

HZL/2025-26/SECY/36

June 30, 2025

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

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: General Manager – Department
of Corporate Services

Kind Attn: Head Listing & Corporate
Communication

Scrip Code: 500188

Trading Symbol: "HINDZINC"

Dear Sir/Madam,

Sub: 8th Tax Transparency Report for FY 2024-25

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 8th Tax Transparency Report of the Company for the Financial Year 2024-25.

We request you to kindly take the above intimation on record.

Thanking You.

Yours faithfully,
For Hindustan Zinc Limited

Aashima V Khanna
Company Secretary & Compliance Officer

Encl: as above

METALS FOR LIFE



Tax Transparency Report

2024-25



Hindustan Zinc (HZL) was incorporated from the erstwhile Metal Corporation of India on 10th January 1966 as a Public Sector Undertaking.

In April 2002, as part of its disinvestment strategy, the Government of India divested its stake in Hindustan Zinc, and the Vedanta group acquired the controlling interest. **As on 31st March, 2025, Vedanta Group owns 63.42% of HZL's share, the Government of India holds 27.92%, and the balance is with public and Institutional Investors.**

Hindustan Zinc is world's largest integrated Zinc producer and India's largest & only integrated producer of Zinc, Lead and Silver and it operates across the value chain - from exploration, asset development and extraction, to processing and value addition. The company continues to deliver long term value and growth across all stages.



Strong Operational Asset Base in Mines

Mines	Reserve (Million MT)	Resource (Million MT)	Reserve Grade Zn (%)	Reserve Grade Pb (%)
Rampura Agucha Mine	46.8	20.8	10.7	1.1
Sindesar Khurd Mine	36.8	61.4	3.1	1.9
Rajpura Dariba Mine	51.3	39.0	5.3	1.8
Bamnia Kalan	1.5	39.6	3.6	0.5
Kayad Mine	1.3	6.8	5.2	0.8
Zawar Mines	51.5	96.4	2.6	1.2

Reserve & Resource (R&R) Summary

Category	Grade			
	(Million MT)	Zn (%)	Pb (%)	Ag (g/t)
Reserve	189.1	5.5	1.5	50
Mineral Resource - Measured and Indicated	128.5	4.6	1.7	56
Mineral Resource - Inferred	135.6	4.1	2.1	63

Smelters	Pyro-metallurgical Zinc Smelter* (TPA)	Pyro-metallurgical Lead Smelter* (TPA)	Hydro-metallurgical Zinc Smelter (TPA)	Lead Smelter (TPA)	Captive Power Plant (MW)#
Chanderiya Lead-Zinc Smelter	1,05,000	90,000	4,80,000	-	274.5
Dariba Smelting Complex	-	-	2,40,000	1,20,000	170.0
Debari Zinc Smelter	-	-	88,000	-	-

*Operation of pyrometallurgical smelters in zinc-lead mode is considered for smelting capacities. Actual production may vary based on mode of pyro operations.

We also have 91.5MW Captive Power Plant at Zawar Mines.

Notes: Additional facilities in Pantnagar, in the state of Uttarakhand, for processing and refining of zinc, lead and silver, which does not add to our overall smelting capacity.
(TPA = MT per annum)


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POWER CAPACITY MIX FY 2024-25 (MW)

40.70 
Captive Solar Power

48.46 
Captive Waste Heat
Recovery Boiler

273.50 
Wind Power
(Independent Power Producer)

536.00 
Captive Thermal Power

OUR BUSINESS

Hindustan Zinc is world's largest integrated Zinc producer and India's largest & only integrated producer of Zinc, Lead and Silver. We are amongst the top 5 Silver producers globally. We currently hold about 77% market share in India's primary zinc market. Hindustan Zinc's operations comprise zinc-lead mines, hydrometallurgical zinc smelters, lead smelters, and pyrometallurgical lead-zinc smelter. We have six mines which are situated at Rampura Agucha, Rajpura Dariba, Sindesar Khurd, Kayad, Zawar and Bamnia Kalan in the state of Rajasthan. We have three smelting operations located at Chanderia, Debari and Dariba in the state of Rajasthan. We also have zinc-lead and silver refining facilities at Pantnagar in the state of Uttarakhand. Our power generation facilities include captive thermal power plants, waste heat recovery boilers while we have also ventured into green energy by setting up solar power plants, wind power plants and signed the 530 MW renewable energy power delivery agreement with Serentica Renewables India Pvt. Ltd., increasing renewable energy portfolio to up to 70% of our overall power requirement.

Hindustan Zinc is subject to tax jurisdiction in India only. The primary activities viz. production, manufacturing, sales, marketing of Hindustan Zinc's operations are based in India and global sales are managed through sales/marketing offices based in India only. Therefore, Hindustan Zinc earns 100% of its profits from operations in India as there are no operations, sales or marketing offices outside India.

Proudly Making Metals for Life

Ever wondered what keeps our world going strong? From the bridges we cross to the pipes carrying the water we drink, from future-ready electric vehicles to the homes and cities we build - Zinc and Silver are all around us in more ways than we can count. With the power to protect for decades and the promise of being 100% recyclable, zinc and silver are more than just metals; they are the trusted guardians of life as we know it. Zinc provides essential protection, ensuring structural strength, reducing maintenance costs and preventing corrosion for generations to come. Silver stands out as an indispensable resource due to its unmatched conductivity and versatile applications in power electronics, artificial intelligence, nanotechnology, biotechnology and supporting the global energy transition.

Zinc and Silver aren't just metals - they embody a promise to power, protect and preserve for future generations- the ultimate Metals for Life.

Our Subsidiaries and their activities



Hindustan Zinc Alloys Pvt. Ltd.
Manufacturing of Metal Alloys



Hind Metal Exploration Services Pvt Ltd
Systematic exploration of all types of mineral deposits



Hindustan Zinc Fertilisers Pvt. Ltd.
Manufacturing of Phosphatic Fertilizers



Vedanta Zinc Football & Sports Foundation
Sports intervention at the broader level bringing excellence at grassroot level



Zinc India Foundation
To carry out CSR activities

Financial Year
2024-25

Primary Activities
Mining & Manufacturing of Zinc, Lead and Silver

Total Employees Incl. Contract Employees
25,531

Revenue from Operations
INR 34,083 Cr.

Profit Before Tax (Earnings Before Tax)
INR 13,553 Cr.

Income Tax Accrued
INR 3,200 Cr.

Profit After Tax (PAT)
INR 10,353 Cr.

Income Tax Paid
INR 3,385 Cr.

Consolidated Figures

CHAIRPERSON'S VALUE STATEMENT



The strength of a company lies not only in its numbers, but in the principles, it upholds every step of the way.



At Hindustan Zinc, we believe that transparency is one of the most important values in how we run our business. Our Tax Transparency Report, now in its 8th annual edition, reflects our commitment to good governance and accountability. Through this report, we aim to share a clear and comprehensive understanding of our operations, the taxes we contribute, and the larger role these contributions play in supporting communities, society, the government, and our country as a whole.

Paying taxes is a meaningful part of our role in nation-building. It enables the development of infrastructure, drives economic growth, and supports welfare programmes that improve lives. We take pride in fulfilling these responsibilities on time and in sharing these details voluntarily. Transparency builds trust, and trust strengthens our connection with all our stakeholders.

Our unwavering commitment to sustainability and transparency has once again earned global recognition. For the second year in a row, Hindustan Zinc has been ranked No. 1 in the Metals and Mining sector in the S&P Global Corporate Sustainability Assessment 2024, and we have also earned a place among the top 1% globally in the S&P Global Sustainability Yearbook 2025. These achievements reaffirm that when we stay true to our values, the results follow.

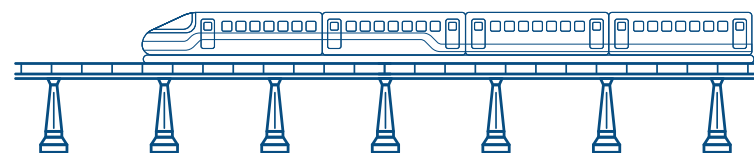
While much focus is placed on the “E” for environment and the “S” for social, we place equal emphasis on the “G” for governance. It is the foundation of how we operate- with integrity, fairness, and responsibility in every aspect of our work.



Priya Agarwal Hebbar
Chairperson,
Hindustan Zinc Limited

Over the last five years, Hindustan Zinc has contributed a total of INR 87,616 Cr. to the government exchequer, including INR 18,963 Cr. in financial year 2024-25 alone. These contributions reflect the scale of our business and our commitment to creating a long-term impact.

As we grow, so will our contributions and these numbers. We remain focused on building a company that creates value in a way that is responsible, transparent, and aligned with the nation's progress.



MESSAGE FROM CEO



As global regulations and stakeholders' expectations continue to evolve, we remain agile, future-focused, and unwavering in our commitment to responsible tax stewardship.



At Hindustan Zinc, we recognize that responsible tax behaviour is a critical element of our broader ESG commitments - one that plays a direct role in advancing sustainable development and contributing to national growth.

As a responsible corporate citizen, tax governance is deeply embedded into our culture of ethical leadership, prudent risk stewardship, and performance excellence.

For us transparency and good governance are not isolated objectives - they are central to how we conduct business every day. We are committed to going beyond mere compliance by fostering constructive engagement with tax authorities, continually strengthening our disclosure standards, and championing fair and responsible tax practices across the industry. Integrity, accountability, and proactive leadership continue to be the cornerstones of our tax strategy.

I am proud to share that we are among the first companies in India's metals & mining sector to adopt the Taskforce on Nature-related Financial Disclosures (TNFD) framework. This step reinforces our commitment to integrate nature-related considerations into our governance, strategic planning, risk management, and disclosures. We have also adhered to the Extractive Industries Transparency Initiative (EITI), ensuring our financial contributions are both clear and accessible. This fosters our commitment to transparency, ethical practices and sustainable development.

As global regulations and stakeholders' expectations continue to evolve, we remain agile, future-focused, and unwavering in our commitment to responsible tax stewardship.



Arun Misra

CEO & Whole-time Director
Hindustan Zinc Limited

- Historic high mined metal production, at **1,095** thousand tonnes
- Highest-ever refined metal production reaching **1,052** thousand tonnes
- Achieved more than **13 Mt** of metal reserves for the first time since underground transition
- Leading the domestic zinc primary market with **77%** of market share
- Asia's first low carbon 'green' zinc producer - **75%** lower carbon footprint vs industry average

Operational Highlights



▪ World's largest integrated Zinc producer and among lowest cost Zinc producers globally



▪ World's largest underground Zinc mining operations at **Rampura Agucha**



▪ Ranked **1st in Metals & Mining** sector in S&P Global **CSA 2024** for the **2nd** consecutive year



▪ **2nd** highest Zinc reserve & resource globally with **25+ years of mine life**



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



▪ Signed the **530 MW** renewable energy power delivery agreement with Serentica, increasing our renewable energy portfolio to up to **70%** of our overall power requirement.



▪ India's only primary silver producer and among top **5 Silver Producers** globally

MESSAGE FROM CFO



It is with a deep sense of responsibility and commitment that we present the 8th edition of our Tax Transparency Report. This report reflects our belief that tax is not just a financial metric- it represents our shared contribution to national progress.



Taxes are more than a statutory obligation - they are the building blocks of inclusive growth. They empower the government to invest in infrastructure, education, healthcare and the overall well-being of the society. At Hindustan Zinc, we are proud to be among India's leading taxpayers and the top contributor in the state of Rajasthan.

We view our tax contributions not just through the lens of compliance, but as a meaningful part of our role in supporting the nation's development journey. Our financial practices are grounded in a strong culture of governance, with strict adherence to tax laws and a deep commitment to transparency.

It is with a deep sense of responsibility and commitment that we present the 8th edition of our Tax Transparency Report. This report reflects our belief that tax is not just a financial metric- it represents our shared contribution to national progress. In FY 2024-25, we contributed 56% of our revenues to the government exchequer through a comprehensive mix of taxes on income, indirect taxes, royalties, dividends to the Government of India, and other statutory levies.

Our status as one of the largest corporate taxpayers nationally and the foremost in Rajasthan, places on us an important duty to lead by example. Every fiscal decision we make is guided by our principles of sustainability, accountability and alignment with regulatory compliances.



Sandeep Modi
Chief Financial Officer
Hindustan Zinc Limited

This report is a reaffirmation of our commitment to ethical financial stewardship and offers our stakeholders a transparent view of our tax practices and broader contribution to the society.



• Contribution to exchequer of **INR 18,963 Cr.**, which is **56%** of our Revenues



• Lowest Zinc Cost of Production in last **4 years at \$ 1,052** per tonne



• Delivered one of the best total shareholders return of **c.68%** in the country



• Among top **10** wealth creators in the **Nifty 200 companies**



• Ranked **3rd** under Nifty Metal Index based on Market Cap of **INR 195k Cr.** as on **31st March 2025**



• 2nd best **Revenue of INR 34,083 Cr.**



• 2nd best **EBTIDA of INR 17,465 Cr.** with industry leading margin of **c.51%** reflecting our financial resilience and strategic agility



• 2nd best **profit after tax of INR 10,353 Cr.**

AWARDS & RECOGNITIONS



Bronze Award at the 5th TIOL Taxation Awards 2024

Hindustan Zinc was conferred the Bronze Award in the 'Corporate Above ₹5000 Cr Turnover' category at the 5th TIOL Taxation Awards 2024. This recognition reflects our commitment to maintaining highest standards in tax governance, transparency, and ethical compliance within the evolving regulatory landscape.

In addition to the above, Hindustan Zinc also won the **GST Compliance Excellence Award - 2024 and Outstanding Corporate Tax Management - 2025** at Tax Strategy & Planning Summit & Awards.

These accolades collectively reinforce Hindustan Zinc's position as a leader in tax governance. By voluntarily publishing our Tax Transparency Report (TTR) in line with Global Reporting Initiative (GRI) 207: Tax 2019 standards to the extent possible, we continue to uphold the principles of accountability, integrity, and transparency in all our financial and regulatory engagements.

Ranked 1st in the Metals & Mining sector for the 2nd consecutive year in the S&P Global Corporate Sustainability Assessment 2024



Prestigious awards of 'Best Risk Practice' and 'Masters of Risk in ESG', in large cap category at the India Risk Management Awards by CNBC TV18



India's First All Women Underground Mine Rescue Team secured 2nd place at the 13th International Mine Rescue Competition, Columbia



Recognized as Great Indian Audit Team and Risk Team in the Manufacturing & Industrial Sector at the 4th Great Indian Audit Leaders' Summit & Awards 2025

Placed in Top 1% in S&P Global Sustainability Yearbook 2025, featuring for the 8th consecutive year



Recognized as an Employees' Choice Workplace at the W.E. Matter Global Employees' Choice Awards 2024



Awarded the 9th Apex India Occupational Health & Safety Award 2024 in the Platinum category under the Metals & Mining Sector

Zinc Football Academy was recognized as the "Sports Academy of the Year" at the Sports India Awards 2024, and was awarded a 3-star rating by All India Football Federation (AIFF) in the Academy Accreditation 2024-25

Integrated Annual Report 2023-24 and Sustainability Report 2023-24 ranked 1st globally in Materials category with Platinum in LACP Vision Awards 2023-24



People First HR Excellence Awards in the categories of "Leading Practices in Employee Engagement", "Leading Practices in Talent Acquisition", and "Leading Practices in Technology Deployment in HR"



'Best Finance Team of the Year' and 'Working Capital Plan of the Year' at the 12th Future of Finance Summit & Awards 2024 organized by UBS Forums



India's First Gen AI for Annual Reports 'Zincky' has been recognized globally bagging a Platinum at AVA Digital Awards 2025

Ranked among India's Top 50 Companies with Great Managers for 2024 by People Business Consulting

Digital Transformation of the Year Award at Business World CFO Finance & Strategy Awards under Gold Category for the treasury transformation project

GUIDING TAX PRINCIPLES



Trust

To maintain high standards of integrity with respect to tax compliance and reporting.



Compliance

To observe all applicable laws, rules and regulations including, in respect to transfer pricing. To meet all tax compliance requirements in a timely manner.



Transparency

To proactively disclose detailed information about the overall tax contribution to the government.



Economic Substance

We only undertake transactions which will have results that are consistent with the underlying economic consequences, including tax structures with commercial substances.



Process & Controls

Ensuring meticulous documentation of transactions and tax position with diligent professional care & Judgement making decisions at the highest level and backing them with robust evidence.



Engagement With Regulators

Working positively, proactively and transparently with tax authorities to minimize the extent of disputes, achieve early agreement on any disputed issues when they arise, and achieve certainty wherever possible.



Risk Management

To identify tax risks in a consistent and formal manner and communicate these where appropriate to the Audit & Risk Management Committee and the Board.



Proactive Consultation

To actively participate in tax policy consultation processes where appropriate.



People Progress

To develop our people, through training, experience and opportunity.



TAX STRATEGY

Hindustan Zinc's tax strategy is aligned to the Code of Conduct as well as globally accepted guidance on best practices and good governance. Our tax strategy is guided by our tax policy that is continuously reviewed and approved by the board of directors. Its primary focus is commitment to compliance in spirit as well as the letter of the tax laws and regulations in the country where the company operates. At the same time, it is committed to conduct all related party transactions basis arm's length principles and not adopt any tax structures without commercial principles. In summary, our strategy is based on the following three pillars:

Accountability & Governance:



Tax is one of our key focus areas in the domain of corporate governance. Our tax principles and strategies are determined by the CFO and presented annually to the Whole-time Director of the company as a representative of the Board of Directors.

We also require all our employees, tax advisors and suppliers of tax services to act with integrity and maintain highest ethical standards.

We periodically review emerging tax risks which may arise in view of multiple disruptions in business and economy including regulatory, social, political and technological changes. We have set up procedures in relation to tax risk management and carry out periodic risk assessments. We attempt to mitigate tax risks by taking strong technical positions in accordance with applicable laws and supported by adequate documentation. Material tax risks or disputes are reported to the Audit and Risk Management Committee for its consideration.

Business Structure



Our long-term business philosophy is to avoid undue tax risks and any inefficiencies in the implementation of business decisions. We are committed to paying tax in the jurisdiction in which value is created and not to use tax structures without commercial substance. We undertake all transactions with related parties on the basis of the arm's length principle.

Seeking & Accepting Tax Incentives



Where we claim tax incentives offered by government authorities, we seek to ensure that they are transparent and consistent with statutory or regulatory frameworks and aligned with our commercial structures.

We are committed not to use tax havens for tax avoidance or transfer value created to low tax jurisdictions.



OUR TAX APPROACH

Approach to Tax Transparency

Our Core Values include Integrity that places utmost importance to engaging ethically and transparently with all stakeholders taking accountability of all actions, which would also include tax decisions. Our Code of Conduct further lays down that we will promote full, fair, accurate, timely and understandable disclosure of reports and documents.

This report is a part of our voluntary initiative to be at the forefront of transparent disclosures and to demonstrate our agility in tax reporting and focus on maintaining high standards in disclosures. We aim to be accountable towards our stakeholders and are committed to long-term sustainable value creation for our stakeholders, including government and the society at large.

The report also provides our stakeholders with detailed information about the economic contribution of Hindustan Zinc to the local, state and central governments.

Hindustan Zinc supports the Extractive Industries Transparency Initiative's (EITI) principles on beneficial ownership transparency. In line with EITI requirements and Indian regulatory mandates, we publicly disclose our ownership structure and remain committed to enhancing transparency and accountability in the extractive sector.

Disclosures made in this report are on a consolidated basis which covers all the operating locations of the Company, including its subsidiaries. Hindustan Zinc also has a Joint Venture named 'Madanpur South Coal Company Limited' (Madanpur JV), a Company incorporated in India. In this regard, appropriate disclosures have been made in the Annual Report of Hindustan Zinc Ltd.

Approach to Tax Compliance

Our Code of Conduct lays down that we will promote compliance with applicable government laws, rules and regulations.

We, at Hindustan Zinc, conduct our tax affairs in an open, transparent and honest manner and strive to achieve conformity to all applicable tax laws. We maintain highest standards of integrity with respect to tax compliance and reporting. We have built systems, processes and controls to enable the company to fulfill its tax compliance obligations in a timely and accurate manner. Our processes include a compliance calendar to monitor these compliances with a strong focus on documentation.

We believe that the timely compliance with all tax regulations wherever we operate, the timely payment of all taxes and the appropriate provision for tax in our financial statements are an important part of our transparency obligations to all our stakeholders and to the communities in which we operate.

Our in-house tax team undergoes regular training to keep them abreast of tax updates. We encourage collaboration with advisors on tax matters as well as to update and address industry-specific concerns and positions being adopted. We strive to align our tax behavior with our corporate values while working professionally and ethically.



Approach to Tax Disputes

Our Code of Conduct lays down that we will promote honest and ethical conduct, even while handling of conflicts of interest between personal and professional relationships.

Honoring the Code, we maintain open, transparent and cooperative relationships in all our dealings with the tax authorities based on mutual trust.

If a dispute arises with the tax authority regarding a position taken by the company, we seek to resolve this based on factual and legal analysis. If we continue to disagree, the decision to litigate will be assessed on the basis of technical merits and judicial precedents, reputational issues, cash flow implications, industry position and cost-benefit analysis.

In case of any regulatory or tax related changes, the company actively participates in the tax authority's formal consultation processes on matters having material impact on the company. We work with Industry chambers wherever possible to contribute to development of tax laws and policies. Corporate Tax Strategy including Tax Principles and Our Tax Approach is uploaded on company's website which can be accessed via link provided below:

<https://www.hzindia.com/about-hzl/code-of-conduct/>

Approach to Tax Technology

At HZL, we lead the way in innovation, embracing emerging technologies long before they become mainstream. Our proactive adoption of cutting-edge tax technologies reflects a strategic commitment to elevating efficiency and compliance. By integrating state-of-the-art tax solutions, we streamline processes and optimize our tax strategies, setting the stage for sustainable growth and securing a competitive edge.

Our forward-thinking approach not only anticipates future trends but also drives our mission of operational excellence and leadership in the industry.



BUILDING COMMUNITIES, EMPOWERING LIVES

HINDUSTAN ZINC -
WHERE PURPOSE MEETS IMPACT

At Hindustan Zinc, we believe that real progress is not only about business growth, but about creating lasting impact where it truly matters, among the people and communities who form the soul of our operations.

We recognize that the strength of our business lies in the strength of our communities, and every initiative we undertake is rooted in the desire to create sustainable and inclusive growth. We acknowledge that the challenges faced by society, whether it be in health, education, livelihoods, or gender equity are complex and evolving and that's why our CSR efforts are not one-time interventions but part of a continuous dialogue with those we serve. By listening deeply, collaborating with stakeholders, and measuring impact, we ensure that our programs are relevant, sustainable, scalable, and transformative.

During the year, HZL has spent INR 273 Cr., on our sustained community development initiatives, reaching over 2.3 million people across 2,362 villages including 1 aspirational district, not just with aid, but with opportunities to thrive. Whether it's equipping 6.54 lakh women and children with essential support or helping individuals gain new skills, we are laying the groundwork for brighter, self-sustaining futures.

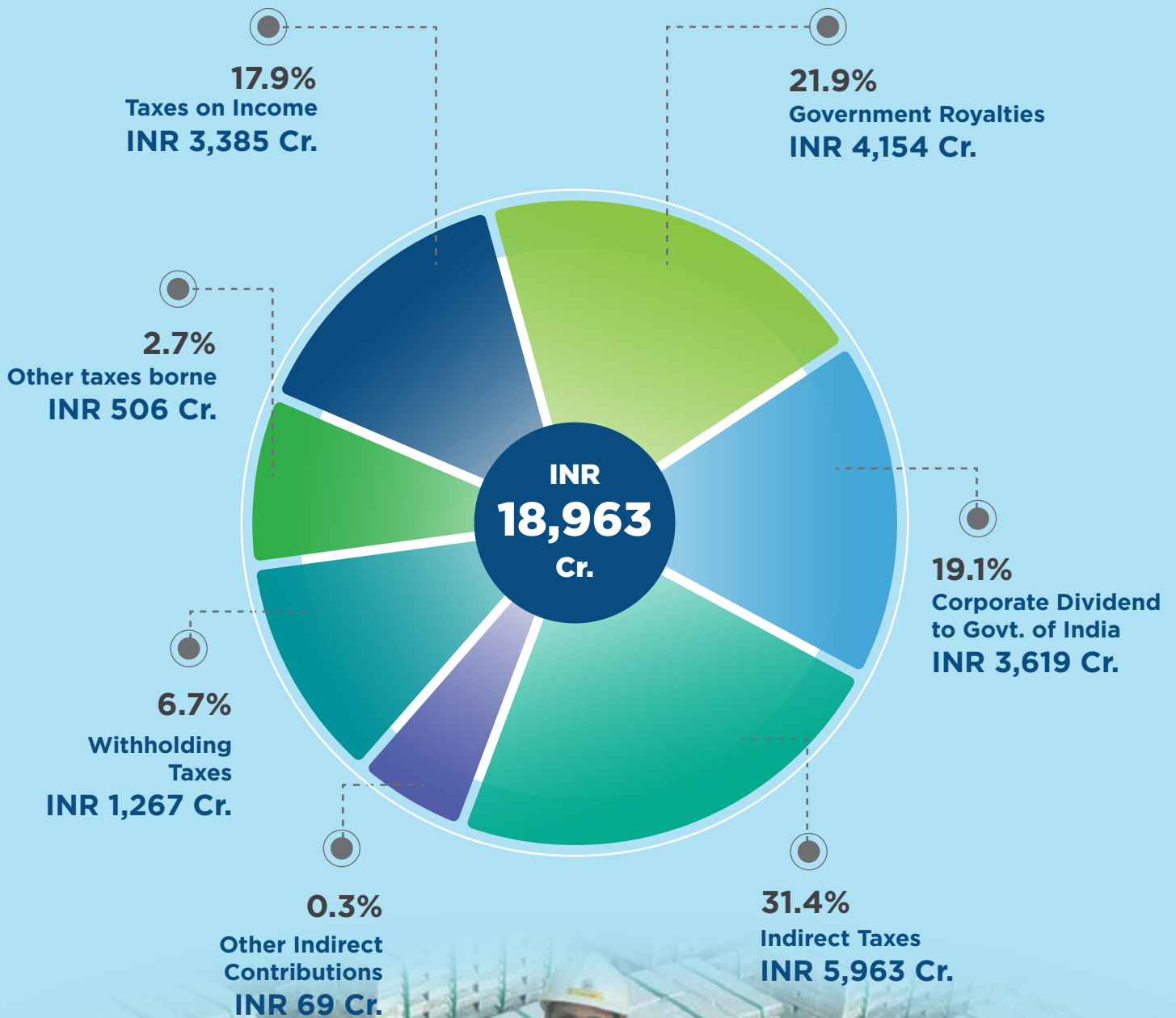
Our commitment to livelihood is bearing real fruit. We have supported 16 successful collective microenterprises, helping local entrepreneurs achieve a remarkable 57% year-on-year increase in customer base. Through our constant efforts towards community upgradation, 132 villages have been benefited, bringing smile to ~ 4.74 lakh people. With 9,137 rural shareholders, holding equity worth around INR 1 Cr. in Farmer Producer Organizations, we are not just building businesses - we are building confidence, ownership, and lasting generational change.

We are proud of milestones like completing 1,969 Nand Ghars in the state of Rajasthan - spaces that are nurturing childhoods and igniting dreams, and reaching over 2.33 lakh people through community outreach efforts like Sakhi's Uthori, focused on health, dignity, and empowerment.

At Hindustan Zinc, our actions stem from a belief that true growth uplifts everyone it touches. For us, CSR is not a checkbox, it is a reflection of who we are and the future we are committed to build together. We believe that the true measure of our success lies in how we empower communities, protect the environment, and uplift those who stand beside us on this journey. Our responsibility goes beyond business - it is about building a legacy of inclusive and sustainable progress.

OUR CONTRIBUTION TO EXCHEQUER FY 2024-25

(Chart-I)*



Notes:

- All the taxes accrued/paid are for operations in India as there are no operations or sales/marketing offices outside India.
- As a supporting company to EITI, we are expected to disclose payments to governments at project-level. However, since Hindustan Zinc operates majorly in Rajasthan State of India, contributions to Government are made as a whole at entity level as per existing laws of India.
- *Referred to as 'Tax & Other Contributions' in the Independent Reasonable Assurance Report.

EFFECTIVE TAX RATE

The effective tax rate (ETR) for Hindustan Zinc for the financial year 2024-25 is 23.61%.

This is based on the disclosures in HZL's FY 2024-25 audited financial statements, which comply with the Indian Accounting Standards, the International Financial Reporting Standards and Interpretations adopted by the International Accounting Standards Board.

From the FY 2023-24, the Company has opted to be taxed @25.168% under new tax regime as per Section 115BAA of the Income-tax Act, 1961.

The total tax expense of Hindustan Zinc for the FY 2024-25 was INR 3,200 Cr. on the profit before tax of INR 13,553 Cr. Thus, the ETR is lower than the corporate tax rate of 25.168% because of various deductions under the Income-tax Act, 1961. A walk of gap between statutory tax rate (25.168%) to our current tax rate (23.61%) is available in our Integrated Annual Report.

Profit/Earnings Before Tax INR Cr.

FY 2024-25	FY 2023-24
13,553	10,307

Cash Tax Paid INR Cr.

FY 2024-25	FY 2023-24
3,385	2,647

Income Tax Expense/ Reported Tax INR Cr.

FY 2024-25	FY 2023-24
3,200	2,548

Cash Tax Rate

FY 2024-25	FY 2023-24
24.98%	25.68%

Effective Tax Rate (ETR)*

FY 2024-25	FY 2023-24
23.61%	24.72%

Consolidated Figures

*ETR is calculated as income tax expense divided by profit before tax.



BASIS OF PREPARATION

Note 1

Amounts reported in Chart-I are from financial statements for FY 2024-25.

Note 2

All data is prepared for the year from 1st April 2024 to 31st March 2025. The above contributions have been reported on cash basis. Social expenditure has not been considered in the contribution to exchequer shown in Chart-I.

Note 3

HZL has not disclosed in the Chart-I the taxes charged by suppliers/service providers in their invoices and paid by the company. Tax contributions under both the categories, i.e. Taxes paid and Indirect Revenue Contributions shown in the charts above are not netted to the extent of input credits available or any other adjustments under the provision of applicable laws of taxes paid on purchase/ procurement of goods/ services and charged by supplier's/service providers in the invoice.

Note 4

Taxes Paid

Taxes on Income

This comprises of Corporate Income Tax but does not include deferred tax. These taxes are provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Typically, these taxes would be reflected in corporate income tax returns and challans made to Government authorities and generally tend to become payable in the year the profits were made or up to one year later. For the purpose of the figures of credit of withholding taxes/TCS, relevant ledgers were considered wherein the credit is booked as and when credit certificates or payments are received from the deductor/collectors respectively.

Government Royalties

This comprises of contributions made to exchequer in the form of royalties on extraction of ore and contributions to District Mineral Foundation and National Mineral Exploration Trust. These form part of operating costs and are reflected in the payment challans and/or any other documents being filed and maintained with the relevant government authorities.

Other Taxes Borne

This primarily comprises of Duties on Import/ Export of Goods (Considered as part of Operating Costs), Municipal Taxes and other taxes paid. These form part of operating costs. Typically, these contributions are reflected in the returns and challans prescribed by the concerned statutory bodies for this purpose.

This also comprises of VAT, excise duty, road, and water Cess, cost of which are borne by the company. These contributions are not directly reflected on the invoices and hence are calculated based on the per unit rate of taxes and Cess prescribed by the concerned statutory bodies for this purpose

Indirect Revenue Contributions

Withholding Taxes

This comprises of payroll & employee taxes (including professional tax) withheld from employee remuneration and paid to Government authorities, i.e. tax collected and remitted to Governments on behalf of employees. Typically, these taxes would be reflected in payroll tax returns made to exchequer and tend to be payable on a regular basis (often monthly) throughout the year, shortly after the submission of the returns. It also comprises of taxes withheld or collected from various payments made to contractors and paid to Governments, i.e. taxes collected/deducted and remitted to Governments on behalf of the service providers/vendors.

Indirect Taxes

This comprises of the taxes paid to the Governments on production or sale of goods like Integrated Goods and Services Tax (IGST), Central Goods & Services Tax (CGST) and State Goods & Services Tax (SGST). These taxes would not be collected if the Company does not produce and make sales to the customers. Typically, these taxes are reflected in various forms, returns and challans prescribed by the government for this purpose.

Others Indirect Contributions

This includes contribution of employers and employees for funding the Social Security program of government like Provident Fund etc. Such contributions are reflected in the monthly and annual returns made to the respective organizations.

Dividends paid to Government

This includes dividends paid to government as the government holds shares in the company.

APPENDIX – I

TAXES PAID BY HZL

- Corporate Income Tax
- Government Royalties incl. contributions to District Mineral Foundation and National Mineral Exploration Trust
- Duties on Export and Import
- Other Cesses and Surcharges
- Stamp Duty
- Municipal Taxes
- Withholding Taxes
- Goods and Services Tax
- Excise Duty
- Value added Tax
- Provident Fund
- Property Tax
- Electricity Taxes/Duty
- Corporate Dividend to Govt. of India

APPENDIX II – GLOSSARY OF TERMS

Corporate income tax

All taxes that are based on the taxable profits of a company.

Current tax

The corporate income tax due in respect of taxable profits of an accounting period, as defined in the International Financial Reporting Standard IAS 12.

Deferred tax

The corporate income tax due in respect of temporary differences between accounting values and tax bases, as defined in the International Financial Reporting Standard IAS 12.

Effective tax rate

The corporate income tax charge in respect of an accounting period divided by the accounting profit before tax.

Government

Any governing body of a nation, state, region or district, but not including any commercial enterprises or financial institutions that may be controlled by a government.

GRI-207-Tax 2019

The GRI – 207: Tax 2019 was issued by Global Sustainability Standards Board that provides direction on the voluntary tax related disclosure that could be made by corporates

Vedanta Group/the Group

Vedanta Limited and their subsidiaries, associates and joint arrangements.

EITI – Extractive Industries Transparency Initiative

A global standard promoting transparency and accountability in the oil, gas, and mining sectors. It requires disclosure of revenues, taxes, royalties, and other material payments to governments

International Standard on Assurance Engagements (ISAE) 3000

An international auditing standard used for assurance engagements other than audits or reviews of historical financial information. Commonly used for ESG reporting, TTRs, and sustainability disclosures.

Indirect tax

Tax that is required to be paid to a government by one person at the expense of another person.

Profit before tax

Accounting profit for a period before deducting a charge for corporate income taxes.

Reserve & Resource

The Ore Reserve is a concentration of economic interest which demonstrates technical and economic viability supported by sufficient technical assessment, while Mineral Resources show reasonable prospects for eventual economic extraction, by applying appropriate mining and economic assumptions.

Tax

Any amount of money required to be paid to a government, whether by law or by agreement, including without limitation corporate income tax, government royalties, licence fees, permitting fees, property taxes, dividends (where the payment is related to extractive activities), employment taxes, sales taxes, stamp duties and any other required payments.

Tax charge

The amount of corporate income tax included in the income statement of a company for an accounting period.

Tax collected

Tax that a person is obliged to pay to a government on behalf of another person.

The report

Tax Transparency Report – FY 2024-25

INDEPENDENT REASONABLE ASSURANCE REPORT

We ('KPMG Assurance and Consulting Services LLP' or 'KPMG') were engaged by the management of Hindustan Zinc Limited ('HZL' or 'the Company') to report on 'Tax & Other Contributions' - Chart I contained in HZL's Tax Transparency Report for the financial year 2024-25 [the said Chart I hereinafter referred to as 'Tax & Other Contributions'], in the form of an independent reasonable assurance conclusion about whether HZL's statement that the Tax & Other Contributions is properly prepared, in all material respects, based on 'Basis of Preparation' attached to the Tax Transparency Report is fairly stated.

HZL's Responsibilities

The management of HZL are responsible for preparing the Tax & Other Contributions that is free from material misstatement in accordance with Basis of Preparation and for the information contained therein. The management of HZL are also responsible for preparing the Basis of Preparation.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of Tax & Other Contributions that is free from material misstatement, whether due to fraud or error. It also includes developing the Basis of Preparation. The Company is also responsible for preventing and detecting fraud and for identifying and ensuring that it complies with laws and regulations applicable to its activities.

Our Responsibilities

Our responsibility is to examine the Tax & Other Contributions prepared by the Company and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Tax & Other Contributions is properly prepared, in all material respects.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including

documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of Tax & Other Contributions whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the preparation and presentation of Tax & Other Contributions in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's internal control over the preparation and presentation of Tax & Other Contributions. Our engagement also included assessing the appropriateness of Tax & Other Contributions, the suitability of the Basis of Preparation used by the Company in preparing the Tax & Other Contributions in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of Tax & Other Contributions and the reasonableness of estimates made by the Company and evaluating the overall presentation of the Tax & Other Contributions. Reasonable assurance is less than absolute assurance.

The procedures performed by us have been included herein as Annexure: Assurance Procedures - Tax & Other Contributions.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the Tax & Other Contributions is properly prepared in all material respects, based on the Basis of Preparation.

Restriction of Use of Our Report

In accordance with the terms of our engagement, this independent reasonable assurance report on Tax & Other Contributions has been prepared for HZL solely for inclusion in its Tax Transparency Report for the financial year 2024- 25 and for no other purpose or in any other context.

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than HZL for any purpose or in any context. Any party other than HZL who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

KPMG Assurance and Consulting Services LLP

Place: Gurgaon

Date: 13th June 2025

To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than HZL for our work, for this independent reasonable assurance report, or for the conclusions we have reached.

Our report is released to HZL on the basis that it shall not be copied, referred to or disclosed, in whole (save for inclusion in HZL's Tax Transparency Report) or in part, without our prior written consent.

Annexure: Assurance Procedures – Tax & Other Contributions

1. Understand and examine the processes and controls at Group level in managing, collating and reviewing the data for the 'Tax & Other Contributions'.
2. Review the guidance provided / instructions issued to locations/ units/ group entities by central team for their collation of various Tax and other specified items.
3. Understand and examine the processes and controls at location country level for collation of Tax and other specified items included in 'Tax & Other Contribution'. This will include review of
 - Processes for data collation.
 - Processes for ensuring that all taxes are included within the reporting.
4. Review the basis on which the tax and other specified data reported has been captured, reviewed and consolidated to assess whether the data has been collected, consolidated and reported fairly.
5. For the taxes selected, perform trend analysis on the tax and other specified data for the reporting period to understand any material variances. Seek explanations for variances, if any.
6. For the types of taxes selected, verify the tax paid (on a sample basis) to the underlying documents.
7. Compare the tax and other specified data in the report to the relevant disclosures in the consolidated financial statements for reporting period.

HINDUSTAN ZINC'S ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) GOALS 2030



Climate Change & Decarbonization

Aim to reduce Scope 1 and 2 emissions by 50% and Scope 3 emissions by 25% with a goal to achieve Net Zero emissions by 2050 or earlier.



Circular Economy & Material Stewardship

Aiming for near-zero waste to landfill by diverting all smelting process waste through reuse, recycling, and recovery.



Biodiversity Conservation

Aiming to halt and reverse biodiversity loss and achieve No Net Loss at all mine sites by closure.



Ensuring Zero Harm

Contribute to reach Zero Fatality and 100% elimination of high consequence work related injuries.



Diversity & Inclusion

Increase gender diversity to 30%, with a strong focus on decision-making roles.



Water Stewardship

Aiming to reduce freshwater consumption in operations by 50% secure 100% low-quality water for smelting, and engage suppliers to manage water use in water-stressed regions.



Social Performance

Complete Social & Human Rights Impact Assessments and implement site-specific management plans, aiming to impact 0.5 million lives, 30,000 employable individuals by skilling and entrepreneurial opportunities.



Responsible Sourcing

Ensure 100% ESG and risk evaluation of active suppliers, transition to greener fuels and target 25% procurement from local partners.

from 2020 Baseline for all goals



HINDUSTAN ZINC
Zinc & Silver of India

Hindustan Zinc Limited

Yashad Bhawan, Udaipur-313004 Rajasthan, India.
T: +91 294 6604000-20 | www.hzindia.com

Hindustan Zinc Facebook Page

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Hindustan Zinc Twitter Handle

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