

INDEPENDENT AUDITOR'S REPORT

To the Members of Hindmetal Exploration Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Hindmetal Exploration Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2026, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) 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 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and 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 opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Reports, but does not include the financial statements and our auditor's report thereon. The Board's Report is expected to be made available to us after the date of the auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information when the same becomes available to us and, in doing so, consider whether the 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 and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 this 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 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 financial statements, including the disclosures, and whether the 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.

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 section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report 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;
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of the written representations received from the directors as on March 31, 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";



- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid or provided remuneration to its directors during the year, hence, reporting the compliance under section 197 of the Act is not applicable;

- h. 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 does not have any pending litigations which would impact its financial position;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were 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;

(c) Based on the audit procedures that are 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The Company has not declared nor paid any dividend during the year. Hence, reporting the compliance with section 123 of the Act is not applicable.



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- (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2026, 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 did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048


Kunj B. Agrawal
Partner
Membership No. 095829
UDIN: ~~26095829DDHT159386~~



Place: New Delhi

Date: April 17, 2026

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Hindmetal Exploration Services Private Limited ("the Company") on the financial statements for the year ended March 31, 2026.]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the Management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) The Company does not have any Property, Plant and Equipment or Intangible Assets and accordingly, reporting under clauses (i)(a) to (e) of paragraph 3 of the Order are not applicable.
- (ii) a) The Company is in the business of providing services, and consequently, does not hold any inventory. Therefore, reporting under clause (ii)(a) of paragraph 3 of the Order is not applicable.
 - b) The Company has not obtained any sanctioned working capital limit during the year, from banks and/or financial institutions, on the basis of security of current assets. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- (iii) During the year, the Company has not granted any secured or unsecured loan, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year other than making investments in mutual funds.
 - (a) The Company has not provided any loan or advances in the nature of loans, or stood guarantee, or provided security to any entity during the year. Accordingly, reporting under clause (iii)(a) of paragraph 3 of the Order is not applicable.
 - (b) The investments made in mutual funds are not prejudicial to the interest of the Company.
 - (c) As the Company has not granted any secured or unsecured loan or provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year and hence reporting under clauses (c),(d), (e) and (f) of paragraph 3 (iii) of the Order is not applicable;
- (iv) The Company has not granted any loans or made any investments or provided any guarantees and securities to which provisions of sections 185 and 186 of the Act are applicable. Accordingly, reporting under clause (iv) of paragraph 3 of the Order is not applicable.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The provisions of sub-section (1) of section 148 of the Act in relation to maintenance of cost records is not applicable to the Company. Accordingly, reporting under clause (vi) of paragraph 3 of the Order is not applicable.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, services tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it.

No undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.



- (b) There are no dues with respect to provident fund, employees' state insurance, income tax, goods and service tax, sales tax, service tax, value added tax, duty of customs, duty of excise duty and cess, which have not been deposited on account of any dispute.
- (viii) We have not come across any transaction which was previously not recorded in the books of account of the Company that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) The Company has not availed loans or borrowings from any bank or financial institution or government or any government authority. Accordingly, reporting under clause (ix)(b) of paragraph 3 of the Order is not applicable.
- (c) The Company has prima facie utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) During the year, the Company has not availed any funds on short-term basis. Accordingly, reporting under clause (ix)(d) of paragraph 3 of the Order is not applicable.
- (e) On an overall examination of the financial statements of the Company, the Company does not have any subsidiary, associate, jointly controlled entity or joint operation, as defined under the Act. Accordingly, reporting under clause (ix)(e) and (ix)(f) of paragraph 3 of the Order is not applicable.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the year. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year; nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the year or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company, during the year and up to the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with sections 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards. Further, the Company is not required to constitute an Audit committee under section 177 of the act and accordingly, to this extent, the provision of the (xiii) of paragraph 3 of the order is not applicable to the Company.
- (xiv) In our opinion, the Company is not required to have an internal audit system as per the provisions of the Act. Hence, reporting under clause (xiv) of paragraph 3 of the Order is not applicable.



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- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order are not applicable.
- (xvii) The Company has not incurred cash losses in the current and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditor during the year and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 cause us to believe that any material uncertainty exists as on the date of this audit report and that the 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 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) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx)(a) and (xx)(b) of paragraph 3 of the Order is not applicable.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048


Kunj B. Agrawal
Partner
Membership No.: 095829
UDIN: 26095829DDHTIS9986



Place: New Delhi

Date: April 17, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Hindmetal Exploration Services Private Limited on the financial statements for the year ended March 31, 2026.]

Report on the Internal Financial Controls with reference to Financial Statements 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 financial statements of Hindmetal Exploration Services Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with 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 the 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 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 financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to 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 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



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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 Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

Kunj B. Agrawal

Partner

Membership No. 095829

UDIN: 2609582900DHT159986

Place: New Delhi

Date: April 17, 2026



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED

Balance Sheet as at March 31, 2026

CIN: U09900RJ2024PTC092955

(All amounts in ₹ in Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Current assets			
a) Financial assets			
i) Investments	4	719.61	10.81
ii) Trade receivables	5	1,842.88	1,223.86
iii) Cash and cash equivalents	6	132.20	4.11
iv) Other financial assets	7	499.25	857.68
Total Current assets		3,193.94	2,096.46
TOTAL ASSETS		3,193.94	2,096.46
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	8	1.00	1.00
b) Other equity	9	852.92	306.06
Total Equity		853.92	307.06
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	10	-	28.37
ii) Other financial liabilities	11	-	0.02
c) Deferred tax liabilities (net)	12	1.61	0.01
Total Non-current liabilities		1.61	28.40
Current liabilities			
a) Financial liabilities			
i) Trade payables	13		
a) Total outstanding dues of Micro Enterprises and Small Enterprises		506.69	1.75
b) Total outstanding dues to creditors other than Micro Enterprises and Small Enterprises		1,228.09	1,501.58
ii) Other financial liabilities	11	415.53	181.23
b) Other current liabilities	14	180.82	52.68
c) Current tax liabilities (net)	15	7.28	23.76
Total Current liabilities		2,338.41	1,761.00
TOTAL EQUITY AND LIABILITIES		3,193.94	2,096.46

Summary of material accounting policies

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The accompanying notes form an integral part of the financial statements.

As per our report on even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 103523W/W100048

Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: April 17, 2026



For and on behalf of the Board of Directors of Hindmetal
Exploration Services Private Limited

CIN: U09900RJ2024PTC092955

Arun Misra
Director
DIN:01835605

Place: Udaipur
Date: April 17, 2026



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Statement of Profit and Loss for the year ended March 31, 2026
CIN: U09900RJ2024PTC092955
(All amounts in ₹ in Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Revenue from operations	16	9,237.61	6,152.99
Other income	17	10.81	1.08
Total Income		9,248.42	6,154.07
Expenses:			
Grass Root Exploration expenses	18	7,843.80	5,214.40
Finance costs	19	0.76	3.68
Other expenses	20	673.08	518.56
Total expenses		8,517.64	5,736.65
Profit before tax		730.78	417.42
Tax expense :			
Current tax	21	182.32	111.35
Deferred tax		1.60	0.01
Total tax expenses		183.92	111.36
Profit for the year/period		546.86	306.06
Other comprehensive income		-	-
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year/period		546.86	306.06
Earnings per share (nominal value per share ₹ 100)			
-Basic (₹)	22	54,686	30,606
-Diluted (₹)		54,686	30,606

Summary of material accounting policies
The accompanying notes form an integral part of the financial statements.

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As per our report on even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 103523W/W100048

Ranjit B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: April 17, 2026



For and on behalf of the Board of Directors of Hindmetal
Exploration Services Private Limited
CIN: U09900RJ2024PTC092955

Arun Misra
Director
DIN:01835605

Place: Udaipur
Date: April 17, 2026



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Statement of Cash Flow for the year ended March 31, 2026
CIN: U09900RJ2024PTC092955
 (All amounts in ₹ in Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before tax	730.78	417.43
Adjustments to reconcile the profit before tax to net cash provided by operating activities:		
Interest expense	0.76	3.68
Interest income	-	(0.12)
Net gain on investments measured at FVTPL	(6.39)	(0.05)
Net gain on sale of investments	(4.42)	(0.91)
Operating profit before working capital changes	720.73	420.03
Changes in assets and liabilities		
(Increase) in Trade receivables	(619.02)	(1,223.86)
(Increase)/decrease in Other assets	358.43	(857.68)
Increase in Trade payables	231.44	1,503.33
Increase in Other liabilities	362.45	233.96
Net cash from operating activities	1,054.03	75.78
Income taxes (paid), net of refunds	(198.79)	(87.59)
Net cash from/ (used in) operating activities	855.23	(11.81)
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	-	0.12
Purchase of current investments	(1,599.92)	(188.99)
Proceeds from sale of current investments	901.93	179.08
Net cash (used) in investing activities	(697.99)	(9.79)
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from long term borrowings	-	63.37
Repayment of long term borrowings	(28.37)	(35.00)
Interest paid	(0.78)	(3.66)
Proceeds from issue of share capital	-	1.00
Net cash flows from / (used in) financing activities	(29.15)	25.71
Net increase in Cash and cash equivalents (A+B+C)	128.09	4.11
Cash and cash equivalents at the beginning of the year/period	4.11	-
Cash and cash equivalents at the end of the year/period (refer note 6)	132.20	4.11
Components of Cash and Cash Equivalents:		
Balances with banks		
On current accounts	132.20	4.11
Total	132.20	4.11

Note:-

1. The above statement of cash flows has been prepared under "Indirect method" as set out in Ind AS -7: Statement of Cash Flows.

Summary of material accounting policies

3

The accompanying notes form an integral part of the financial statements.

As per our report on even date

For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Registration No.: 103523W/W100048

Kunj B. Agrawal
 Partner
 Membership No.: 095829

Place: New Delhi
 Date: April 17, 2026



For and on behalf of the Board of Directors of Hindmetal
 Exploration Services Private Limited
 CIN: U09900RJ2024PTC092955

Arun Misra
 Director
 DIN:01835605

Place: Udaipur
 Date: April 17, 2026



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Statement of Changes in Equity for the year ended March 31, 2026
 (All amounts in ₹ in Lakhs, unless otherwise stated)

a. Equity share capital

Equity shares of ₹ 100 each issued, subscribed and fully paid	Numbers of shares	Amounts
As at February 26, 2024*	1,000	1.00
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2025	1,000	1.00
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the current year	-	-
As at March 31, 2026	1,000	1.00

b. Other equity

Particulars	Reserve and Surplus	Total
	Retained earnings	
Balance as at February 26, 2024*	-	-
Profit for the period	306.06	306.06
Other comprehensive income/(loss) for the period	-	-
Balance as at March 31, 2025	306.06	306.06
Profit for the year	546.86	546.86
Other comprehensive income for the year	-	-
Balance as at March 31, 2026	852.93	852.93

* the date of incorporation

Summary of material accounting policies

3

The accompanying notes form an integral part of the financial statements.

As per our report on even date

For Haribhakti & Co. LLP
 Chartered Accountants
 ICAI Firm Registration No.: 103523W/W100048

Kunj B. Agrawal
 Partner
 Membership No.: 095829

Place: New Delhi
 Date: April 17, 2026



For and on behalf of the Board of Directors of Hindmetal
 Exploration Services Private Limited
 CIN: U09900RJ2024PTC092955

Arun Misra
 Director
 DIN: 01835605

Place: Udaipur
 Date: April 17, 2026



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2026

1. COMPANY OVERVIEW

Hindmetal Exploration Services Private Limited ("HESPL" or "the Company")(CIN U09900RJ2024PTC092955) is a private limited company domiciled in India. The company was incorporated on February 26, 2024 and has its registered office at Yashad Bhawan, Udaipur (Rajasthan). The Company is a wholly owned subsidiary of Hindustan Zinc Limited("Holding Company") and is engaged in to explore, discover, develop, and exploit mineral resources, including strategic minerals, deep-seated minerals, and offshore minerals, through systematic exploration of various types of mineral deposits.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation

The financial statements of the company have been prepared in accordance with the 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 (the Act) . The financial statements have been prepared on a historical cost convention on the accrual basis except for financial instruments which are measured at fair values (Refer note 3(f)(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 financial statements are prepared in Indian Rupees (₹), which is also the Company's functional currency. All financial information presented in Indian Rupees (₹) has been rounded to the nearest Lakhs and "0" represents amount less than ₹ 1 Lakhs being rounding off norms adopted by the Company.

The financial statements were approved for issue by the Board of Directors on April 17, 2026. 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 Companies Act, 2013.

3.(I) MATERIAL ACCOUNTING POLICIES

a) 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.

b) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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.

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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 as explained above.

c) Revenue recognition

(i) Sale of services

The Company recognizes revenue in accordance with Ind AS 115 - Revenue from Contracts with Customers, using the following principles:
i) Revenue is recognized over time as exploration services are performed, given that the customer simultaneously receives and consumes the benefits of the services.

ii) Revenue from contracts where the performance obligation is satisfied over time is recognized using the input method, based on costs incurred relative to the total expected costs of satisfying the performance obligation. Under cost-plus contracts, the company is reimbursed for allowable or otherwise defined costs, plus a fixed mark-up.

The Company evaluates contracts on an ongoing basis to ensure compliance with Ind AS 115, applying professional judgment in determining transaction prices, performance obligations, and revenue recognition methods.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financials statements as at and for the year ended March 31, 2026

Revenue is recognized under the following heads:

- a. Income from services: Amount due for payment in respect of bills submitted for work done.
- b. Work done-not due/not billed includes:-
 - 1) Amount not due for payment in respect of bills submitted for work done; and
 - 2) Value of work done which is not billed, measured by correlating expenses incurred, inclusive of profits

(ii) 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.

d) 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 Company'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 Company commits to purchase or sell the asset. Treasury investments are accounted for when the amount is settled in Bank account. Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115.

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 & Bank balances.

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.

Financial assets at fair value through Statement of Profit and Loss (FVTPL)

A financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

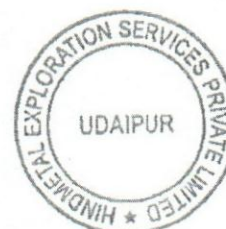
Fair value changes related to such financial assets are recognised in the Statement of Profit and Loss

Financial assets - derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financials statements as at and for the year ended March 31, 2026

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 financial assets measured at amortized cost and other contractual rights to receive cash or other financial asset

- Financial assets that are measured at amortized cost e.g., trade receivables and bank balances
- 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 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 Company does not reduce impairment allowance from the gross carrying amount.

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 measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, 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 Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- At fair value through Statement of Profit or Loss (FVTPL)

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.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit or Loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of Profit and Loss.

Financial Liabilities at amortized cost (Borrowings and Trade and Other payables)

After initial recognition, financial liabilities 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.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financials statements as at and for the year ended March 31, 2026

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 is financial liabilities. Changes to the business model are expected to be infrequent. The senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

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.

Contract assets

Trade receivables

A Trade 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).

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.

e) 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:

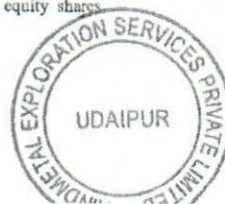
When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not 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 reassessed 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.

f) 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.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2026

g) 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.

h) Segment reporting

Based on the "management approach" as defined in Ind AS 108 Operating Segments, the management evaluates the Company's performance based on an analysis of various performance indicators by business segment. Segment revenue and expense include amounts which can be directly attributable to the segment and allocable on reasonable basis. Segment assets and liabilities are assets / liabilities which are directly attributable to the segment or can be allocated on a reasonable basis. Income / expenses / assets / liabilities relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses / assets / liabilities.

i) Provisions, contingent liabilities and contingent assets

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.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

3. (II) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New and amended standards

The Ministry of Corporate Affairs (MCA) on August 13, 2025 has notified Companies (Indian Accounting Standards) Second Amendment Rules, 2025 to amend the following Ind AS which are effective from annual reporting periods beginning on or after April 01, 2026:-

Ind AS 1 – Presentation of Financial Statements (Liability classification & covenants)

The recent amendments clarify how liabilities are classified as "current" or "non-current," particularly when loan covenants are involved. The focus is on whether the entity has a substantive right, as at the reporting date, to defer settlement for at least 12 months.

Post-reporting date waivers or refinancing — even if agreed before approval of financial statement will no longer affect classification. For financial periods beginning on or after 1 April 2026, any loan that becomes repayable on demand because of a covenant breach as of the reporting date must be classified as current liability, unless at the reporting date there is a grace period of at least 12 months already agreed.

The company has evaluated the amendment and there is no impact of it on the financial statements.

Ind AS 10 – Events after Reporting Period

As part of the amendment, the terminology "provision" is replaced by "covenant." From 1 April 2026, the carve-out that previously allowed waiver of covenants after the reporting date (before approval) to affect classification will be omitted; hence such waivers will be treated as non-adjusting events.

The company has evaluated the amendment and there is no impact of it on the financial statements.

Ind AS 12 – Income Taxes (Pillar Two / Global Minimum Tax)

The 2025 amendments incorporate guidance for taxes under the global minimum tax regime laid out by OECD ("Pillar Two laws"). For "Pillar Two income taxes," entities are given an exception: they should neither recognize nor disclose deferred tax assets or liabilities arising solely because of those taxes. At the same time, entities must disclose that they applied the exception, and separately disclose current tax expense/income related to Pillar Two income taxes and known/estimated exposures.

The company has evaluated the amendment and there is no impact of it on the financial statements.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2026

3(HH) CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

The preparation of the 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 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 financial statements are as follows:

(A) Significant Judgement

Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

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HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2026
 (All amounts in ₹ in Lakhs, unless otherwise stated)

4. INVESTMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Measured at fair value through profit and loss		
Investment in mutual funds-unquoted	719.61	10.81
Total	719.61	10.81

5. TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Considered good	1,842.88	1,223.86
Total	1,842.88	1,223.86

Trade receivables Ageing Schedule*

	As at March 31, 2026	As at March 31, 2025
Undisputed		
Not Due	-	-
Less than 6 months	1,842.88	1,223.86
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	1,842.88	1,223.86
Disputed		
Not Due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	-
Total Trade receivables	1,842.88	1,223.86

*Outstanding for above mentioned periods from due date of receipt (except for not due).

(1) The average credit period given to customer ranges from 0 to 90 days (March 31, 2026: 0 to 90 days).

(2) There are no outstanding receivables due by any directors or other officers of the Company or by firms or private companies respectively in which any director is a partner, director or a shareholder. Refer note 26 for details of related party balances and terms and conditions.

6. CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
On current accounts	132.20	4.11
Total	132.20	4.11

7. OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, Considered Good		
Unbilled Revenue	499.25	857.68
Total	499.25	857.68



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financials statements as at and for the year ended March 31, 2026

(All amounts in ₹ in Lakhs, unless otherwise stated)

8. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
A. Authorized equity share capital				
Equity shares of ₹ 100 each	25,00,000	2,50,00,000	25,00,000	2,50,00,000
B. Issued, subscribed and paid up				
Equity shares of ₹ 100 each fully paid-up	1,000	1,00,000	1,000	1,00,000

C. Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year/period:-

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year/period	1,000	1,00,000	1,000	1,00,000
Issued during the year/period	-	-	-	-
Shares outstanding at the end of the year/period	1,000	1,00,000	1,000	1,00,000

D. Equity shares held by Holding Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	% Held	Number of Shares	% Held
Hindustan Zinc Limited	1,000	100%	1,000	100%
% of Holding (along with its nominees)				

E. No shares issued as bonus shares or for consideration other than cash and no shares bought back for the period of 5 years preceding the date of balance sheet i.e since the inception of the Company on February 26, 2024.

F. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	% Held	Number of Shares	% Held
Hindustan Zinc Limited	1,000	100%	1,000	100%
% of Holding (along with its nominees)				

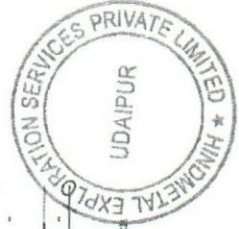
G. Details of shares held by promoters

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	% of total shares	Number of Shares	% of total shares
Hindustan Zinc Limited (along with its nominees)	1,000	100%	1,000	100%
% change during the year				
% change during the period				

H. Terms/Rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 100 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.

I. There are no shares reserved for issue under options and contracts commitments for the sale of shares / disinvestment.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
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9. Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained earnings		
At the beginning of the period	306.06	-
Add: Profit for the year	546.86	306.06
Add: other Comprehensive income for the period	-	-
At the end of the year	852.92	306.06

10. BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Unsecured		
Loan from Related Party (refer note 26)	-	28.37
Total Non-current borrowing	-	28.37

During the Previous year, the Company got sanction for an unsecured term loan upto ₹ 100 Lakhs from Hindustan Zinc Limited (the Holding Company) towards funding of its operating expenditures, capital expenditure or for general corporate purpose at a floating rate of interest of 8.30% per annum linked with Repo rate (benchmarked) which shall be reset every 3 months from the date of first disbursement. The loan was drawn to the extent of ₹ 63.37 lakhs as and when needed and the outstanding loan is repayable at the end of 24 months from the respective drawdown. The loan can be prepaid at any time during the term on mutually agreed date.

During the year, the Company has made prepayment of the loan to the extent of ₹ 28.37 lakhs (March 31, 2025: ₹ 35 Lakhs) . The interest rate of borrowing during the year was 8.05% (March 31, 2025: 8.30% till February 17, 2025 and 8.05% thereafter).

The changes in liabilities arising from financing activities is only on account of cash flow changes and there are no non-cash changes.

11. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Interest on Borrowings from related party (refer note 26)	-	0.02
Total	-	0.02
Current		
Due to related party (refer note 26)	235.06	111.17
Deposits from vendors	66.82	49.32
Other liabilities- Accrued Manpower expenses	113.65	20.74
Total	415.53	181.23

12. DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Origination of temporary differences:		
MTM on investment	1.61	0.01
Total	1.61	0.01

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HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financials statements as at and for the year ended March 31, 2026
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13. TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of Micro Enterprises and Small Enterprises	506.69	1.75
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,228.09	1,501.58
Total	1,734.78	1,503.33

Trade payables Ageing Schedule*

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed dues- Micro Enterprises and Small Enterprises		
Unbilled dues	506.69	1.75
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	506.69	1.75
Undisputed dues- Other than Micro Enterprises and Small Enterprises		
Unbilled dues	1,210.83	853.81
Less than 1 year	17.26	647.78
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	1,228.09	1,501.58

*Outstanding for above mentioned periods from date of transaction (except for unbilled dues).

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.

Particulars	As at March 31, 2026	As at March 31, 2025
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	506.69	1.75
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.	-	-

14. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable*	180.82	52.68
Total	180.82	52.68

* Comprises Tax deducted at source & Goods & Service Tax dues.

15. CURRENT TAX LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year/period (net)	23.76	-
Income Tax provision for the year/period	182.32	111.35
TDS paid during the year/period	(198.80)	(87.59)
Balance at the end of the year/period (net)	7.28	-

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HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financials statements as at and for the year ended March 31, 2026
 (All amounts in ₹ in Lakhs, unless otherwise stated)

16. REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Sale of services	9,237.61	6,152.99
Total Revenue from operations	9,237.61	6,152.99

(1) Revenue is shown exclusive of GST, as these collections are not an inflow on entity's own account, rather it is collected on behalf of government authorities.

(2) Sale of services comprise consultancy or technical services related to mineral exploration and other related services. The performance obligation is satisfied over time.

(3) Disclosure as per Ind AS 115, 'Revenue from contracts with customers'

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
I. Revenue from operations		
a) Revenue from contracts with customers		
Sale of services	9,237.61	6,152.99
	9,237.61	6,152.99
b) Disaggregation information of revenue from contracts with customers		
India	9,237.61	6,152.99
Outside India	-	-
Total	9,237.61	6,152.99
c) Timing of revenue recognition		
Over time	9,237.61	6,152.99
II. Contract Balances		
a) Contract asset		
Trade receivables (refer note 5)	1,842.88	1,223.86
Unbilled Revenue (refer note 7)	499.25	857.68
b) Contract Liability	-	-

17. OTHER INCOME

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Net gain on sale of investments	4.42	0.91
Net gain on investments measured at FVTPL	6.39	0.05
Interest Income		
-On bank deposits measured at amortised cost	-	0.12
Total	10.81	1.08

18. Gross Root Exploration Expense

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Gross Root Exploration Expense	7,843.80	5,214.40
Total	7,843.80	5,214.40

19. FINANCE COSTS

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Interest on borrowing (refer note 26)	0.76	3.68
Total	0.76	3.68



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
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 (All amounts in ₹ in Lakhs, unless otherwise stated)

20. OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Manpower charges	655.64	480.52
Payment to auditors ⁽¹⁾	5.28	2.52
Legal and professional expenses	0.25	2.00
Rates and taxes	-	26.30
Rent Expenses ⁽²⁾	0.75	0.77
Bank charges	0.02	-
Miscellaneous expenses	11.14	6.45
Total	673.08	518.56
⁽¹⁾ Payment to auditors (excluding GST):		
a) As an Auditor		
- Statutory Audit fees	4.03	2.50
b) In other capacity		
- Tax Audit	0.75	-
- Certification	0.45	-
c) Out of pocket expenses	0.05	0.02
Total	5.28	2.52

⁽²⁾ Leases

The Company has taken premises on lease that have a lease term of less than twelve months. The Company has elected to record lease payments in respect of such short term leases as an expenses by applying paragraph 6 of Ind AS 116.

Rental Expense recorded in respect of such short term leases in the statement of income and expenditure for the year ₹ 0.75 lakhs (March 31, 2025: ₹ 0.77 lakhs).

21. INCOME TAX EXPENSES

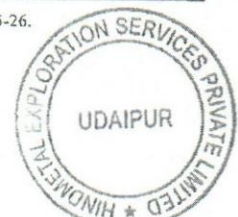
The major components of income tax expense for the period ended March 31, 2026 and March 31, 2025 are indicated below:

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
a. Tax charge recognised in Profit and Loss		
Current tax:		
Current tax on profit for the year/period	182.32	111.35
Total Current tax expense	182.32	111.35
Deferred tax:		
Origination of temporary differences	1.60	0.01
Total Deferred tax charge/(credit)	1.60	0.01
Tax expense/(credit) for the year/period (a)	183.92	111.36
Effective income tax rate (%)	25.17%	26.63%
b. Statement of other comprehensive income		
Deferred tax (credit) / charge (b)	-	-
Total tax expenses/ credit for the year/period (a+b)	183.92	111.36

(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 period is as follows:

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Accounting profit before tax	730.78	417.43
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	183.92	105.06
Tax on Disallowable expenses	-	6.30
Total	183.92	111.36

The Company has decided to opt for lower tax rate as permitted under section 115BA of the Income Tax Act, 1961 for the Financial year 2025-26.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
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(d) A reconciliation of tax provision for the year/period:

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Provision at the beginning of the year	23.76	0.00
Income tax provision for the year/period	182.32	111.35
TDS Receivable for the year/period	(198.80)	(87.59)
Net Provision for the year/period	7.28	23.76

(e) Significant components of deferred tax assets and (liabilities) recognized in the balance sheet are as follows:

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Other temporary differences (MTM on investments)	1.60	0.01
Deferred Tax Liabilities (net)	1.60	0.01

(f) Deferred tax expense is recorded as below:

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Through profit and loss		
Other temporary differences	1.60	0.01
Total	1.60	0.01

(g) Reconciliation of net deferred tax liabilities:

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Opening balance	(0.01)	-
Tax (expense)/income recognised during the year	(1.60)	(0.01)
Closing balance	(1.61)	(0.01)

22. EARNINGS PER SHARE

Particulars	For the year ended March 31, 2026	For the period February 26, 2024 to March 31, 2025
Basic (₹) [b/c]	54,686.30	30,605.96
Diluted (₹) [b/c]	54,686.30	30,605.96
The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows		
a) Profit after tax attributable to owners of the Company (in ₹ Lakhs)	546.86	306.06
b) Earnings used in the calculation of basic and diluted earnings for the year/period (in ₹ Lakhs)*	546.86	306.06
c) Weighted average number of equity shares outstanding during the year/period (No's)	1,000	1,000
d) Nominal Value per share (in ₹)	100	100

* As the Company does not have any potential dilutive shares, hence diluted and basic earning per share remain the same

23. CONTINGENT LIABILITIES AND COMMITMENTS

a. Contingent liabilities

There are no contingent liabilities as at the year ended March 31, 2026. (March 31, 2025: Nil)

a. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for are NIL as at the year ended March 31, 2026. (March 31, 2025: Nil)



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
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24. FAIR VALUE MEASUREMENT

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 material 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 3.

Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

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, 2026					
Financial assets					
Cash and cash equivalents	-	-	132.20	132.20	132.20
Current investments	719.61	-	-	719.61	719.61
Trade receivables	-	-	1,842.88	1,842.88	1,842.88
Other Current financial assets and loans	-	-	499.25	499.25	499.25
Total	719.61	-	2,474.33	3,193.94	3,193.94
Financial liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	-	1,734.78	1,734.78	1,734.78
Other financial liabilities	-	-	415.53	415.53	415.53
Total	-	-	2,150.31	2,150.31	2,150.31
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	-	-	4.11	4.11	4.11
Current investments	10.81	-	-	10.81	10.81
Trade receivables	-	-	1,223.86	1,223.86	1,223.86
Other Current financial assets and loans	-	-	857.68	857.68	857.68
Total	10.81	-	2,085.65	2,096.46	2,096.46
Financial liabilities					
Borrowings	-	-	28.37	28.37	28.37
Trade payables	-	-	1,503.33	1,503.33	1,503.33
Other financial liabilities	-	-	181.25	181.25	181.25
Total	-	-	1,712.96	1,712.96	1,712.96

The management assessed that cash and cash equivalents, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

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:

Financial Assets	Level-1	Level-2	Level-3
As at March 31, 2026			
At fair value through profit and loss			
Current investment	719.61	-	-
Total	719.61	-	-
As at March 31, 2025			
At fair value through profit and loss			
Current investment	10.81	-	-
Total	10.81	-	-



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
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The below table summarises the fair value of borrowings which are carried at amortised cost:

Financial Liabilities	Level-1	Level-2	Level-3
As at March 31, 2026			
Borrowings	-	-	-
Total	-	-	-
As at March 31, 2025			
Borrowings	-	28.37	-
Total	-	28.37	-

There is no financial instrument which is classified as level 3 during the year/period. There were no transfers between Level 1, Level 2 and Level 3 during the year/period.

Risk management framework

Risk management

As the Company is in nascent stage, its risk management is being done by Holding company. The Company's businesses are subject to several risks and uncertainties including financial risks. The Holding Company's documented risk management policies 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 of Holding company. Each significant risk has a designated 'owner' within the Holding 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 of the Holding company and is regularly reviewed by the Risk Management Committee of the Holding company, 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 of the Holding company. The overall internal control environment and risk management programme including financial risk management is reviewed by the Board of directors of the Company.

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

Holding company's treasury function provides services to the company's 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 and liquidity risk.

Treasury management of the company as managed by Holding company's treasury function focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board of the Holding company and adherence to these policies is strictly monitored at the Executive Committee meetings of the Holding company. Day-to-day treasury operations of the Company are managed by the Holding company's finance team within the framework of the overall Holding Company's treasury 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 and currency risk. Financial instruments affected by market risk include loans and borrowings and derivative financial instruments.

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.

a. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from lenders, trade creditors as well as through issue of equity shares.

The Management monitors rolling forecasts of the company's liquidity position (comprising the commitment by the Holding Company) and cash and cash equivalents on the basis of expected cash flows.

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.



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
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Payment due by years	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
As at March 31, 2026					
Trade and other payables	2,150.31	-	-	-	2,150.31
Borrowings*	-	-	-	-	-
Total	2,150.31	-	-	-	2,150.31
As at March 31, 2025					
Trade and other payables	1,684.56	-	-	-	1,684.56
Borrowings*	-	28.39	-	-	28.39
Total	1,684.56	28.39	-	-	1,712.95

*Includes Non-current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

The Company has access to following funding facilities.

Funding facility	Total facility	Drawn	Undrawn
As at March 31, 2026			
Less than 1 year	100.00	-	100.00
Total	100.00	-	100.00
Less than 1 year	100.00	28.37	71.63
Total	100.00	28.37	71.63

b. Interest rate risk

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 exposure of the Company's financial assets and liabilities to interest rate risk is as follows:

Particulars	Total	Floating rate	Fixed rate	Non-interest bearing
As at March 31, 2026				
Financial assets	3,193.94	719.61	-	2,474.33
Financial liabilities	2,150.31	-	-	2,150.31
As at March 31, 2025				
Financial assets	2,096.46	-	-	2,096.46
Financial liabilities	1,712.96	28.37	-	1,684.58

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 long-term debt obligations. Any increase in interest rates would result in a net loss and any decrease in interest rates would result in a net gain. The below analysis gives the impact of a 0.5% to 2.0% change in interest rates on floating rate liabilities on (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 the profit for the year ended March 31, 2026 is ₹ 3.60 Lakhs, ₹ 7.20 Lakhs, ₹ 14.40 Lakhs. (March 31, 2025: ₹ (0.09) lakhs, ₹ (0.18) lakhs and ₹ (0.35) lakhs)

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HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2026
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c. The balances payable as at year/period end:

Particulars	March 31,2026	March 31,2025
Payable to		
Hindustan Zinc Limited- Borrowings	-	28.37
Hindustan Zinc Limited- Interest	-	0.02
Hindustan Zinc Limited- Reimbursement of Expenses		
- due but not paid	235.06	111.17
- not due	113.65	20.74
Total	348.71	160.30

The balances receivable as at year/period end:

Particulars	March 31,2026	March 31,2025
Hindustan Zinc Limited- Trade Receivable	1,842.88	1,223.86
Hindustan Zinc Limited- Unbilled Revenue	499.25	857.68
Total	2,342.13	2,081.54

c. 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 period-end are unsecured and interest free, except for borrowings taken, and settlement occurs in cash. Refer note 10 for terms and conditions for loans from related parties. There have been no guarantees/Letter of comfort provided or received from any related party receivables or payables.

27. SEGMENT INFORMATION

The Company has evaluated its operating segments in accordance with the requirements of Ind AS 108 – Operating Segments. Based on the information reviewed by the Chief Operating Decision Maker (CODM) for the purposes of allocation of resources and assessment of performance, the Company operates in a single segment. The CODM monitors the results of the Company as a whole, considering the nature of activities, and the internal reporting structure. Accordingly, the Company has only one reportable segment under Ind AS 108. Further, the Company operates only within India, and hence, there are no reportable geographical segments. Therefore, the disclosures required under Ind AS 108 relating to segments are not applicable to the Company.

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HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
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25. CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity 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 period. 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 currently met through a mixture of equity and other short term/long term borrowings. The Company believes that it will be able to meet all its current liabilities on timely manner. 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 and current investments. Equity comprises all components including other components of equity. The Company is not subject to any externally imposed capital requirement.

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents (refer note 6)	132.20	4.11
Total cash (a)	132.20	4.11
Non Current borrowings (refer note 10)	-	28.37
Current borrowings (refer note 10)	-	-
Total debt (b)	-	28.37
Net debt (c = (b-a))	-	24.26
Equity (d) (See Statement of changes in Equity)	853.92	307.06
Total Capital (e = equity + net debt)	853.92	331.33
Gearing ratio(times) (c/e)	-	0.07

26. RELATED PARTY TRANSACTIONS

a. List of related parties:

Particulars

(i) Holding Companies:

Hindustan Zinc Limited (Holding Company)

Vedanta Limited (Intermediate Holding Company)

Vedanta Resources Limited (Intermediate Holding Company)

Vedanta Incorporated (Earliest known as Vulcan Investments Limited) (Ultimate Holding Company)

(ii) Key management Personnel:

Mr. Arun Misra (Director)

Mr. Praveen Sharma (Director)

Mr. Kishor Kumar Sugumaran (Director)

b. Transactions with Related Parties:

The details of the related party transactions entered into by the Company, for the year ended March 31, 2026 and March 31, 2025 are as follows:

Nature of transactions	For the period ended March 31, 2026	For the period ended March 31, 2025
Borrowings taken during the period		
Hindustan Zinc Limited	-	63.37
Total	-	63.37
Repayment made during the period		
Hindustan Zinc Limited	28.37	35.00
Total	28.37	35.00
Interest on Borrowings		
Hindustan Zinc Limited	0.76	3.68
Total	0.76	3.68
Other Expenses and reimbursements		
Hindustan Zinc Limited (Manpower and rent expense)	656.39	461.01
Total	656.39	461.01
Sale of Services		
Hindustan Zinc Limited	9,237.61	6,152.99
Total	9,237.61	6,152.99



HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2026

28. RATIO ANALYSIS

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance#
Current ratio	Current Assets	Current Liabilities	1.37	1.19	15%
Debt- Equity Ratio	Debt [Debt is long term borrowing (current & non current portion) and Short Term Borrowing]	Shareholder's Equity	-	0.09	-100%
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	24.74	10.89	127%
Return on Equity ratio	Net Profit/(loss) after tax before exceptional items(net of tax)	Average Shareholder's Equity	94%	199%	-53%
Inventory Turnover ratio	Revenue from operations - Earning before Interest, Tax, Depreciation & Amortisation (EBITDA) and exceptional items	Average Inventory	NA	NA	NA
Trade Receivable Turnover Ratio	Revenue from operations (including Other operating income)	Average Trade Receivable	6.02	10.06	-40%
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	4.84	6.94	NA
Net Capital Turnover Ratio	Revenue from operations (including Other operating income)	Working capital = Current assets - Current liabilities excluding current maturities of long term borrowing	10.80	18.34	-41%
Net Profit ratio	Net Profit after tax (PAT) before exceptional items(net of tax)	Revenue from operations (including Other operating income)	6%	5%	19%
Return on Capital Employed	Earnings before interest and taxes	Average Capital Employed Capital Employed= Net Worth + Total Debt [Debt is long term borrowing (current & non current portion) and Short Term Borrowing]	121%	251%	-52%
Return on Investment	Interest (Finance Income)	Average Investments	3%	10%	-70%

Reason for Variance more than 25%

- (i) Debt - Equity ratio - Debt-Equity ratio improves due to repayments of debt
- (ii) Debt service coverage ratio- Debt service coverage ratio improves due to increase in profits & pre payment of debt.
- (iii) Return on Equity - Return on Equity decreases due to increase in net worth
- (iv) Trade Receivable Turnover Ratio - Trade receivable turnover ratio decreases due to increase in average trade receivables for the current year.
- (v) Net Capital Turnover Ratio - Net Capital Turnover Ratio is lower on account of increase in working capital during the year.
- (vi) Return on capital employed - Return on capital employed is lower due to increase in capital employed during the year.

29. SUBSEQUENT EVENTS

There are no material adjusting or non-adjusting subsequent events.

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HINDMETAL EXPLORATION SERVICES PRIVATE LIMITED
Notes to the financial statements as at and for the year ended March 31, 2026

30. 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, during the year and in previous period.
- (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)
- (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. (previous period: Nil)
- (ix) 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. Further no instance of audit trail feature being tampered with was noted in respect of the software. Additionally, the company has recorded and preserved audit trail in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the financial year 2025-26.

31. Previous year financial statements were drawn for the period from February 26, 2024, being the date of incorporation to March 31, 2025, hence may not be comparable with current year figures.

The accompanying notes form an integral part of the financial statements.

As per our report on even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 103523W/W100048

Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: April 17, 2026



For and on behalf of the Board of Directors of Hindmetal
Exploration Services Private Limited
CIN: U09900RJ2024PTC092955

Arun Misra
Director
DIN:01835605

Place: Udaipur
Date: April 17, 2026

