S BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR CORE)

To the Board of Directors of Hindustan Zinc Limited

We have undertaken to perform a reasonable assurance engagement for Hindustan Zinc Limited (the 'Company'), its Legal Entities and their Sites (the 'Group'), the details of which are as described in the "Scope, Boundary and Limitations" paragraph given below, vide agreement dated 17 January 2024 in respect of the agreed Sustainability Information listed below in accordance with the "Criteria" stated below. This Sustainability Information is as included in the Business Responsibility and Sustainability Report ('BRSR') of the Group for the year ended 31 March 2024. This engagement was conducted by a multidisciplinary team, including professionals with suitable skills and experience in auditing environmental, social, and economic information (Chartered Accountants, Company Secretary, Lawyer, Engineers and Environment Professionals).

Identified Sustainability Information

The Identified Sustainability Information for the year ended 31 March 2024 is summarized below:

The Identified Sustainability Information of the Group are the nine Key Performance Indicators out of BRSR of the Group for the year ended 31 March 2024 ('BRSR Core').

Our reasonable assurance engagement was with respect to the year ended 31 March 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods and, therefore, do not express any opinion thereon. We have also issued a Limited Assurance Report on rest of the elements included in BRSR of the Group, vide our report dated 21 June 2024.

Criteria

The Criteria used by the Group to prepare the BRSR Core is summarized below:

The Group prepared the BRSR Core based on the requirements of:

MAZARS ADVISORY LLP

- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended);
- Annexure I of SEBI's Circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023, (prescribing the format of BRSR Core);
- Annexure II of SEBI's Circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023, (prescribing the format of BRSR (Revised), including BRSR Core);
- Annexure II of the SEBI's Circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10 May 2021, (the Guidance Note for the pre-revised BRSR Format); and
- Nine Principles of the National Guidelines on Responsible Business Conduct, 2019 ('NGRBC Guidelines'), issued by the Ministry of Corporate Affairs ('MCA').

Management's Responsibilities

The Group's management is responsible for establishing the "Criteria" for preparing BRSR Core, taking into account applicable Laws and Regulations, if any, related to reporting on BRSR Core, identification of key aspects, engagement with stakeholders, content, preparation and presentation of BRSR Core in accordance with the "Criteria". This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of BRSR, including BRSR Core and the measurement of BRSR Core, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between Entities.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ('IESBA Code'), which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behavior.

MAZARS ADVISORY LLP

Our firm applies International Standard on Quality Management ('ISQM') 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a reasonable assurance opinion on BRSR Core with respect to the Entity/ Sites covered in the "Scope, Boundary, and Limitations" paragraph given below, based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ('ISAE') 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether BRSR Core are prepared, in all material respects, in accordance with the Reporting "Criteria". A reasonable assurance engagement involves assessing the risks of material misstatement of BRSR Core whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

We also followed the data and assurance approach provided under Annexure I of SEBI's Circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023, prescribing the format of BRSR Core.

Scope, Boundary and Limitations

Scope and Boundary

- The scope of our reasonable assurance covers BRSR Core for the period 1 April 2023 to 31 March 2024.

- Out of the boundary used for the preparation of the audited Consolidated Financial Statements of the Group for the Financial Year 2023-24, the boundary used for the purpose of preparation of BRSR Core includes the data and the information of the Group, as mentioned in point no. 13 of Section A: General Disclosures of BRSR of the Group, which include Hindustan Zinc Limited and its operational Sites, based on the management's assessment of materiality, as mentioned below:

MAZARS ADVISORY LLP

Entity and Sites Included	Status
Hindustan Zinc Limited (HZL)	**The Company**
Rampura Agucha Mine (RAM)	Site
Zawar Mines (ZM)	Site
Rajpura Dariba Mine (RDM)	Site
Sindesar Khurd Mine (SKM)	Site
Dariba Smelting Complex (DSC)	Site
Chanderiya Lead-Zinc Smelter (CLZS)	Site
Kayad Mine (KM)	Site
Debari Zinc Smelter (DZS)	Site
Pantnagar Metal Plant (PMP)	Site

- The data review and validation of the Entity/ Sites was performed through physical site visits and/or together with desktop reviews.

Limitations

Our reasonable assurance scope excludes the following and therefore we do not express an opinion on the same:

- Operations of the Group other than those covered in the "Scope and Boundary".

- Aspects of BRSR and the data/information (qualitative or quantitative) other than BRSR Core.

- Data and information outside the defined reporting period i.e., Financial Year 2023-24.

- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Group.

- Data related to Group's financial performance, strategy and other related linkages expressed in the Group's Integrated Annual Report FY 2023-24 or any other Report, containing BRSR Core.

- Effectiveness of management's internal controls of the Group, while we considered the same when determining the nature and extent of our procedures; however, our reasonable assurance engagement was not designed to provide assurance on these internal controls.

- The Group's compliance with Acts, Regulations and Guidelines, other than those as specified in BRSR Core.

MAZARS ADVISORY LLP

Assurance Procedures

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Group's business activities, processes and its operating locations, as identified by the Group.
- Interviewed people involved to understand the reporting process, governance, data management systems and controls in place during the reporting period.
- Performed substantive testing on a sample basis of BRSR Core for the Entity/ Sites, as covered in the "Scope, Boundary and Limitations" to verify whether the data was appropriately recorded, collated, measured and reported with underlying supporting documents.
- Checked the consolidation for the Entity/ Sites as covered in the "Scope, Boundary and Limitations" for ensuring the completeness of data being reported.
- Assessed the level of adherence of the "Criteria", as mentioned above by the Group while reporting.
- Verified the financial numbers, which are also used for BRSR Core from the Integrated Annual Report FY 2023-24.
- Assessed the appropriateness of various assumptions, estimations and thresholds used by the Group in the preparation of BRSR Core.
- Undertook analytical review procedures to support the reasonableness of the data used in BRSR Core.
- Obtained written representations from Group's Management.

Opinion

Based on the procedures we have performed and the evidence we have obtained, BRSR Core for the year ended 31 March 2024 are prepared in all material respects, in accordance with the "Criteria".

MAZARS ADVISORY LLP

Emphasis of Matter

We draw your attention to the following matters:

- The "Scope, Boundary and Limitations" in this report and the boundary, as mentioned in point no. 13 of Section A: General Disclosures of BRSR. These Entity/ Sites are considered for the reporting in BRSR as per the management's assessment of materiality.
- The financial numbers used in some of the indicators of the BRSR Core are extracted from the Integrated Annual Report FY 2023-24 and hence are not audited by us. While the financial numbers related to certain Entities include inter-company consolidation adjustments as per the applicable financial reporting framework (net figures), the non-financial data used in some of the indicators of the BRSR Core are given without adjustments (gross figures). Further, some of the Entities/ Sites are considered for the purpose of said financial numbers, which may have been excluded from the "Scope, Boundary and Limitations".
- The Non-Financial Reporting System used by the Group in the preparation of BRSR Core is in the advanced stage of implementation and is in the process of being integrated with other Financial and Non-Financial Reporting Systems of the Group.
- For the purpose of reporting under Principle 3.1(c) (Essential Indicator) of BRSR with respect to 'spending on measures towards well-being of employees', the data for other than permanent workers have not been considered due to non-availability of information. The Company is in the process of setting up the mechanism to capture the required data going forward.

Our opinion is not modified in respect of these matters

For **Mazars Advisory LLP**

Firm Registration No.: AAI-2887

MAZARS ADVISORY LLP

Sarika Gosain
Partner

Gurugram
21 June 2024

mazars

51-52, Sector 18, Phase-IV,
Udyog Vihar, Gurugram,
Haryana 122016, India

Tel: +91 124 481 4444
www.mazars.co.in

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN HINDUSTAN ZINC LIMITED'S BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (INDICATORS OTHER THAN BRSR CORE)

To the Board of Directors of Hindustan Zinc Limited

We have undertaken to perform a limited assurance engagement for Hindustan Zinc (the 'Company'), its Legal Entities and their Sites (the 'Group'), the details of which are as described in the "Scope, Boundary and Limitations" paragraph given below, vide agreement dated 17 January 2024 in respect of the agreed Sustainability Information listed below in accordance with the "Criteria" stated below. This Sustainability Information is as included in the Business Responsibility and Sustainability Report ('BRSR') of the Group for the year ended 31 March 2024. This engagement was conducted by a multidisciplinary team, including professionals with suitable skills and experience in auditing environmental, social, and economic information (Chartered Accountants, Company Secretary, Lawyer, Engineers and Environment Professionals).

Identified Sustainability Information

The Identified Sustainability Information for the year ended 31 March 2024 is summarized below:

The Identified Sustainability Information of the Group are the Indicators other than BRSR Core of the Group for the year ended 31 March 2024.

Our limited assurance engagement was with respect to the year ended 31 March 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods and, therefore, do not express any limited assurance conclusion thereon. We have also issued a Reasonable Assurance Report on BRSR Core of the Group, vide our report dated 21 June 2024.

Criteria

The Criteria used by the Group to prepare the Indicators other than BRSR Core is summarized below:

The Group prepared Indicators other than BRSR Core based on the requirements of:

MAZARS ADVISORY LLP

- Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended);
- Annexure I of SEBI's Circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023, (prescribing the format of BRSR Core);
- Annexure II of SEBI's Circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023, (prescribing the format of BRSR (Revised), including BRSR Core);
- Annexure II of the SEBI's Circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10 May 2021, (the Guidance Note for the pre-revised BRSR Format); and
- Nine Principles of the National Guidelines on Responsible Business Conduct, 2019 ('NGRBC Guidelines'), issued by the Ministry of Corporate Affairs ('MCA').

Management's Responsibilities

The Group's management is responsible for establishing the "Criteria" for preparing Indicators other than BRSR Core, taking into account applicable Laws and Regulations, if any, related to reporting on Indicators other than BRSR Core, identification of key aspects, engagement with stakeholders, content, preparation and presentation of Indicators other than BRSR Core in accordance with the "Criteria". This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of BRSR, including Indicators other than BRSR Core and the measurement of Indicators other than BRSR Core, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between Entities.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ('IESBA Code'), which is founded on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behavior.

MAZARS ADVISORY LLP

Our firm applies International Standard on Quality Management ('ISQM') 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on Indicators other than BRSR Core with respect to the Entity/ Sites covered in the "Scope, Boundary, and Limitations" paragraph given below, based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ('ISAE') 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our engagement to obtain limited assurance about whether Indicators other than BRSR Core are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of Indicators other than BRSR Core whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Indicators other than the BRSR Core.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal controls, and the procedures performed in response to the assessed risks.

Scope, Boundary and Limitations

Scope and Boundary

- The scope of our limited assurance covers the Indicators other than BRSR Core for the period 1 April 2023 to 31 March 2024.
- Out of the boundary used for the preparation of the audited Consolidated Financial Statements of the Group for the Financial Year 2023-24, the boundary used for the purpose of preparation of Indicators other than BRSR Core includes the data and the information of the Group, as mentioned in point no. 13 of Section A: General Disclosures of BRSR of the Group, which include Hindustan Zinc Limited and its operational Sites, based on the management's assessment of materiality, as mentioned below:

MAZARS ADVISORY LLP

Entity and Sites Included	Status
Hindustan Zinc Limited (HZL)	**The Company**
Rampura Agucha Mine (RAM)	Site
Zawar Mines (ZM)	Site
Rajpura Dariba Mine (RDM)	Site
Sindesar Khurd Mine (SKM)	Site
Dariba Smelting Complex (DSC)	Site
Chanderiya Lead-Zinc Smelter (CLZS)	Site
Kayad Mine (KM)	Site
Debari Zinc Smelter (DZS)	Site
Pantnagar Metal Plant (PMP)	Site

- The data review and validation of the Entity/ Sites was performed through physical site visits and/or together with desktop reviews.

Limitations

Our limited assurance scope excludes the following and therefore we do not express a limited assurance conclusion on the same:

- Operations of the Group other than those covered in the "Scope and Boundary".
- Aspects of BRSR and the data/information (qualitative or quantitative) other than Indicators other than BRSR Core.
- Data and information outside the defined reporting period i.e., Financial Year 2023-24.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Group.
- Data related to Group's financial performance, strategy and other related linkages expressed in the Group's Integrated Annual Report FY 2023-24 or any other Report, containing Indicators other than BRSR Core.
- Effectiveness of management's internal controls of the Group, while we considered the same when determining the nature and extent of our procedures; however, our limited assurance engagement was not designed to provide assurance on these internal controls.
- The Group's compliance with Acts, Regulations and Guidelines, other than those as specified in Indicators other than BRSR Core.

MAZARS ADVISORY LLP

- Details of Scope 3 emissions.

Assurance Procedures

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Group's business activities, processes and its operating locations, as identified by the Group.

- Interviewed people involved to understand the reporting process, governance, data management systems and controls in place during the reporting period.

- Performed limited substantive testing on a sample basis of Indicators other than BRSR Core for the Entity/ Sites, as covered in the "Scope, Boundary and Limitations" to verify whether the data was appropriately recorded, collated, measured and reported with underlying supporting documents.

- Checked the consolidation for the Entity/ Sites as covered in the "Scope, Boundary and Limitations" for ensuring the completeness of data being reported.

- Assessed the level of adherence of the "Criteria", as mentioned above by the Group while reporting.

- Verified the financial numbers which are also used for Indicators other than BRSR Core from the Integrated Annual Report FY 2023-24.

- Assessed the appropriateness of various assumptions, estimations and thresholds used by the Group in the preparation of Indicators other than BRSR Core.

- Undertook analytical review procedures to support the reasonableness of the data used in Indicators other than BRSR Core.

- Obtained written representations from Group's Management.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Indicators other than BRSR Core have been prepared, in all material respects, in accordance with the Criteria.

MAZARS ADVISORY LLP

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Indicators other than BRSR Core included in the BRSR for the year ended 31 March 2024 are not prepared, in all material respects, in accordance with the "Criteria".

Emphasis of Matter

We draw your attention to the following matters:

- The "Scope, Boundary and Limitations" in this report and the boundary, as mentioned in point no. 13 of Section A: General Disclosures of BRSR. These Entity/ Sites are considered for the reporting in BRSR as per the management's assessment of materiality.

- The financial numbers used in some of the Indicators other than BRSR Core are extracted from the Integrated Annual Report FY 2023-24 and hence are not audited by us. While the financial numbers related to certain Entities include inter-company consolidation adjustments as per the applicable financial reporting framework (net figures), the non-financial data used in some of the Indicators other than BRSR Core are given without adjustments (gross figures). Further, some of the Entities/ Sites are considered for the purpose of said financial numbers, which may have been excluded from the "Scope, Boundary and Limitations".

- The Non-Financial Reporting System used by the Group in the preparation of Indicators other than BRSR Core is in the advanced stage of implementation and is in the process of being integrated with other Financial and Non-Financial Reporting Systems of the Group.

- The disclosures with respect to Value Chain Partners have been provided considering Tier 1 upstream Value Chain Partners only.

Our limited assurance conclusion is not modified in respect of these matters.

For **Mazars Advisory LLP**

Firm Registration No.:AAI-2887

MAZARS ADVISORY LLP

Sarika Gosain
Partner

Gurugram
21 June 2024

Independent Auditor's Report

To the Members of Hindustan Zinc Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone financial statements of Hindustan Zinc Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Claims and exposure relating to taxation and litigation (as described in Note 3(III)(B), 29 and 31 of the standalone financial statements)	
The Company is subject to several legal and tax related claims and exposures which have been either disclosed or accounted for in the accompanying standalone financial statements. Taxation and litigation exposures have been identified as a key audit matter due to complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the standalone financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed. Accordingly, this matter has been identified as a key audit matter.	Our audit procedures included the following: • Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. For selected controls, we have performed test of controls. • Obtained the year end summary of Company's legal and tax cases and assessed management's position through discussions with the Legal Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss. • Obtained independent external lawyer confirmations from Legal Counsels of the Company who are contesting the cases. • Inspected external legal opinions and/ or past judicial orders, wherever considered necessary, and other evidence to evaluate the management's assessment in respect of legal claims. • Engaged tax specialists to technically assess the management's assessment on tax disputes and positions. • Assessed the relevant disclosures made within the standalone financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures as per the requirements of relevant accounting standards.
Transactions with the Related parties (as described in Note 36 of the standalone financial statements)	
During the year, the Company has undertaken transactions with related parties including parent company, fellow subsidiaries and other related parties. Such transactions, includes among others, the payment of strategic services and brand fee, power delivery agreements, residue treatment contract, sale of property, plant & equipment and IT service agreement. Accounting and disclosure of such related party transactions has been identified as a key audit matter due to a) Significance of such related party transactions; b) Risk of such transactions being executed without proper authorizations; c) Risk of material information relating to aforesaid transactions not getting disclosed in the standalone financial statements.	Our audit procedures included the following: • Obtained and read the Company's policies, processes and procedures in respect of identification of such related parties in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls. • On sample basis tested some related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Company. • Examined, where applicable the approvals of the board and audit committee of these transactions. • Obtained and read the reports including the review of arms-length pricing issued by the experts engaged by the management. • Assessed the competence and objectivity of the external experts. • Held discussions and obtained representations from the management in relation to such transactions. • Read the disclosures made in this regard in the standalone financial statements and assessed whether relevant and material information have been disclosed.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the sub-clause (b) above on reporting under Section 143(3)(b) and paragraph i(vi) below on reporting under Rule 11(g);

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 29 and 31 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividends declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act .

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data in certain database tables when using system administrator access rights, as described in note 40 (ix) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

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

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 24501160BKFVXO8515

Place of Signature: Pune
Date: April 19, 2024

Annexure '1'

referred to in paragraph under the heading "Report on other legal and regulatory requirements of our report of even date

Re : **HINDUSTAN ZINC LIMITED ("the Company")**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment were physically verified by the management in the current year in accordance with a planned programme of verifying them over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material deficiencies were identified on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.

(b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year the Company has provided loans and stood guarantee to companies and others as follows:

(Amount in ₹ Crores)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiary	-	-	356	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiary	66	-	461	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	1	-

(b) During the year the Company has made investments and granted loans to companies and other parties and the terms and conditions of such investments and loans are not prejudicial to the Company's interest. The Company has not given advances in the nature of loans to companies or any other parties during the year.

(c) The Company has granted loans during the year to companies or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not given advances in the nature of loans to companies or any other parties during the year.

(d) There are no amounts of loans granted to companies or any other parties which are overdue for more than ninety days.

(e) The Company had granted loans to companies which had fallen due during the year. The Company had extended loans during the year to the respective parties to settle the dues which had fallen due for the existing loans.

The aggregate amount of such dues extended by fresh loans and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of Parties	Aggregate amount of loans granted during the year (₹ in crores)	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (₹ in crores)	Percentage of the aggregate to the total loans granted during the year (₹ in crores)
Hindustan Zinc Alloys Private Limited	105	50	48%

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable, hence the requirement to report compliance with section 185 is not applicable on the Company. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of investments have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of products and generation of electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance are not applicable to the Company.

(b) The dues of goods and services tax, income-tax, sales-tax, service tax, duty of custom and duty of excise that have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in crores)*#	Period to which the amount relates	Forum where the dispute is pending
Income tax act 1961	Income taxes	3	1998-99 to 2003-2004, 2013-14 and 20214-15	Commissioner of Income tax (Appeals)
Income tax act 1961	Income taxes	6,789	1988-1989 to 1990-1991, 1992-1993, 1997-98, 1999-00 to 2001-02, 2004-05 to 2010-2011, 2012-13 to 2014-15, 2015-16	Income tax appellate Tribunal
Income tax act 1961	Income taxes	5,577	1989-90 to 2011-12, 2016-17 and 2017-18	High Court / Supreme Court

Name of the statute	Nature of the dues	Amount (₹ in crores)*#	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Custom Duty	49.24	2008-09, 2010-11, 2012-13, 2009 to 2013, 2019-20	CESTAT
Customs Act, 1962	Custom Duty	0.52	2015-16, 2017-18, 2020-21 and 2022-23	Commissioner
Customs Act, 1962	Custom Duty	0.00	2017-18	Commissioner Appeal
Central Excise Act, 1944	Excise Duty	97.07	1989-90 to 1991-92, 1992-93, 1994-95, 1996-97, 1998-99, 1999-2000, 2000-01, 2001-02, 2002-03 to 2011-12, 2004-05, 2005-06, 2008-09, 2007-08 to 2012-13, 2003-04 to 2011-12, 2006-07 to 2008-09, 2012-13 and 2016-17,	CESTAT
Central Excise Act, 1944	Excise Duty	8.59	2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2003-2008, 2008-2010, 2008-09, 2009-10, 2011-12, 2011-2015 and 2017-18	Commissioner and Commissioner Appeal
Central Excise Act, 1944	Excise Duty	146.67	1997-98 to 2001-02, 1999-2000, 1999 to 2002-03, 2000-01 to 2002-03, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2008-09, 2009-10, 2010-2012, 2008-2013 and 2015-16 to 2016-17	High Court
Finance Act, 1994	Service Tax	27.67	2003-04, 2004-05, 2005-06, 2008-09, 2009-10, 2010-11, 2012-13, 2013-2016, 2013-14, 2014-15, 2015-16, 2016-17, 2014-2016, 2012-13, 2004-09, 2006-10, 2014-16, 2013-16	CESTAT
Finance Act, 1994	Service Tax	7.30	2002 to 2004, 2004-05, 2009, 2011-12, 2013-14, 2014-15 and 2015-16, 2008-09	Commissioner and Commissioner Appeal
Finance Act, 1994	Service Tax	188.73	2004-05, 2006-07, 2008-09, 2010-11, 2013-14, 2016-17 and 2017-18	High Court
Rajasthan sales tax act, 1994	Sales Tax	48.86	2009-10, 2010-11, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2020-21	Commissioner and Commissioner Appeal
Rajasthan sales tax act, 1994	Sales Tax	14.25	2007-2008 and 2017-18	High Court
Rajasthan sales tax act, 1994	Sales Tax	0.49	1985-1986	Supreme Court
Rajasthan sales tax act, 1994	Sales Tax	5.67	1998-99, 1999-2000, 2001-02, 2002-03, 2003-04, 2009-10, 2010-11, 2011-12, 2012-13 and 2013-14	Tax Board
Goods and Service Tax Act, 2017	GST	34.44	2017-18, 2018-19 and 2023-24	Commissioner and Commissioner Appeal
Goods and Service Tax Act, 2017	GST	212.63	2017-18	High Court

* Net of amount paid under protest / adjusted against refunds

Includes interest where applicable

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b) & (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a),(b),(c) & (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 37 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 33 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 33 to the financial statements.

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

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 24501160BKFVXO8515

Place of Signature: Pune
Date: April 19, 2024

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HINDUSTAN ZINC LIMTED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to standalone financial statements of Hindustan Zinc Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) ("COSO 2013 Criteria"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in COSO 2013 criteria.

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

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 24501160BKFVXO8515

Place of Signature: Pune
Date: April 19, 2024

Standalone Balance Sheet

as at March 31, 2024

(₹ in Crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	17,875	17,528
b) Capital work-in-progress	4A	1,529	2,107
c) Intangible assets			
i) Exploration intangible assets under development	5	109	58
ii) Other intangible assets	5	71	34
d) Financial assets			
i) Investments	9	578	257
ii) Loans	6	417	61
iii) Others	13	146	112
e) Income tax assets		145	145
f) Other non-current assets	7	341	290
Total Non-current assets		**21,211**	**20,592**
Current assets			
a) Inventories	8	1,924	1,862
b) Financial assets			
i) Investments	9	9,874	9,850
ii) Trade receivables	10	161	380
iii) Cash and cash equivalents	11	51	59
iv) Other bank balances	12	122	1,353
v) Loans	6	51	53
vi) Others	13	97	97
c) Income tax assets		-	872
d) Other current assets	7	413	336
Total Current assets		**12,693**	**14,862**
TOTAL		**33,904**	**35,454**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14	845	845
b) Other equity		14,388	12,097
Total Equity		**15,233**	**12,942**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,246	1,500
ii) Lease liabilities	32	178	19
iii) Other financial liabilities	16	0	0
b) Provisions	17	199	189
c) Deferred tax liabilities (net)	31	2,318	2,314
d) Other non-current liabilities	18	912	1,048
Total Non-current liabilities		**7,853**	**5,070**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,210	10,341
ii) Lease liabilities	32	88	21
iii) Operational buyers' credit/suppliers' credit	19	399	307
iv) Trade payables	20		
a) Total outstanding dues of Micro Enterprises and Small Enterprises		86	29
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		2,016	2,057
v) Other financial liabilities	16	1,396	2,402
b) Other current liabilities	18	2,124	1,695
c) Provisions	17	22	26
d) Income tax liabilities		477	564
Total Current liabilities		**10,818**	**17,442**
TOTAL		**33,904**	**35,454**

See accompanying notes to financial statements.

As per our report on even date

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160
Date: April 19, 2024
Place: Pune

Sandeep Modi
Chief Financial Officer
Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520
Date: April 19, 2024
Place: Udaipur

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations	21A	28,084	33,272
Other operating income	21B	850	826
Other income	22	1,103	1,382
Total income		**30,037**	**35,480**
Expenses:			
Decrease/(Increase) in inventories of finished goods and work-in-progress	23	(156)	(143)
Employee benefits expense	24	826	843
Depreciation and amortization expense	26	3,466	3,264
Power and fuel		2,843	3,711
Mining royalty		3,517	4,068
Finance costs	25	955	333
Other expenses	27	8,243	8,107
Total expenses		**19,694**	**20,183**
Profit before tax		**10,343**	**15,297**
Tax expense :			
Current tax	31	2,549	3,431
Deferred tax charge	31	7	1,346
Total tax expenses		**2,556**	**4,777**
Profit for the year		**7,787**	**10,520**
Other comprehensive income/(loss)			
A) Items that will not be reclassified to profit or loss in subsequent period			
(a) Remeasurement (loss)/gain of the defined benefit plans		(8)	3
(b) Tax credit		3	4
B) Items that will be reclassified to profit or loss in subsequent period			
(a) Gain on cash flow hedges recognised during the year		-	98
(b) Tax (expense)		-	(34)
(c) Net gain/(loss) on FVTOCI investments		2	(34)
(d) Tax credit		-	4
Total other comprehensive (loss)/income for the year		**(3)**	**41**
Total comprehensive income for the year		**7,784**	**10,561**
Earnings per share (nominal value of shares ₹ 2)			
- Basic earnings per share (₹)	28	18.43	24.90
- Diluted earnings per share (₹)	28	18.43	24.90

See accompanying notes to financial statements.

As per our report on even date

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160
Date: April 19, 2024
Place: Pune

Sandeep Modi
Chief Financial Officer
Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520
Date: April 19, 2024
Place: Udaipur

Standalone Statement of Cash Flow

for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	10,343	15,297
Adjustments to reconcile profit to net cash provided by operating activities:		
Depreciation and amortization expense	3,466	3,264
Interest expense	955	333
Interest and dividend income	(790)	(1,158)
Foreign Exchange (gain)/loss, net	(13)	33
Amortization of deferred revenue arising from government grant	(179)	(157)
Allowance for impairment loss on financial assets (refer note 27(4))	-	28
Net (Gain)/Loss on investments measured at FVTPL	(64)	16
Net Loss on sale of property, plant and equipment	20	9
Net (Gain) on sale of financial asset investments	(37)	(32)
Transfer of CSR Assets (refer note 5(1))	-	117
Operating profit before working capital changes	**13,701**	**17,750**
Working capital changes:		
(Increase)/Decrease in inventories	(62)	91
Decrease in trade receivables	219	336
(Increase)/Decrease in other current assets	(41)	35
(Increase) in other non-current assets	(18)	(57)
Increase in trade and other payables	108	75
Increase in other current liabilities	1,193	76
Cash flows from operations	**15,100**	**18,306**
Income taxes (paid) during the year (net of refunds)	(1,757)	(3,140)
Net cash flows from operating activities	**13,343**	**15,166**
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of property, plant and equipment (including intangibles, CWIP and capital advances)	(3,539)	(3,490)
Interest received	568	1,441
Dividend received	4	-
Deposits made during the year	(92)	(1,500)
Deposits matured during the year	-	5,500
Inter-corporate loans given	(356)	(111)
Purchase of non-current investments	(306)	(105)
Purchase of current investments	(23,242)	(43,180)
Proceeds from sale of current investments	23,507	47,950
Proceeds from sale of property, plant and equipment	51	20
Net cash flows (used) in/generated from investing activities	**(3,405)**	**6,525**
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and other finance charges paid	(1,029)	(287)
Proceeds from short-term borrowings	6,620	13,458
Repayment of short-term borrowings	(13,307)	(5,276)
(Repayments)/Proceeds from working capital loan (net)	8	-
Proceeds from long-term borrowings	5,442	1,500
Repayment of long-term borrowings	(2,112)	(704)
Payment of lease liabilities	(75)	(14)
Dividend paid	(5,493)	(31,901)
Net cash flows (used) in financing activities	**(9,946)**	**(23,224)**
Net (Decrease) in cash and cash equivalents	(8)	(1,533)
Cash and cash equivalents at the beginning of the year	59	1,592
Cash and cash equivalents at the end of the year (refer note 11)	**51**	**59**

Notes:-

1. The figures in brackets indicate outflows.
2. The above cash flow has been prepared under ''Indirect method'' as set out in Indian Accounting Standard (Ind AS-7) Statement of Cash Flows.

See accompanying notes to financial statements.

As per our report on even date

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160
Date: April 19, 2024
Place: Pune

Sandeep Modi
Chief Financial Officer
Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520
Date: April 19, 2024
Place: Udaipur

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Numbers of shares (in Crore)	₹ in Crore
As at March 31, 2023	423	845
Changes in equity share capital during the current year	-	-
As at March 31, 2024*	**423**	**845**

*There are no prior period errors for the year ended March 31, 2024 and March 31, 2023.

B. OTHER EQUITY

(₹ in Crore)

Particulars	Reserve and surplus			Items of Other comprehensive income		Total
	Capital Reserve	Retained earnings	General reserve[2]	Hedging reserve	Debt instruments at FVTOCI	
Balance as at April 01, 2022	**1**	**23,117**	**10,383**	**(64)**	**-**	**33,437**
Profit for the year	-	10,520	-	-	-	10,520
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Other comprehensive income/(loss)						-
(a) Remeasurements gain of the defined benefit plans	-	3	-	-	-	3
Tax effect on above	-	4	-	-	-	4
(b) Gain on cash flow hedges recognised during the year	-	-	-	98	-	98
Tax effect on above	-	-	-	(34)	-	(34)
(c) Net (loss) on FVTOCI Investments	-	-	-	-	(34)	(34)
Tax effect on above	-	-	-	-	4	4
Total Other comprehensive income/(loss) for the year	**-**	**7**	**-**	**64**	**(30)**	**41**
Total comprehensive income/(loss) for the year	**-**	**10,527**	**-**	**64**	**(30)**	**10,561**
Dividend declared - Paid [1]	-	(31,901)	-	-	-	(31,901)
Balance as at March 31, 2023	**1**	**1,743**	**10,383**	**-**	**(30)**	**12,097**
Profit for the year	-	7,787	-	-	-	7,787
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Other comprehensive income/(loss)						
(a) Remeasurements gain of the defined benefit plans	-	(8)	-	-	-	(8)
Tax effect on above	-	3	-	-	-	3
(b) Gain on cash flow hedges recognised during the year	-	-	-	-	-	-
Tax effect on above	-	-	-	-	-	-
(c) Net gain on FVOCI investments	-	-	-	-	2	2
Tax effect on above	-	-	-	-	-	-
Total Other comprehensive income/(loss) for the year	**-**	**(5)**	**-**	**-**	**2**	**(3)**
Total comprehensive income/(loss) for the year	**-**	**7,782**	**-**	**-**	**2**	**7,784**
Dividend declared - Paid [1]	-	(5,493)	-	-	-	(5,493)
Balance as at March 31, 2024	**1**	**4,032**	**10,383**	**-**	**(28)**	**14,388**

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(1) During the year, the company has declared and paid interim dividend of ₹ 5,493 Crore (₹ 13 per share) (March 31, 2023 : ₹ 31,901 Crore (₹ 75.5 per share))

(2) General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn.

During the year 2021-22, the Board of Directors of the Company, Audit & Risk Management Committee and Committee of Independent Directors of the Company, at its meeting held on January 21, 2022 had approved the Scheme of Arrangement ("Scheme") between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme inter alia provides for capital reorganization of the Company, whereby it is proposed to transfer amounts standing to the credit of the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date. During the previous year, Securities and Exchange Board of India (through BSE Limited and National Stock Exchange of India Limited), BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") have approved the scheme. Further, the Hon'ble National Company Law Tribunal ('NCLT'), Jaipur Bench vide its order dated February 06, 2023, approved the scheme and directed to convene shareholders meeting for their approval. NCLT convened shareholders meeting was held on March 29, 2023, where in shareholders also approved the subject scheme. The Scheme will be implemented post receipt of further regulatory approvals/clearances from NCLT, Jaipur Bench (second order) and such other approval clearances as may be applicable and required.

Pursuant to the Scheme, the Company will possess greater flexibilty to undertake capital related decisions.

See accompanying notes to financial statements.

As per our report on even date	For and on behalf of the Board of Directors CIN - L27204RJ1966PLC001208	
For **S. R. Batliboi & Co. LLP** Chartered Accountants ICAI Firm Registration No.: 301003E/E300005	**Arun Misra** CEO & Whole-time Director DIN: 01835605	**Kannan Ramamirtham** Director DIN: 00227980 Place: Mumbai
per **Tridevlal Khandelwal** Partner ICAI Membership No.: 501160	**Sandeep Modi** Chief Financial Officer	**Harsha Kedia** Company Secretary ICSI Membership No.: A21520
Date: April 19, 2024 Place: Pune	Date: April 19, 2024 Place: Udaipur	Date: April 19, 2024 Place: Udaipur

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

1. COMPANY OVERVIEW

Hindustan Zinc Limited ("HZL" or "the Company") (CIN: L27204RJ1966PLC001208) was incorporated on January 10, 1966 and has its registered office at Yashad Bhawan, Udaipur (Rajasthan). HZL's shares are listed on National Stock Exchange and Bombay Stock Exchange. The Company is engaged in exploring, extracting and processing of minerals.

HZL's operations include five zinc-lead mines, four zinc smelters, one lead smelter, one zinc-lead smelter, eight sulphuric acid plants, one silver refinery plant, six captive thermal power plants and four captive solar plants in the state of Rajasthan. In addition, HZL also has a rock-phosphate mine in Matoon, near Udaipur in Rajasthan and zinc, lead, silver processing and refining facilities in the state of Uttarakhand. The Company also has wind power plants in the states of Rajasthan, Gujarat, Karnataka, Tamil Nadu and Maharashtra and solar power plants in the state of Rajasthan.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable. The financial statements have been prepared on a going concern basis using historical cost convention and on the accrual basis except for financial instruments which are measured at fair values (Refer note 3(I)(a) below)

Accounting policies have been consistently applied in all material aspects except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Also refer note 3 (II)

The financial statements were authorised for issue in accordance with a resolution of Board of Directors on April 19, 2024. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3.(I) MATERIAL ACCOUNTING POLICIES

a) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

b) Current and non-current classification

The assets and liabilities are classified as current/ non-current based on the operating cycle, which has been identified as 12 months.

c) Functional and presentation currency

The financial statements are prepared in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest crores. Amounts less than ₹ 0.50 Crore have been presented as "0".

d) Revenue recognition

(i) Sale of goods (Products, Scrap and residual)

Revenue from contracts with customers is recognised when control (as defined in Ind AS 115) of the goods or services is transferred to the customer as per the terms of contract, which usually, is at the time of dispatch of goods to the customer or on the delivery of goods to a carrier responsible for transporting the goods to the customer, or on the date of bill of lading on delivery of the goods to the carriers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by-products are included in revenue. The Company has generally concluded that it is the principal in its revenue arrangements.

Goods are often sold with volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

deemed present as the sales are generally made with a credit term of 0-120 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Certain of the Company's sales contracts provide for provisional pricing based on the price on the London Metal Exchange (LME), as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments i.e., the consideration received post transfer of control are included in total revenue from operations on the face of the Statement of Profit and loss. Final settlement of the price is based on the applicable price for a specified future period. The Company's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Contract assets

Trade receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3(h) Financial instruments - Initial recognition and subsequent measurement

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) **Income from wind energy**

Revenue from sale of wind power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

(iii) **Dividends**

Dividend income is recognized in the statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(iv) **Interest income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) **Others**

Revenue relating to insurance claims and interest on delayed or overdue payments from trade receivable is recognized when no significant uncertainty as to measurability or collection exists.

e) **Property, plant and equipment**

(i) **Property, plant and equipment other than mining properties**

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. The present value of the expected cost for the decommissioning of an asset and mine restoration after its use is included

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

in the cost of the respective asset if the recognition criteria for a provision are met. Major machinery spares and parts are capitalized when they meet the definition of Property, Plant and Equipment. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized.

The cost includes the cost of replacing part of the plant and equipment when significant part of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repairs and maintenance cost are recognized in the Statement of Profit and Loss as incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in the Statement of Profit and Loss.

Government grant related to fixed asset is capitalized along with the asset that it relates to and depreciated over the life of the primary asset.

(ii) **Mining properties**

The costs of mining properties, which include the costs of developing mining properties are capitalized as Property, Plant and Equipment under the heading "Mining properties" in the year, when a decision is taken that a Mining property is viable for commercial production (i.e. when the Company determines that the Mining Property will provide sufficient and sustainable return relative to the risks and the Company decided to proceed with the mine development), All further pre-production primary development expenditure other than land, buildings, plant and equipment is capitalized as developing asset until the mining property are capable of commercial production. Revenue derived during the project phase is adjusted from the cost incurred on the project from which such revenue is generated.

(iii) **Capital work in progress (CWIP)**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized in CWIP until the period of commissioning has been completed and the asset is ready for its intended use.

(iv) **Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible property and other equipment has been provided on the straight-line method.

- Depreciation has been provided over remaining useful life or life of replaced part whichever is shorter of the respective property, plant and equipment in respect of additions arising on account of insurance spares, on additions or extension forming an integral part of existing plants and on the revised carrying amount of assets identified as impaired.

- Mining properties are amortized, from the date on which they are first available for use, in proportion to the annual ore raised to the remaining commercial ore reserves (on a unit-of-production basis) over the total estimated remaining commercial reserves of each property or group of properties and are subject to impairment review. Commercial reserves are proved and probable reserves and any changes affecting unit of production calculations are dealt with prospectively over the revised remaining reserves. In the year of abandonment of mine, the residual balance in mining properties are written off. Costs used in the computation of unit of production comprises the net book value of the capitalised costs plus the future estimated costs required to be incurred to access the commercial reserves.

- Based on technical evaluation, the management believes that the useful lives as given below best represent the period over which the management expects to use the asset.

Assets	Useful life in years (as per Sch II)
Factory buildings	30 years
Residential buildings	60 years
Roads (included in buildings)	5-10 years
Computers and data processing equipment (included in office equipments)	3-6 years

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Assets	Useful life in years (as per Sch II)
Plant and Equipment (Including captive power plant)	8-40 years
Railway sidings	15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, the Company determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of Company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Company's buildings and office properties.

(v) **Exploration & evaluation assets**

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred.

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore, are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration and evaluation assets are assessed for impairment and impairment loss, if any, is recognised prior to reclassification.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources.

(vi) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of the funds.

f) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized over their estimated useful life. Amounts paid for securing mining rights are amortized over the period of mining lease of 20 years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognised.

g) **Impairment of non-financial assets**

Impairment charges and reversals are assessed at the level of cash-generating units (CGU).

Impairment tests are carried out annually for all assets when there is an indication of impairment. The company assesses at each reporting date, whether there is an indication that an asset may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognized impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognized impairment losses.

If any such indication exists then an impairment review is undertaken, the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

Value in use is determined as the present value of the estimated future cash flows expected to arise from

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the company's continued use and cannot take into account future development.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

h) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets – recognition and subsequent measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets except treasury investment that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset. For purposes of subsequent measurement, financial assets are classified in three categories:

- **Financial assets at amortized cost**

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

- **Financial assets at fair value through Statement of Profit and Loss (FVTPL)**

FVTPL is a residual category for debt instruments and default category for equity instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI, is classified as at FVTPL.

Debt instrument included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Further, the provisionally priced trade receivables are marked to market using the relevant forward prices

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

for the future period specified in the contract and is adjusted in revenue.

Financial assets - derecognition

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables
- Financial assets that are debt instruments and are measured as at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss (P&L). The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities – recognition and subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

- **Financial liabilities at amortized cost (Loans, Borrowings and Trade and Other payables)**

  After initial recognition, interest-bearing loans, borrowings and Trade and Other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

  Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Financial liabilities - derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through Profit or Loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though Profit or Loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

i) **Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, and commodity price risks, the Company enters into forward currency contracts, commodity contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges
- Cash flow hedges

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) **Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss. When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in the Statement of Profit and Loss.

(ii) **Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of Profit and Loss.

Amounts recognized as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

j) **Government grants, subsidies and export incentives**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

k) **Inventories**

Inventories are valued at the lower of cost and net realizable value, less any provision for obsolescence.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Ore, concentrate (mined metal), work-in-progress and finished goods (including significant by-products i.e., silver) are valued at lower of cost or net realizable value on weighted average basis.

(ii) Stores and spares are valued at lower of cost or net realizable value on weighted average basis.

(iii) Immaterial by-products, aluminium scrap, chemical lead scrap, anode scrap and coke fines are valued at net realizable value.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

l) **Taxation**

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') paid in a year is charged to the Statement of Profit and Loss as current tax. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

m) Retirement and other Employee benefit schemes

i. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

ii. Post-Employment Benefits

Gratuity

In accordance with the Payment of Gratuity Act of 1972, the Company contributes to a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed at least 5 years of service; at retirement, disability or termination of employment being an amount equal to 15 days' salary (based on the respective employee's last drawn salary) for every completed year of service.

Based on actuarial valuations conducted as at year end, a provision is recognized in full for the benefit obligation over and above the funds held in the Gratuity Plan.

In respect of defined benefit schemes, the assets are held in separately administered funds. In respect of defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation separately each year using the projected unit credit method by independent qualified actuary as at the year end.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Provident Fund

The Company offers retirement benefits to its employees, under provident fund scheme which is a defined benefit plan. The Company and employees contribute at predetermined rates to 'Hindustan Zinc Limited Employee's Contributory Provident Fund' ('Trust') accounted on accrual basis and the conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, between the return guaranteed by the statute and actual earning of the Trust. The contribution towards provident fund is recognized as an expense in the Statement of Profit and Loss.

Family Pension

The Company offers its employees benefits under defined contribution plans in the form of family pension scheme. Contributions are paid during the year into the fund under statutory arrangements. The contribution to family pension fund is made at predetermined rates by the Company based on prescribed rules of family pension scheme. The contribution towards family pension is recognized as an expense in the Statement of Profit and Loss. The Company has no further obligation other than the contribution made.

Superannuation

Certain employees of the Company, who have joined post disinvestment are members of the Superannuation plan. The Company has no further obligations to the Plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India. The contribution is recognized as an expense in the Statement of Profit and Loss.

With respect to defined contribution plans if the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

iii. Other Long-Term Employee Benefits

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service. Actuarial differences are recognised immediately in the Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

n) Provision

Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

(i) Provision for Decommissioning

The Company recognizes a provision for decommissioning costs of smelting and refining facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at pre-tax rate that reflects the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(ii) Provision for Restoration, rehabilitation and environmental costs

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or on-going production of a mine. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalized at the start of each project as mining properties, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision (considered as finance cost). The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate as per the depreciation policy .

Costs for the restoration of subsequent site damage, which is caused on an on-going basis during production, are charged to the Statement of Profit and Loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.

o) Foreign currency translation

The Company's financial statements are prepared in INR which is its functional currency.

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

p) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Chief Operating Decision-Maker i.e. CEO. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis are included under "Unallocated revenue/ expenses/ assets/ liabilities".

r) **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (g) Impairment of non-financial assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

s) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

t) **Operational buyers' credit/suppliers' credit**

The Company enters into arrangements where by banks and financial institutions make direct payments to suppliers for goods and services. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up to twelve months from the date of agreement. Where these arrangements are for goods used in the normal operations of the Company with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/suppliers' credit and disclosed on the face of the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial instiutions to the operating vendors are treated as a non - cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as a cash outflow from operating activity reflecting the substance of the payment.

u) **Provisions, contingent liabilities and contingent assets**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in Statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Balance Sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as Contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet but disclosed in the financial statements.

3. (II) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company applied for the first-time the below amendments.

(i) **Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) **Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in Company's financial statements.

(iii) **Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments had no impact on the Company's Standalone financial Statements.

Standards issued but not yet effective

There are no standards that are notified and not yet effective as on date.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

3. (III) SIGNIFICANT ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates under different assumptions and conditions.

The management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as follows:

(A) Significant Estimates

(i) Mining property and Ore reserve

Ore reserves and mineral resource estimates are estimates of the amount of ore that can be economically and legally extracted from the Company's mining properties. The Company estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body. As a consequence of such an assessment made at the end of the current year, the Company has added new reserves and there is no material impact on the depreciation charge for the year due to this change.

(ii) Restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine fields. The costs are estimated on bi-annual basis on the basis of mine closure plans with the help of third party experts and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalized when incurred reflecting the Company's obligations at that time. The Company has not considered salvage value for the estimates of provision for decommissioning calculated as at March 31, 2023.

The provision for decommissioning liabilities (refer note 17) is based on the current estimate of the costs for removing and decommissioning producing facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate.

(B) Significant Judgement

(i) Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A provision is recognised when the Company has a present obligation as a result of past events and it is probable that the Company will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific applicable law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in note 29.

For other significant litigations where the possibility of an outflow of resources embodying economic benefits is remote, refer note 29

(ii) Climate Change

The Company aims to achieve net carbon neutrality by 2050 or sooner & committed to reduce its GHG emission (Scope 1 & 2) by 50% & Scope 3 by 25% by 2030 from 2020 baseline, 5 times water positive by 2025 from current 2.41 times etc., as a part of their climate mitigation and adaptation efforts and

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

sustainability strategy. The Company conducted climate risk assessment and outlined its risks and opportunities in TCFD report. Climate change may have various impacts on the Company in the medium to long term. These impacts include the risks and opportunities related to the demand of products, impact due to transition to a low-carbon economy, disruption to the supply chain, risk of physical harm to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term.

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets, (c) review of estimates of useful lives of property, plant and equipment, and (d) assets and liabilities carried at fair value, etc.

The Company's strategy consists of mitigation and adaptation measures and is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy (450 MW Power delivery agreement ('PDA') signed on a group captive basis, fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities. However, renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. The Compay has also taken certain measures towards water management such as commissioning of Zero Liquid Discharge plants, Sewage Treatment Plant, Dry Tailing Plant, rainwater harvesting, thus reducing freshwater consumption. These initiatives are aligned with the Company's ESG strategy and no material changes were identified to the financial statements as a result.

As the Company's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in the Company's climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Company's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Company believes that there is no material impact on carrying values of its assets or liabilities.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Freehold land	Buildings	Plant and equipment (refer note 5(1))	Furniture and fixtures	Vehicles	Office equipment	Railway siding	Mining properties (refer note 5(3))	Right of use [3]	Total
At Cost										
As at April 01, 2022	**291**	**2,130**	**21,191**	**36**	**53**	**393**	**94**	**10,614**	**235**	**35,037**
Additions [1&3]	3	132	1,719	2	4	21	-	1,595	32	3,508
Disposals/adjustments	2	12	650	2	5	12	-	-	-	683
Transfer/Reclassification (from)/to	-	-	-	-	-	-	-	149	-	149
As at March 31, 2023	**292**	**2,250**	**22,260**	**36**	**52**	**402**	**94**	**12,358**	**267**	**38,011**
Additions [1&3]	8	174	1,459	1	3	37	-	1,855	237	3,774
Disposals/adjustments	-	14	234	-	3	4	-	-	-	255
Transfer/Reclassification (from)/to	-	(39)	37	-	2	-	-	84	-	84
As at March 31, 2024	**300**	**2,371**	**23,522**	**37**	**54**	**435**	**94**	**14,297**	**504**	**41,614**
Accumulated depreciation										
As at April 01, 2022	-	**689**	**10,235**	**27**	**28**	**267**	**43**	**6,560**	**23**	**17,872**
Depreciation charge for the year	-	77	1,225	2	6	34	5	1,889	17	3,255
Disposals/adjustments	-	11	616	2	3	12	-	-	-	644
As at March 31, 2023	-	**755**	**10,844**	**27**	**31**	**289**	**48**	**8,449**	**40**	**20,483**
Depreciation charge for the year	-	76	1,324	2	5	37	5	1,950	55	3,454
Disposals/adjustments	-	22	171	-	2	3	-	-	-	198
As at March 31, 2024	-	**809**	**11,997**	**29**	**34**	**323**	**53**	**10,399**	**95**	**23,739**
Net Book Value										
As at March 31, 2024	**300**	**1,562**	**11,525**	**8**	**20**	**112**	**41**	**3,898**	**409**	**17,875**
As at March 31, 2023	**292**	**1,495**	**11,416**	**9**	**21**	**113**	**46**	**3,909**	**227**	**17,528**

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

4(A) Capital work-in-progress

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of Capital work in progress [2]	1,529	2,107

Movement of Capital work in progress (CWIP) during the year:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	**2,107**	**2,075**
Additions during the year	2,838	3,316
Capitalised in PPE during the year	(3,416)	(3,284)
Balance at the end of the year	**1,529**	**2,107**

CWIP Ageing Schedule

(₹ in Crore)

CWIP	As at March 31, 2024			As at March 31, 2023		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	835	-	**835**	1007	-	**1,007**
1-2 years	336	-	**336**	300	-	**300**
2-3 years	147	-	**147**	240	-	**240**
More than 3 years	211	-	**211**	560	-	**560**
Total	**1,529**	**-**	**1,529**	**2,107**	**-**	**2,107**

CWIP completion schedule for projects whose completion is overdue compared to its original plan:

(₹ in Crore)

CWIP	As at March 31, 2024				As at March 31, 2023			
	To be completed in				To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress								
Fumer Project	31	-	-	-	534	-	-	-
RD Mill Project	6	-	-	-	285	-	-	-
Dewatering project	129	-	-	-	-	-	-	-
Others	47	-	-	-	93	-	-	-
Total	**213**	**-**	**-**	**-**	**912**	**-**	**-**	**-**

(1) Addition to property, plant & equipment includes finance cost capitalised of ₹ 67 Crore. (March 31, 2023: ₹ 14 Crore)

(2) During the year, the Company has capitalised the following expenses which are attributable to the construction activity and are included in the cost of CWIP. Consequently, expenses disclosed under the respective notes are net of such amounts.

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Power and fuel charges	45	79
Repairs and others	350	386
Consumption of stores and spare parts	273	322
Employee benefit expenses	125	121
Finance cost	75	20
Insurance	2	2
Total	**870**	**930**

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(3) Carrying amount of right-of-use assets recognised and the movements during the period is as below:

(₹ in Crore)

Particulars	Plant & machinery	Buildings	Land	Total
As at April 01, 2022	**25**	**3**	**184**	**212**
Additions	32	-	-	32
Depreciation	(9)	(1)	(7)	(17)
As at March 31, 2023	**48**	**2**	**177**	**227**
Additions	227	-	10	237
Depreciation	(47)	(1)	(7)	(55)
As at March 31, 2024	**228**	**1**	**180**	**409**

5. INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Computer software	Mining rights	Right to use asset(1)&(2)	Exploration intangible assets under development(3)&(4)	Total
At Cost					
As at April 01, 2022	50	67	143	81	341
Additions	1	-	-	126	127
Disposals/adjustments	-	-	143	-	143
Transfer (from)/to	-	-	-	(149)	(149)
As at March 31, 2023	**51**	**67**	**-**	**58**	**176**
Additions	1	-	48	135	184
Disposals/adjustments	-	-	-	-	-
Transfer from/(to)	-	-	-	(84)	(84)
As at March 31, 2024	**52**	**67**	**48**	**109**	**276**
Accumulated depreciation					
As at April 01, 2022	46	33	31	-	110
Charge for the year	1	4	4	-	9
Disposals/adjustments	-	-	35	-	35
As at March 31, 2023	**47**	**37**	**-**	**-**	**84**
Charge for the year	2	4	6	-	12
Disposals/adjustments	-	-	-	-	-
As at March 31, 2024	**49**	**41**	**6**	**-**	**96**
Net Book Value					
As at March 31, 2024	**3**	**26**	**42**	**109**	**180**
As at March 31, 2023	**4**	**30**	**-**	**58**	**92**

(1) Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company, during the previous year, had transferred its CSR assets having a carrying value of ₹ 117 Crore after obtaining required regulatory approvals as on the date of transfer to a company incorporated under Section 8 of the Companies Act, 2013. The carrying value of these assets was included as CSR expense in the financial statements owing to such transfer.

(2) includes cloud server on lease

(3) ₹ 84 Crore (March 31, 2023: ₹ 149 Crore) transferred from Exploration intangible assets under development to Mining properties (refer note 3(I)(e)(v)).

(4) Additions to Exploration intangible assets under development includes finance cost capitalised ₹ 9 Crore (March 31, 2023: Nil).

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

6. LOANS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good		
Loan to related party (refer note 36)	417	61
Loans to employees	0	-
Total	**417**	**61**
Current		
Unsecured, considered good		
Loan to related party (refer note 36)	50	50
Loans to employees	1	3
Total	**51**	**53**

7. OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good		
Capital advances	196	179
Claims and other receivables(1)	96	111
Advances for supplies to related party	49	-
	341	**290**
Unsecured, credit impaired		
Claims and other receivables	7	7
Provision on doubtful deposits and claims	(7)	(7)
	-	-
Total	**341**	**290**
Current		
Unsecured, considered good		
Advance given to vendors for supply of goods and services	92	47
Advances for supplies to related party	1	-
Balance with government authorities	130	154
Claims and other receivables(2)	190	135
Total	**413**	**336**

(1) Pertains to Indirect taxes and royalty deposited under dispute with respect to various matters currently litigated in court of law and at various levels of adjudication.

(2) Includes prepaid expenses and export benefit receivable.

8. INVENTORIES*(2)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Work-in-progress		
Ore	106	96
Mined metal	744	677
Others	546	457

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
b.	Finished goods[1]	18	28
c.	Fuel stock	196	236
	[Including goods in transit ₹ 83 Crore (March 31, 2023: ₹ 148 Crore)]		
d.	Stores and spare parts	314	368
	[Including goods in transit ₹ 17 Crore (March 31, 2023: ₹ 20 Crore)]		
Total		**1,924**	**1,862**

* For method of valuation of inventories, refer note 3(I)(k)

(1) Inventory held at net realizable value amounted to ₹ 5 Crore (March 31, 2023: ₹ 5 Crore). The write down on this inventory of Nil (March 31, 2023: Nil) has been recognized as an expense in Statement of Profit and Loss.

(2) The Company follows suitable provisioning norms for writing down the value of inventories towards slow moving, non-moving and surplus inventory. An amount of ₹ 5 Crore (March 31, 2023: ₹ 36 Crore reversed) has been reversed on account of consumption of respective slow moving/non-moving inventories during the year and has been recognized in the Statement of Profit and Loss.

9. INVESTMENTS

Non-Current

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Measured at cost			
Investment in equity shares (fully paid-up unless otherwise stated)			
Subsidiary company - Unquoted			
Hindustan Zinc Alloys Private Limited (1,00,000 equity shares (March 31, 2023 : 1,00,000) of ₹ 10 each)		0	0
Vedanta Zinc Football & Sports Foundation (1,000 equity shares (March 31, 2023 : 1,000) of ₹ 100 each)		0	0
Zinc India Foundation (1,000 equity shares (March 31, 2023 : 1,000) of ₹ 100 each)		0	0
Hindustan Zinc Fertilisers Private Limited (1,00,000 equity shares (March 31, 2023 : 1,00,000) of ₹ 10 each)		0	0
	(A)	**0**	**0**
Joint Venture - Unquoted			
Madanpur South Coal Company Limited (1,14,391 equity shares (March 31, 2023: 1,14,391) of ₹ 10 each)		2	2
Less: Aggregate amount of impairment in the value of investment		(2)	(2)
	(B)	**-**	**-**

The Company had access of up to 31.5 million MT of coal as a partner in the joint venture 'Madanpur South Coal Company Limited' (Madanpur JV), a Company incorporated in India, where it holds 18.05% (March 31, 2023: 17.62%) of ownership interest (change in ownership interest is due to buyback of shares by Madanpur JV from other shareholders). During the year 2013-14, Honourable Supreme Court had passed the judgment cancelling all the coal blocks including Madanpur JV allocated since 1993 with certain exceptions and consequently the Company does not have any business to pursue. Accordingly, the Company had created 100% provision against its investment in Madanpur JV amounting to ₹ 2 Crore.

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Measured at fair value through profit and loss			
Investment in preference shares - Unquoted			
Serentica Renewables India 4 Private Limited [1] (22,40,00,000 Optionally Convertible Redeemable Preference Shares (March 31, 2023: 10,50,00,000) of ₹ 10 each)		224	105
Serentica Renewables India 5 Private Limited [2] (9,82,50,000 Optionally Convertible Redeemable Preference Shares (March 31, 2023: Nil) of ₹ 10 each)		98	-
	(C)	**322**	**105**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds - quoted		167	152
Investment in Equity shares - unquoted			
Serentica Renewables India 4 Private Limited [1] (5,60,00,000 equity shares of class B (March 31, 2023: Nil) of ₹ 10 each)		56	-
Serentica Renewables India 5 Private Limited [2] (3,30,00,000 equity shares of class B (March 31, 2023: Nil) of ₹ 10 each)		33	-
	(D)	**256**	**152**
Total	**(A+B+C+D)**	**578**	**257**

(1) During the previous year, the Company had entered into Power delivery agreement ('PDA') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. During the current year, the Company has made an investment of ₹ 175 Crore (March 31, 2023: ₹ 105 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 56 Crore worth of OCRPS are converted into equity shares of Serentica 4 as per the terms of the PDA. The company has pledged all of its investments in Serentica 4 for financing the project as per the terms of the PDA.

(2) During the previous year, the Company had entered into Power delivery agreement ('PDA') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of approximately ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Company has made an investment of approximately ₹ 131 Crore (March 31, 2023: Nil) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of approximately ₹ 307 Crore to be made basis fulfilment of conditions of the PDA . Out of the total investment, ₹ 33 Crore worth of OCRPS are converted into equity shares of Serentica 5 as per the terms of the PDA.

Current

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Measured at fair value through profit and loss			
Investment in bonds-quoted*		1,540	1,573
Investment in perpetual bonds-quoted*		2,256	2,261
Investment in mutual funds-unquoted		1,651	1,777
	(A)	**5,447**	**5,611**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds-quoted		2,330	2,133
Investment in perpetual bonds-quoted*		2,097	2,106
	(B)	**4,427**	**4,239**
Total	**(A+B)**	**9,874**	**9,850**
Aggregate amount of quoted investment at market value thereof		8,223	8,073
Aggregate amount of unquoted investment		1,651	1,777

*Investments amounting to ₹ 2,033 Crore (March 31, 2023: ₹ 1,812 Crore) are pledged as security for repurchase liability (refer note 15(4)). The Company continues to record these investments as it retains rights to contractual cash flows on such investments and thus do not meet the criteria for derecognition or transfer of financial asset as per Ind AS 107.

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

10. TRADE RECEIVABLES[1][3]

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered good[2]	161	380
Trade receivables - credit impaired	2	2
	163	**382**
Provision for doubtful trade receivables	(2)	(2)
Total	**161**	**380**

Trade receivables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed - considered good		
Not Due	119	300
Less than 6 months	38	69
6 months-1 year	1	6
1-2 years	3	5
2-3 years	-	-
More than 3 years	-	-
Total	**161**	**380**
Disputed - considered good		
Not Due	-	-
Less than 6 months	-	-
6 months-1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**-**	**-**
Undisputed - credit impaired		
Not Due	-	-
Less than 6 months	-	-
6 months-1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	2	2
Total	**2**	**2**
Less: Provision for doubtful trade receivables	(2)	(2)
Total Trade receivables	**161**	**380**

(1) The average credit period given to customer ranges from zero to one hundred twenty days (March 31, 2023: zero to one hundred twenty days). Interest is charged on trade receivables for the credit period, from the date of the invoice at 8% to 10.55%. (March 31, 2023: 7.25% to 10.10%) per annum on the outstanding balance.

(2) Unsecured considered good includes ₹ 22 Crore (March 31, 2023: ₹ 35 Crore) due from wind energy segment's trade receivables. Unsecured trade receivable of ₹ 49 Crore (March 31, 2023: ₹ 136 Crore) are covered against Letter of credit and Bank Guarantees.

(3) Refer note 36 for details of related party balances and terms and conditions.

11. CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
On current accounts	51	59
Total	**51**	**59**

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

12. OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits having maturity more than 3 months but not more than 12 months	93	0
Earmarked unpaid dividend accounts	29	1,353
Total	**122**	**1,353**

13. OTHER FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good		
Security Deposits	126	107
Receivable from related party	15	-
Bank Deposits with more than 12 months maturity	5	5
Unsecured, credit impaired		
Security Deposits	27	27
Provision for doubtful deposits	(27)	(27)
Total	**146**	**112**
Current		
Unsecured, Considered Good		
Interest accrued on deposits	7	3
Derivative assets (refer note 34)	11	32
Receivable from related party (refer note 36)	40	9
Other receivable	39	53
Unsecured, credit impaired		
Receivable from related party	28	28
Provision for doubtful receivable	(28)	(28)
Total	**97**	**97**

14. EQUITY SHARE CAPITAL

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
A.	**Authorized equity share capital**		
	Equity shares of ₹ 2 (March 31, 2023: ₹ 2) each.	1,000	1,000
	No. of Shares (In Crore)	500	500
B.	**Issued, subscribed and paid up**		
	Equity shares of ₹ 2 (March 31, 2023: ₹ 2) each.	845	845
	No. of Shares (In Crore)	423	423
C.	**Equity shares held by Holding Company**		
	Vedanta Limited		
	No. of Shares (In Crore)	274	274
	% of Holding	64.92%	64.92%

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
D.	**No shares issued for consideration other than cash and no shares bought back during the period of five years immediately preceding the reporting date.**		
E.	**Details of shareholders holding more than 5% shares in the Company**		
	Vedanta Limited		
	No. of Shares (In Crore)	274	274
	% of Holding	64.92%	64.92%
	Government of India - President of India		
	No. of Shares (In Crore)	125	125
	% of Holding	29.54%	29.54%
F.	**Details of shares held by promoters**		
	Vedanta Limited		
	No. of shares at the beginning of the year (In Crore)	274	274
	Change during the year (In Crore)	-	-
	No. of shares at the end of the year (In Crore)	274	274
	% of Total Shares*	64.92%	64.92%
	% change during the year	-	-

*As at March 31, 2024, 13.75% (March 31, 2023: 6.77%) of total paid up share capital of the Company have been pledged by promoters for securing loan facilities from banks/financial institutions along with a non-disposal undertaking in respect of their holding in the Company to the extent of 50.1% of the paid up share capital of the Company.

G. Terms/Rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholders' approval. Dividends are paid in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

15. BORROWINGS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Unsecured		
Non-convertible debentures(1)	-	2,111
Term-loan from banks(2)(3)	6,944	1,500
Total Non-current borrowings	**6,944**	**3,611**
Less: Current maturities of long-term borrowings	(2,698)	(2,111)
Total (Net)	**4,246**	**1,500**

(1) During the financial year 2020-21, the Company had issued 35,200 Unsecured, Rated, Non-convertible debentures (NCDs) of face value of ₹ 10,00,000 each at an interest rate of 5.35%, aggregating upto ₹ 3,520 Crore. The NCDs were due for repayment in three yearly installments of ₹ 704 Crore, ₹ 704 Crore and ₹ 2,112 Crore respectively starting from September, 2021. As at March 31, 2024, the carrying value is Nil as the repayment is made as on due date.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Unsecured		
Term-loan from banks(2)(4)	-	2,500
Commercial Paper(5)	-	4,225
Current maturities of long-term borrowing	2,698	2,111
Working Capital Loans from banks(6)	8	-
	2,706	**8,836**
Secured		
Repurchase liability(7)	1,504	1,505
	1,504	**1,505**
Total	**4,210**	**10,341**

(2) Term loans from banks carry an interest rate linked with benchmark rates (Repo/T- Bill/MCLR) plus agreed spread. During the year, average effective interest rate for current and non-current loans was 8.12% p.a. (March 31, 2023 : 7.29% p.a).

(3) The Company has complied with the financial covenant as per the terms of the loan agreement and repayment schedule is tabulated below:

(₹ in Crore)

Particulars	< 1year	1-3 years	> 3 years
Non-current term loan from banks*	2701	3999	250

* the above maturity profile is based on total principal outstanding gross of issue expense

(4) The carrying value as on March 31, 2024 is Nil as the repayment is made as on due date. The Company has complied with the financial covenant as per the terms of the loan agreement.

(5) Commercial Papers as on March 31, 2024 is Nil. During the year, average effective interest rate was 7.78% p.a. (March 31, 2023: 7.19% p.a).

(6) Working Capital Loans from banks carry an interest rate linked with benchmark rates (MCLR/Repo) plus spread. During the year, average effective interest rate was 7.94% p.a. (March 31, 2023: 7.10% p.a). Outstanding WCDL is repayable in 7 days.

(7) Repurchase liability as on March 31, 2024 are secured by current investments amounting to ₹ 2033 Crore and are repayable in 365 days (March 31, 2023: 102 to 109 days) from the date of borrowings through repurchase obligation. During the year, average effective interest rate was 8.43% p.a. (March 31, 2023: 7.63% p.a.).

Movement in borrowings during the year is provided below:

(₹ in Crore)

Particulars	Short-term borrowings#	Long-term borrowings*	Total
As at April 01, 2022	9	2,814	2,823
Cash flow	8,221	796	9,017
Other non cash changes	-	1	1
As at March 31, 2023	**8,230**	**3,611**	**11,841**
Cash flow	(6,718)	3,330	(3,388)
Other non cash changes	-	3	3
As at March 31, 2024	**1,512**	**6,944**	**8,456**

*Including current maturities of long-term borrowings & unamortized borrowing fees.

#Interest on commercial paper paid ₹ 39 Crore (March 31, 2023: ₹ 39 Crore) is shown under interest and other finance charges paid in cashflow statement.

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

16. OTHER FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security deposits and other liabilities	0	0
Total	**0**	**0**
Current		
Derivatives - Liabilities (refer note 34)	12	-
Capital creditors	748	1,218
Due to related party (refer note 36)	23	38
Deposits from vendors	198	168
Interest accrued but not due	84	78
Dividend payable	-	609
Unclaimed dividend [1]	29	31
Other liabilities (Includes employee benefits etc.)	302	260
Total	**1,396**	**2,402**

(1) Represents the unclaimed dividend for a period less than 7 years.

17. PROVISIONS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for mine restoration & decomissioning [a]	199	189
Total	**199**	**189**

(a) (₹ in Crore)

Particulars	Provision for mine restoration[1]	Provision for decommissioning[2]	Total
As at April 01, 2022	**224**	**2**	**226**
Addition during the year/(revision during the year)	(38)	-	(38)
Unwinding of discount	15	-	15
Utilized	(1)	(1)	(2)
As at March 31, 2023	**200**	**1**	**201**
Addition during the year/(revision during the year)	(4)	-	(4)
Unwinding of discount	14	-	14
Utilized	-	-	-
As at March 31, 2024	**210**	**1**	**211**
Classification as at March 31, 2023			
Non-current	189	-	189
Current	11	1	12
Classification as at March 31, 2024			
Non-current	199	-	199
Current	11	1	12

(1) The provision for restoration, rehabilitation and environmental cost represents the Company's best estimate of the costs which will be incurred in the future to meet the obligations under the laws of the land and the terms referred to in the Company's mining arrangements. The principal restoration, rehabilitation and environmental provisions are the costs, which are expected to be incurred in restoring at the end of life of these mines at Rampura Agucha, Rajpura Dariba, Zawar Mines, Sindesar Khurd and Kayad.

(2) Provision for decommissioning is created to meet the obligation at decommissioned smelting facility at Vizag location basis an independent technical evaluation.

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

Current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (refer note 30)	-	7
Provision for compensated absenses	10	7
Provision for mine restoration & decomissioning (refer (a) above)	12	12
Total	**22**	**26**

18. OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred government grant[2]	912	1,048
Total	**912**	**1,048**
Current		
Advance from customers[3]	1,537	461
Statutory and other liabilities[1]	416	1,068
Deferred government grant[2]	171	166
Total	**2,124**	**1,695**

(1) Statutory and other liabilities mainly includes TDS, Goods and Services Tax (GST), contribution to PF, amount payable to District Mineral Fund (DMF), National Mineral Exploration Trust (NMET) etc.

(2) Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of plant and equipments accounted for as government grant and being amortised over the useful life of such assets.

(3) Advance from customers are contract liabilities and include amounts received under short term supply agreements. The advance payment plus a fixed rate of return/discount will be settled by supplying respective commodity over a period up to twelve months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are recognised as advance from customers and will be released to the income statement as respective commodity is delivered under the agreements. The amount of such balances as of April 01, 2022 was ₹ 252 Crore. Changes in contract liabilities are either due to receipt of fresh advances or revenues recognised as detailed in note 21A.

19. OPERATIONAL BUYERS' CREDIT/SUPPLIERS' CREDIT

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Operational buyers'/suppliers' credit from banks [1]	399	307
Total	**399**	**307**

(1) Operational buyers'/suppliers' credit is availed in foreign currency from offshore branches of Indian banks at weighted average interest rate of 5.87% p.a. (March 31, 2023: 5.04 % p.a.) as at March 31, 2024. The tenure of these trade credits ranges from 90 days to 180 days (March 31, 2023: 90 days to 143 days) from the date of draw down. This is backed by Standby Letter of Credit issued under unsecured working capital facilities sanctioned by domestic banks.

20. TRADE PAYABLES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of Micro Enterprises and Small Enterprises	86	29
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2,016	2,057
Total	**2,102**	**2,086**

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

Trade payables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed dues- Micro Enterprises and Small Enterprises		
Less than 1 year	86	29
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total[(1)]	**86**	**29**
Undisputed dues- Other than Micro Enterprises and Small Enterprises		
Less than 1 year	1,967	2,023
1-2 years	22	8
2-3 years	2	2
More than 3 years	25	24
Total[(2)(3)]	**2,016**	**2,057**

(1) Includes Unbilled dues of ₹ 34 Crore (March 31, 2023 : Nil).

(2) Includes Unbilled dues of ₹ 1,684 Crore (March 31, 2023: ₹ 1,491 Crore).

(3) Ageing of trade payables is computed from the date of transaction.

The disclosures relating to Micro Enterprises and Small Enterprises have been furnished to the extent such parties have been identified on the basis of the intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. There is no interest paid/payable as at March 31, 2024 (March 31, 2023: Nil).

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
i) Principal amount due to micro and small enterprises	86	29
ii) Interest due on above	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

21. (A) REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products	27,928	33,120
Income from wind energy	156	152
Total[(1)] (also refer note 34)	**28,084**	**33,272**

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

(1) Revenue is shown exclusive of GST and other indirect taxes, as these collections are not an inflow on entity's own account, rather it is collected on behalf of government authorities.

The above revenue from operations for the year ended March 31, 2024 comprises of revenue from contracts with customers of ₹ 29,493 Crore (March 31, 2023: ₹ 34,252 Crore) and a net loss on mark to market of ₹ 1,409 Crore (March 31, 2023: ₹ 980 Crore) on account of gains/losses relating to sales that were provisionally priced as at the beginning of the year with the final price settled in the current year, gains/losses relating to sales fully priced during the year, and marked to market gains/losses relating to sales that were provisionally priced as at the end of the year. Entire revenue from contract with customers is recorded at a point in time and includes ₹ 461 Crore (March 31, 2023: ₹ 252 Crore) for which contract liabilities existed at the beginning of the year. Majority of the Company's sales are against advance or are against letters of credit/cash against documents/guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within six months.

(B) OTHER OPERATING INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of scrap and residuals	482	410
Export incentives	198	235
Others (liquidated damages, fines and penalties, unclaimed amount etc.)	170	181
Total	**850**	**826**

22. OTHER INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain on investments measured at FVTPL	64	-
Net gain on sale of current investments	37	32
Net gain on foreign currency transactions and translation	32	35
Amortization of deferred revenue arising from government grant	179	157
Interest Income on		
Bank deposits measured at amortized cost	6	197
Investments measured at FVTOCI	369	281
Investments measured at FVTPL	303	504
Other financial assets measured at amortised cost	109	176
Dividend Income from Investment[(1)]	4	-
Total	**1,103**	**1,382**

(1) Dividend of ₹ 4 Cr (March 31, 2023: Nil) is received from dividend declared by Joint Venture entity Madanpur South Coal Company Limited where HZL holds 18.05% of ownership interest (refer note 9).

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Opening inventory			
Finished goods		28	27
Work-in-progress :-			
Ore		96	66
Mined metal		677	475
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		457	547
Total	**(A)**	**1,258**	**1,115**

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Closing inventory			
Finished goods		18	28
Work-in-progress :-			
Ore		106	96
Mined metal		744	677
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		546	457
Total	**(B)**	**1,414**	**1,258**
Changes in Inventory	**(A-B)**	**(156)**	**(143)**

24. EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus(1)	615	617
Contribution to provident and other funds (refer note 30)	55	74
Share based compensation(2)	23	16
Staff welfare expenses(1)	133	136
Total	**826**	**843**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(1) Includes corporate social responsibility expenditure of ₹ 5 Crore and ₹ 20 Crore (March 31, 2023: ₹ 4 Crore and ₹ 15 Crore) towards salaries, wages and bonus and Company run schools & hospitals respectively (refer note 33).

(2) The Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The performance conditions attached to the option is measured by comparing Company's performance in terms of Total Shareholder Return ("TSR") over the performance period with the performance of two group of comparator companies (i.e. Indian and global comparator companies) defined in the scheme. The extent to which an option vests will depend on the Company's TSR rank against a group or groups of peer companies at the end of the performance period and as moderated by the Remuneration Committee. The ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares. Options granted during the year ended March 31, 2024 and year ended March 31, 2023 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG and Carbon footprint or a combination of these for the respective business/ SBU entities. The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

Further, in accordance with the terms of the agreement between the Parent and the Company, the cost recognised towards ESOS scheme is recovered by the Parent from the Company.

25. FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on financial liabilities at amortised cost(1)(3)	798	273
Other interest(2)	87	12
Bill discounting charges	26	20
Bank charges	6	5
Other finance costs	38	23
Total	**955**	**333**

(1) Interest expenses on lease liabilities is ₹ 16 Crore (March 31, 2023: ₹ 4 Crore).

(2) Interest expenses on income tax is ₹ 12 Crore (March 31, 2023: ₹ 7 Crore).

(3) Interest rate of 7.62% was used to determine the amount of general borrowing costs eligible for capitalization in respect of qualifying asset for the year ended March 31, 2024 (March 31, 2023: 5.79%).

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipments (refer note 4)	3,454	3,255
Amortization on intangible assets (refer note 5)	12	9
Total	**3,466**	**3,264**

27. OTHER EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spare parts	1,823	2,067
Repairs and Maintenance:		
- Plant and equipment	2,344	1,995
- Building	100	130
- Others	-	2
Carriage inwards	166	167
Mine expenses	1,954	1,999
Other manufacturing and operating expenses	442	447
Strategic service & brand fees(2)	561	318
Rates and taxes	2	2
Conveyance and travelling expenses	26	28
Directors sitting fees and commission	2	2
Payment to auditors(1)	2	2
Carriage outwards	268	335
Grass root exploration expenses	9	18
Legal and professional expenses	29	51
Allowance for doubtful debts/receivables(4)	-	33
Research and development expenditure	11	11
Corporate social responsibility(3)	239	199
Loss on sale of property, plant and equipment (net)	20	9
Net loss on investments measured at FVTPL	-	16
Miscellaneous expenses(5)	245	276
Total	**8,243**	**8,107**
(1) Remuneration to auditors:		
- Audit fees	2	2
- Out of pocket exp	0	0
Total	**2**	**2**

(2) During the previous year, the Audit & Risk Management Committee and Board of Directors of the Company had approved payment towards strategic services and brand fees to Vedanta Limited ("Holding company") at 2% of the consolidated turnover of the Company effective from October 01, 2022.

(3) Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company, during the previous year, had transferred its CSR assets having a carrying value of ₹ 117 crore after obtaining required regulatory approvals as on the date of transfer to a company incorporated under Section 8 of the Companies Act, 2013. The carrying value of these assets was included as CSR expense in the financial statements owing to such transfer (see note 5(1)).

(4) Target plus scheme("TPS") as a part of foreign trade policy was announced on August 31, 2004 w.e.f. April 01, 2004, with an objective of accelerating growth in exports. Pursuant to this scheme, Vedanta Limited ("erstwhile Sterlite Industries Ltd.")(Holding Company) had applied for TPS scrips of value of ₹ 306 Crore. However, certain retrospective amendments in this scheme were made by Directorate General of Foreign Trade ('DGFT') resulting in reduction in these scrips value by ₹ 216 Crore in which HZL had a share of ₹ 48 Crore. This was challenged by the Holding Company in the Hon'ble Supreme Court. Basis the favourable judgements from the Hon'ble Supreme Court, HZL had recognised an income of ₹ 48 Crore as an export incentive recoverable in December 2015 . However, during FY 2020-21, the TPS scrips of value of ₹ 216 Crore were issued by Directorate General of Foreign Trade ('DGFT') in the name of Vedanta Limited("Holding Company") basis which, the export incentive recoverable was reclassified to recoverable from Vedanta Limited. The Company had realised ₹ 20 Crore from Vedanta Limited on the basis of proportionate scrips utilization by Vedanta Limited and had created a provision of remaining ₹ 28 Crore considering the expiry of the utilization timeline for these scrips till February 24, 2023 and no favorable outcome of the petition filed by the Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline.

(5) Includes donation of ₹ 25 Crore (March 31, 2023: Nil) to Bharatiya Janata Party during the year.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

28. EARNINGS PER SHARE

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic earnings per share (₹)	18.43	24.90
Diluted earnings per share (₹)	18.43	24.90
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
Profit after tax attributable to owners of the Company (in ₹ Crore)	7,787	10,520
Earnings used in the calculation of basic earnings for the year (in ₹ Crore)	7,787	10,520
Weighted average number of equity shares outstanding (Number in Crore)	423	423
Nominal Value per share (in ₹)	2	2

29. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a. Contingent liabilities[(1)]		
Claims against the Company not acknowledged as debts		
- Suppliers and contractors	17	82
- Ex-employees and others	3	3
- Land acquisition	3	3
- Mining cases[(2)]	334	334
- Government : Electricity Duty	74	9
: Road Tax	15	15
: Environmental Cess[(3)]	142	142
Guarantees issued by the banks	270	264
Sales tax demands	68	68
Income tax demands[(5)]	720	720
Excise Duty, Custom duty , Service tax and GST demand [(4)]	553	525

(1) Future cash out flows in respect of the above matters are determinable only on receipt of judgments or decisions pending at various forums. Accordingly interest and penalty where applicable will be additionally payable.

(2) The Department of Mines and Geology of the State of Rajasthan issued several show cause notices in August, September and October 2006 to HZL, amounting to ₹ 334 Crore. These notices alleged unlawful occupation and unauthorised mining of associated minerals other than zinc and lead at HZL's Rampura Agucha, Rajpura Dariba and Zawar mines in Rajasthan during the period from July 1968 to March 2006. HZL believes that the likelihood of this claim is not probable and thus no provision has been made in the financial statements. HZL had filed writ petitions in the High Court of Rajasthan in Jodhpur and had obtained a stay in respect of these demands. The High Court restrained the Department of Mines and Geology from undertaking any coercive measures to recover the penalty. In January 2007, the High Court issued another order granting the Department of Mines and Geology additional time to file their reply and also ordered the Department of Mines and Geology not to issue any order cancelling the lease. Affidavit of the Central Government is awaited. The State Government filed for an early hearing application in the High Court. The High Court has passed an order rejecting the application stating that Central Government should file their replies.

(3) The State of Rajasthan issued a notification in June 2008 notifying the Rajasthan Environment and Health Cess Rules, 2008, imposing environment and health cess on major minerals including lead and zinc. HZL and other mine operators resisted this notification and the imposition thereunder before the High Court of Rajasthan on the ground that the imposition of such cess and all matters relating to the environment fall under the jurisdiction of the Central government as opposed to the State government. In October 2011, the High Court of Rajasthan disposed the writ petitions and held the Rajasthan Environment and Cess Rules, 2008 that impose a levy of cess on minerals, as being constitutionally valid. An amount of ₹ 150 per metric ton of ore produced would be attracted under the Statute if it is held to be valid. HZL challenged this order by a special leave petition in December 2011 before the Supreme Court of India. The Supreme Court of India issued a notice for stay. Further direction was issued by the Supreme Court on March 23, 2012 not to take any coercive action against HZL for recovery of cess. The aforementioned notification was rescinded via notification dated January 06, 2017, and hence no further obligation exists after that date. The matter is pending for final hearing.

(4) Various demands raised on the Company towards CENVAT, service tax, excise, customs, sales tax and GST for FY 1991-92 to 2017-18. The Company has paid an amount of ₹ 19 Crore (March 31, 2023: ₹ 19 Crore) against these demands under protest and is confident of the liability not devolving on the Company.

(5) Tax demands have been raised mainly on account of depreciation disallowances, withholding taxes and interest thereon. Although, the Company has paid certain amounts in relation to these demands, which are pending at various levels of appeals, management considers these disallowances as not tenable against the Company, and therefore no provision for tax has been created. Also, refer note 31c(ii).

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

b. The Department of Mines and Geology (DMG) of the State of Rajasthan initiated the royalty assessment process from January 2008 to 2019 on certain question of law and issued a show cause notice vide an office order dated January 31, 2020 amounting to ₹ 1,925 Crore. Further an additional demand was issued vide an office order dated December 14, 2020 for ₹ 311 Crore on similar questions of law. The Company has challenged (the show cause notice or/and) computation mechanism of the royalty on the ground that the state has not complied with the previous orders of Rajasthan High court where a similar computation mechanism was challenged and court had directed DMG to reassess basis the judicial precedents and mining concession rules. Pending compliance of previous orders, High court has granted a stay on the notice and directed DMG not to take any coercive action. State Government has also been directed to not take any coercive action in order to recover such miscomputed dues. Inspite of the High court stay order, the State Government raised a revised demand of ₹ 1,423 Crore vide order dated March 16, 2022 for the same period. The Company challenged this notice before the Revisionary Authority("RA") and also moved an application in RA against the earlier demand raised by DMG for recovery of ₹ 311 Crore. RA has granted a stay on the recovery of ₹ 1,423 Crore vide its order dated June 15, 2022, and on the recovery of ₹ 311 Crore, vide its order dated September 07, 2022 respectively. Based on the opinion of external counsel, the Company believes that it has strong grounds of a successful appeal.

c. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 2,381 Crore (March 31,2023: ₹ 1,924 Crore).

d. Other Commitments

(i) During the previous year, the Company had entered into Power delivery agreement ('PDA') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. During the current year, the Company has made an investment of ₹ 175 Crore (March 31, 2023: ₹ 105 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 56 Crore worth of OCPRS are converted into equity shares of Serentica 4 as per terms of the PDA. The company has pledged all of its investments in SRI4PL for financing the project as per the terms of the PDA (see note 9).

Further during the previous year, the Company had entered into Power delivery agreement ('PDA') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of approximately ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Company has made an investment of approximately ₹ 131 Crore (March 31, 2023: Nil) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of approximately ₹ 307 Crore to be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 33 Crore worth of OCPRS are converted into equity shares of Serentica 5 as per terms of the PDA (see note 9).

(ii) The company has given Letter of Comfort and also assigned its bank limits to its wholly owned subsidiary Hindustan Zinc Alloys Private Limited ("HZAPL") primarily in respect of certain working capital needs and short-term borrowings amounting to ₹ 66 Crore (March 31, 2023: ₹ 81 Crore).

(iii) During the previous year, the Company under its Corporate Social Responsibilities ('CSR') initiative had signed a Memorandum of Understanding ('MOU') with Rajasthan Cricket Association ('RCA') for development of international cricket stadium at Jaipur (Rajasthan). As per the terms of MOU, the Company has committed to contribute ₹ 300 Crore against which ₹ 55 Crore (March 31, 2023: ₹ 5 Crore) has been contributed in the current year.

(iii) Export obligations

The Company has Nil export obligations (March 31, 2023: Nil) on account of concessional rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India (which is required to be fulfilled over the next six years from purchase). The Company has given bonds of ₹ 441 crore (March 31, 2023: ₹ 400 crore) to custom authorities against export obligations which will be released subject to verification of EODC (Export obligation discharge certificate) by the Customs department.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

30. RETIREMENT AND OTHER EMPLOYEE BENEFIT SCHEMES

a. **Defined contribution schemes**

Family Pension Scheme

The contributions are based on a fixed percentage of the employee's salary, subject to a ceiling, as prescribed in the scheme. A sum of ₹ 5 Crore (March 31, 2023: ₹ 5 Crore) has been charged to the Statement of Profit and Loss during the year. There are no further obligations on the Company.

Superannuation fund

A sum of ₹ 4 Crore (March 31, 2023: ₹ 3 Crore) has been charged to the Statement of Profit and Loss in respect to contributions made to the superannuation fund. The Company has no further obligations to the plan beyond the monthly contributions.

b. **Defined benefit plans**

For defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation each year for the plan using the projected unit credit method by independent qualified actuaries as at the year end. Remeasurements in the year are recognized in full in other comprehensive income for the year.

Provident fund

The Company offers its employees, benefits under defined benefit plans in the form of provident fund scheme which covers all employees. Contributions are paid during the year into 'Hindustan Zinc Limited Employee's Contributory Provident Fund' ('Trust'). Both the employees and the Company pay predetermined contributions into the Trust. A sum of ₹ 32 Crore (March 31, 2023: ₹ 28 Crore) has been charged to the Statement of Profit and Loss in this respect during the year.

The company's Trust is exempted under section 17 of Employees Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, between the return guaranteed by the statute and actual earning of the Trust. The company has made a provision of ₹ 10 Crore in this regard in the current year. During the previous year, the company had made good the deficiency of ₹ 17 Crore. Having regard to the assets of the Trust and the return on the investments, the Company does not expect any deficiency in the foreseeable future, except for investments in debt securities of IL&FS Limited and IL&FS Financial Services Ltd. for which necessary provisions exists.

The details of fund and plan asset position are given below:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Plan assets fair valued	1,667	1,633
Present value of benefit obligation at period end	1,677	1,644
Net Plan Assets/(Liability)	**(10)**	**(11)**
% allocation of plan assets by category		
Central government securities	5%	11%
State government securities (including PSU Bond)	60%	58%
Private Sector Bonds, Mutual funds	35%	31%
Principal actuarial assumptions		
Financial Assumptions		
Discount rate	7.10%	7.39%
Expected statutory interest rate on the ledger balance	8.25%	8.15%
Expected short fall in interest earnings on the fund	0.05%	0.05%

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Demographic Assumptions		
i) Retirement Age (years)	58	58
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Withdrawal rates		
Up to 30 years	3% - 20%	3% - 24%
From 31 to 44 years	2% - 8%	2% - 9%
Above 44 years	1% - 5%	1% - 9%

Gratuity plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company's defined benefit plans are funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC.

The following tables set out the details of the gratuity plans and the amounts recognized in the financial statements.

Principal actuarial assumptions

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:		
Financial Assumptions		
Discount rate	7.10%	7.39%
Expected rate of increase in compensation level of covered employees	6% - 10.5%	6% - 10.5%
Demographic Assumptions		
i) Retirement Age (years)	58	58
ii) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)
iii) Withdrawal rates		
Up to 30 years	3% - 20%	3% - 24%
From 31 to 44 years	2% - 8%	2% - 9%
Above 44 years	1% - 5%	1% - 9%
Amount recognized in the balance sheet consists of:		
Fair value of planned assets	241	232
Present value of defined benefit obligations	(241)	(239)
Net assets/(Net unfunded liability)	**0**	**(7)**
% allocation of plan assets by category		
Qualified Policy from Life Insurance Corporation of India (LIC)	100%	100%

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

The movement during the year of the present value of the defined benefit obligation was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	239	243
Service cost	13	11
Benefits paid	(35)	(27)
Interest cost	17	17
Acturial (Gain)/Loss on obligation	7	(5)
Closing Balance	**241**	**239**

The movement during the year in the fair value of plan assets was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	232	243
Employer contributions	29	1
Benefits paid	(35)	(27)
Interest Income	16	17
Remeasurement gain/(loss) arising from return on plan assets	(1)	(2)
Closing Balance	**241**	**232**

Amounts recognized in Statement of Profit and loss in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	13	11
Net interest cost	1	-
Total charge to Statement of Profit and Loss	**14**	**11**

Amounts recognized in Other Comprehensive Income in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement (Gain)/Loss arising from Change in Demographic Assumption	4	(3)
Remeasurement (Gain)/Loss arising from Change in Financial Assumption	3	3
Remeasurement (Gain)/Loss arising from Experience Adjustment	(0)	(5)
Loss/(Gain) on plan assets	1	2
Components of defined benefit costs recognised in other comprehensive income	**8**	**(3)**

Expected contribution for the next annual reporting period of March 31, 2024:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost	15	13
Net interest cost	-	-
Expected contribution for the next annual reporting period of March 31, 2024	**15**	**13**

Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Impact of change in discount rate		
Increase by 0.50%	(7)	(5)
Decrease by 0.50%	7	5
Impact of change in salary increase rate		
Increase by 0.50%	7	5
Decrease by 0.50%	(6)	(5)

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

Maturity Profile of Defined Benefit Obligation

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Year:		
0 to 1 Year	37	42
1 to 2 Year	38	42
2 to 3 Year	36	35
3 to 4 Year	26	31
4 to 5 Year	19	21
5 to 6 Year	14	15
6 Year onwards	72	53

Risk analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment risk

The Company's defined benefit plans are funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds for the Company's operations. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability, however this will be partially offset by increase in the return on plan debt investment.

Longevity risk/Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

31. INCOME TAX EXPENSES

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are indicated below:

(₹ in Crore)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a.	**Tax charge recognised in Profit and Loss**		
	Current tax:		
	Current tax on profit for the year	2,549	3,431
	Total Current tax	**2,549**	**3,431**
	Deferred tax:		
	Reversal and origination of temporary differences	(44)	(189)
	MAT credit asset (recognized)/utilisation	-	1,601
	Adjustment in respect of earlier years	51	(66)
	Total Deferred tax	**7**	**1,346**
	Tax expense for the year	**2,556**	**4,777**
	Effective income tax rate (%)	24.71%	31.23%
b.	**Statement of other comprehensive income**		
	Deferred tax (credit)/charge on:		
	Cash flow hedges recognised during the year	-	34
	Net Gain/(Loss) on FVTOCI investments	-	(4)
	Remeasurement of defined benefit obligation	(3)	(4)
	Total	**(3)**	**26**

(c) A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognized income tax expense for the year is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax (after exceptional item)	10,343	15,297
Statutory income tax rate	25.17%	34.94%
Tax at statutory income tax rate	2,603	5,345
Disallowable expenses	83	41
Non-taxable income & capital gains	(28)	(50)
Tax holidays and similar exemptions	-	(208)
Additional depreciation under income tax reversible within tax holiday period	-	(3)
Effect of changes in tax laws (refer (i) below)	-	(253)
Impact of tax rate differences on capital gains	(24)	(30)
Adjustments in respect of prior years	(75)	(65)
Indexation benefit on capital gains	(3)	-
Total	**2,556**	**4,777**

(i) The Company has decided to opt for lower tax rate as permitted under section 115BAA of the Income Tax Act, 1961 from Financial Year 2023-24.

(ii) The tax department had issued demands on account of remeasurement of certain tax incentives, under section 80IA and 80IC of the Income-tax Act, 1961. During the year ended March 31, 2020, based on the favorable orders from Income Tax Appellate Tribunal relating to AY 09-10 to AY 12-13, the Commissioner of Income Tax (Appeals) has allowed these claims for AY 14-15 to AY 15-16, which were earlier disallowed and has granted refund of amounts deposited under protest. Against the Tribunal order, the department had filed an appeal in Hon'ble Rajasthan High Court in financial year 17-18 (for AY 2009-10 to AY 2012-13) and in FY 2023-24 (for AY 2017-18 and AY 2018-19) which are yet to be admitted. As per the view of external legal counsel, Department's appeal seeks re-examination of facts rather than raising any substantial question of law and hence it is unlikely that appeal will be admitted by the High Court. Accordingly, there is a high probability that the case will go in favor of the Company. The amount involved in this dispute as of March 31, 2024 is ₹ 12,447 Crore (March 31, 2023: ₹ 12,447 Crore) plus applicable interest upto the date of settlement of the dispute.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(d) Significant components of deferred tax assets and (liabilities) recognized in the balance sheet are as follows:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment, Exploration and evaluation and intangible assets	(2,400)	(2,426)
Fair valuation of financial assets/liabilities	(60)	(35)
Voluntary retirement scheme	9	14
Other temporary differences	133	133
Deferred Tax (Liabilities) (net)	**(2,318)**	**(2,314)**

Deferred tax expense of ₹ 4 Crore (March 2023: ₹ 1,372 Crore) is recorded as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Through Other Comprehensive Income		
Cash flow hedges recognised during the year	-	34
Net Gain/(Loss) on FVTOCI investments	-	(4)
Remeasurements of defined benefit obligations	(3)	(4)
	(3)	**26**
Through Profit and Loss		
Property, plant and equipment, exploration and evaluation and intangible assets	(26)	67
Fair valuation of financial assets/liabilities	25	(100)
Voluntary retirement scheme	5	12
Other temporary differences	3	90
MAT credit entitlement	-	1,277
	7	**1,346**
Total	**4**	**1,372**

(e) Reconciliation of Net Deferred tax liabilities:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	**(2,314)**	**(942)**
Tax (expense)/income recognised in profit or loss during the period	(7)	(1,346)
Tax (expense)/income recognised in other comprehensive income during the period	3	(26)
Closing Balance	**(2,318)**	**(2,314)**

32. LEASES

(a) Following are the amounts recognised in Statement of Profit & Loss account:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Depreciation expense for right-of-use assets (refer note 4&5)	61	17
b) Interest expense on lease liabilities (refer note 25)	16	4
c) Expense relating to short-term leases	0	1
Total amount recognised	**77**	**22**

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

(b) The movement in lease liabilities is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Opening balance	40	21
b) Additions (refer note 4&5)	285	32
c) Interest accrued	16	4
d) Repayments (Principal & Interest)*	(75)	(17)
Closing balance	**266**	**40**

* Interest paid on lease liabilities during the year is ₹ 16 Crore (March 31, 2023 : ₹ 4 Crore).

(c) Lease liabilities carry an effective interest rate of 5.03 % to 17.55% (March 31, 2023: 5.03% to 23.25%).

(d) The maturity analysis of lease liabilities is disclosed in note 34.

33. CORPORATE SOCIAL RESPONSIBILITY EXPENSES

(a) The Company is required to spend a gross amount of ₹ 265 Crore and ₹ 214 Crore for the year ended March 31, 2024 and March 31, 2023 respectively.

(₹ in Crore)

Particulars	For the year ended March 31, 2024		
	In Cash	Yet to be paid in Cash	Total
i) Amount required to be spent by the company during the year	265	-	265
ii) Amount approved by the Board to be spent during the year	547	-	547
iii) Amount spent during the year on:			
- Construction/acquisition of any assets	-	-	-
- On purposes other than (i) above[(1)(2)]	240	29	269
iv) Nature of CSR activities	Community upliftment through Education, Sustainable Livelihoods, Women Empowerment, Health & Water, Sports & Culture, Environment and Community Assets Creation.		
v) Details of related party transactions, e.g.,contribution to a section 8 company controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	23	-	23
vi) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.	NA	NA	NA

(₹ in Crore)

Particulars	For the year ended March 31, 2023		
	In Cash	Yet to be paid in Cash	Total
i) Amount required to be spent by the company during the year	214	-	214
ii) Amount approved by the Board to be spent during the year	286	-	286
iii) Amount spent during the year on:			
- Construction/acquisition of any assets	-	-	-
- On purposes other than (i) above[(1)]	230	46	276
iv) Nature of CSR activities	Community upliftment through Education, Sustainable Livelihoods, Women Empowerment, Health & Water, Sports & Culture, Environment and Community Assets Creation.		
iv) Details of related party transactions, e.g., contribution to a section 8 company controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	6	-	6
v) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.	NA	NA	NA

(1) Includes employee benefit expenses of ₹ 25 Crore (March 31, 2023: ₹ 19 Crore).

(2) Amount spent during the year includes ₹ 51 Crore prepaid CSR spend relating to previous year.

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

(b) The Company has an excess CSR spent of ₹ 4 Crore (March 31, 2023: ₹ 51 Crore) which it proposes to offset against future obligations and has recognised the same as an asset in the balance sheet.

(₹ in Crore)

In case of Section 135(5) of Companies Act, 2013				
	CSR spent during the year			
Particulars	Opening Balance	Required to be spent	Actual spent (Net of opening excess spent and other adjustments)	Closing balance
For the year ended March 31, 2024	51	265	218	4
For the year ended March 31, 2023	4	214	261	51

34. FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 and note 3.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

(₹ in Crore)

Particulars	Fair Value through profit and loss	Fair Value through other comprehensive income	Amortized Cost	Total carrying value	Total fair value
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	51	51	51
Other bank balances	-	-	122	122	122
Investments	5,769	4,683	0	10,452	10,452
Trade receivables	4	-	157	161	161
Other current financial assets and loans	11	-	137	148	148
Other non-current financial assets and loans	-	-	563	563	563
Total	**5,784**	**4,683**	**1,030**	**11,497**	**11,497**
Financial liabilities					
Borrowings	-	-	8,456	8,456	8,456
Lease liabilities	-	-	266	266	266
Trade payables	-	-	2,102	2,102	2,102
Operational buyers' credit/suppliers' credit	-	-	399	399	399
Other Current financial liabilities	12	-	1,384	1,396	1,396
Total	**12**	**-**	**12,607**	**12,619**	**12,619**
As at March 31, 2023					
Financial assets					
Cash and cash equivalents	-	-	59	59	59
Other bank balances	-	-	1,353	1,353	1,353
Investments	5,716	4,391	-	10,107	10,107
Trade receivables	90	-	290	380	380
Other current financial assets and loans	32	-	118	150	150
Other non-current financial assets and loans	-	-	173	173	173
Total	**5,838**	**4,391**	**1,993**	**12,222**	**12,222**

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	Fair Value through profit and loss	Fair Value through other comprehensive income	Amortized Cost	Total carrying value	Total fair value
Financial liabilities					
Borrowings	-	-	11,841	11,841	11,816
Lease liabilities	-	-	40	40	40
Trade payables	-	-	2,086	2,086	2,086
Operational buyers' credit/suppliers' credit	-	-	307	307	307
Other Current financial liabilities	-	-	2,402	2,402	2,402
Total	**-**	**-**	**16,676**	**16,676**	**16,651**

Fair value of the current instrument in bonds and zero coupon bonds are based on the price quotations at the reporting date. Fair value of current investments that are in the nature of 'close ended' mutual funds are based on market observable inputs i.e., NAV provided by mutual fund houses [a level 2 technique].

Fair value of current investments that are in the nature of 'open ended' mutual funds are derived from quoted market prices in active markets [a level 1 technique].

Fair value of non-current investments that are in the nature of 'Investment in OCRPS and Equity shares' are derived from Net asset value method [a level 3 technique].

The Fair value of other non-current financial assets and liabilities are estimated by discounting the expected future cash flows using a discount rate equivalent to the risk free rate of return adjusted for the appropriate credit spread.

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are valued using valuation technique with market observable inputs. The most frequently applied valuation techniques for such derivatives include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency (a level 2 technique). Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange i.e., London Metal Exchange, United Kingdom (U.K.) [a level 2 technique]. The changes in counterparty risk had no material effect on the hedge effectiveness assessment for the derivatives designated in hedge relationship and the value of the other financial instrument recognised at fair value.

Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by measurement hierarchy. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Quantitative disclosures on fair value measurement hieararchy

(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2024			
Financial Assets			
At fair value through profit and loss			
Investments	1,651	3,796	322
Derivatives financial assets*			
Forward foreign currency contracts	-	-	-
Commodity contracts	-	11	-
Trade receivables	-	4	-
At fair value through other comprehensive income			
Investments	-	4,594	89
Total	**1,651**	**8,405**	**411**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial liabilities*			
Forward foreign currency contracts	-	11	-
Commodity contracts	-	1	-
Total	**-**	**12**	**-**
As at March 31, 2023			
Financial Assets			
At fair value through profit and loss			
Investments	1,777	3,834	105
Derivatives financial assets*			
Forward foreign currency contracts	-	16	-
Commodity contracts	-	16	-
Trade receivables	-	90	-
At fair value through other comprehensive income			
Investments	-	4,391	-
Total	**1,777**	**8,347**	**105**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial liabilities*			
Forward foreign currency contracts	-	-	-
Commodity contracts	-	-	-
Total	**-**	**-**	**-**

* Refer section - "Derivative financial instruments"

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2024 and March 31, 2023:

(₹ in Crore)

Financial Liabilities	Level-1	Level-2	Level-3
As at March 31, 2024			
Borrowings	-	8,456	-
Total	**-**	**8,456**	**-**
As at March 31, 2023			
Borrowings	-	11,816	-
Total	**-**	**11,816**	**-**

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Reconciliation of Level 3 fair value measurement is as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	FVTPL	FVTOCI	FVTPL	FVTOCI
Balance at the beginning of the year	**105**	**-**	**-**	**-**
Additions during the year	306	89	105	-
Fair value changes recognised during the year	-	-	-	-
Sale/reductions during the year*	(89)	-		
Reclassification during the year	-	-	-	-
Balance at the end of the year	**322**	**89**	**105**	**-**

*represents investment in optionally convertible preference shares converted into equity shares as per the terms of conversion during the year.

Valuation process for instruments categorised in level 3:

The management of the Company engaged a qualified third party valuer to perform the valuation. Team from the finance department of the Company works closely with valuer to establish appropriate valuation technique and inputs required for the valuation.

Valuation technique used for valuation of financial instruments in level 3:

Valution of preference and equity shares in level 3 are done primarily based on net worth of the company using net asset method approach making assumptions about unobservable market data.

Risk management framework

Risk management

The Company's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit Committee. The Audit Committee is aided by the Risk Management Committee, which meets regularly to review risks as well as the progress against the planned actions. Key business decisions are discussed at the periodic meetings of the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Executive Committee meetings. Day-to-day treasury operations of the Company are managed by the finance team within the framework of the overall Company's treasury policies. A monthly reporting system exists to inform senior management about investments, currency and, commodity derivatives. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies. The internal control measures are effectively supplemented by regular internal audits.

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forwards and these are subject to the Company's guidelines and policies.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions, and the non-financial assets and liabilities of foreign operations.

Commodity price risk

The Company is exposed to the movement of base metal commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Company produces and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Company aims to achieve the monthly average of the commodity prices for sales realization. In exceptional circumstances, the Company may enter into strategic hedging. Hedging is used primarily as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and to a strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level and with clearly laid down guidelines for their implementation by the Company.

Whilst the Company aims to achieve average LME prices for a month or a year, average realized prices may not necessarily reflect the LME price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realized on commodity contracts.
- cash flow hedging on account of forecasted highly probable transactions.

The sales prices of zinc, lead and silver are linked to the LME and LBMA prices. The Company also enters into hedging arrangements for its zinc, lead and silver sales to realize month of sale LME and LBMA prices.

Total exposure on provisionally priced zinc, lead & silver contracts as at March 31, 2024 were ₹ 30 Crore (March 31, 2023: ₹ 837 Crore), ₹ 181 Crore (March 31, 2023: ₹ 110 Crore) and Nil (March 31, 2023: Nil) respectively. The impact on net profits for a 10% movement in LME prices of zinc, 5% movement in LME price of lead and 5% movement in LBMA price of silver that were provisionally priced as at March 31, 2024 is ₹ 3 Crore, ₹ 9 Crore, Nil respectively and as at March 31, 2023 is ₹ 84 Crore, ₹ 6 Crore and Nil respectively.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest and commodity pricing through proven financial instruments.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

a. **Liquidity risk**

The Company requires funds both for short-term operational needs as well as for long-term investment programme mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company has been rated as 'AAA'/Stable for long term and A1+ for short term by CRISIL Limited during the current and previous financial years.

The Company remains committed to maintaining a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

(₹ in Crore)

Payment due by years	<1 year	1-3 years	3-5 years	> 5 years	Total
As at March 31, 2024					
Trade and other payables	3,807	-	-	-	3,807
Lease liabilities	88	149	51	88	376
Derivative financial liabilities	12	-	-	-	12
Borrowings*	4,869	4,434	260	-	9,563
Total	**8,776**	**4,583**	**311**	**88**	**13,758**
As at March 31, 2023					
Trade and other payables	4,721	0	-	-	4,721
Lease liabilities	21	18	-	1	40
Derivative financial liabilities	-	-	-	-	-
Borrowings*	10,849	1,598	-	-	12,447
Total	**15,591**	**1,616**	**-**	**1**	**17,208**

*Includes non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

The Company had access to following funding facilities.

(₹ in Crore)

Funding facility	Total facility	Drawn	Undrawn
As at March 31, 2024			
Less than 1 year	12,423	9,887	2,536
More than 1 year	-	-	-
Total	**12,423**	**9,887**	**2,536**
As at March 31, 2023			
Less than 1 year	11,776	9,024	2,752
More than 1 year	-	-	-
Total	**11,776**	**9,024**	**2,752**

b. **Foreign exchange risk**

Fluctuations in foreign currency exchange rates may have an impact on the Statement of Profit and Loss, where any transaction references more than one currency other than the functional currency of the Company.

The Company uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies denominated in foreign currency. The Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk on financing transactions are to be hedged through forward exchange contracts and other instruments. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns. Long term exposures, are normally unhedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the Statement of Profit and Loss. The below table summarises the

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

foreign currency risk from financial instrument and is partly mitigated by some of the derivative contracts entered into by the Company as disclosed under the section on "Derivative financial instruments.

The carrying amount of the Company's financial assets and liabilities in different currencies is as follows:

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
Currency exposure	**Financial Asset**	**Financial Liability**	**Financial Asset**	**Financial Liability**
US Dollar	78	494	251	395
Euro	-	274	-	634
Australian Dollar	-	1	-	4
SEK	-	14	-	14
Others	-	0	-	2

The Company's exposure to foreign currency arises where a Company holds monetary assets and liabilities denominated in a currency different to the functional currency of the Company, with US dollar and Euro being the major non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

The results of Company operations may be affected largely by fluctuations in the exchange rates between the Indian Rupee, against the US dollar and Euro. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rate shift in the currencies by 10% against the functional currency of the respective entities.

Set out below is the impact of a 10% strengthening/weakening in the INR on pre-tax profit/(loss) arising as a result of the revaluation of the Company's foreign currency financial assets/liabilities:

(₹ in Crore)

Particulars	Total exposure		Effect of 10% strengthening/weakening of INR on pre-tax profit/(loss)	
	For the year ended March 31, 2024	**For the year ended March 31, 2023**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
US Dollar	416	144	42	14
Euro	274	634	27	63
Australian Dollar	1	4	0	0
SEK	14	14	1	1
Others	0	2	0	0

c. **Interest rate risk**

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of the Company's financial assets to interest rate risk is as follows:

(₹ in Crore)

Particulars	Total	Floating rate	Fixed rate	Non-interest bearing
As at March 31, 2024				
Financials assets	11,497	1,691	9,082	724
Financial liabilities	12,619	6,952	2,169	3,498
As at March 31, 2023				
Financials assets	12,222	1,981	8,340	1,901
Financial liabilities	16,676	4,000	8,188	4,488

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rate. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations.

Considering the net debt position as at March 31, 2024 and the investment in bonds and debt mutual funds, any increase in interest rates would result in a net decrease in profits and any decrease in interest rates would result in a net increase in profits. The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date.

The below analysis gives the impact of a 0.5% to 2.0% change in interest rates on floating rate financial assets/liabilities (net) on profit/(loss) and equity and represents management's assessment of the possible change in interest rates.

The impact of change (increase/(decrease)) in interest rate of 0.5%, 1.0% and 2.0% on profits for the period ended March 31, 2024 is ₹ 26 Crore, ₹ 53 Crore and ₹ 105 Crore and for year ended March 31, 2023 is ₹ 10 Crore, ₹ 20 Crore and ₹ 40 Crore respectively.

d. **Counterparty and concentration of credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents, short-term investments and derivative financial instruments. Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of good financial repute.

Moreover, given the nature of the Company's business, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue on a % basis in current year (Previous year: None). The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds.

The carrying value of the financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 are ₹ 11,497 Crore and ₹ 12,222 Crore respectively.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade and other receivables, and other non-current assets, there were no indications as at March 31, 2024, that defaults in payment obligations will occur.

Of the year end trade receivables, loans and other financial assets, following balances were past due but not impaired as at March 31, 2024 and March 31, 2023:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Neither impaired nor past due	819	591
Past due but not impaired		
Less than 1 month	27	64
Between 1-3 months	-	2
Between 3-12 months	12	9
Greater than 12 months	3	5
Total	**861**	**671**

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Company's customers is monitored on an on-going basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

Derivative financial instruments

The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the Company guidelines and policies.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value based on quotations obtained from financial institutions or brokers. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current assets and liabilities/reserves. Derivatives that are designated as hedges are classified as current depending on the maturity of the derivative.

The use of derivatives can give rise to credit and market risk. The Company tries to manage credit risk by entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Embedded derivatives

Derivatives embedded in other financial instruments or other contracts are treated as separate derivative contracts and marked-to-market when their risks and characteristics are not clearly and closely related to those of their host contracts and the host contracts are not fair valued.

Cash flow hedges

The Company also enters into commodity price contracts for hedging highly probable future forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity through OCI until the hedged transaction occurs, at which time, the respective gains or losses are reclassified to the Statement of Profit and Loss.

There is an economic relationship between the hedged items and the hedging instruments. The Company has established a hedge ratio of 1:1 for the hedging relationships. To test the hedge effectiveness, the Company uses the hypothetical derivative method and Dollar offset method.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments.
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments.
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items.
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments.

These hedges had been effective for the year ended March 31, 2023.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

Fair value hedges

The fair value hedges relate to commodity price risks and foreign currency exposure. The Company's sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer's facility. The Company enters into forward contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales.There were no fair value hedges for the period ended March 31, 2024.

Non-qualifying/economic hedges

Non-qualifying hedges related to commodity price risks and foreign currency exposure. The Company enters into forward foreign currency contracts and commodity contracts (for the period ended March 31, 2024) which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Fair value changes on such forward contracts are recognized in the Statement of Profit and Loss.

The fair value of the Company's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows:

(₹ in Crore)

Derivative financial instruments	As at March 31, 2024		As at March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Current				
Non - qualifying hedges				
Commodity contracts	11	1	16	-
Forward foreign currency contracts	-	11	16	-
Total	**11**	**12**	**32**	**-**

Disclosures of effects of Cash Flow Hedge Accounting:

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Commodity forward contracts		
Notional amount (in ₹ Crore)	-	-
Carrying amount (in ₹ Crore)	-	-
Line item in the Balance Sheet that includes Hedging Instruments	NA	Other Current Financial Assets
Change in fair value used for measuring ineffectiveness for the period - Gain/(Loss)	-	98

Hedge Items

The impact of the hedged items on the Balance Sheet is as follows:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Highly probable forecast sales		-
Change in value of the hedged items used for measuring ineffectiveness for the period	-	98

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

The effect of the cash flow hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Commodity forward contracts		
Cash flow Hedge Reserve at the beginning of the year	-	(64)
Total hedging gain/(loss) recognised in OCI	-	979
Income tax on above	-	(342)
Ineffectiveness recognised in profit or loss	-	-
Line item in the statement of profit or loss that includes the recognised ineffectiveness	NA	NA
Amount reclassified from OCI to profit or loss	-	(881)
Income tax on above	**-**	**308**
Cash flow Hedge Reserve at the end of the year	-	-
Line item in the statement of profit or loss that includes the reclassification adjustments	NA	Revenue from Operations

Disclosures of Non qualifying Hedge:

A. The following are the outstanding forward exchange contracts entered into by the Company and outstanding as at year end

(₹ in Crore)

Currency	Foreign currency	Indian Rupees	Buy/Sell	Cross Currency
As at March 31, 2024				
USD	16	1,370	Buy	INR
EUR	0	21	Buy	INR
GBP	-	-	Buy	INR
EUR	5	407	Buy	USD
SEK	2	14	Buy	USD
JPY	40	22	Buy	USD
AUD	0	8	Buy	USD
GBP	0	6	Buy	USD

(₹ in Crore)

Currency	Foreign currency	Indian Rupees	Buy/Sell	Cross Currency
As at March 31, 2023				
USD	1	88	Buy	INR
EUR	0	18	Buy	INR
GBP	0	0	Buy	INR
EUR	8	720	Buy	USD
SEK	2	14	Buy	USD
JPY	13	8	Buy	USD
AUD	0	14	Buy	USD
GBP	0	6	Buy	USD

B. The following are the outstanding position of commodity hedging open contracts as at March 31, 2024 :-

Zinc forwards/futures (sale)/buy for 3,236 MT (2023: (30,237) MT)

Lead forwards/futures (sale)/buy for (9,087) MT (2023: (9,192) MT)

Silver forwards/futures (sale)/buy for Nil Oz (2023: Nil Oz)

C. All derivative and financial instruments acquired by the Company are for hedging purposes.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

D. Unhedged foreign currency exposure

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Debtors	78	251
Creditors	437	345

35. CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of internal accruals, equity and short-term borrowings. The Company monitors capital on the basis of gearing ratio, which is net debt divided by total capital (equity + net debt). Net debt are non-current and current debt as reduced by cash and cash equivalents, other bank balances , current investments and certain non-current investments. Equity comprises all components including other components of equity. The Company is not subject to any externally imposed capital requirement.

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents (see note 11)	51	59
Other bank balances[1] (see note 12)	93	0
Current investments (see note 9)	9,874	9,850
Non-current investments[2] (see note 9)	167	152
Total cash (a)	**10,185**	**10,061**
Non-current borrowings (see note 15)	4,246	1,500
Current borrowings (see note 15)	4,210	10,341
Total debt (b)	**8,456**	**11,841**
Net debt (c = (b-a))	-	1,780
Equity (d) (See Statement of changes in Equity)	**15,233**	**12,942**
Total Capital (e = equity + net debt)	**15,233**	**14,722**
Gearing ratio(times) (c/e)	-	**0.12**

(1) The Company has included other bank balances as part of total cash. The same are excluding balances pertaining to earmarked unpaid dividend accounts.

(2) excluding investment in subsidiaries, JV, preference and equity shares.

36. RELATED PARTY

a. **List of related parties:**

Particulars

(i) **Holding Companies:**

Vedanta Limited (Immediate Holding Company)

Vedanta Resources Limited (Intermediate Holding Company)

Vedanta Incorporated (formerly known as Volcan Investments Limited) (Ultimate Holding Company)

(ii) **Subsidiaries:**

Hindustan Zinc Alloys Private Limited (Wholly owned subsidiary)

Vedanta Zinc Football & Sports Foundation (Section 8 company) (Wholly owned subsidiary)

Zinc India Foundation (Section 8 company) (Wholly owned subsidiary incorporated on August 05, 2022)

Hindustan Zinc Fertilisers Private limited (Wholly owned subsidiary incorporated on September 07, 2022)

Hindmetal Exploration Services Private Limited (Wholly owned subsidiary incorporated on February 26, 2024)*

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(iii) **Fellow Subsidiaries (with whom transactions have taken place):**

Bharat Aluminium Company Limited

Sterlite Power Transmission Limited

Talwandi Sabo Power Limited

ESL Steel Limited

Malco Energy Limited

Fujairah Gold FZC

Black Mountain Mining (Pty) Limited

Namzinc (Pty) Limited

Vizag General Cargo Berth Private Limited

Ferro Alloys Corporation Limited

Serentica Renewables India 4 Private Limited

Serentica Renewables India 5 Private Limited

STL Digital Limited

Sterlite Technologies Limited

(iv) **Related Party having a Significant Influence**

Government of India - President of India

(v) **Other related party**

Madanpur South Coal Company Limited (jointly controlled entity)

Minova Runaya Private Limited

Runaya Greentech Private Limited

Hindustan Zinc Limited Employee's Contributory Provident Fund Trust

Hindustan Zinc Limited Employee's Group Gratuity Trust

Hindustan Zinc Limited Superannuation Trust

Anil Agarwal Foundation Trust

* no transactions have taken place during the year with the company

b. **Transactions with Key management Personnel:**

Compensation of key management personnel of the Company recognised as expense during the reporting period

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits [1]	18	13
Sitting fee and commission to directors	2	2
Total compensation paid to key management personnel	**20**	**15**

(1) Excludes gratuity and compensated absences as these are recorded in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

There are no outstanding debts or loans due from directors or other officers (as defined under Section 2(59) of the Companies Act, 2013) of the Company.

c. **Transactions with Government having significant influence:**

Central government of India holds 29.54% shares in HZL. During the year, Company has availed incentives in the form of export incentive under Export promotion and credit guarantee scheme announced by the Government of India. Also, HZL has transactions with other government related entities (Public sector undertakings) including but not limited to sales and purchase of goods and ancillary materials, rendering and receiving services and use of public utilities.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

d. Transactions with Related Parties:

The details of the related party transactions entered into by the Company, for the period ended March 31, 2024 and March 31, 2023 are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Goods		
Fujairah Gold FZC	59	46
Vedanta Limited	1	0
Malco Energy Limited	0	-
Hindustan Zinc Alloys Private Limited	17	-
Runaya Greentech Private Limited	43	-
Total	**120**	**46**
Purchase of Goods		
Vedanta Limited	24	33
Bharat Aluminium Company Limited	45	42
Minova Runaya Private Limited	216	218
Malco Energy Limited	86	255
Runaya Greentech Private Limited	46	-
Black Mountain Mining (Pty) Limited	1	-
Total	**418**	**548**
Purchase of IT services		
STL Digital limited	21	3
Sterlite Technologies Limited	8	-
Total	**29**	**3**
Purchase of O&M services		
Runaya Greentech Private Limited	21	-
Total	**21**	**-**
Purchase of property, plant and equipment		
Vedanta Limited	-	0
FACOR	0	-
Talwandi Sabo Power Limited	0	0
Total	**0**	**0**
Sale of property, plant and equipment		
Vedanta Limited	-	0
FACOR	0	-
Talwandi Sabo Power Limited	0	0
Runaya Greentech Private Limited	43	-
Hindustan Zinc Alloys Private Limited	-	2
Hindustan Zinc Fertlisers Private Limited	89	-
Total	**132**	**2**
Strategic services and Brand fees		
Vedanta Limited	561	343
Total	**561**	**343**
Interest income on Loan given		
Hindustan Zinc Alloys Private Limited	13	3

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Hindustan Zinc Fertilisers Private limited	16	-
Total	**29**	**3**
Interest on Business Advance & Asset Sale		
Runaya Greentech Private Limited	2	-
Total	**2**	**-**
Other Expenses and other reimbursements		
Vedanta Limited	28	70
ESL Steel Limited	0	0
Bharat Aluminium Company Limited	(0)	(0)
Malco Energy Limited	-	0
Talwandi Sabo Power Limited	0	0
Ferro Alloys Corporation Limited	0	0
Black Mountain Mining (PTY) Limited	(4)	(1)
Sterlite Technologies Limited	0	-
STL Digital Limited	(0)	-
Vizag General Cargo Berth Private Limited	0	0
Runaya Greentech Private Limited	(1)	-
Minova Runaya Private Limited	(1)	(0)
Hindustan Zinc Alloys Private Limited	(4)	(6)
Vedanta Zinc Football & Sports Foundation	(0)	-
Zinc India Foundation	(2)	-
Hindustan Zinc Fertilisers Private limited	(0)	-
Total	**16**	**63**
Dividend paid		
Vedanta Limited	3,566	20,711
Government of India	1,622	9,422
Total	**5,188**	**30,133**
Dividend received		
Madanpur South Coal Company Limited (jointly controlled entity)	4	-
Total	**4**	**-**
Donations		
Vedanta Zinc Football & Sports Foundation	8	6
Zinc India Foundation	15	-
Anil Agarwal Foundation Trust	49	-
Total	**72**	**6**
Investments made		
Serentica Renewables India 4 Private Limited	175	105
Serentica Renewables India 5 Private Limited	131	-
Wholly owned subsidaries	-	0
Total	**306**	**105**

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Non-current Investments		
For Investments classified under Fair value through profit or loss:		
Serentica Renewables India 4 Private Limited (FVTPL)	224	-
Serentica Renewables India 5 Private Limited (FVTPL)	98	-
For Investments classified under Fair value through other comprehensive income:		
Serentica Renewables India 4 Private Limited (FVTOCI)	56	105
Serentica Renewables India 5 Private Limited (FVTOCI)	33	-
Total	**411**	**105**
Loans Given		
Hindustan Zinc Alloys Private Limited	70	111
Hindustan Zinc Fertilisers Private limited	286	-
Total	**356**	**111**
Transfer of CSR Assets		
Zinc India Foundation (refer note 5(1))	-	0
Total	**-**	**0**
Letter of Comfort/Bank Limits assigned		
Hindustan Zinc Alloys Private Limited (refer note 29(d)(ii))	66	81
Total	**66**	**81**
Other commitments		
Serentica Renewables India 4 Private Limited (refer note 29(d)(i))	70	245
Serentica Renewables India 5 Private Limited (refer note 29(d)(i))	306	438
Total	**376**	**683**
Contribution to :		
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	36	50
Hindustan Zinc Limited Employee's Group Gratuity Trust	29	-
Hindustan Zinc Limited Superannuation Trust	4	3
Total	**69**	**53**

All the transactions entered by the Company with the related parties are at arm's length price.

e. **The balances receivable/payable as at year end:**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable and advances		
Vedanta Limited*	-	0
Fujairah Gold FZC	15	12
Vizag General Cargo Berth Private Limited	-	-
Bharat Aluminium Company Limited	-	0
Runaya Greentech Private Limited	58	-
Sterlite Technologies Limited	1	-
Talwandi Sabo Power Limited	0	-
Ferro Alloys Corporation Limited	-	-
Black Mountain Mining (Pty) Limited	2	0
Vedanta Zinc Football & Sports Foundation	0	0
Zinc India Foundation	0	3

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Hindustan Zinc Alloys Private Limited - Loans receivable	181	111
Hindustan Zinc Alloys Private Limited - Interest receivable	-	3
Hindustan Zinc Alloys Private Limited - Other receivable	9	1
Hindustan Zinc Fertilisers Private Limited - Loans receivable	286	-
Hindustan Zinc Fertilisers Private Limited - Interest receivable	15	-
Hindustan Zinc Fertilisers Private Limited - Other receivable	36	-
	603	**132**
Prepaid expense		
Vedanta Limited	116	-
	116	**-**
Business advance		
Runaya Greentech Private Limited	4	-
	4	**-**

*Target plus scheme("TPS") as a part of foreign trade policy was announced on August 31, 2004 w.e.f. April 01, 2004, with an objective of accelerating growth in exports. Pursuant to this scheme, Vedanta Limited ("erstwhile Sterlite Industries Ltd.")(Holding Company) had applied for TPS scrips of value of ₹ 306 Crore. However, certain retrospective amendments in this scheme were made by Directorate General of Foreign Trade ('DGFT') resulting in reduction in these scrips value by ₹ 216 Crore in which HZL had a share of ₹ 48 Crore. This was challenged by the Holding Company in the Hon'ble Supreme Court. Basis the favourable judgements from the Hon'ble Supreme Court, HZL had recognised an income of ₹ 48 Crore as an export incentive recoverable in December 2015 . However, during FY 2020-21, the TPS scrips of value of ₹ 216 Crore were issued by Directorate General of Foreign Trade ('DGFT') in the name of Vedanta Limited("Holding Company") basis which, the export incentive recoverable was reclassified to recoverable from Vedanta Limited. The Company has realised ₹ 20 Crore from Vedanta Limited on the basis of proportionate scrips utilization by Vedanta Limited and has created a provision of remaining ₹ 28 Crore considering the expiry of the utilization timeline for these scrips till February 24, 2023 and no favorable outcome of the petition filed by the Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline (see note 27(4)).

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable To		
Bharat Aluminium Company Limited	2	-
Vedanta Limited	5	20
Minova Runaya Private Limited	12	12
Malco Energy Limited	3	6
ESL Steels limited	-	0
Sterlite Power Transmission Limited	0	0
Sterlite Technologies Limited	-	-
STL Digital	0	-
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	8	8
Hindustan Zinc Limited Employee's Group Gratuity Trust	0	7
Hindustan Zinc Limited Superannuation Trust	-	-
Sitting fee and commission to directors	1	1
Total	**31**	**55**

f. **Terms and conditions of related party transactions:**

The transactions from related parties are assessed to be at arm's length by the management. Outstanding balances at the year-end are unsecured and interest free, except for loans given to subsidiary company, and settlement occurs in cash.

Company usually pays strategic services and brand fees in advance at the beginning of the year, based on its estimated annual turnover.

There have been no other guarantees/letter of comfort provided or received to/from any related party except as disclosed in note (d) above.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

37. RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Variance*
Current ratio	Current Assets	Current Liabilities (excluding current maturities of long term borrowings)	1.56	0.97	61%
Debt - Equity Ratio	Debt [Debt is long term borrowing (current & non current portion) and short term borrowing]	Shareholder's Equity	0.56	0.91	(39%)
Debt Service Coverage ratio	Earning before interest, tax, depreciation & amortisation (EBITDA) and exceptional items	Interest expense on long term and short term borrowing during the period + Scheduled principal repayment of long term borrowing during the year	4.57	17.65	(74%)
Return on Equity ratio	Net Profit after tax (PAT) before exceptional items (net of tax)	Average Shareholder's Equity	55%	45%	24%
Inventory Turnover ratio	Revenue from operations - Earning before Interest, Tax, Depreciation & Amortisation (EBITDA) and exceptional items	Average Inventory	8.06	8.65	(7%)
Trade Receivable Turnover Ratio	Revenue from operations (including other operating income)	Average Trade Receivable	106.96	62.22	72%
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	7.31	7.96	(8%)
Net Capital Turnover Ratio	Revenue from operations (including other operating income)	Working capital = Current assets – Current liabilities excluding current maturities of long term borrowing	6.33	**	-
Net Profit ratio	Net Profit after tax (PAT) before exceptional items (net of tax)	Revenue from operations (including other operating income)	27%	31%	(13%)
Return on Capital Employed	Earnings before interest and taxes (EBIT)	Average Capital Employed Capital Employed = Net Worth + Total Debt [Debt is long term borrowing (current & non current portion) and short term borrowing]	42%	46%	(9%)
Return on Investment	Income on investments (including interest income on Bank deposits with original maturity of more than 12 months)	Average Investments (including Bank deposits with original maturity of more than 12 months)	8%	7%	14%

*Reason for Variance more than 25%

1. **Current Ratio:** Current ratio is higher mainly on account of repayment of short term borrowings during the year.
2. **Debt-Equity ratio:** Debt Equity ratio is lower on account of decrease in borrowings due to repayment during the year and higher shareholder's equity.
3. **Debt Service Coverage ratio:** Debt Service Coverage ratio is significantly lower mainly on account of higher repayment of long term borrowing during the year, partially offset by lower EBITDA and higher interest expense.
4. **Trade receivable turnover ratio:** Trade receivable turnover ratio is higher on account of reduction in outstanding trade receivables as at March end slightly offset by lower revenue from operations.

Notes forming part of the Financial Statements
as at and for the year ended March 31, 2024

38. LOANS AND ADVANCE(S) IN THE NATURE OF LOAN (REGULATIONS 34 (3) AND 53 (F) READ TOGETHER WITH PARA A OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS, 2015)

a) **Subsidiaries**

Name of the company	Relationship	Maximum Amount outstanding during the year	As at March 31, 2024	As at March 31, 2023
Hindustan Zinc Alloys Private Limited	Wholly owned subsidiary	181	181	111
Hindustan Zinc Fertilizers Private Limited	Wholly owned subsidiary	286	286	-

39. SUBSEQUENT EVENTS

There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

40. OTHER STATUTORY INFORMATION

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

(iii) The Company does not have any transactions with companies struck off.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) The Company has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Notes forming part of the Financial Statements

as at and for the year ended March 31, 2024

(ix) The Company has used accounting software ERP SAP for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled in the SAP application for direct changes to data in certain database tables, which is restricted to only one user ID with system administrator user access, in order to optimise system performance. The Company carried out proactive monitoring and review of activities performed by such user during the year. Additionally, the system administrator rights have been disabled subsequent to the year end. Further, no instance of audit trail feature being tampered with was noted in respect of software.

See accompanying notes to financial statements.

As per our report on even date

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

per **Tridevlal Khandelwal**
Partner
ICAI Membership No.: 501160
Date: April 19, 2024
Place: Pune

Sandeep Modi
Chief Financial Officer
Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520
Date: April 19, 2024
Place: Udaipur

Independent Auditor's Report

To the Members of Hindustan Zinc Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated financial statements of Hindustan Zinc Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Claims and exposure relating to taxation and litigation (as described in Note 3(III)(B), 29 and 31 of the consolidated financial statements)	
The Holding Company is subject to several legal and tax related claims and exposures which have been either disclosed or accounted for in the accompanying consolidated financial statements. Taxation and litigation exposures have been identified as a key audit matter due to complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the consolidated financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed. Accordingly, this matter has been identified as a key audit matter.	Our audit procedures included the following: • Gained an understanding of the process of identification of claims, litigations and contingent liabilities and identified key controls in the process. For selected controls, we have performed test of controls. • Obtained the year end summary of Holding Company's legal and tax cases and assessed management's position through discussions with the Legal Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss.
The Holding Company is subject to several legal and tax related claims and exposures which have been either disclosed or accounted for in the accompanying consolidated financial statements. Taxation and litigation exposures have been identified as a key audit matter due to complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the consolidated financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed. Accordingly, this matter has been identified as a key audit matter.	• Obtained independent external lawyer confirmations from Legal Counsels of the Holding Company who are contesting the cases. • Inspected external legal opinions and/ or past judicial orders, wherever considered necessary, and other evidence to evaluate management's assessment in respect of legal claims. • Engaged tax specialists to technically assess the management's assessment on tax disputes and positions. • Assessed the relevant disclosures made within the consolidated financial statements to address whether they reflect the facts and circumstances of the respective tax and legal exposures as per the requirements of relevant accounting standards.
Transactions with the Related parties (as described in Note 36 of the consolidated financial statements)	
The Holding Company has undertaken transactions with related parties including parent company, fellow subsidiaries and other related parties. Such transactions, includes among others, the payment of strategic services and brand fee, power delivery agreements, residue treatment contract, sale of property, plant & equipment and IT service agreement. Accounting and disclosure of such related party transactions has been identified as a key audit matter due to a) Significance of such related party transactions; b) Risk of such transactions being executed without proper authorizations; c) Risk of material information relating to aforesaid transactions not getting disclosed in the consolidated financial statements.	Our audit procedures included the following: • Obtained and read the Holding Company's policies, processes and procedures in respect of identification of such related parties in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls. • On sample basis tested some related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Holding Company. • Examined, where applicable the approvals of the board and audit committee of these transactions. • Obtained and read the reports including the review of arms-length pricing issued by the experts engaged by the management. • Assessed the competence and objectivity of the external experts. • Held discussions and obtained representations from the management in relation to such transactions. • Read the disclosures made in this regard in the consolidated financial statements and assessed whether relevant and material information have been disclosed.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective company(ies)and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective company(ies) to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective company(ies).

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements and other financial information, in respect of 3 subsidiaries, whose financial statements include total assets of ₹ 336.77 crores as at March 31, 2024, and total revenues of ₹ 23.54 crores and net cash outflows of ₹ 0.09 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

    (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

    (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

    (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

    (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company and its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

    (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the sub-clause (b) above on reporting under Section 143(3)(b) and paragraph i(vi) below on reporting under Rule 11(g);

    (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

        i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 29 and 31 to the consolidated financial statements;

        ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2024. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries, incorporated in India during the year ended March 31, 2024.

        iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The interim dividends declared and paid during the year by the Holding Company until the date of the audit report is in accordance with section 123 of the Act. Further, no dividends has been declared or paid during the year by the subsidiaries, incorporated in India during the year ended March 31, 2024.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in note 39 (ix) to the consolidated financial statements, the Holding Company and its subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered in respect of other accounting software.

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

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 24501160BKFVXP7200

Place of Signature: Pune
Date: April 19, 2024

Annexure '1'

referred to in paragraph under the heading "Report on other legal and regulatory requirements of our report of even date

Re : **HINDUSTAN ZINC LIMITED ("the Company")**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

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

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 24501160BKFVXP7200

Place of Signature: Pune
Date: April 19, 2024

ANNEXURE 2

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN ZINC LIMITED

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Hindustan Zinc Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) ("COSO 2013 Criteria"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31,2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in COSO 2013 criteria.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these 3 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

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

per **Tridevlal Khandelwal**
Partner
Membership Number: 501160
UDIN: 24501160BKFVXP7200

Place of Signature: Pune
Date: April 19, 2024

Consolidated Balance Sheet

as at March 31, 2024

(₹ in Crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	4	17,971	17,530
b) Capital work-in-progress	4A	1,696	2,237
c) Intangible assets	5		
i) Exploration intangible assets under development		109	58
ii) Other intangible assets		71	34
d) Financial assets			
i) Investments	9	578	257
ii) Loans	6	0	0
iii) Others	13	131	112
e) Income tax assets		145	145
f) Other non-current assets	7	569	290
Total Non-current assets		**21,270**	**20,663**
Current assets			
a) Inventories	8	1,926	1,862
b) Financial assets			
i) Investments	9	9,874	9,850
ii) Trade receivables	10	155	380
iii) Cash and cash equivalents	11	53	59
iv) Other bank balances	12	122	1,353
v) Loans	6	1	3
vi) Others	13	59	89
c) Income tax assets		-	872
d) Other current assets	7	435	336
Total Current assets		**12,625**	**14,804**
TOTAL		**33,895**	**35,467**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	14	845	845
b) Other equity		14,350	12,087
Total Equity		**15,195**	**12,932**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,246	1,500
ii) Lease liabilities	32	178	19
iii) Other financial liabilities	16	0	0
b) Provisions	17	199	189
c) Deferred tax liabilities (net)	31	2,311	2,314
d) Other non-current liabilities	18	925	1,060
Total Non-current liabilities		**7,859**	**5,082**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	4,210	10,341
ii) Lease liabilities	32	88	21
iii) Operational buyers' credit/suppliers' credit	19	399	307
iv) Trade payables	20	2,106	2,088
v) Other financial liabilities	16	1,414	2,419
b) Provisions	17	21	26
c) Income tax liabilities		477	564
d) Other current liabilities	18	2,126	1,687
Total Current liabilities		**10,841**	**17,453**
TOTAL		**33,895**	**35,467**

See accompanying notes to financial statements.

As per our report on even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Tridevlal Khandelwal
Partner
ICAI Membership No.: 501160
Date: April 19, 2024
Place: Pune

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer
Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520
Date: April 19, 2024
Place: Udaipur

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations	21A	28,082	33,272
Other operating income	21B	850	826
Other income	22	1,074	1,379
Total income		**30,006**	**35,477**
Expenses:			
Decrease/(Increase) in inventories of finished goods and work-in-progress	23	(157)	(143)
Employee benefits expense	24	828	845
Depreciation and amortization expense	26	3,468	3,264
Power and fuel		2,843	3,711
Mining royalty		3,517	4,068
Finance costs	25	955	333
Other expenses	27	8,245	8,111
Total expenses		**19,699**	**20,189**
Profit before tax		**10,307**	**15,288**
Tax expense :			
Current tax	31	2,549	3,431
Deferred tax (credit)/charge	31	(1)	1,346
Total tax expenses		**2,548**	**4,777**
Profit for the year		**7,759**	**10,511**
Other comprehensive income/(loss)			
A) Items that will not be reclassified to profit or loss in subsequent period			
(a) Remeasurement (loss)/gain of the defined benefit plans		(8)	3
(b) Tax credit		3	4
B) Items that will be reclassified to profit or loss in subsequent period			
(a) Gain on cash flow hedges recognised during the year		-	98
(b) Tax (expense)		-	(34)
(c) Net (Loss) on FVTOCI investments		2	(34)
(d) Tax credit		-	4
Total other comprehensive (loss)/gain for the year		**(3)**	**41**
Total comprehensive income for the year		**7,756**	**10,552**
Earnings per share (nominal value of shares ₹ 2)			
- Basic earnings per share (₹)	28	18.36	24.88
- Diluted earnings per share (₹)	28	18.36	24.88

See accompanying notes to financial statements.

As per our report on even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Tridevlal Khandelwal
Partner
ICAI Membership No.: 501160
Date: April 19, 2024
Place: Pune

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer
Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520
Date: April 19, 2024
Place: Udaipur

Consolidated Statement of Cash Flow

for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	10,307	15,288
Adjustments to reconcile profit to net cash provided by operating activities:		
Depreciation and amortization expense	3,468	3,264
Interest expense	955	333
Interest and dividend income	(761)	(1,154)
Amortization of deferred revenue arising from government grant	(179)	(157)
Allowance for impairment loss on financial assets (refer note 27(4))	-	28
Net (Gain)/Loss on investments measured at FVTPL	(64)	16
Net (Gain)/Loss on foreign exchange	(13)	33
Net Loss on sale of property, plant and equipment	20	9
Net (Gain) on sale of financial asset investments	(37)	(32)
Transfer of CSR assets (refer note 5(1))	-	117
Operating profit before working capital changes	**13,696**	**17,745**
Working capital changes:		
(Increase)/Decrease in inventories	(64)	91
Decrease in trade receivables	225	336
(Increase)/Decrease in other current assets	(66)	42
(Increase) in other non-current assets	(3)	(57)
Increase in trade and other payables	109	77
Increase in other current liabilities	1,206	68
Cash flows from operations	**15,103**	**18,302**
Income taxes paid (net of refunds)	(1,757)	(3,140)
Net cash flows from operating activities	**13,346**	**15,162**
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of property, plant and equipment (including intangibles, CWIP and capital advances)	(3,866)	(3,594)
Interest received	538	1,438
Dividend received (refer note 9)	4	-
Deposits made during the year	(92)	(1,500)
Deposits matured during the year	-	5,500
Purchase of non-current investments	(306)	(105)
Purchase of current investments	(23,242)	(43,187)
Proceeds from sale of current investments	23,507	47,958
Proceeds from sale of property, plant and equipment	51	19
Net cash flows (used) in/generated from investing activities	**(3,406)**	**6,529**
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Interest and other finance charges paid	(1,028)	(287)
Proceeds from short-term borrowings	6,620	13,458
Repayment of short-term borrowings	(13,307)	(5,276)
Proceeds from working capital loan (net)	8	-
Proceeds from long-term borrowings	5,442	1,500
Repayment of long-term borrowings	(2,112)	(704)
Payment of principal portion of lease liabilities	(76)	(14)
Dividend and tax paid thereon	(5,493)	(31,901)
Net cash (used) in financing activities	**(9,946)**	**(23,224)**
Net (decrease) in cash and cash equivalents	(6)	(1,533)
Cash and cash equivalents at the beginning of the year	59	1,592
Cash and cash equivalents at the end of the year (refer note 11)	**53**	**59**

Notes:-

1. The figures in brackets indicate outflows.
2. The above cash flow has been prepared under "Indirect method" as set out in Indian Accounting Standard (Ind AS-7) Statement of Cash Flows.

See accompanying notes to financial statements.

As per our report on even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Tridevlal Khandelwal
Partner
ICAI Membership No.: 501160

Date: April 19, 2024
Place: Pune

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520

Date: April 19, 2024
Place: Udaipur

Date: April 19, 2024
Place: Udaipur

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 2 each issued, subscribed and fully paid	Numbers of shares (in Crore)	₹ in Crore
As at March 31, 2023	423	845
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2024*	**423**	**845**

*There are no prior period errors for the year ended March 31, 2024 and March 31, 2023.

B. OTHER EQUITY

(₹ in Crore)

Particulars	Reserve and surplus			Items of Other comprehensive income		Total
	Capital Reserve	Retained earnings	General reserve[1]	Hedging reserve	Debt instruments at FVTOCI	
Balance as at April 01, 2022	1	23,116	10,383	(64)	-	33,436
Profit for the year	-	10,511	-	-	-	10,511
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Other comprehensive income/(loss)						
(a) Remeasurements gain of the defined benefit plans	-	3	-	-	-	3
Tax effect on above	-	4	-	-	-	4
(b) Gain on cash flow hedges recognised during the year	-	-	-	98	-	98
Tax effect on above	-	-	-	(34)	-	(34)
(c) Net (loss) on FVTOCI investments	-	-	-	-	(34)	(34)
Tax effect on above	-	-	-	-	4	4
Total other comprehensive income/(loss) for the year	**-**	**7**	**-**	**64**	**(30)**	**41**
Total comprehensive income/(loss) for the year	**-**	**10,518**	**-**	**64**	**(30)**	**10,552**
Dividend declared - Paid	-	(31,901)	-	-	-	(31,901)
Balance as at March 31, 2023	**1**	**1,733**	**10,383**	**-**	**(30)**	**12,087**
Profit for the year	-	7,759	-	-	-	7,759
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Other comprehensive income/(loss)						
(a) Remeasurements (loss) of the defined benefit plans	-	(8)	-	-	-	(8)
Tax effect on above	-	3	-	-	-	3
(b) Gain on cash flow hedges recognised during the year	-	-	-	-	-	-
Tax effect on above	-	-	-	-	-	-
(c) Net gain on FVTOCI investments	-	-	-	-	2	2
Tax effect on above	-	-	-	-	-	-
Total Other comprehensive income/(loss) for the year	**-**	**(5)**	**-**	**-**	**2**	**(3)**
Total comprehensive income for the year	**-**	**7,754**	**-**	**-**	**2**	**7,756**
Dividend declared - Paid	-	(5,493)	-	-		(5,493)
Balance as at March 31, 2024	**1**	**3,994**	**10,383**	**-**	**(28)**	**14,350**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(1) General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn.

During the year 2021-22, the Board of Directors of the Company, Audit & Risk Management Committee and Committee of Independent Directors of the Company, at its meeting held on January 21, 2022 had approved the Scheme of Arrangement ("Scheme") between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act"). The Scheme inter alia provides for capital reorganization of the Company, whereby it is proposed to transfer amounts standing to the credit of the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date. During the previous year, Securities and Exchange Board of India (through BSE Limited and National Stock Exchange of India Limited), BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") have approved the scheme. Further, the Hon'ble National Company Law Tribunal ('NCLT'), Jaipur Bench vide its order dated February 06, 2023, approved the scheme and directed to convene shareholders meeting for their approval. NCLT convened shareholders meeting was held on March 29, 2023, where in shareholders also approved the subject scheme. The Scheme will be implemented post receipt of further regulatory approvals/clearances from the NCLT, Jaipur Bench (second order) and such other approval/clearances as may be applicable and required.

Pursuant to the Scheme, the Company will possess greater flexibilty to undertake capital related decisions.

See accompanying notes to financial statements.

As per our report on even date	For and on behalf of the Board of Directors CIN - L27204RJ1966PLC001208	
For **S. R. Batliboi & Co. LLP** Chartered Accountants ICAI Firm Registration No.: 301003E/E300005	**Arun Misra** CEO & Whole-time Director DIN: 01835605	**Kannan Ramamirtham** Director DIN: 00227980 Place: Mumbai
per **Tridevlal Khandelwal** Partner ICAI Membership No.: 501160	**Sandeep Modi** Chief Financial Officer	**Harsha Kedia** Company Secretary ICSI Membership No.: A21520
Date: April 19, 2024 Place: Pune	Date: April 19, 2024 Place: Udaipur	Date: April 19, 2024 Place: Udaipur

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

1. GROUP OVERVIEW

Hindustan Zinc Limited ("HZL" or "the Company") (CIN: L27204RJ1966PLC001208) and its consolidated subsidiaries (collectively, the "Group") is engaged in exploring, extracting, processing of minerals and manufacturing of metals and its alloys. The Company was incorporated on January 10, 1966 and has its registered office at Yashad Bhawan, Udaipur (Rajasthan). HZL's shares are listed on National Stock Exchange and Bombay Stock Exchange.

Details of Group's various businesses are as follows. The Group's percentage holdings in each of the below businesses are disclosed in note 37.

1. HZL's operations include five zinc-lead mines, four zinc smelters, one lead smelter, one zinc-lead smelter, eight sulphuric acid plants, one silver refinery plant, six captive thermal power plants and four captive solar plants in the state of Rajasthan. In addition, HZL also has a rock-phosphate mine in Matoon, near Udaipur in Rajasthan and zinc, lead, silver processing and refining facilities in the state of Uttarakhand. The Group also has wind power plants in the states of Rajasthan, Gujarat, Karnataka, Tamil Nadu and Maharashtra and solar power plants in the state of Rajasthan.

2. Hindustan Zinc Alloys Private Limited ("HZAPL") is engaged in manufacturing of metals and its alloys.

3. Vedanta Zinc Football & Sports Foundation("VZFSF") is a section 8 company engaged in CSR activities for HZL pertaining to sports.

4. Zinc India foundation("ZIF") is a section 8 company engaged in CSR activities for HZL.

5. Hindustan Zinc Fertilisers Private limited("HZFPL") is engaged in manufacturing of phosphatic fertilisers.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time) and presentation requirement of Division II of schedule III to the Companies Act 2013 (Ind AS compliant Schedule III), as applicable. These consolidated financial statements have been prepared on a going concern basis using historical cost convention and on the accrual basis except for financial instruments which are measured at fair values (Refer note 3(I)(b) below).

Accounting policies have been consistently applied in all material aspects except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Also refer note 3(II).

The consolidated financial statements are approved for issue by the Board of Directors on April 19, 2024. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

3.(I) MATERIAL ACCOUNTING POLICIES

a) Basis of Consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the results of the Company and all its subsidiaries (the "Group"), being the entities that it controls. The financial statements of subsidiaries are prepared for the same reporting year as the parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. Intra-Group balances and transactions, and any unrealized profit arising from intra-Group transactions, are eliminated. Unrealized losses are eliminated unless costs cannot be recovered.

(ii) Joint Venture

The group holds an interest in a joint venture, Madanpur South Coal Company Limited, a joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Group's investments in its joint venture is accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

(iii) **Equity method of accounting**

Under the equity method of accounting applicable for investments in joint ventures, investments are initially recorded at the cost to the Group and then, in subsequent periods, the carrying value is adjusted to reflect the Group's share of the post-acquisition profits or losses of the investee, and the Group's share of other comprehensive income of the investee, other changes to the investee's net assets and is further adjusted for impairment losses, if any. Dividend received or receivable from joint-ventures are recognised as a reduction in carrying amount of the investment.

If the Group's share of losses in a joint venture equals or exceeds its interests in the associate or joint venture, the Group discontinues the recognition of further losses. Additional losses are provided for, only to the extent that the Group has incurred legal or constructive obligations.

b) **Fair value measurement**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

c) **Current and non-current classification**

The assets and liabilities are classified as current / non-current based on the operating cycle, which has been identified as 12 months.

d) **Functional and presentation currency**

The consolidated financial statements are prepared in Indian Rupees (₹), which is the Group's functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest crores. Amounts less than ₹ 0.50 Crore have been presented as "0".

e) **Revenue recognition**

(i) **Sale of goods (Products, Scrap and residual)**

Revenue from contracts with customers is recognised when control(as defined in Ind As 115) of the goods or services is transferred to the customer as per the terms of contract, which usually, is at the time of dispatch of goods to the customer or on the delivery of goods to a carrier responsible for transporting the goods to the customer, or on the date of bill of lading on delivery of the goods to the carriers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by-products are included in revenue. The Company has generally concluded that it is the principal in its revenue arrangements.

Goods are often sold with volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. A liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are generally made with a credit term of 0-120 days, which is consistent with market practice. Any obligation to provide a refund is recognised as a provision. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Certain of the Group's sales contracts provide for provisional pricing based on the price on the London Metal Exchange (LME), as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

115 and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments, i.e., the consideration received post transfer of control are included in total revenue from operations on the face of the Statement of Profit and loss. Final settlement of the price is based on the applicable price for a specified future period. The Group's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Contract assets

Trade Receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 3(i) Financial instruments - Initial recognition and subsequent measurement.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

(ii) **Income from wind energy**

Revenue from sale of wind power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

(iii) **Dividends**

Dividend income is recognized in the Statement of Profit and Loss section only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(iv) **Interest income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) **Others**

Revenue relating to insurance claims and interest on delayed or overdue payments from trade receivable is recognized when no significant uncertainty as to measurability or collection exists.

f) **Property, plant and equipment**

(i) **Property, plant and equipment other than mining properties**

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. The present value of the expected cost for the decommissioning of an asset and mine restoration after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Major machinery spares and parts are capitalized when they meet the definition of Property, Plant and Equipment. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized. The cost includes the cost of replacing part of the plant and equipment when significant part of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repairs and maintenance cost are recognized in the Statement of Profit and Loss as incurred.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in the Statement of Profit and Loss.

Government grant related to fixed asset is capitalized along with the asset that it relates to and depreciated over the life of the primary asset.

(ii) **Mining properties**

The costs of mining properties, which include the costs of developing mining properties are capitalized as Property, Plant and Equipment under the heading "Mining properties" in the year, when a decision is taken that a mining property is viable for commercial production (i.e., when the Group determines that the mining property will provide sufficient and sustainable return relative to the risks and the Group decided to proceed with the mine development). All further pre-production primary development expenditure other than land, buildings, plant and equipment is capitalized as developing asset until the mining property are capable of commercial production. Revenue derived during the project phase is adjusted from the cost incurred on the project from which such revenue is generated.

(iii) **Capital work in progress (CWIP)**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized in CWIP until the period of commissioning has been completed and the asset is ready for its intended use.

(iv) **Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible property and other equipment has been provided on the straight-line method.

- Depreciation has been provided over remaining useful life or life of replaced part whichever is shorter of the respective property, plant and equipment in respect of additions arising on account of insurance spares, on additions or extension forming an integral part of existing plants and on the revised carrying amount of assets identified as impaired.

- Mining properties are amortized, from the date on which they are first available for use, in proportion to the annual ore raised to the remaining commercial ore reserves (on a unit-of-production basis) over the total estimated remaining commercial reserves of each property or group of properties and are subject to impairment review. Commercial reserves are proved and probable reserves and any changes affecting unit of production calculations are dealt with prospectively over the revised remaining reserves. In the year of abandonment of mine, the residual balance in mining properties are written off. Costs used in the computation of unit of production comprises the net book value of the capitalised costs plus the future estimated costs required to be incurred to access the commercial reserves.

- Based on technical evaluation, the management believes that the useful lives as given below best represent the period over which the management expects to use the asset.

Assets	Useful life in years (as per Sch II)
Factory buildings	30 years
Residential buildings	60 years
Roads (included in buildings)	5-10 years
Computers and data processing equipment (included in office equipments)	3-6 years
Plant and Equipment (including captive power plant)	8-40 years
Railway sidings	15 years
Office equipment	5 years
Furniture and fixtures	10 years
Vehicles	8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, the Group determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

banning or restricting the use of the Group's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Group's buildings and office properties.

(v) **Exploration & evaluation assets**

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred. Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore, are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration and evaluation assets are assessed for impairment and impairment loss, if any, is recognised prior to reclassification. Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources.

(vi) **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of the funds.

g) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets are amortized over their estimated useful life. Amounts paid for securing mining rights are amortized over the period of mining lease of 20 years. The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

h) **Impairment of non-financial assets**

Impairment charges and reversals are assessed at the level of cash-generating units.

Impairment tests are carried out annually for all assets when there is an indication of impairment. The group assesses at each reporting date, whether there is an indication that an asset may be impaired. The Group conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognized impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognized impairment losses.

If any such indication exists then an impairment review is undertaken, the recoverable amount is calculated as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Group's continued use and cannot take into account future development.

The carrying amount of the cash generating unit (CGU) is determined on a basis consistent with the way the recoverable amount of the CGU is determined.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

i) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets – recognition and subsequent measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets except treasury investment that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset. Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115. For purposes of subsequent measurement, financial assets are classified in three categories:

- **Financial assets at amortized cost**

  A 'financial asset' is measured at the amortized cost if both the following conditions are met:

  a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

  A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

  a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

  b) The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

  For equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

- **Financial assets at fair value through Statement of Profit and Loss (FVTPL)**

  FVTPL is a residual category for debt instruments and default category for equity instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost as at FVTOCI, is classified as at FVTPL. The Group has not invested in any equity instruments.

  Debt instrument included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

  Further, the provisionally priced trade receivables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Financial assets - derecognition

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables

- Financial assets that are debt instruments and are measured as at FVTOCI

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss (P&L). The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities – recognition and subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

- **Financial Liabilities at amortized cost (Loans, Borrowings and Trade and Other payables)**

  After initial recognition, interest-bearing loans, borrowings and Trade and Other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

  Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

  Financial liabilities - derecognition

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

  Embedded derivatives

  An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through Profit or Loss.

  If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though Profit or Loss. These embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss, unless designated as effective hedging instruments.

  Reclassification of financial assets

  The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

  Offsetting of financial instruments

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j) **Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, and commodity price risks, the Group enters into forward currency contracts, commodity contracts and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges
- Cash flow hedges

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an on-going basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) **Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss. When an unrecognized firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recognized in the Statement of Profit and Loss.

(ii) **Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of Profit and Loss.

Amounts recognized as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

k) **Government grants, subsidies and export incentives**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

l) **Inventories**

Inventories are valued at the lower of cost and net realizable value, less any provision for obsolescence.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Ore, concentrate (mined metal), work-in-progress and finished goods (including significant by-products i.e., silver) are valued at lower of cost or net realizable value on weighted average basis.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(ii) Stores and spares are valued at lower of cost or net realizable value on weighted average basis.

(iii) Immaterial by-products, aluminium scrap, chemical lead scrap, anode scrap and coke fines are valued at net realizable value.

Net realizable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

m) Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give to equal taxable and deductible taxable differences.

- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') paid in a year is charged to the Statement of Profit and Loss as current tax. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

n) Retirement and other Employee benefit schemes

i. Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

ii. Post-Employment Benefits

Gratuity

In accordance with the Payment of Gratuity Act of 1972, the Group contributes to a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed at least 5 years of service; at retirement, disability or termination of employment being an amount equal to 15 days' salary (based on the respective employee's last drawn salary) for every completed year of service.

Based on actuarial valuations conducted as at year end, a provision is recognized in full for the benefit obligation over and above the funds held in the Gratuity Plan.

In respect of defined benefit schemes, the assets are held in separately administered funds. In respect of defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation separately each year using the projected unit credit method by independent qualified actuary as at the year end.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The Group recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income

Provident Fund

The Group offers retirement benefits to its employees, under provident fund scheme which is a defined benefit plan. The Group and employees contribute at predetermined rates to 'Hindustan Zinc Limited Employee's Contributory Provident Fund' ('Trust') accounted on accrual basis and the conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, between the return guaranteed by the statute and actual earning of the Trust. The contribution towards provident fund is recognized as an expense in the Statement of Profit and Loss.

Family Pension

The Group offers its employees benefits under defined contribution plans in the form of family pension scheme. Contributions are paid during the year into the fund under statutory arrangements. The contribution to family pension fund is made at predetermined rates by the Group based on prescribed rules of family pension scheme. The contribution towards family pension is recognized as an expense in the Statement of Profit and Loss. The Group has no further obligation other than the contribution made.

Superannuation

Certain employees of the Group, who have joined post disinvestment are members of the Superannuation plan. The Group has no further obligations to the Plan beyond its monthly contributions which are periodically contributed to a trust fund, the corpus of which is invested with the Life Insurance Corporation of India. The contribution is recognized as an expense in the Statement of Profit and Loss.

With respect to defined contribution plans if the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

iii. Other Long- Term Employee Benefits

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service. Actuarial differences are recognised immediately in the Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

o) Provision

Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

(i) Provision for Decommissioning

The Group recognizes a provision for decommissioning costs of smelting and refining facilities. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at pre-tax rate that reflects the risks specific to the liability. The unwinding of the discount is expensed as incurred and recognized in the Statement of Profit and Loss as a finance cost. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

(ii) Provision for Restoration, rehabilitation and environmental costs

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or on-going production of a mine. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalized at the start of each project as mining properties, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision (considered as finance cost). The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate as per the depreciation policy .

Costs for the restoration of subsequent site damage, which is caused on an on-going basis during production, are charged to the Statement of Profit and Loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.

p) Foreign currency translation

The Group's consolidated Financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In the financial statements of the Group, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

q) Earnings per share

The Group presents basic and diluted earnings per share (“EPS”) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

r) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker, i.e., CEO. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which are not allocable to segments on a reasonable basis, are included under "Unallocated revenue/expenses/assets/liabilities".

s) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (h) Impairment of non-financial assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

t) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

u) Operational buyers’ credit/suppliers’ credit

The Group enters into arrangements where by banks and financial institutions make direct payments to suppliers for goods and services. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled up to twelve months from the date of agreement . Where these arrangements are for goods used in the normal operations of the Group with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers’ credit/ suppliers' credit and disclosed on the face of the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial instiutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer’s credit/suppliers’ credit by the Group is treated as a cash outflow from operating activity reflecting the substance of the payment.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

v) Provisions, contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Balance Sheet.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as Contingent liabilities and disclosed in the notes but are not reflected as liabilities in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the consolidated financial statements when an inflow of economic benefit is probable.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet but disclosed in the financial statement.

3. (II) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Group applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

Standards issued but not yet effective

There are no standards that are notified and not yet effective as on date.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

3. (III) SIGNIFICANT ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates under different assumptions and conditions.

The management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Information about estimates and judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

(A) Significant Estimates

(i) Mining property and Ore reserve

Ore reserves and mineral resource estimates are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. The Group estimates its ore reserves and mineral resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the ore body and suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body. As a consequence of such an assessment made at the end of the current year, the Group has added new reserves and there is no material impact on the depreciation charge for the year due to this change.

(ii) Restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine fields. The costs are estimated on bi-annual basis on the basis of mine closure plans with the help of third party experts and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalized when incurred reflecting the Group's obligations at that time. The Group has not considered salvage value for the estimates of provision for decommissioning calculated as at March 31, 2023. The provision for decommissioning liabilities (refer note 17) is based on the current estimate of the costs for removing and decommissioning producing facilities, the forecast timing of settlement of decommissioning liabilities and the appropriate discount rate.

(iii) Assessment of useful lives and consumption pattern of Property, Plant and Equipments:

The Group reviews the useful lives and consumption pattern of Property, Plant and Equipment at the end of each reporting period.

(B) Significant Judgement

(i) Contingencies

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A provision is recognised when the Company has a present obligation as a result of past events and it is probable that the Company will be required to settle that obligation. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific applicable law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in Note 29. For other significant litigations where the possibility of an outflow of resources embodying economic benefits is remote, refer Note 29.

(ii) Climate Change

The Company aims to achieve net carbon neutrality by 2050 or sooner & committed to reduce its GHG emission (Scope 1 & 2) by 50% & Scope 3 by 25% by 2030 from 2020 baseline, 5 times water positive by 2025 from current 2.41 times etc.as part of

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

their climate mitigation and adaptation efforts and sustainability strategy. The Company conducted climate risk assessment and outlined its risks and opportunities in TCFD report. Climate change may have various impacts on the Company in the medium to long term. These impacts include the risks and opportunities related to the demand of products, impact due to transition to a low-carbon economy, disruption to the supply chain, risk of physical harm to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term.

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets, (c) review of estimates of useful lives of property, plant and equipment, and (d) assets and liabilities carried at fair value, etc.

The Company's strategy consists of mitigation and adaptation measures and is committed to reduce its carbon footprint by limiting its exposure to coal-based projects and reducing its GHG emissions through high impact initiatives such as investment in Renewable Energy (450 MW power delivery agreement ('PDA') signed on a group captive basis, fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities. However, renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and fleet replacement is part of normal lifecycle renewal. The Group have also taken certain measures towards water management such as commissioning of Zero Liquid Discharge plants, sewage treatment plant, dry tailing plant, rainwater harvesting, thus reducing freshwater consumption. These initiatives are aligned with the Company's ESG strategy and no material changes were identified to the financial statements as a result.

As the Company's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in the Company's climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Company's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Company believes that there is no material impact on carrying values of its assets or liabilities.

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

4. PROPERTY, PLANT AND EQUIPMENT

(₹ in Crore)

Particulars	Freehold land	Buildings	Plant and equipment (Refer note 5(1))	Furniture and fixtures	Vehicles	Office equipment	Railway siding	Mining properties (Refer note 5(3))	Right of use (3)	Total
At Cost										
As at April 01, 2022	**291**	**2,130**	**21,191**	**36**	**53**	**393**	**94**	**10,614**	**235**	**35,037**
Additions (1&3)	3	132	1,719	2	4	21	-	1,595	32	3,508
Disposals/adjustments	-	12	650	2	5	12	-	-	-	681
Transfer/Reclassification (from)/to	-	-	-	-	-	-	-	149	-	149
As at March 31, 2023	**294**	**2,250**	**22,260**	**36**	**52**	**402**	**94**	**12,358**	**267**	**38,013**
Additions (1&3)	8	199	1,526	1	3	40	-	1,856	237	3,870
Disposals/adjustments	-	14	234	0	3	4	-	-	-	255
Transfer/Reclassification (from)/to	-	(39)	37	-	2	-	-	84	-	84
As at March 31, 2024	**302**	**2,396**	**23,589**	**37**	**54**	**438**	**94**	**14,298**	**504**	**41,712**
Accumulated depreciation										
As at April 01, 2022	**-**	**689**	**10,235**	**27**	**28**	**267**	**43**	**6,560**	**23**	**17,872**
Depreciation charge for the year	-	77	1,225	2	6	34	5	1,889	17	3,255
Disposals/adjustments	-	11	616	2	3	12	-	-	-	644
As at March 31, 2023	**-**	**755**	**10,844**	**27**	**31**	**289**	**48**	**8,449**	**40**	**20,483**
Depreciation charge for the year	-	76	1,326	2	5	37	5	1,950	55	3,456
Disposals/adjustments	-	22	171	0	2	3	-	-	-	198
As at March 31, 2024	**-**	**809**	**11,999**	**29**	**34**	**323**	**53**	**10,399**	**95**	**23,741**
Net Book Value										
As at March 31, 2024	**302**	**1,587**	**11,590**	**8**	**20**	**115**	**41**	**3,899**	**409**	**17,971**
As at March 31, 2023	**294**	**1,495**	**11,416**	**9**	**21**	**113**	**46**	**3,909**	**227**	**17,530**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

4(A) Capital work-in-progress

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of Capital work-in-progress	1,696	2,237

Movement of Capital work-in-progress (CWIP) during the year:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	2,237	2,075
Add: Additions during the year	2,952	3,446
Less: Capitalisations during the year	(3,493)	(3,284)
Carrying amount of Capital work-in-progress	**1,696**	**2,237**

CWIP Ageing Schedule

(₹ in Crore)

CWIP	As at March 31, 2024			As at March 31, 2023		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	929	-	**929**	1137	-	**1,137**
1-2 years	409	-	**409**	300	-	**300**
2-3 years	147	-	**147**	240	-	**240**
More than 3 years	211	-	**211**	560	-	**560**
Total	**1,696**	**-**	**1,696**	**2237**	**-**	**2,237**

CWIP completion schedule for projects whose completion is overdue compared to its original plan:

(₹ in Crore)

CWIP	As at March 31, 2024 To be completed in				As at March 31, 2023 To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress								
Fumer Project	31	-	-	-	534	-	-	-
RD Mill project	6	-	-	-	285	-	-	-
Dewatering Project	129	-	-	-	-	-	-	-
HZAPL	81	-	-	-	-	-	-	-
Others	47	-	-	-	93	-	-	-
Total	**294**	**-**	**-**	**-**	**912**	**-**	**-**	**-**

(1) Addition to plant & equipment includes finance cost capitalised of ₹ 67 Crore. (March 31, 2023: ₹ 14 Crore).

(2) During the year, the Group has capitalised the following expenses which are attributable to the construction activity and are included in the cost of capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of such amounts.

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Power and fuel charges	45	79
Repairs and others	350	386
Cost of material consumed	1	-
Consumption of stores and spare parts	273	322
Employee benefits expense	125	121
Finance cost	75	23
Insurance	2	2
Miscellaneous expenses	0	0
Total	**871**	**934**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(3) Carrying amount of right-of-use assets recognised and the movements during the year is as below:

(₹ in Crore)

Particulars	Plant & machinery	Buildings	Land	Total
As at April 01, 2022	**25**	**3**	**184**	**212**
Additions	32	-	-	32
Depreciation	(9)	(1)	(7)	(17)
As at March 31, 2023	**48**	**2**	**177**	**227**
Additions	227	-	10	237
Depreciation	(47)	(1)	(7)	(55)
As at March 31, 2024	**228**	**1**	**180**	**409**

5. INTANGIBLE ASSETS

(₹ in Crore)

Particulars	Computer software	Mining rights	Right to use asset(1)&(2)	Exploration intangible assets under development(3)&(4)	Total
At Cost					
As at April 01, 2022	**50**	**67**	**143**	**81**	**341**
Additions	1	-	-	126	127
Disposals/adjustments	-	-	143	-	143
Transfer (from)/to	-	-	-	(149)	(149)
As at March 31, 2023	**51**	**67**	**-**	**58**	**176**
Additions	1	-	48	135	184
Disposals/adjustments	-	-	-	-	-
Transfer (from)/to	-	-	-	(84)	(84)
As at March 31, 2024	**52**	**67**	**48**	**109**	**276**
Accumulated depreciation					
As at April 01, 2022	**46**	**33**	**31**	**-**	**110**
Charge for the year	1	4	4	-	9
Disposals/adjustments	-	-	35	-	35
As at March 31, 2023	**47**	**37**	**-**	**-**	**84**
Charge for the year	2	4	6	-	12
Disposals/adjustments	-	-	-	-	-
As at March 31, 2024	**49**	**41**	**6**	**-**	**96**
Net Book Value					
As at March 31, 2024	**3**	**26**	**42**	**109**	**180**
As at March 31, 2023	**4**	**30**	**-**	**58**	**92**

(1) Consequent to the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company, during the previous year, had transferred its CSR assets having a carrying value of ₹ 117 Crore after obtaining required regulatory approvals as on the date of transfer to a company incorporated under Section 8 of the Companies Act, 2013.

(2) Includes cloud server on lease.

(3) ₹ 84 Crore (March 31, 2023: ₹ 149 Crore) transferred from Exploration intangible assets under development to Mining properties (Refer note 3(I)(f)(v)).

(4) Additions to Exploration intangible assets under development includes finance cost capitalised ₹ 9 Crore (March 31, 2023: Nil).

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

6. LOANS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good		
Loans to employees	0	0
Total	**0**	**0**
Current		
Unsecured, considered good		
Loans to employees	1	3
Total	**1**	**3**

7. OTHER ASSETS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good		
Capital advances	424	179
Claims and other receivables[(1)]	96	111
Advances for supplies to related party	49	-
	569	**290**
Unsecured, credit impaired		
Claims and other receivables	7	7
Provision on doubtful deposits and claims	(7)	(7)
	-	-
Total	**569**	**290**
Current		
Unsecured, considered good		
Advance given to vendors for supply of goods and services	92	47
Advances for supplies to related party	1	-
Balance with government authorities	152	154
Claims and other receivables[(2)]	190	135
Total	**435**	**336**

(1) Pertains to Indirect taxes and royalty deposited under dispute with respect to various matters currently litigated in court of law and at various levels of adjudication.

(2) Includes prepaid expenses and export benefit receivable.

8. INVENTORIES*(2)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Work-in-progress		
Ore	106	96
Mined metal	744	677
Others	547	457
b. Finished goods[(1)]	18	28
c. Fuel stock [Including goods in transit ₹ 83 Crore (March 31, 2023: ₹ 148 Crore)]	196	236
d. Stores and spare parts [Including goods in transit ₹ 17 Crore (March 31, 2023: ₹ 20 Crore)]	315	368
Total	**1,926**	**1,862**

* For method of valuation of inventories, refer note 3(I)(l).

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

(1) Inventory held at net realizable value amounted to ₹ 5 Crore (March 31, 2023: ₹ 5 Crore). The write down on this inventory of Nil (March 31, 2023: Nil) has been recognized as an expense in Statement of Profit and Loss.

(2) The Group follows suitable provisioning norms for writing down the value of inventories towards slow moving, non-moving and surplus inventory. An amount of ₹ 5 Crore (March 31, 2023: ₹ 36 Crore reversed) has been reversed on account of consumption of respective slow moving/non-moving inventories during the year and has been recognized in the Statement of Profit and Loss.

9. INVESTMENTS

Non-Current

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Joint Venture - Unquoted			
Madanpur South Coal Company Limited (1,14,391 equity shares (March 31, 2023: 1,14,391) of ₹ 10 each)		2	2
Less: Aggregate amount of impairment in the value of investment		(2)	(2)
	(A)	-	-

The Company had access of up to 31.5 million MT of coal as a partner in the joint venture 'Madanpur South Coal Company Limited' (Madanpur JV), a Company incorporated in India, where it holds 18.05% (March 31, 2023: 17.62%) of ownership interest (change in ownership interest is due to buyback of shares by Madanpur JV from other shareholders). During the year 2013-14, Honourable Supreme Court had passed the judgment cancelling all the coal blocks including Madanpur JV allocated since 1993 with certain exceptions and consequently the Company does not have any business to pursue. Accordingly, the Company had created 100% provision against its investment in Madanpur JV amounting to ₹ 2 Crore.

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Measured at fair value through Profit and Loss			
Investment in preference shares - Unquoted			
Serentica Renewables India 4 Private Limited (22,40,00,000 (March 31, 2023: 10,50,00,000) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)		224	105
Serentica Renewables India 5 Private Limited (9,82,50,000 (March 31, 2023: Nil) Optionally Convertible Redeemable Preference Shares of ₹ 10 each)		98	-
	(B)	**322**	**105**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds - quoted		167	152
Serentica Renewables India 4 Private Limited (5,60,00,000 equity shares of class B of ₹ 10 each)		56	-
Serentica Renewables India 5 Private Limited (3,30,00,000 equity shares of class B of ₹ 10 each)		33	-
	(C)	**256**	**152**
Total non-current investments	(A+B+C)	**578**	**257**

(1) During the previous year, the Company had entered into Power delivery agreement ('PDA') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. During the current year, the Company has made an investment of ₹ 175 Crore (March 31, 2023: ₹ 105 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 56 Crore worth of OCPRS are converted into equity shares of Serentica 4 as per terms of the PDA. The Company has pledged all of its investments in Serentica 4 for financing the project as per the terms of the PDA.

(2) During the previous year, the Company had entered into Power delivery agreement ('PDA') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of approximately ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Company has made an investment of approximately ₹ 131 Crore (March 31, 2023: Nil) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of approximately ₹ 307 Crore to be made basis fulfilment of conditions of the PDA. Out of the total investment, ₹ 33 Crore worth of OCPRS are converted into equity shares of Serentica 5 as per terms of the PDA.

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

Current

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
Measured at fair value through Profit and Loss			
Investment in bonds-quoted*		1,540	1,573
Investment in perpetual bonds-quoted*		2,256	2,261
Investment in mutual funds-unquoted		1,651	1,777
	(A)	**5,447**	**5,611**
Measured at fair value through other comprehensive income			
Investment in zero coupon bonds-quoted		2,330	2,133
Investment in perpetual bonds-quoted*		2,097	2,106
Total	(B)	**4,427**	**4,239**
Total Current Investments	(A+B)	**9,874**	**9,850**
Aggregate amount of quoted investment at market value thereof		8,223	8,073
Aggregate amount of unquoted investment		1,651	1,777

*Investments amounting to ₹ 2,033 Crore (March 31, 2023: ₹ 1,812 Crore) are pledged as security for repurchase liability (refer note 15(4)). The Company continues to record these investments as it retains rights to contractual cash flows on such investments and thus do not meet the criteria for derecognition or transfer of financial asset as per Ind AS 107.

10. TRADE RECEIVABLES[(1)(3)]

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered good[(2)]	155	380
Trade receivables - credit impaired	2	2
	157	**382**
Provision for doubtful trade receivables	(2)	(2)
Total	**155**	**380**

Trade receivables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed - considered good		
Not Due	111	300
Less than 6 months	40	69
6 months-1 year	1	6
1-2 years	3	5
2-3 years	-	-
More than 3 years	-	-
Total	**155**	**380**
Disputed - considered good		
Not Due	-	-
Less than 6 months	-	-
6 months -1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**-**	**-**

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed-credit Impaired		
Not Due	-	-
Less than 6 months	-	-
6 months-1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	2	2
Total	**2**	**2**
Less: Provision for doubtful trade receivables	(2)	(2)
Total Trade receivables	**155**	**380**

(1) The average credit period given to customer ranges from zero to one hundred twenty days (March 31, 2023: zero to one hundred twenty days). Interest is charged on trade receivables for the credit period, from the date of the invoice at 8% to 10.55%. (March 31, 2023: 7.25% to 10.10%) per annum on the outstanding balance.

(2) Unsecured considered good includes ₹ 22 Crore (March 31, 2023: ₹ 35 Crore) due from wind energy segment's trade receivables. Unsecured trade receivable of ₹ 45 Crore (March 31,2023: ₹ 136 Crore) are covered against Letter of credit and Bank Guarantees.

(3) Refer note 36 for details of related party balances and terms and conditions.

11. CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
On current accounts	53	59
Total	**53**	**59**

12. OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits having maturity more than 3 months but not more than 12 months	93	0
Earmarked unpaid dividend accounts	29	1,353
Total	**122**	**1,353**

13. OTHER FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured, considered good		
Security Deposits	126	107
Bank Deposits with more than 12 months maturity	5	5
Unsecured, credit impaired		
Security Deposits	27	27
Provision for doubtful deposits	(27)	(27)
Total	**131**	**112**

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Unsecured, considered good		
Interest accrued on deposits	7	3
Derivative assets (refer note 34)	11	32
Receivable from related party (refer note 36)	2	1
Other receivable	39	53
Unsecured, credit impaired		
Receivable from related party (refer note 36)	28	28
Provision for doubtful receivable (see note 27(3))	(28)	(28)
Total	**59**	**89**

14. EQUITY SHARE CAPITAL

(₹ in Crore)

Particulars		As at March 31, 2024	As at March 31, 2023
A.	**Authorized equity share capital**		
	Equity shares of ₹ 2 (March 31, 2023: ₹ 2) each.	1,000	1,000
	No. of Shares (In Crore)	500	500
B.	**Issued, subscribed and paid up**		
	Equity shares of ₹ 2 (March 31, 2023: ₹ 2) each.	845	845
	No. of Shares (In Crore)	423	423
C.	**Equity shares held by Holding Company**		
	Vedanta Limited		
	No. of Shares (In Crore)	274	274
	% of Holding	64.92%	64.92%
D.	**No shares issued for consideration other than cash and no shares bought back during the period of five years immediately preceding the reporting date.**		
E.	**Details of shareholders holding more than 5% shares in the Company**		
	Vedanta Limited		
	No. of Shares (In Crore)	274	274
	% of Holding	64.92%	64.92%
	Government of India - President of India		
	No. of Shares (In Crore)	125	125
	% of Holding	29.54%	29.54%
F.	**Details of shares held by promoters**		
	Vedanta Limited		
	No. of shares at the beginning of the year (In Crore)	274	274
	Change during the year (In Crore)	-	-
	No. of shares at the end of the year (In Crore)	274	274
	% of Total Shares*	64.92%	64.92%
	% change during the year	-	-

*As at March 31, 2024, 13.75% (March 31, 2023: 6.77%) of total paid up share capital of the Company have been pledged by promoters for securing loan facilities from banks/financial institutions along with a non-disposal undertaking in respect of their holding in the Company to the extent of 50.1% of the paid up share capital of the Company.

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

G. Terms/Rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 2 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when declared by the Company. Interim dividend is paid as and when declared by the Board. Final dividend is paid after obtaining shareholders' approval. Dividends are paid in Indian Rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholding.

15. BORROWINGS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Unsecured		
Non-convertible debentures(1)	-	2,111
Term-loan from banks(2)(3)	6,944	1,500
Total Non-current borrowings	**6,944**	**3,611**
Less: Current maturities of long-term borrowings	(2,698)	(2,111)
Total (Net)	**4,246**	**1,500**

(1) During the financial year 2020-21, the Company had issued 35,200 Unsecured, Rated, Non-convertible debentures (NCDs) of face value of ₹ 10,00,000 each at an interest rate of 5.35%, aggregating upto ₹ 3,520 Crore. The NCDs were due for repayment in three yearly installments of ₹ 704 Crore, ₹ 704 Crore and ₹ 2,112 Crore respectively starting from September, 2021. As at March 31, 2024, the carrying value is Nil as the repayment is made as on due date.

Current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Unsecured		
Term-loan from banks(2)(4)	-	2,500
Commercial Paper(5)	-	4,225
Current maturities of long-term borrowing	2,698	2,111
Working Capital Loans from banks(6)	8	-
	2,706	**8,836**
Secured		
Repurchase liability(7)	1,504	1,505
	1,504	**1,505**
Total	**4,210**	**10,341**

(2) Term loans from banks carry an interest rate linked with benchmark rates (Repo / T- Bill / MCLR) plus agreed spread. During the year, average effective interest rate for current and non-current loans was 8.12% p.a. (March 31, 2023 : 7.29% p.a).

(3) The Company has complied with the financial covenant as per the terms of the loan agreement and repayment schedule is tabulated below:

(₹ in Crore)

Borrowings	< 1year	1-3 years	> 3 years
Non current term loan from banks*	2,701	3,999	250

* the above maturity profile is based on total principal outstanding gross of issue expense.

(4) The carrying value as on March 31, 2024 is Nil as the repayment is made as on due date. The company has complied with the financial covenant as per the terms of the loan agreement.

(5) Commercial Papers as on March 31, 2024 is Nil. During the year, average effective interest rate was 7.78% p.a. (March 31, 2023: 7.19% p.a).

(6) Working Capital Loans from banks carry an interest rate linked with benchmark rates (MCLR/Repo) plus spread. During the year, average effective interest rate was 7.94% p.a. (March 31, 2023: 7.10% p.a). Outstanding WCDL is repayable in 7 days.

(7) Repurchase liability as on March 31, 2024 are secured by current investments amounting to ₹ 2033 Crore and are repayable in 365 days (March 31, 2023: 102 to 109 days) from the date of borrowings through repurchase obligation. During the year, average effective interest rate was 8.43% p.a. (March 31, 2023: 7.63% p.a.).

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

Movement in borrowings during the year is provided below:

(₹ in Crore)

Particulars	Short-term borrowings#	Long-term borrowings*	Total
As at April 01, 2022	**9**	**2,814**	**2,823**
Cash flow	8,221	796	9,017
Other non cash changes	-	1	1
As at March 31, 2023	**8,230**	**3,611**	**11,841**
Cash flow	(6,718)#	3,330	(3,388)
Other non cash changes	-	3	3
As at March 31, 2024	**1,512**	**6,944**	**8,456**

*Including current maturities of long-term borrowings & unamortized borrowing fees.

#Interest on commercial paper paid ₹ 39 Crore (March 31, 2023: ₹ 39 Crore) is shown under interest and other finance charges paid in cashflow statement.

16. OTHER FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Security deposits and other liabilities	0	0
Total	**0**	**0**
Current		
Derivatives - Liabilities (refer note 34)	12	-
Capital creditors	765	1,235
Due to related party (refer note 36)	23	38
Deposits from vendors	198	168
Interest accrued but not due	84	78
Dividend payable	-	609
Unclaimed dividend (1)	29	31
Other liabilities (Includes employee benefits etc.)	303	260
Total	**1,414**	**2,419**

(1) Represents the unclaimed dividend for a period less than 7 years.

17. PROVISIONS

Non-current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for mine restoration & decomissioning (a)	199	189
Total	**199**	**189**

(a)

(₹ in Crore)

Particulars	Provision for mine restoration(1)	Provision for decommissioning(2)	Total
As at April 01, 2022	**224**	**2**	**226**
Addition during the year/(revision during the year)	(38)	-	(38)
Unwinding of discount	15	-	15
Utilized	(1)	(1)	(2)
As at March 31, 2023	**200**	**1**	**201**
Addition during the year/(revision during the year)	(4)	-	(4)
Unwinding of discount	14	-	14
As at March 31, 2024	**210**	**1**	**211**

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

(a)

(₹ in Crore)

Particulars	Provision for mine restoration(1)	Provision for decommissioning(2)	Total
Classification as at March 31, 2023			
Non-current	189	-	189
Current	11	1	12
Classification as at March 31, 2024			
Non-current	199	-	199
Current	11	1	12

(1) The provision for restoration, rehabilitation and environmental cost represents the Company's best estimate of the costs which will be incurred in the future to meet the obligations under the laws of the land and the terms referred to in the Company's mining arrangements. The principal restoration, rehabilitation and environmental provisions are the costs, which are expected to be incurred in restoring at the end of life of these mines at Rampura Agucha, Rajpura Dariba, Zawar Mines, Sindesar Khurd and Kayad.

(2) Provision for decommissioning is created to meet the obligation at decommissioned smelting facility at Vizag location basis an independent technical evaluation.

Current

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (refer note 30)	0	7
Provision for compensated absenses (refer note 30)	9	7
Provision for mine restoration & decomissioning (refer (a) above)	12	12
Total	**21**	**26**

18. OTHER LIABILITIES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Deferred government grant(2)	925	1,060
Total	**925**	**1,060**
Current		
Advance from customers(3)	1,538	461
Statutory and other liabilities(1)	417	1,060
Deferred government grant(2)	171	166
Total	**2,126**	**1,687**

(1) Statutory and other liabilities mainly includes contribution to PF, Goods and service tax (GST), TDS, amount payable to District Mineral Fund (DMF), National Mineral Exploration Trust (NMET), etc.

(2) Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of plant and equipments accounted for as government grant and being amortised over the useful life of such assets.

(3) Advance from customers are contract liabilities and include amounts received under short term supply agreements. The advance payment plus a fixed rate of return/discount will be settled by supplying respective commodity over a period up to twelve months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Group expects, and has the ability, to fulfil through delivery of a non-financial item, these are recognised as advance from customers and will be released to the income statement as respective commodity is delivered under the agreements. The amount of such balances as of April 01, 2022 was ₹ 252 Crore. Changes in contract liabilities are either receipt of fresh advances or revenues recognised as detailed in note 21A.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

19. OPERATIONAL BUYERS' CREDIT/SUPPLIERS' CREDIT

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Operational buyers'/suppliers' credit from banks [1]	399	307
Total	**399**	**307**

(1) Operational buyers'/suppliers' credit is availed in foreign currency from offshore branches of Indian banks at weighted average interest rate of 5.87% p.a. (March 31, 2023: 5.04% p.a.) as at March 31, 2024. The tenure of these trade credits ranges from 90 days to 180 days (March 31, 2023: 90 days to 143 days) from the date of draw down. This is backed by Standby Letter of Credit issued under unsecured working capital facilities sanctioned by domestic banks.

20. TRADE PAYABLES

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables	2,106	2,088
Total	**2,106**	**2,088**

Trade payables Ageing Schedule

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Undisputed dues		
Less than 1 year	2,057	2,054
1-2 years	22	8
2-3 years	2	2
More than 3 years	25	24
Total*	**2,106**	**2,088**

* Includes Unbilled dues of ₹ 1,721 Crore (March 31, 2023: ₹ 1,492 Crore)

21. (A) REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products	27,926	33,120
Income from wind energy	156	152
Total [1] (also refer note 33)	**28,082**	**33,272**

(1) Revenue is shown exclusive of GST and other indirect taxes, as these collections are not an inflow on entity's own account, rather it is collected on behalf of government authorities.

The above revenue from operations for the year ended March 31, 2024 comprises of revenue from contracts with customers of ₹ 29,491 Crore (March 31, 2023: ₹ 34,252 Crore) and a net loss on mark to market of ₹ 1,409 Crore (March 31, 2023: ₹ 980 Crore) on account of gains/losses relating to sales that were provisionally priced as at the beginning of the year with the final price settled in the current year, gains/losses relating to sales fully priced during the year, and marked to market gains/losses relating to sales that were provisionally priced as at the end of the year. Entire revenue from contract with customers is recorded at a point in time and includes ₹ 461 Crore (March 31, 2023: ₹ 252 Crore) for which contract liabilities existed at the beginning of the year. Majority of the Group's sales are against advance or are against letters of credit/cash against documents/guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within six months.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(B) OTHER OPERATING INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of scrap and residuals	482	410
Export incentives	198	235
Others (liquidated damages, fines and penalties, unclaimed amount etc.)	170	181
Total	**850**	**826**

22. OTHER INCOME

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain on investments measured at FVTPL	64	-
Net gain on sale of current investments	37	32
Net gain on foreign currency transactions and translation	32	36
Amortization of deferred revenue arising from government grant	179	157
Interest Income on		
Bank deposits measured at amortized cost	6	197
Investments measured at FVTOCI	369	281
Investments measured at FVTPL	303	504
Other financial assets measured at amortised cost	80	172
Dividend income from investment [1]	4	-
Total	**1,074**	**1,379**

(1) Dividend of ₹ 4 Cr (March 31, 2023: Nil) is received from dividend declared by Joint Venture entity Madanpur South Coal Company Limited where HZL holds 18.05% of ownership interest (refer note 9).

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Crore)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
Opening inventory			
Finished goods		28	27
Work-in-progress :-			
Ore		96	66
Mined metal		677	475
Others (includes various semi-finished goods having Zinc, Lead and Silver content)		457	547
Total	**(A)**	**1,258**	**1,115**
Closing inventory			
Finished goods		18	28
Work-in-progress :-			
Ore		106	96
Mined metal		744	677
Others (includes various semi-finished goods having Zinc, Lead & Silver content)		547	457
Total	**(B)**	**1,415**	**1,258**
Changes in inventory	**(A-B)**	**(157)**	**(143)**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

24. EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus[(1)]	617	619
Contribution to provident and other funds (refer note 30)	55	74
Share based compensation[(2)]	23	16
Staff welfare expenses[(1)]	133	136
Total	**828**	**845**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September, 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(1) Includes Corporate social responsibility expenditure of ₹ 5 Crore and ₹ 20 Crore (March 31, 2023: ₹ 4 Crore and ₹ 15 Crore) towards salaries, wages and bonus and Company run schools & hospitals respectively.

(2) The Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The performance conditions attached to the option is measured by comparing Company's performance in terms of Total Shareholder Return ("TSR") over the performance period with the performance of two group of comparator companies (i.e. Indian and global comparator companies) defined in the scheme. The extent to which an option vests will depend on the Company's TSR rank against a group or groups of peer companies at the end of the performance period and as moderated by the Remuneration Committee. The ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares. Options granted during the year ended March 31, 2023 and year ended March 31, 2022 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG and Carbon footprint or a combination of these for the respective business/SBU entities. The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

Further, in accordance with the terms of the agreement between the Parent and the Company, the cost recognised towards ESOS scheme is recovered by the Parent from the Company.

25. FINANCE COSTS

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on financial liabilities at amortised cost[(1)(3)]	798	273
Other interest[(2)]	87	12
Bill discounting charges	26	20
Bank charges	6	5
Other finance costs	38	23
Total	**955**	**333**

(1) Interest expenses on lease liabilities is ₹ 17 Crore (March 31, 2023: ₹ 4 Crore).

(2) Interest expenses on income tax is ₹ 12 Crore (March 31, 2023: ₹ 7 Crore).

(3) Interest rate of 7.62% was used to determine the amount of general borrowing costs eligible for capitalization in respect of qualifying asset for the year ended March 31, 2024 (March 31, 2023: 5.79%).

26. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipments (refer note 4)	3,456	3,255
Amortization on intangible assets (refer note 5)	12	9
Total	**3,468**	**3,264**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

27. OTHER EXPENSES

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spare parts	1,823	2,067
Repairs and Maintenance:		
- Plant and equipment	2,345	1,998
- Building	100	130
- Others	0	2
Carriage inwards	166	167
Mine expenses	1,954	1,999
Other manufacturing and operating expenses	442	447
Strategic services & brand fees[(1)]	561	318
Rates and taxes	2	2
Conveyance and travelling expenses	26	28
Directors sitting fees and commission	2	2
Payment to auditors	2	2
Carriage outwards	268	335
Grass root exploration expenses	9	18
Legal and professional expenses	29	51
Allowance for doubtful debts/receivables[(3)]	-	33
Research and development expenditure	11	11
Corporate social responsibility[(2)]	238	201
Loss on sale of property, plant and equipment (net)	20	9
Net loss on investments measured at FVTPL	-	16
Miscellaneous expenses[(4)]	247	275
Total	**8,245**	**8,111**

(1) During the previous year, the Audit & Risk Management Committee and Board of Directors of the Company had approved payment towards strategic services and brand fees to Vedanta Limited ("Holding company") at 2% of the consolidated turnover of the Company effective from October 01, 2022.

(2) Consequent to the companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), the Company, during the previous year had transferred its CSR assets having a carrying value of 117 Crore after obtaining required approvals as on the date of transfer to a company incorporate under section 8 of the companies act, 2013. The carrying value of these assets was included as CSR expenses in the financial statement owing to such transfer (see note5(7)).

(3) Target plus scheme("TPS") as a part of foreign trade policy was announced on August 31, 2004 w.e.f. April 01, 2004, with an objective of accelerating growth in exports. Pursuant to this scheme, Vedanta Limited ("erstwhile Sterlite Industries Ltd.")(Holding Company) had applied for TPS scrips of value of ₹ 306 Crore. However, certain retrospective amendments in this scheme were made by Directorate General of Foreign Trade ('DGFT') resulting in reduction in these scrips value by ₹ 216 Crore in which HZL had a share of ₹ 48 Crore. This was challenged by the Holding Company in the Hon'ble Supreme Court. Basis the favourable judgements from the Hon'ble Supreme Court, HZL had recognised an income of ₹ 48 Crore as an export incentive recoverable in December 2015 . However, during FY 2020-21, the TPS scrips of value of ₹ 216 Crore were issued by Directorate General of Foreign Trade ('DGFT') in the name of Vedanta Limited ("Holding Company") basis which, the export incentive recoverable was reclassified to recoverable from Vedanta Limited. The Company had realised ₹ 20 Crore from Vedanta Limited on the basis of proportionate scrips utilization by Vedanta Limited and had created a provision of remaining ₹ 28 Crore considering the expiry of the utilization timeline for these scrips till February 24, 2023 and no favorable outcome of the petition filed by the Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline.

(4) Includes donation of ₹ 25 Crore (March 31, 2023: Nil) to Bharatiya Janata Party during the year.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

28. EARNINGS PER SHARE

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic earnings per share (₹)	18.36	24.88
Diluted earnings per share (₹)	18.36	24.88
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:		
Profit after tax attributable to owners of the Company (in ₹ Crore)	7,759	10,511
Earnings used in the calculation of basic earnings for the year (in ₹ Crore)	7,759	10,511
Weighted average number of equity shares outstanding (Number in Crore)	423	423
Nominal Value per share (in ₹)	2	2

29. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Contingent liabilities[(1)]		
Claims against the Company not acknowledged as debts		
- Suppliers and contractors	17	82
- Ex-employees and others	3	3
- Land acquisition	3	3
- Mining cases[(2)]	334	334
- Government : Electricity Duty	74	9
: Road Tax	15	15
: Environmental Cess[(3)]	142	142
Guarantees issued by the banks	283	277
Financial guarantees issued by the banks	-	-
Letter of Comforts and Bank Limits[(6)]	-	-
Sales tax demands	68	68
Entry tax demands (refer note 28)	-	-
Income tax demands[(5)]	720	720
Excise Duty, Custom duty , Service tax and GST demand [(4)]	553	525

(1) Future cash out flows in respect of the above matters are determinable only on receipt of judgments or decisions pending at various forums. Accordingly interest and penalty where applicable will be additionally payable.

(2) The Department of Mines and Geology of the State of Rajasthan issued several show cause notices in August, September and October 2006 to HZL, amounting to ₹ 334 Crore. These notices alleged unlawful occupation and unauthorised mining of associated minerals other than zinc and lead at HZL's Rampura Agucha, Rajpura Dariba and Zawar mines in Rajasthan during the period from July 1968 to March 2006. HZL believes that the likelihood of this claim is not probable and thus no provision has been made in the financial statements. HZL had filed writ petitions in the High Court of Rajasthan in Jodhpur and had obtained a stay in respect of these demands. The High Court restrained the Department of Mines and Geology from undertaking any coercive measures to recover the penalty. In January 2007, the High Court issued another order granting the Department of Mines and Geology additional time to file their reply and also ordered the Department of Mines and Geology not to issue any order cancelling the lease. Affidavit of the Central Government is awaited. The State Government filed for an early hearing application in the High Court. The High Court has passed an order rejecting the application stating that Central Government should file their replies.

(3) The State of Rajasthan issued a notification in June 2008 notifying the Rajasthan Environment and Health Cess Rules, 2008, imposing environment and health cess on major minerals including lead and zinc. HZL and other mine operators resisted this notification and the imposition thereunder before the High Court of Rajasthan on the ground that the imposition of such cess and all matters relating to the environment fall under the jurisdiction of the Central government as opposed to the State government. In October 2011, the High Court of Rajasthan disposed the writ petitions and held the Rajasthan Environment and Cess Rules, 2008 that impose a levy of cess on minerals, as being constitutionally valid. An amount of ₹ 150 per metric ton of ore produced would be attracted under the Statute if it is held to be valid. HZL challenged this order by a special leave petition in December 2011 before the Supreme Court of India. The Supreme Court of India issued a notice for stay. Further direction was issued by the Supreme Court on March 23, 2012 not to take any coercive action against HZL for recovery of cess. The aforementioned notification was rescinded via notification dated January 06, 2017, and hence no further obligation exists after that date. The matter is pending for final hearing.

(4) Various demands raised on the Company towards CENVAT, service tax , excise, customs and sales tax for FY 1991-92 to 2017-18. The Company has paid an amount of ₹ 19 Crore (March 31, 2023: ₹ 19 Crore) against these demands under protest and is confident of the liability not devolving on the Company.

(5) Tax demands have been raised mainly on account of depreciation disallowances, withholding taxes and interest thereon. Although, the Company has paid certain amounts in relation to these demands, which are pending at various levels of appeals, management considers these disallowances as not tenable against the Company, and therefore no provision for tax has been created. Also, refer note 31c(ii).

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

b. The Department of Mines and Geology (DMG) of the State of Rajasthan initiated the royalty assessment process from January 2008 to 2019 on certain question of law and issued a show cause notice vide an office order dated January 31, 2020 amounting to ₹ 1,925 Crore. Further an additional demand was issued vide an office order dated December 14, 2020 for ₹ 311 Crore on similar questions of law. The Group has challenged (the show cause notice or/and) computation mechanism of the royalty on the ground that the state has not complied with the previous orders of Rajasthan High court where a similar computation mechanism was challenged and court had directed DMG to reassess basis the judicial precedents and mining concession rules. Pending compliance of previous orders, High court has granted a stay on the notice and directed DMG not to take any coercive action. State Government has also been directed to not take any coercive action in order to recover such miscomputed dues. Inspite of the High court stay order, the State Government raised a revised demand of ₹ 1,423 Crore vide order dated March 16, 2022 for the same period. The Company challenged this notice before the Revisionary Authority("RA") and also moved an application in RA against the earlier demand raised by DMG for recovery of ₹ 311 Crore. RA has granted a stay on the recovery of ₹ 1,423 Crore vide its order dated June 15, 2022, and on the recovery of ₹ 311 Crore, vide its order dated September 07, 2022 respectively. Based on the opinion of external counsel, the Group believes that it has strong grounds of a successful appeal.

c. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 3,725 Crore (March 31, 2023: ₹ 3,400 Crore).

d. Other Commitments

(i) During the previous year, the Company had entered into power delivery agreement ('PDA') with Serentica Renewables India 4 Private Limited ('Serentica 4') for sourcing of 200 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of ₹ 350 Crore for a minimum of twenty six percent in Serentica 4. During the current year, the Company has made an investment of ₹ 175 Crore (March 31, 2023: ₹ 105 Crore) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of ₹ 70 Crore to be made basis fulfilment of conditions of the PDA. Out the total investment, ₹ 56 Crore worth of OCPRS are converted into equity shares of Serentica 4 as per terms of the PDA. The company has pledged all of its investments in SRI4PL for financing the project as per the terms of the PDA (see note 9).

Further during the previous year, the Company had entered into Power delivery agreement ('PDA') with Serentica Renewables India 5 Private Limited ('Serentica 5') for sourcing of 250 MW (contracted capacity) renewable power on round the clock ('RTC') basis under group captive arrangement for 25 years. Under the terms of the PDA, the Company is expected to infuse equity of approximately ₹ 438 Crore for a minimum of twenty six percent in Serentica 5. During the current year, the Company has made an investment of approximately ₹ 131 Crore (March 31, 2023: Nil) in Optionally Convertible Redeemable Preference Shares ('OCRPS') and pending committed investment of approximately ₹ 307 Crore ito be made basis fulfilment of conditions of the PDA. Out of total investment, ₹ 33 Crore worth of OCPRS are converted into equity shares of Serentica 5 as per terms of the PDA (see note 9).

(ii) The company has given Letter of Comfort and also assigned its bank limits to its wholly owned subsidiary Hindustan Zinc Alloys Private Limited ("HZAPL") primarily in respect of certain working capital needs and short-term borrowings amounting to ₹ 66 Crore (March 31, 2023: ₹ 81 Crore).

(iii) During the previous year, the Company under its Corporate Social Responsibilities ('CSR') initiative had signed a Memorandum of Understanding ('MOU') with Rajasthan Cricket Association ('RCA') for development of international cricket stadium at Jaipur (Rajasthan). As per the terms of MOU, the Company has committed to contribute ₹ 300 Crore against which ₹ 55 Crore (March 31, 2023: ₹ 5 Crore) has been contributed in the current year.

(iv) Export obligations

The Group has ₹ 75 Crore export obligations (March 31, 2023: ₹ 75 Crore) on account of concessional rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India (which is required to be fulfilled over the next six years from purchase). If the Group is unable to meet these obligations, its liabilities would be ₹ 13 Crore (March 31, 2023: ₹ 13 Crore) reduced in proportion to actual export. The Group has given bonds/Bank guarantees of ₹454 Crore (March 31, 2023: ₹ 372 Crore) to custom authorities against export obligations which will be released subject to verification of EODC (Export obligation discharge certificate) by the Customs department.

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

30. RETIREMENT AND OTHER EMPLOYEE BENEFIT SCHEMES

a. Defined contribution schemes

Family Pension Scheme

The contributions are based on a fixed percentage of the employee's salary, subject to a ceiling, as prescribed in the scheme. A sum of ₹ 5 Crore (March 31, 2023: ₹ 5 Crore) has been charged to the Statement of Profit and Loss during the year. There are no further obligations on the Group.

Superannuation fund

A sum of ₹ 4 Crore (March 31, 2023: ₹ 3 Crore) has been charged to the Statement of Profit and Loss in respect to contributions made to the superannuation fund. The Group has no further obligations to the plan beyond the monthly contributions.

b. Defined benefit plans

For defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation each year for the plan using the projected unit credit method by independent qualified actuaries as at the year end. Remeasurements in the year are recognized in full in other comprehensive income for the year.

Provident fund

The Group offers its employees, benefits under defined benefit plans in the form of provident fund scheme which covers all employees. Contributions are paid during the year into 'Hindustan Zinc Limited Employee's Contributory Provident Fund' ('Trust'). Both the employees and the Group pay predetermined contributions into the Trust. A sum of ₹ 32 Crore (March 31, 2023: ₹ 28 Crore) has been charged to the Statement of Profit and Loss in this respect during the year.

The Group's Trust is exempted under section 17 of Employees Provident Fund Act, 1952. The conditions for grant of exemption stipulate that the employer shall make good the deficiency, if any, between the return guaranteed by the statute and actual earning of the Trust. The Group has made provision of ₹ 10 Crore in this regard in the current year. During the previous year, the Group had made good the deficiency of ₹ 17 Crore. Having regard to the assets of the Trust and the return on the investments, the Group does not expect any deficiency in the foreseeable future, except for investments in debt securities of IL&FS Limited and IL&FS Financial Services Ltd. for which necessary provisions exists.

The details of fund and plan asset position are given below:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Plan assets fair valued	1,667	1,633
Present value of benefit obligation at period end	1,677	1,644
Net Plan Assets/(Liability)	**(10)**	**(11)**
% allocation of plan assets by category		
Central government securities	5%	11%
State government securities (including PSU Bond)	60%	58%
Private Sector Bonds, Mutual funds	35%	31%
Principal actuarial assumptions		
Financial Assumptions		
Discount rate	7.10%	7.39%
Expected statutory interest rate on the ledger balance	8.25%	8.15%
Expected short fall in interest earnings on the fund	0.05%	0.05%
Demographic Assumptions		
i) Retirement Age (years)	58	58
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Withdrawal rates		
Up to 30 years	3% - 20%	3% - 24%
From 31 to 44 years	2% - 8%	2% - 9%
Above 44 years	1% - 5%	1% - 9%

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

Gratuity plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The Group's defined benefit plans are funded with Life Insurance Corporation of India (LIC). The Company does not have any liberty to manage the fund provided to LIC.

The following tables set out the details of the gratuity plans and the amounts recognized in the financial statements.

Principal actuarial assumptions

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:		
Financial Assumptions		
Discount rate	7.10%	7.39%
Expected rate of increase in compensation level of covered employees	6% - 10.5%	6% - 10.5%
Demographic Assumptions		
i) Retirement Age (years)	58	58
ii) Mortality rates inclusive of provision for disability	IALM (2012-14)	IALM (2012-14)
iii) Withdrawal rates		
Up to 30 years	3% - 20%	3% - 24%
From 31 to 44 years	2% - 8%	2% - 9%
Above 44 years	1% - 5%	1% - 9%
Amount recognized in the balance sheet consists of:		
Fair value of planned assets	241	232
Present value of defined benefit obligations	(241)	(239)
Net assets/(Net unfunded liability)	**0**	**(7)**
% allocation of plan assets by category		
Qualified Policy from Life Insurance Corporation of India (LIC)	100%	100%

The movement during the year of the present value of the defined benefit obligation was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	239	243
Service cost	13	11
Benefits paid	(35)	(27)
Interest cost	17	17
Acturial (Gain)/Loss on obligation	7	(5)
Closing Balance	**241**	**239**

The movement during the year in the fair value of plan assets was as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	232	243
Employer contributions	29	1
Benefits paid	(35)	(27)
Interest Income	16	17
Remeasurement gain/(loss) arising from return on plan assets	(1)	(2)
Closing Balance	**241**	**232**

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

Amounts recognized in Statement of Profit and loss in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	13	11
Net interest cost	1	-
Total charge to Statement of Profit and Loss	**14**	**11**

Amounts recognized in other comprehensive income in respect of defined benefit plan are as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement (Gain)/Loss arising from Change in Demographic Assumption	4	(3)
Remeasurement (Gain)/Loss arising from Change in Financial Assumption	3	3
Remeasurement (Gain)/Loss arising from Experience Adjustment	(0)	(5)
(Gain)/loss on plan assets	1	2
Components of defined benefit costs recognised in other comprehensive income	**8**	**(3)**

Expected contribution for the next annual reporting period of March 31, 2024:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost	15	13
Net interest cost	-	-
Expected contribution for the next annual reporting period of March 31, 2024	**15**	**13**

Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Impact of change in discount rate		
Increase by 0.50%	(7)	(5)
Decrease by 0.50%	7	5
Impact of change in salary increase rate		
Increase by 0.50%	7	5
Decrease by 0.50%	(6)	(5)

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

Maturity Profile of Defined Benefit Obligation

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Year:		
0 to 1 Year	37	42
1 to 2 Year	38	42
2 to 3 Year	36	35
3 to 4 Year	26	31
4 to 5 Year	19	21
5 to 6 Year	14	15
6 Year onwards	72	53

Risk analysis

The Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment risk

The Group's defined benefit plans are funded with Life Insurance Corporation of India (LIC). The Group does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds for the Company's operations. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability, however this will be partially offset by increase in the return on plan debt investment.

Longevity risk/Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

31. INCOME TAX EXPENSES

The major components of income tax expense for the year ended March 31, 2024 and year ended March 31, 2023 are indicated below:

(₹ in Crore)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
a.	**Tax charge recognised in Profit and Loss**		
	Current tax:		
	Current tax on profit for the year	2,549	3,431
	Total Current tax	**2,549**	**3,431**
	Deferred tax:		
	Reversal and origination of temporary differences	(52)	(189)
	MAT credit asset (recognized)/utilisation	-	1,601
	Adjustment in respect of earlier years	51	(66)
	Total Deferred tax	**(1)**	**1,346**
	Tax expense for the year	**2,548**	**4,777**
	Effective income tax rate (%)	24.72%	31.25%

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
b. Statement of other comprehensive income		
Deferred tax (credit)/charge on:		
Cash flow hedges recognised during the year	-	34
Net gain/(loss) on FVTOCI investments	-	(4)
Remeasurement of defined benefit obligation	(3)	(4)
Total	**(3)**	**26**

c. A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognized income tax expense for the year is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax (after exceptional item)	10,307	15,288
Statutory income tax rate	25.17%	34.94%
Tax at statutory income tax rate	2,594	5,342
Disallowable expenses	83	41
Non-taxable income and capital gains	(28)	(50)
Tax holidays and similar exemptions	-	(208)
Additional depreciation under income tax reversible within tax holiday period	-	(3)
Effect of tax rate differences of subsidiaries operating at other tax rates	1	-
Effect of changes in tax laws (refer (i) below)	-	(253)
Impact of tax rate differences on capital gains	(24)	(30)
Adjustments in respect of prior years	(75)	(62)
Indexation benefit on capital gains	(3)	-
Total	**2,548**	**4,777**

(i) The Group has decided to opt for lower tax rate as permitted under section 115BAA of the Income Tax Act, 1961 from Financial Year 2023-24.

(ii) The tax department had issued demands on account of remeasurement of certain tax incentives, under section 80IA and 80IC of the Income Tax Act, 1961. During the year ended March 31, 2020, based on the favorable orders from Income Tax Appellate Tribunal relating to AY 09-10 to AY 12-13, the Commissioner of Income Tax (Appeals) has allowed these claims for AY 14-15 to AY 15-16, which were earlier disallowed and has granted refund of amounts deposited under protest. Against the Tribunal order, the department had filed an appeal in Hon'ble Rajasthan High Court in FY 2017-18 (for AY 2009-10 to AY 2012-13) and in FY 2023-24 (for AY 2017-18 and AY 2018-19) which are yet to be admitted. As per the view of external legal counsel, Department's appeal seeks re-examination of facts rather than raising any substantial question of law and hence it is unlikely that appeal will be admitted by the High Court. Accordingly, there is a high probability that the case will go in favor of the Company. The amount involved in this dispute as of March 31, 2024 is ₹ 12,447 Crore (March 31, 2023: ₹ 12,447 Crore) plus applicable interest upto the date of settlement of the dispute.

(d) Significant components of deferred tax assets and (liabilities) recognized in the balance sheet are as follows:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment, Exploration and evaluation and intangible assets	(2,396)	(2,426)
Fair valuation of financial assets/liabilities	(60)	(35)
Voluntary retirement scheme	9	14
Other temporary differences	137	133
Deferred Tax (Liabilities) (net)	**(2,311)**	**(2,314)**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Deferred tax income of ₹ 4 Crore (March 2023: ₹ 1,372 Crore) is recorded as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Through other comprehensive income		
Cash flow hedges recognised during the year	-	34
Net gain/(loss) on FVTOCI investments	-	(4)
Remeasurements of defined benefit obligations	(3)	(4)
	(3)	**26**
Through Profit and Loss		
Property, plant and equipment, Exploration and evaluation and intangible assets	(30)	67
Fair valuation of financial assets/liabilities	25	(100)
Voluntary retirement scheme	5	12
Other temporary differences	(1)	90
MAT credit entitlement	-	1,277
	(1)	**1,346**
Total	**(4)**	**1,372**

(e) Reconciliation of Net Deferred tax liabilities:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	(2,314)	(942)
Tax (expense)/income recognised in profit or loss during the period	1	(1,346)
Tax (expense)/income recognised in other comprehensive income during the period	3	(26)
Closing Balance	**(2,310)**	**(2,314)**

32. LEASES

(a) Following are the amounts recognised in Statement of Profit & Loss account:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Depreciation & amortization expense for right-of-use assets (refer note 4&5)	61	17
b) Interest expense on lease liabilities (refer note 25)	17	4
c) Expense relating to short-term leases	0	1
Total amount recognised	**78**	**22**

(b) The movement in lease liabilities is as follows:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Opening balance	40	21
b) Additions (refer note 4&5)	285	32
c) Interest accrued	17	4
d) Repayments (Principal & Interest)*	(76)	(17)
Closing balance	**266**	**40**

* Interest paid on lease liabilities during the year is ₹ 17 Crore (March 31, 2023 : ₹ 4 Crore).

(c) Lease liabilities carry an effective interest rate of 5.03 % to 17.55 %. (March 31, 2023: 5.03% to 23.25%).

(d) The maturity analysis of lease liabilities is disclosed in note 34.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

33. SEGMENT REPORTING

(a) Basis of Segmentation

The Group is engaged in exploring, extracting and processing minerals. The Group produces zinc, lead, silver, commercial power and alloys. The Group has two reportable segments: i) Zinc, Lead, Silver & others and ii) Wind energy. The management of the Group is organized by its main products: Zinc, Lead and Silver and Wind energy. Each of the reportable segments derives its revenues from these main products and hence these have been identified as reportable segments by the Company's Chief Operating Decision Maker ("CODM"). Segment profit amounts are evaluated regularly by the CEO, who has been identified as the CODM, in deciding how to allocate resources and in assessing performance.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. The operating segments reported are the segments of the Group for which separate financial information is available. Segment profit (Earnings before interest, depreciation and amortization, and tax) amounts are evaluated regularly by the CEO who has been identified as its CODM in deciding how to allocate resources and in assessing performance. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Revenue and expenses directly attributable to segment are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of appropriate cost drivers of the segment. Segment results for silver have been determined based on attributing manufacturing costs for generating the related WIPs and other expenses.

Asset and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

The following table presents revenue and profit information and certain assets information regarding the Group's business segments.

b. Information about reportable segments

I. Information about primary segment

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue		
Zinc, Lead, Silver & others		
(i) Zinc, Lead and others	22,558	28,732
(ii) Silver	5,368	4,388
Wind Energy	156	152
Segment revenue	**28,082**	**33,272**
Segment Results		
Zinc, Lead, Silver & others		
(i) Zinc, Lead and others	5,652	10,547
(ii) Silver *	4,655	3,841
Wind Energy	82	95
Segment Results	**10,389**	**14,483**
Less: Finance costs	955	333
Add: Interest income	758	1,154
Add: Other unallocable income net of unallocable (expenditure)	115	(16)
Profit before tax	**10,307**	**15,288**
Tax expenses	2,548	4,777
Profit for the year	**7,759**	**10,511**
Depreciation & amortisation Expense		
Zinc, Lead, Silver and others	3,440	3,236
Wind Energy	28	28
Total	**3,468**	**3,264**

* Segment results for silver have been determined based on attributing manufacturing costs for generating the related WIPs and other expenses.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Below table summarises the disaggregated revenue from contracts with customers:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Zinc	19,257	24,932
Lead	4,290	4,147
Silver	5,371	4,382
Wind Energy	195	157
Others	378	634
Revenue from contracts with customers	**29,491**	**34,252**
Gains/(losses) on provisionally priced contracts (net) (refer note 21)	(1,409)	(980)
Total Revenue	**28,082**	**33,272**

(₹ in Crore)

Particulars	Zinc, Lead and Silver	Wind energy	Unallocated	Total
As at March 31, 2024				
Assets and liabilities				
Assets				
Segment assets	22,643	449	31	23,123
Financial assets investments	-	-	10,452	10,452
Cash and cash equivalent	-	-	53	53
Other bank balances	-	-	122	122
Income tax assets	-	-	145	145
Total assets	**22,643**	**449**	**10,803**	**33,895**
Liabilities				
Segment liability	7,314	17	125	7,456
Borrowings	-	-	8,456	8,456
Deferred tax liabilities (net)	-	-	2,311	2,311
Income tax liabilities	-	-	477	477
Total liabilities	**7,314**	**17**	**11,369**	**18,700**
As at March 31, 2023				
Assets and liabilities				
Assets				
Segment assets	22,393	515	23	22,931
Financial assets investments	-	-	10,107	10,107
Cash and cash equivalent	-	-	59	59
Other bank balances	-	-	1,353	1,353
Income tax assets	-	-	1,017	1,017
Total assets	**22,393**	**515**	**12,559**	**35,467**
Liabilities				
Segment liability	6,371	14	1,431	7,816
Borrowings	-	-	11,841	11,841
Deferred tax liabilities (Net)	-	-	2,314	2,314
Income tax liabilities	-	-	564	564
Total liabilities	**6,371**	**14**	**16,150**	**22,535**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Other Segment Information

Segment capital expenditure

The below expenditure includes additions to property, plant and equipment, intangible assets, capital work-in-progress and capital advances:

(₹ in Crore)

Particulars	Zinc, Lead and Silver	Wind energy	Total
For the year ended March 31, 2024	3,758	-	3,758
For the year ended March 31, 2023	3,810	-	3,810

II. Information based on Geography

(₹ in Crore)

Geographical Segments	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue by geographical segment		
India	21,405	23,485
Asia (excluding India)	6,232	8,744
Rest of the World	445	1,043
Total	**28,082**	**33,272**

Non-current assets[(1)]

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
India	20,561	20,294
Total	**20,561**	**20,294**

(1) Excluding financial assets.

Hindustan Zinc is subject to tax jurisdiction in India only. The primary activities viz. production, manufacturing, sales, marketing of Hindustan Zinc are based in India and global sales are managed through sales/marketing offices based in India only. Hindustan Zinc earns all its profits from operations in India as there are no operations, sales or marketing offices outside India.

(₹ in Crore)

Segment capital expenditure	As at March 31, 2024	As at March 31, 2023
India	3,758	3,810
Total	**3,758**	**3,810**

Information about major customer

No customer accounted for more than 10% revenue during the year (March 31, 2023: None).

34. FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Group and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 and note 3.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

(₹ in Crore)

Particulars	Fair Value through Profit and Loss	Fair Value through other comprehensive income	Amortized Cost	Total carrying value	Total fair value
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	-	-	53	53	53
Other bank balances	-	-	122	122	122
Investments	5,769	4,683	-	10,452	10,452
Trade receivables	4	-	151	155	155
Other current financial assets and loans	11	-	49	60	60
Other non-current financial assets and loans	-	-	131	131	131
Total	**5,784**	**4,683**	**506**	**10,973**	**10,973**
Financial liabilities					
Borrowings	-	-	8,456	8,456	8,456
Lease liabilities	-	-	266	266	266
Trade payables	-	-	2,106	2,106	2,106
Operational buyers' credit/ suppliers' credit	-	-	399	399	399
Other current financial liabilities	12	-	1,402	1,414	1,414
Total	**12**	**-**	**12,629**	**12,641**	**12,641**
As at March 31, 2023					
Financial assets					
Cash and cash equivalents	-	-	59	59	59
Other bank balances	-	-	1,353	1,353	1,353
Investments	5,716	4,391	-	10,107	10,107
Trade receivables	90	-	290	380	380
Other current financial assets and loans	32	-	60	92	92
Other non-current financial assets and loans	-	-	112	112	112
Total	**5,838**	**4,391**	**1,874**	**12,103**	**12,103**
Financial liabilities					
Borrowings	-	-	11,841	11,841	11,816
Lease liabilities	-	-	40	40	40
Trade payables	-	-	2,088	2,088	2,088
Operational buyers' credit/ suppliers' credit	-	-	307	307	307
Other Current financial liabilities	-	-	2,419	2,419	2,419
Total	**-**	**-**	**16,695**	**16,695**	**16,670**

Fair value of the current instrument in bonds and zero coupon bonds are based on the price quotations at the reporting date. Fair value of current investments that are in the nature of 'close ended' mutual funds are based on market observable inputs i.e., NAV provided by mutual fund houses [a level 2 technique].

Fair value of current investments that are in the nature of 'open ended' mutual funds are derived from quoted market prices in active markets [a level 1 technique].

Fair value of non-current investments that are in the nature of 'Investment in OCRPS and equity shares' are derived from Net Asset value method [a level 3 technique].

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

The Fair value of other non-current financial assets and liabilities are estimated by discounting the expected future cash flows using a discount rate equivalent to the risk free rate of return adjusted for the appropriate credit spread.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are valued using valuation technique with market observable inputs. The most frequently applied valuation techniques for such derivatives include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency (a level 2 technique). Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange i.e., London Metal Exchange, United Kingdom (U.K.) [a level 2 technique]. The changes in counterparty risk had no material effect on the hedge effectiveness assessment for the derivatives designated in hedge relationship and the value of the other financial instrument recognised at fair value.

Fair value hierarchy

The table shown below analyses financial instruments carried at fair value, by measurement hierarchy. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures on fair value measurement hierarchy:

(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2024			
Financial Assets			
At fair value through profit and loss			
Investments	1,651	3,796	322
Derivatives financial assets*			
Forward foreign currency contracts	-	-	-
Commodity contracts	-	11	-
Trade receivables	-	4	-
At fair value through other comprehensive income			
Investments	-	4,594	89
Total	**1,651**	**8,405**	**411**
Financial Liabilities			
At fair value through profit and loss			
Derivatives financial liabilities*			
Forward foreign currency contracts	-	11	-
Commodity contracts	-	1	-
Total	**-**	**12**	**-**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	Level-1	Level-2	Level-3
As at March 31, 2023			
Financial assets			
At fair value through profit and loss			
Investments	1,777	3,834	105
Derivatives financial assets*			
Forward foreign currency contracts	-	16	-
Commodity contracts	-	16	-
Trade receivables	-	90	-
At fair value through other comprehensive income			
Investments	-	4,391	-
Total	**1,777**	**8,347**	**105**
Financial Liabilities			
At fair value through Profit and Loss			
Derivatives financial liabilities*			
Forward foreign currency contracts	-	0	-
Commodity contracts	-	-	-
Total	**-**	**0**	**-**

* Refer section - "Derivative financial instruments"

The below table summarises the fair value of borrowings which are carried at amortised cost as at March 31, 2024 and March 31, 2023:

(₹ in Crore)

Financial Liabilities	Level-1	Level-2	Level-3
As at March 31, 2024			
Borrowings	-	8,456	-
Total	**-**	**8,456**	**-**
As at March 31, 2023			
Borrowings	-	11,816	-
Total	**-**	**11,816**	**-**

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Reconciliation of Level 3 fair value measurement is as below:

(₹ in Crore)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	FVTPL	FVTOCI	FVTPL	FVTOCI
Balance at the beginning of the year	105	-	-	-
Additions during the year	306	89	105	-
Fair value changes recognised during the year	-	-	-	-
Sale/reductions during the year*	(89)	-		
Reclassification during the year	-	-	-	-
Balance at the end of the year	**322**	**89**	**105**	**-**

*represents investment in optionally convertible preference shares converted into equity shares as per the terms of conversion during the year.

Valuation process for instruments categorised in level 3:

The management of the Company engaged a qualified third party valuer to perform the valuation. Team from the finance department of the Company works closely with valuer to establish appropriate valuation technique and inputs required for the valuation.

Valuation technique used for valuation of financial instruments in level 3:

Valution of preference and equity shares in level 3 are done primarily based on net worth of the company using net asset method approach making assumptions about unobservable market data.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Risk management framework

Risk management

The Group's businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty and concentration of credit risk and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Group's Audit Committee. The Audit Committee is aided by the Risk Management Committee, which meets regularly to review risks as well as the progress against the planned actions. Key business decisions are discussed at the periodic meetings of the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Group's risk situation
- improve financial returns

Treasury management

The Group's treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Executive Committee meetings. Day-to-day treasury operations of the Group are managed by the finance team within the framework of the overall Group's treasury policies. A monthly reporting system exists to inform senior management about investments, currency and, commodity derivatives. The Group has a strong system of internal control which enables effective monitoring of adherence to Group's policies. The internal control measures are effectively supplemented by regular internal audits.

The Group uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forwards and these are subject to the Group's guidelines and policies.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations, provisions, and the non-financial assets and liabilities of foreign operations.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Commodity price risk

The Group is exposed to the movement of base metal commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Group produces and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Group aims to achieve the monthly average of the commodity prices for sales realization. In exceptional circumstances, the Group may enter into strategic hedging. Hedging is used primarily as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and to a strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level and with clearly laid down guidelines for their implementation by the Group.

Whilst the Group aims to achieve average LME prices for a month or a year, average realized prices may not necessarily reflect the LME price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realized on commodity contracts.
- cash flow hedging on account of forecasted highly probable transactions.

The sales prices of zinc and lead are linked to the LME prices. The Group also enters into hedging arrangements for its Zinc and Lead sales to realize month of sale LME prices.

Total exposure on provisionally priced Zinc, Lead & Silver contracts as at March 31, 2024 were ₹ 30 Crore (March 31, 2023: ₹ 837 Crore), ₹ 181 Crore (March 31, 2023: ₹ 110 Crore) and Nil (March 31, 2023: Nil) respectively. The impact on net profits for a 10% movement in LME prices of zinc, 5% movement in LME price of lead and 5% movement in LBMA price of silver that were provisionally priced as at March 31, 2024 is ₹ 3 Crore, ₹ 9 Crore and Nil respectively and as at March 31, 2023 is ₹ 84 Crore, ₹ 6 Crore and Nil respectively.

Financial risk

The Group's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Group does not engage in speculative treasury activity but seeks to manage risk and optimize interest and commodity pricing through proven financial instruments.

a. **Liquidity risk**

The Group requires funds both for short-term operational needs as well as for long-term investment programme mainly in growth projects. The Group generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company has been rated as 'AAA'/Stable for long term and A1+ for short term by CRISIL Limited during the current and previous financial years.

The Group remains committed to maintaining a healthy liquidity, gearing ratio and strengthening the balance sheet. The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Group.

(₹ in Crore)

Payment due by years	<1 year	1-3 years	3-5 years	> 5 years	Total
As at March 31, 2024					
Trade and other payables	3,829	0	-	-	3,829
Lease liabilities	88	149	51	88	376
Derivative financial liabilities	12	-	-	-	12
Borrowings*	4,869	4,434	260	-	9,563
Total	**8,798**	**4,583**	**311**	**88**	**13,780**

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Payment due by years	<1 year	1-3 years	3-5 years	> 5 years	Total
As at March 31, 2023					
Trade and other payables	4,740	0	-	-	4,740
Lease liabilities	21	18	-	1	40
Derivative financial liabilities	0	-	-	-	0
Borrowings*	10,849	1,598	-	-	12,447
Total	**15,610**	**1,616**	**-**	**1**	**17,227**

*Includes non-current borrowings, current borrowings, current maturities of non-current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

The Group had access to following funding facilities.

(₹ in Crore)

Funding facility	Total facility	Drawn	Undrawn
As at March 31, 2024			
Less than 1 year	12,476	9,893	2,583
More than 1 year	-	-	-
Total	**12,476**	**9,893**	**2,583**
As at March 31, 2023			
Less than 1 year	11,851	9,048	2,803
More than 1 year	-	-	-
Total	**11,851**	**9,048**	**2,803**

b. Foreign exchange risk

Fluctuations in foreign currency exchange rates may have an impact on the Statement of Profit and Loss, where any transaction references more than one currency other than the functional currency of the Group.

The Group uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies denominated in foreign currency. The Group is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars. The policy of the Group is to determine on a regular basis what portion of the foreign exchange risk on financing transactions are to be hedged through forward exchange contracts and other instruments. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns. Long term exposures, are normally unhedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the Statement of Profit and Loss. The below table summarises the foreign currency risk from financial instrument and is partly mitigated by some of the derivative contracts entered into by the Group as disclosed under the section on "Derivative financial instruments."

The carrying amount of the Group's financial assets and liabilities in different currencies is as follows:

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
Currency exposure	**Financial Asset**	**Financial Liability**	**Financial Asset**	**Financial Liability**
US Dollar	78	494	251	404
Euro	-	274	-	634
Australian Dollar	-	1	-	4
SEK	-	14	-	14
Others	-	0	-	2

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

The Group's exposure to foreign currency arises where a Group holds monetary assets and liabilities denominated in a currency different to the functional currency of the Group, with US dollar and Euro being the major non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

The results of Group operations may be affected largely by fluctuations in the exchange rates between the Indian Rupee, against the US dollar and Euro. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rate shift in the currencies by 10% against the functional currency of the respective entities.

Set out below is the impact of a 10% strengthening/weakening in the INR on pre-tax profit/(loss) arising as a result of the revaluation of the Group's foreign currency financial assets/liabilities:

(₹ in Crore)

Particulars	Total exposure		Effect of 10% strengthening/weakening of INR on pre-tax profit/(loss)	
	For the year ended March 31, 2024	**For the year ended March 31, 2023**	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
US Dollar	416	153	42	15
Euro	274	634	27	63
Australian Dollar	1	4	0	0
SEK	14	14	1	1
Others	0	2	0	0

c. Interest rate risk

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of the Group's financial assets to interest rate risk is as follows:

(₹ in Crore)

Particulars	Total	Floating rate	Fixed rate	Non-interest bearing
As at March 31, 2024				
Financials assets	10,973	1,691	8,615	667
Financial liabilities	12,641	6,944	2,177	3,520
As at March 31, 2023				
Financials assets	12,103	1,870	8,340	1,893
Financial liabilities	16,695	4,000	8,188	4,507

Interest rate risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rate. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term debt obligations.

Considering the net debt position as at March 31, 2023 and the investment in bonds and debt mutual funds, any increase in interest rates would result in a net decrease in profits and any decrease in interest rates would result in a net increase in profits. The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the balance sheet date.

The below analysis gives the impact of a 0.5% to 2.0% change in interest rates on floating rate financial assets/liabilities (net) on profit/(loss) and equity and represents management's assessment of the possible change in interest rates.

The impact of change (increase/(decrease)) in interest rate of 0.5%, 1.0% and 2.0% on profits for the period ended March 31, 2024 is ₹ 26 Crore, ₹ 53 Crore and ₹ 105 Crore and for year ended March 31, 2023 is ₹ 11 Crore, ₹ 21 Crore and ₹ 43 Crore respectively.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

d. **Counterparty and concentration of credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group is exposed to credit risk for receivables, cash and cash equivalents, short-term investments and derivative financial instruments. Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of good financial repute.

Moreover, given the nature of the Group's business, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of revenue on a % basis in current year (Previous year: None). The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes and bonds.

The carrying value of the financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 are ₹ 10,973 Crore and ₹ 12,103 Crore respectively.

None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade and other receivables, and other non-current assets, there were no indications as at March 31, 2024, that defaults in payment obligations will occur.

Of the year end trade receivables, loans and other financial assets (excluding derivatives), following balances were past due but not impaired as at March 31, 2024 and March 31, 2023:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Neither impaired nor past due	291	472
Past due but not impaired		
Less than 1 month	20	64
Between 1-3 months	12	2
Between 3-12 months	9	9
Greater than 12 months	3	5
Total	**335**	**552**

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

The credit quality of the Group's customers is monitored on an on-going basis and assessed for impairment where indicators of such impairment exist. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

Derivative financial instruments

The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the Group guidelines and policies.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value based on quotations obtained from financial institutions or brokers. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current assets and liabilities/reserves. Derivatives that are designated as hedges are classified as current depending on the maturity of the derivative.

The use of derivatives can give rise to credit and market risk. The Group tries to manage credit risk by entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes. .

Embedded derivatives

Derivatives embedded in other financial instruments or other contracts are treated as separate derivative contracts and marked-to-market when their risks and characteristics are not clearly and closely related to those of their host contracts and the host contracts are not fair valued.

Cash flow hedges

The Group also enters into commodity price contracts for hedging highly probable future forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity through OCI until the hedged transaction occurs, at which time, the respective gains or losses are reclassified to the Statement of Profit and Loss.

There is an economic relationship between the hedged items and the hedging instruments. The Group has established a hedge ratio of 1:1 for the hedging relationships. To test the hedge effectiveness, the Group uses the hypothetical derivative method and Dollar offset method.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments.
- Different indexes (and accordingly different curves) linked to the hedged risk of the hedged items and hedging instruments.
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items.
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments.

These hedges had been effective for the year ended March 31, 2023.

Fair value hedges

The fair value hedges relate to commodity price risks and foreign currency exposure. The Group's sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer's facility. The Group enters into forward contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales.There were no fair value hedges for the period ended March 31, 2024.

Non-qualifying/economic hedges

Non-qualifying hedges related to commodity price risks and foreign currency exposure. The Group enters into forward foreign currency contracts and commodity contracts (for the period ended March 31, 2023) which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Fair value changes on such forward contracts are recognized in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

The fair value of the Group's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows::

(₹ in Crore)

Derivative financial instruments	As at March 31, 2024		As at March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Current				
Non-qualifying hedges				
Commodity contracts	11	1	16	-
Forward foreign currency contracts	-	11	16	0
Total	**11**	**12**	**32**	**0**

Disclosures of effects of Cash Flow Hedge Accounting:

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Commodity forward contracts		
Notional amount (in ₹ Crore)	-	-
Carrying amount (in ₹ Crore)	-	-
Line item in the Balance Sheet that includes Hedging Instruments	NA	Other Current Financial Assets
Change in fair value used for measuring ineffectiveness for the period - Gain/(Loss)	-	98

Hedge Items

The impact of the hedged items on the Balance Sheet is as follows:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Highly probable forecast sales		
Change in value of the hedged items used for measuring ineffectiveness for the period	-	98

The effect of the cash flow hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Commodity forward contracts		
Cash flow Hedge Reserve at the beginning of the year	-	(64)
Total hedging gain/(loss) recognised in OCI	-	979
Income tax on above	-	(342)
Line item in the statement of profit or loss that includes the recognised ineffectiveness	NA	NA
Amount reclassified from OCI to profit or loss	-	(881)
Income tax on above	-	308
Cash flow Hedge Reserve at the end of the year	-	-
Line item in the statement of profit or loss that includes the reclassification adjustments	NA	Revenue from Operations

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

Disclosures of Non qualifying Hedge:

A. The following are the outstanding forward exchange contracts entered into by the Group and outstanding as at year end

(₹ in Crore)

Currency	Foreign currency	Indian Rupees	Buy/Sell	Cross Currency
As at March 31, 2024				
USD	16	1,380	Buy	INR
EUR	0	21	Buy	INR
GBP	-	-	Buy	INR
EUR	5	407	Buy	USD
SEK	2	14	Buy	USD
JPY	40	22	Buy	USD
AUD	0	8	Buy	USD
GBP	0	6	Buy	USD

(₹ in Crore)

Currency	Foreign currency	Indian Rupees	Buy/Sell	Cross Currency
As at March 31, 2023				
USD	1	100	Buy	INR
EUR	0	18	Buy	INR
GBP	0	0	Buy	INR
EUR	8	720	Buy	USD
SEK	2	14	Buy	USD
JPY	13	8	Buy	USD
AUD	0	14	Buy	USD
GBP	0	6	Buy	USD

B. The following are the outstanding position of commodity hedging open contracts as at March 31, 2024 :-

Zinc forwards/futures (sale)/buy for 3,236 MT (2023: (30,237) MT)

Lead forwards/futures (sale)/buy for (9,087) MT (2023: (9,192) MT)

Silver forwards/futures (sale)/buy for Nil Oz (2023: Nil Oz)

C. All derivative and financial instruments acquired by the Group are for hedging purposes.

D. Unhedged foreign currency exposure

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Debtors	78	251
Creditors	476	245

35. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to safeguard, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year. The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of internal accruals, equity and short-term borrowings. The Group monitors capital on the basis of gearing ratio, which is net debt divided by total capital (equity + net debt). Net debt are non-current and current debt as reduced by cash and cash equivalents, other bank balances, current investments and certain non-current investments. Equity comprises all components including other components of equity. The Group is not subject to any externally imposed capital requirement.

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents (see note 11)	53	59
Other bank balances[1] (see note 12)	93	0
Current investments (see note 9)	9,874	9,850
Non-current investments[2] (see note 9)	167	152
Total cash (a)	**10,187**	**10,061**
Non-current borrowings (see note 15)	4,246	1,500
Current borrowings (see note 15)	4,210	10,341
Total debt (b)	**8,456**	**11,841**
Net debt (c = (b-a))	-	1,780
Equity (d) (See Statement of changes in Equity)	**15,195**	**12,932**
Total Capital (e = equity + net debt)	**15,195**	**14,712**
Gearing ratio(times) (c/e)	**-**	**0.12**

(1) The Company has included other bank balances as part of total cash. The same are excluding balances pertaining to earmarked unpaid dividend accounts.

(2) excluding investment in JV and preference shares and equity shares.

36. RELATED PARTY

a. List of related parties:

Particulars

(i) Holding Companies:

Vedanta Limited (Immediate Holding Company)

Vedanta Resources Limited (Intermediate Holding Company)

Vedanta Incorporated (formerly Volcan Investments Limited)(Ultimate Holding Company)

(ii) Subsidiaries:

Hindustan Zinc Alloys Private Limited (Wholly owned subsidiary)

Vedanta Zinc Football & Sports Foundation (Section 8 company) (Wholly owned subsidiary)

Zinc India Foundation (Section 8 company) (Wholly owned subsidiary)

Hindustan Zinc Fertilisers Private limited (Wholly owned subsidiary)

Hindmetal Exploration Services Private Limited (Wholly owned subsidiary incorporated on February 26, 2024)*

iii) Fellow Subsidiaries (with whom transactions have taken place):

Bharat Aluminium Company Limited

Sterlite Power Transmission Limited

Talwandi Sabo Power Limited

ESL Steel Limited

Malco Energy Limited

Fujairah Gold FZC

Black Mountain Mining (Pty) Limited

Namzinc (Pty) Limited

Vizag General Cargo Berth Private Limited

Ferro Alloys Corporation Limited

Serentica Renewables India 4 Private Limited

Serentica Renewables India 5 Private Limited

STL Digital Limited

Sterlite Technologies Limited

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(iv) Related Party having a Significant Influence

Government of India - President of India

(v) Other related party

Madanpur South Coal Company Limited (jointly controlled entity)

Minova Runaya Private Limited

Runaya Greentech Private Limited

Hindustan Zinc Limited Employee's Contributory Provident Fund Trust

Hindustan Zinc Limited Employee's Group Gratuity Trust

Hindustan Zinc Limited Superannuation Trust

Anil Agarwal Foundation Trust

* no transactions have taken place during the year with the company

b. Transactions with Key Management Personnel:

Compensation of key management personnel of the Group recognised as expense during the reporting period

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits [1]	18	13
Sitting fee and commission to Directors	2	2
Total compensation paid to key management personnel	**20**	**15**

(1) Excludes gratuity and compensated absences as these are recorded in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

There are no outstanding debts or loans due from Directors or other officers (as defined under Section 2(59) of the Companies Act, 2013) of the Company.

c. Transactions with Government having significant influence:

Central government of India holds 29.54% shares in HZL. During the year, Group has availed incentives in the form of export incentive under Export promotion and credit guarantee scheme announced by the Government of India. Also, HZL has transactions with other government related entities (Public sector undertakings) including but not limited to sales and purchase of goods and ancillary materials, rendering and receiving services and use of public utilities.

d. Transactions with Related Parties:

The details of the related party transactions entered into by the Group, for the period ended March 31, 2024 and March 31, 2023 are as follows:

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Goods		
Runaya Greentech Private Limited	43	-
Malco Energy Limited	0	-
Fujairah Gold FZC	59	46
Vedanta Limited	1	0
Total	**103**	**46**
Purchase of Goods		
Vedanta Limited	24	33
Bharat Aluminium Company Limited	45	42
Minova Runaya Private Limited	216	218
Malco Energy Limited	86	255
Runaya Greentech Private Limited	46	-
Black Mountain Mining (Pty) Limited	1	-
Total	**418**	**548**

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of IT services		
STL Digital limited	21	3
Sterlite Technologies Limited	8	-
Total	**29**	**3**
Purchase of O&M services		
Runaya Greentech Private Limited	21	-
Total	**21**	**-**
Purchase of property, plant and equipment		
Vedanta Limited	-	0
FACOR	0	-
Talwandi Sabo Power Limited	0	0
Total	**0**	**0**
Sale of property, plant and equipment		
Vedanta Limited	-	0
Runaya Greentech Private Limited	43	-
FACOR	0	-
Talwandi Sabo Power Limited	0	0
Total	**43**	**0**
Strategic services and Brand fees		
Vedanta Limited	561	343
Total	**561**	**343**
Interest on Business Advance & Asset Sale		
Runaya Greentech Private Limited	2	-
Total	**2**	**-**
Other Expenses and other reimbursements		
Vedanta Limited	28	70
ESL Steel Limited	0	0
Bharat Aluminium Company Limited	(0)	(0)
Malco Energy Limited	-	0
Talwandi Sabo Power Limited	0	0
Ferro Alloys Corporation Limited	0	0
Black Mountain Mining (Pty) Limited	(4)	(1)
Sterlite Technologies Limited	(0)	-
STL Digital Limited	(0)	-
Vizag General Cargo Berth Private Limited	0	0
Runaya Greentech Private Limited	(1)	-
Minova Runaya Private Limited	(1)	(0)
Total	**22**	**69**
Dividend paid		
Vedanta Limited	3,566	20,711
Government of India	1,622	9,422
Total	**5,188**	**30,133**
Dividend received		
Madanpur South Coal Company Limited (jointly controlled entity)	4	-
Total	**4**	**-**

Notes forming part of the Consolidated Financial Statements
as at and for the year ended March 31, 2024

(₹ in Crore)

Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
Donations		
Anil Agarwal Foundation Trust	49	-
Total	**49**	**-**
Investments made		
Serentica Renewables India 4 Private Limited	175	105
Serentica Renewables India 5 Private Limited	131	-
Total	**306**	**105**
Non-current Investments		
For Investments classified under Fair value through Profit and Loss		
Serentica Renewables India 4 Private Limited	224	-
Serentica Renewables India 5 Private Limited	98	-
For Investments classified under Fair value through Other Comprehensive Income		
Serentica Renewables India 4 Private Limited	56	105
Serentica Renewables India 5 Private Limited	33	-
Total	**411**	**105**
Letter of Comfort/Bank Limits assigned		
Hindustan Zinc Alloys Private Limited (refer note 29(d)(ii))	66	81
Total	**66**	**81**
Other commitments		
Serentica Renewables India 4 Private Limited (refer note 29(d)(i))	70	245
Serentica Renewables India 5 Private Limited (refer note 29(d)(i))	306	438
Total	**376**	**683**
Contribution to :		
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	36	50
Hindustan Zinc Limited Employee's Group Gratuity Trust	29	-
Hindustan Zinc Limited Superannuation Trust	4	3
Total	**69**	**53**

All the transactions entered by the Group with the related parties are at arm's length price.

e. The balances receivable/payable as at year end:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Receivables and advances		
Vedanta Limited* (including prepaid strategic service and brand fees)	-	0
Fujairah Gold FZC	15	12
Bharat Aluminium Company Limited	-	0
Black Mountain Mining (Pty) Limited	2	0
Ferro Alloys Corporation Limited	0	-
Runaya Greentech Private Limited	58	-
Sterlite Technologies Limited	1	-
Talwandi Sabo Power Limited	0	-
Total	**76**	**13**
Prepaid expenses		
Vedanta Limited	116	-
	116	**-**

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Business advance		
Runaya Greentech Private Limited	3	-
	3	**-**

*Target plus scheme("TPS") as a part of foreign trade policy was announced on August 31, 2004 w.e.f. April 01, 2004, with an objective of accelerating growth in exports. Pursuant to this scheme, Vedanta Limited ("erstwhile Sterlite Industries Ltd.")(Holding Company) had applied for TPS scrips of value of ₹ 306 Crore. However, certain retrospective amendments in this scheme were made by Directorate General of Foreign Trade ('DGFT') resulting in reduction in these scrips value by ₹ 216 Crore in which HZL had a share of ₹ 48 Crore. This was challenged by the Holding Company in the Hon'ble Supreme Court. Basis the favourable judgements from the Hon'ble Supreme Court, HZL had recognised an income of ₹ 48 Crore as an export incentive recoverable in December 2015 . However, during FY 2020-21, the TPS scrips of value of ₹ 216 Crore were issued by Directorate General of Foreign Trade ('DGFT') in the name of Vedanta Limited("Holding Company") basis which, the export incentive recoverable was reclassified to recoverable from Vedanta Limited. The Company has realised ₹ 20 Crore from Vedanta Limited on the basis of proportionate scrips utilization by Vedanta Limited and has created a provision of remaining ₹ 28 Crore considering the expiry of the utilization timeline for these scrips till February 24, 2023 and no favorable outcome of the petition filed by the Holding Company in the Hon'ble Supreme Court for extension of the utilization timeline (See note 27(4)).

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable To		
Bharat Aluminium Company Limited	2	-
Vedanta Limited	5	20
Minova Runaya Private Limited	12	12
Malco Energy Limited	3	6
ESL Steels limited	0	0
STL Digital Limited	0	-
Sterlite Power Transmission Limited	0	0
Hindustan Zinc Limited Employee's Contributory Provident Fund Trust	8	8
Hindustan Zinc Limited Employee's Group Gratuity Trust	0	7
Sitting fee and commission to Directors	1	1
Total	**31**	**55**

f. **Terms and conditions of related party transactions:**

The transactions from related parties are assessed to be at arm's length by the management. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

Company usually pays strategic services and brand fees in advance at the beginning of the year, based on its estimated annual turnover.

There have been no other guarantees/Letter of comfort provided or received from/to any related party receivables or payables except as disclosed in note (d) above.

37. INTEREST IN OTHER ENTITIES

The Group consists of a parent company, Hindustan Zinc Limited, incorporated in India and its subsidiaries and joint venture as below:

Name of the entity	Principal Activity	Type of interest	Country of Incorporation	As at March 31, 2024	As at March 31, 2023
Hindustan Zinc Alloys Private Limited	Manufacturing of metals and its alloys	Wholly Owned Subsidiary	India	100	100
Vedanta Zinc Football & Sports Foundation	Sports activities	Wholly Owned Subsidiary	India	100	100
Zinc India Foundation	CSR activities of holding company	Wholly Owned Subsidiary	India	100	100
Hindustan Zinc Fertilisers Private Limited	Manufacturing of Phosphatic fertilisers	Wholly Owned Subsidiary	India	100	100
Madanpur South Coal Company Limited	Coal mining	Joint Venture	India	18.05	17.62

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

38. SUBSEQUENT EVENTS

There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

39. OTHER STATUTORY INFORMATION

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group has not been declared wilful defaulter by any bank or financial Institution or other lender.

(iii) The Group does not have any transactions with companies struck off.

(iv) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Group has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

(ix) The Holding Company and subsidiaries, which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the following:

Holding company and 4 nos. of subsidiaries did not have a feature of recording audit trail (edit log) facility for direct changes to data in certain database tables which is restricted to only one user ID with system administrator user access, in order to optimise system performance and the same did not operate throughout the year for all relevant transactions recorded in the software. The Group carried out proactive monitoring and review of activities performed by such user during the year. However, these system administrator rights have been disabled subsequent to the year end.

See accompanying notes to financial statements.

As per our report on even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Tridevlal Khandelwal
Partner
ICAI Membership No.: 501160
Date: April 19, 2024
Place: Pune

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer
Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520
Date: April 19, 2024
Place: Udaipur

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

40. FINANCIAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the entity	Net Assets (Total assets less total liabilities)		Share in Profit and Loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As at March 31, 2024		For the year ended March 31, 2024		For the year ended March 31, 2024		For the year ended March 31, 2024	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
Parent								
Hindustan Zinc Limited	100.25%	15,233	100.36%	7,787	100.00%	3	100.36%	7,784
Subsidiaries								
Hindustan Zinc Alloys Private Limited	(0.06%)	(10)	(0.11%)	(8)	-	-	(0.11%)	(8)
Vedanta Zinc Football & Sports Foundation	(0.01%)	(1)	0.00%	0	-	-	0.00%	0
Zinc India Foundation	(0.01%)	(2)	0.02%	2	-	-	0.02%	2
Hindustan Zinc Fertilisers Private Limited	(0.00%)	(0)	(0.00%)	(0)	-	-	(0.00%)	(0)
Joint Venture								
Madanpur South Coal Company Limited	0.00%	-	0.00%	-	-	-	0.00%	-
Consolidation Adjustments/ Eliminations	(0.17%)	(25)	(0.28%)	(21)	-	-	(0.28%)	(21)
Total	**100.00%**	**15,195**	**100.00%**	**7,759**	**100.00%**	**3**	**100.00%**	**7,756**

Name of the entity	Net Assets (Total assets less total liabilities)		Share in Profit and Loss		Share in Other comprehensive income (OCI)		Share in Total comprehensive income (TCI)	
	As at March 31, 2023		For the year ended March 31, 2023		For the year ended March 31, 2023		For the year ended March 31, 2023	
	As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
Parent								
Hindustan Zinc Limited	100.08%	12,942	100.09%	10,520	100.00%	41	100.09%	10,561
Subsidiaries								
Hindustan Zinc Alloys Private Limited	(0.01%)	(1)	(0.01%)	(1)	-	-	(0.01%)	(1)
Vedanta Zinc Football & Sports Foundation	(0.01%)	(1)	(0.01%)	(1)	-	-	(0.01%)	(1)
Zinc India Foundation	(0.02%)	(3)	(0.03%)	(3)	-	-	(0.03%)	(3)
Hindustan Zinc Fertilisers Private Limited	0.00%	0	(0.00%)	(0)	-	-	(0.00%)	(0)
Joint Venture								
Madanpur South Coal Company Limited	0.00%	0	0.00%	-	-	-	0.00%	-
Consolidation Adjustments/ Eliminations	(0.03%)	(4)	(0.03%)	(3)	-	-	(0.03%)	(3)
Total	**100.00%**	**12,932**	**100.00%**	**10,511**	**100.00%**	**41**	**100.00%**	**10,552**

See accompanying notes to financial statements.

As per our report on even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 301003E/E300005

per Tridevlal Khandelwal
Partner
ICAI Membership No.: 501160

Date: April 19, 2024
Place: Pune

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer

Date: April 19, 2024
Place: Udaipur

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520

Date: April 19, 2024
Place: Udaipur

Notes forming part of the Consolidated Financial Statements

as at and for the year ended March 31, 2024

FORM AOC-1

Salient features of Subsidiaries pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

S. No	Name of subsidiary	Reporting period	Reporting currency	Date of becoming subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding Investment in Subsidiary)	Revenue	Profit/ (Loss) Before Tax	Tax expense/ (credit)	Profit/ (Loss) After Tax	Proposed Dividend - Proposed Final Dividend	% of shareholding
1	Hindustan Zinc Alloys Private Limited	April -March	INR	November 17, 2021	0	(10)	214	224	-	15.43	(10)	(2.06)	(8)	-	100%
2	Vedanta Zinc Football & Sports Foundation	April -March	INR	December 21, 2021	0	(1)	0	1	-	8	0	-	0	-	100%
3	Zinc India Foundation	April -March	INR	August 05, 2022	0	(2)	0	2	-	15	2	-	2	-	100%
4	Hindustan Zinc Fertilisers Private Limited	April -March	INR	September 07, 2022	0	(0)	336	336	-	-	(0)	-	(0)	-	100%

During the current year, the Company has incorporated a wholly owned subsidiary naming "Hindmetal Exploration Services Private Limited". However, no investments are made in the subsidiary.

S. No	Name of Joint venture	Madanpur South Coal Company Limited
1	Latest audited Balance sheet date	March 31, 2024
	Date of acquisition	23/05/2006
	Shares of Joint Ventures held by the Company at the year end	
	- Number	114,391
	- Amount of investment (₹ Crore)	2
	- % of holding	18.05%
	Description of how there is significant influence	N.A
	Networth attributable to shareholding as per latest audited Balance sheet (₹ Crore)	1
	Profit/(Loss) for the year (₹ Crore)	
	- Considered in Consolidation	-
	- Not Considered in Consolidation	0

For and on behalf of the Board of Directors
CIN - L27204RJ1966PLC001208

Arun Misra
CEO & Whole-time Director
DIN: 01835605

Kannan Ramamirtham
Director
DIN: 00227980
Place: Mumbai

Sandeep Modi
Chief Financial Officer

Harsha Kedia
Company Secretary
ICSI Membership No.: A21520

Date: April 19, 2024
Place: Udaipur

Date: April 19, 2024
Place: Udaipur

GLOSSARY

Short form	Name
AAF	Anil Agarwal Foundation
ACLS	Advanced Cardiovascular Life Support
ACT-UP	Accelerated Competency Tracking And Upgradation Programme
ACWP	Actual Cost of Work Performed
Ag	Silver
AGM	Annual General Meeting
AI/ML	Artificial Intelligence/Machine Learning
AIFF	All India Football Federation
ANPR	Automated Number Plate Recognition
APC	Advanced Process Control
APCD	Air Pollution Control Devices
ARM	Audit and Risk Management Committee
BF	Blast Furnace
BFP	Boiler Feed Pump
BISLD	Baif Institute for Sustainable Livelihoods And Development
BMP	Biodiversity Management Plan
BOOT	Build-Own-Operate-Transfer
BP	Business Partner
BRSR	Business Responsibility & Sustainability Report
BSE/NSE	Bombay Stock Exchange/National Stock Exchange
BU	Business Unit
CAGR	Compound Annual Growth Rate
CAHRA	Conflict Affected and High-Risk Areas
CAP	Climate Action Programme
CAPA	Corrective Action and Prevention Action
Capex	Capital Expenditure
CAR	Climate Action Report
CARO	Companies (Auditors Report) Order
CBAM	Carbon Border Adjustment Mechanism
CDP	Carbon Disclosure Project
CENVAT	Central Value Added Tax
CFSAs	Contractor Field Safety Audits
CG	Corporate Governance
CGG	Continuous Galvanising Grade
CGU	Cash Generating Unit
CII	Confederation of Indian Industry
CLZS	Chanderiya Lead-Zinc Smelter
COBIT	Control Objectives For Information and Related Technology

Short form	Name
CODM	Chief Operating Decision Maker
CoE	Centre of Excellence
COP	Cost of Production
COSO	Committee of Sponsoring Organisations
CosV	Centre of the Study of Values
CPCB	Central Pollution Control Board
CPH	Consumption and Overall Cost Per Hour
CPP	Captive Power Plants
CRISIL	Credit Rating Information Services of India Limited
CRM	Critical Risk Management
CRRI	Central Road Research Institute
CSA	Corporate Sustainability Assessment
CSA	Certified Security Analyst
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CT	Cooling Tower
CTC	Cost-to-Company
CTO	Consent to Operate
CWIP	Capital Work in Progress
DAP/NPK	Di Ammonium Phosphate/Nitrogen, Phosphorus, and Potassium
DC	Designated Consumers
DCS	Distributed Control System
DEI	Diversity, Equity and Inclusion
DGFT	Directorate General of Foreign Trade
DGMS	Directorate General of Mine Safety
DI	Diversity and Inclusion
DIN	Directors Identification Number
DIPAM	Department of Investment and Public Asset Management
DJSI	Dow Jones Sustainability Indices
DLP	Data Leakage Prevention
DLP	Data Loss Prevention
DMFT	District Minerals Foundation Trust
DMG	Department of Mines and Geology
DP	Depository Participants
DPDPA	Digital Personal Data Protection Act
DR & BCP	Disaster Recovery & Business Continuity Plan
DSC	Dariba Smelting Complex
EBITDA	Earnings Before Interest, Tax, Depreciation And Amortization

Short form	Name
ECL	Expected Credit Loss
EDR	Endpoint Detection and Response
EFRAG	European Financial Reporting Advisory Group
EIR	Effective Interest Rate
ELCB	Earth-Leakage Circuit Breaker
EOI	Expression of Interest
EOT	Electric Overhead Traveling
EPC	Engineering, Procurement, and Construction
EPCG	Export Promotion Capital Goods
EPD	Environmental Product Declaration
e-pod	Electronic Proof of Delivery
EPR	Extended Producer Responsibility
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
ESOS	Employee Stock Option Scheme
ESP	Electrostatic Precipitators
ETP	Effluent Treatment Plant
EV	Electric Vehicle
EVA	Economic Value Added
EWAP	Employee Well-Being and Assistance Programmes
EXCO	Executive Committee
FAME II	Fast Adoption And Manufacturing of EV
FBLP	Family-Based Livelihood Programme
Fe	Iron
FFS	Fitness for Service
FIGs	Farmer Interest Groups
FOG	Fall of Ground
FPOs	Farmer Producer Organisations
FRP	Fibre-reinforced Polymer
FRP	Fibre-reinforced Plastic
FSIPP	Fatality and Serious Injury Prevention Plan
FVTOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value through Statement of Profit & Loss
GCMP	Ground Control Management Plan
GCV	Gross Calorific Value
GDPR	General Data Protection Regulation
GEMI	Global Environmental Management Initiative
GHG	Greenhouse Gas
GIS	Geographic Information System
GISTM	Global Industry Standard on Tailings Management
GoI	Government of India

Short form	Name
GOI-MOM	Government of India, Ministry of Coal and Mines
GRC	Governance, Risk and Compliance
GRI	Global Reporting Initiative
GTS+	Global Techstream+
HAZOP	Hazard and Operability
HDH	Hemidihydrate
HDPE	High-Density Polyethylene
HELP	Heartfulness Empowerment and Learning Programme
HEMM	Heavy Earth Moving Machinery
HEVs	Hybrid Electric Vehicles
HG	High Grade
HIPO	High Potential Consequence Events
HIRA	Hazard Identification & Risk Assessment
HP	Horsepower
HRMS	HR Management System
HSD	High Speed Diesel
HSE	Health, Safety and Environment
HSES	Health, Safety, Environment & Social
HZDA	Zinc-Aluminium Alloy
HZWF	Hindustan Zinc Workers' Federation
IALM	International Academy of Legal Medicine
IBAT	Integrated Biodiversity Assessment Tool
IBM	Indian Bureau of Mines
ICAI	Institute of Chartered Accountants of India
ICC	Internal Complaints Committee
ICEV	Internal Combustion Engine Vehicle
ICMM	International Council on Mining and Metals
IDPs	Individual Development Plans
IEPF	Investor Education and Protection Fund
IESBA	International Ethics Standards Board for Accountants
IEX	Indian Energy Exchange
IFC	International Finance Corporation
IFC EHS	International Finance Coalition - Environmental, Health, and Safety
IIoT	Industrial Internet of Things
IIRC	International Integrated Reporting Council
IJPs	Internal Job Postings
ILDCs	Integrated Livestock Development Centres
ILO	International Labour Organisation
IMMC	Integrated Minor Metals Complex
IMRB	International Mines Rescue Body
IMS	Integrated Management System
InSAR	Interferometric Synthetic Aperture Radar

Short form	Name
INTUC	Indian National Trade Union Congress
IPPB	India Post Payments Bank
IR	Integrated Report
IRA	Inflation Reduction Act
IRESA model	Integrated Sustainable Energy and Sustainable Agriculture
IRR	Internal Rate of Return
ISAE	International Standard on Assurance Engagements
ISF	Imperial Smelting Furnace
ISO/IEC	International Organization for Standardization/International Electrotechnical Commission
ISQM	International Standard on Quality Management
ISSB	International Sustainability Standards Board
ITGC	IT General Control
ITMC	Insider Trading Monitoring Committee
IUCN	International Union for Conservation of Nature
IUT	Inter-Unit Transport
IZA	International Zinc Association
JORC Code	Joint Ore Reserve Committee
JSA	Job Safety Analysis
KL	Kilo Litre
KLD	Kilo Litres Per Day
KM	Kayad Mine
KMP	Key Managerial Personnel
KPIs	Key Performance Indicators
KRI	Key Risk Indicator
kt	Kilotonnes
ktpa	Kilotonnes Per Annum
KV	Kilovolt
L.D.O./ LSHS/FO	Light Diesel Oil/Low Sulphur Heavy Stock/ Furnace Oil
LACP	League of American Communications Professional
LAP	Leadership at the Peak
LBMA	London Bullion Market Association
LCA	Lifecycle Assessment
LCOE	Lower Levellised Cost of Energy
LDO	Light Diesel Oil
LEL	Lower Explosive Limit
LEP	Lead Electrowinning Process
LGBTQIA+	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual
LiDAR	Light Detection and Ranging

Short form	Name
LIMS	Laboratory Information Management System
LME	London Metal Exchange
LMVs	Light Motor Vehicles
LNG	Liquified Natural Gas
LPA	Layers of Protection Analysis
LPDT	Low-Profile Dump Trucks
LSR	Life Saving Rules
LTI	Lost Time Injury
LTIFR	Lost Time Injury Frequency Rate
LTS	Long Term Settlement
ManCom	Management Committee
MAS	Management Assurance Services
MAT	Minimum Alternate Tax
MCLR	Marginal Cost of Lending Rate
MCX	Multi Commodity Exchange of India Limited
MEE	Multiple Effect Evaporator
MGJ	Mega Joule
MGMI Award	The Mining, Geological & Metallurgical Institute of India
MIC	Metal in Concentrate
MIP	Right Management in Place
mn MT	Million Metric Tonne
MOC	Material of Construction
MoEF&CC	Ministry of Environment, Forest and Climate Change
MoU	Memorandum of Understanding
Moz	Million Ounces
mRL	Metres Relative Level
MRSS	Mobile Response and Stabilisation Service
MSA	Modern Slavery Act
MSME	Micro, Small & Medium Enterprises
MT	Metric Tonne
Mt	Million Tonne
MVR	Mechanical Vapour Recompression
MW	Mega Watt
NABL	National Accreditation Board for Testing and Calibration Laboratories
NAV	Net Asset Value
NCCBM	National Council for Cement & Building Materials
NCDs	Non-Convertible Debentures
NCLT	National Company Law Tribal
NDRF	National Disaster Response Force
NE	North-Eastern
NEERI	National Environmental Engineering Research Institute

Short form	Name
NEV	New Energy Vehicle
NFA	Note for Approval
NGRBC	National Guidelines on Responsible Business Conduct
NMET	National Mineral Exploration Trust
NOPAT	Net Operating Profit After Tax
NRC	Nomination and Remuneration Committee
OCI	Other Comprehensive Income
OCRPS	Optionally Convertible Redeemable Preference Shares
ODR Portal	Online Dispute Resolution Portal
OECD	Organisation for Economic Cooperation and Development
OEM	Original Equipment Manufacturer
OGT	Outlet Gas Temperature
OHSAS 18001	Occupational Health and Safety Assessment Series
ONDC	Open Network for Digital Commerce
OT	Operational Technology
PAP	Phosphoric Acid Plant
PAPR	Powered Air Purifying Respirators
PAT	Performance, Achieve and Trade
Pb	Lead
PC	Passenger Carrier
PDA	Power Delivery Agreement
PDP	Personal Development Programme
PGCT	Packed Gas Cooling Tower
PGEs	Platinum Group Elements
PHA	Process Hazard Analysis
PHDCCI - CSR Award	PhD Chamber of Commerce and Industry
PHEVs	Plug-In Hybrid Electric Vehicles
PII	Personally Identifiable Information
PIMS	Privacy Information Management System
PIT	Prohibition of Insider Trading
PLF	Plant Load Factor
PMI	Purchasing Managers' Index
PO	Purchase Order
POSH	Prevention of Sexual Harassment
PPE	Personal Protective Equipment
PPE	Property Plant Equipment
PPP	Public-Private-Partnership
PPP	Purchasing Power Parity
PR	Purchase Requisition
PSM	Process Safety Management
PTI News	Press Trust of India

Short form	Name
PTM	Permit to Work
PTS	Plant Technical System
PV	Photovoltaic
PW	Prime Western
PwD	Persons with Disabilities
QCFI	Quality Circle Forum of India
QRA	Quantitative Risk Assessment
R&R	Resources & Reserves
RA	Revisionary Authority
RAM	Rampura Agucha Mine
RBO	Rescue Breakdown Operation
RCA	Rajasthan Cricket Association
RDM	Rajpura Dariba Mine
RE Power	Renewable Energy
REE	Rare Earth Elements
RE-RTC	Renewable Energy Round the Clock
RFID	Radio Frequency Identification
RFPs	Request for Proposals
RFQ	Requests for Quotation
RLA	Residual Life Assessment
RMH	Raw Material Handling
RO	Reverse Osmosis
RPM	Revolutions Per Minute
RSLDC	Rajasthan Skill & Livelihoods Development Corporation
RSMM	Rajasthan State Mine And Mineral Company
RZO	Raw Zinc Oxide
SAARC	South Asian Association for Regional Cooperation
SaaS	Software as a Service
SAFF	South Asian Football Federation
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets Initiative
SBTN	Science Based Targets for Nature
SBU ESG Committee	Strategic Business Units Environmental Social and Governance
SCC	Specific Coal Consumption
SDD	Structured Digital Database
SDGs	Sustainable Development Goals
SHFE	Shanghai Futures Exchange
SHG	Special High Grade
SHG & HG Jumbos	Special High Grade & High Grade
SHGs	Self Help Group
SIA Report	Social Impact Assessment
SIEM	Security Information and Event Management

Short form	Name
SIL	Safety Integrity Level
SK	Sindesar Khurd
SKM	Sindesar Khurd Mine
SLF	Secure Landfills
SLP	Supplier Lifecycle and Performance
SME	Subject Matter Experts
SMETA	Sedex Members Ethical Trade Audit
SMP	Senior Management Personnel
SMU	Service Meter Unit
SOA	Statement of Applicability
SOC	Security Operations Centre
SOPs	Standard Operating Procedures
SPPI	Solely Payments of Principal and Interest
SPSCs	Social Performance Steering Committees
SRC	Stakeholders Relationship Committee
SSR	Structural Stability Report
STP	Sewage Treatment Plant
SUPs	Single-Use Plastics
TACO	The Animal Care Organisation
TARP	Trigger-Action-Response-Plan
TAT	Turnaround Time
TCFD	Task Force on Climate-Related Financial Disclosures Report
TDS	Total Dissolved Solids
TGT	Tail Gas Treatment
TNFD	Task Force on Nature-Related Financial Disclosures
TOFD	Time-of-Flight Diffraction
TPA	Tonne Per Annum
tpd	Tonnes Per Day
TPRM	Third-Party Risk Management
TPS	Target Plus Scheme
TQM	Total Quality Management
TRCs	Talent Review Council
TRIFR	Total Recordable Injury Frequency Rate
TS	Technical Standard
TSFs	Tailings Storage Facilities
TSR	Total Shareholder Return

Short form	Name
TSS	Total Suspended Solids
TTR	Tax Transparency Report
TTV	Time to Value
UG	Underground
UG BEV	Underground Battery Electric Vehicle
UI	User Interface
UIT	Urban Improvement Trust
UMC	Udaipur Municipal Corporation
UN SDGs	United Nations Sustainable Development Goals
UNEP	United Nations Environment Programme
UNGC	United Nations Global Compact
US Fed	US Federation
VAP	Value-Added Products
VAPT	Vulnerability Assessment and Penetrating Testing
VESOS	Vedanta Employee Stock Option Scheme
VFD	Variable Frequency Drive
VMB	Vendor Management Portal
VO	Village Organisation
VPI	Vehicle Pedestrian Interaction
VSAP	Vedanta Sustainability Assurance Programme
VSF	Vedanta Sustainability Framework
WBCSD	World Business Council for Sustainable Development
WCDL	Working Capital Demand Loan
WEO	World Economic Outlook
WILP	Work Integrated Learning Programmes
WRI	World Resources Institute
XRD	X-Ray Diffraction
XRF	X-Ray Fluorescence
y-o-y	Year-on-Year
ZFA	Zinc Football Academy
ZIF	Zinc India Foundation
ZLD	Zero Liquid Discharge
ZM	Zawar Mines
ZSD	Zinc Smelter Debari

HINDUSTAN ZINC
Zinc & Silver of India

HINDUSTAN ZINC LIMITED
Yashad Bhawan, Udaipur - 313 004, Rajasthan
T: +91 294 6604000-02
www.hzlindia.com

Concept & Design wp (info@wyatt.co.in)