

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Vedanta Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Vedanta Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), its associates, joint ventures and joint operations for the quarter ended June 30, 2022 and year to date from April 1, 2022 to June 30, 2022 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as mentioned in Annexure I
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 and 9 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis of Matter**

6. We draw attention to note 5 of the accompanying consolidated financial results which describes the uncertainty arising out of the demands that have been raised on the Group, with respect to government's share of profit petroleum by the Director General of Hydrocarbons and one of the pre-conditions for the extension of the Production Sharing Contract (PSC) for the Rajasthan oil block is the settlement of these demands. While the Government has granted permission to the Group to continue operations in the block till August 14, 2022 or signing of the PSC addendum, whichever is earlier, the Group, based on external legal advice, believes it is in compliance with the necessary conditions to secure an extension of this PSC and that the demands are untenable and hence no provision is required in respect of these demands. Our conclusion is not modified in respect of this matter.

**Other matters**

7. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:
- 12 subsidiaries, whose unaudited interim financial results include total revenues of Rs. 2,979 crores, total net profit after tax of Rs. 278 crores and total comprehensive income of Rs. 403 crores, for the quarter ended June 30, 2022 and for the period from April 01, 2022 to June 30, 2022, as considered in the Statement which have been reviewed by their respective independent auditors.
  - 1 associate and 1 joint venture, whose unaudited interim financial results include Group's share of net profit of Rs. Nil and Group's share of total comprehensive income of Rs. Nil for the quarter ended June 30, 2022 and for the period from April 01, 2022 to June 30, 2022, as considered in the Statement whose interim financial results, other financial information have been reviewed by their respective independent auditors.

The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, associate and joint venture is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

8. Certain of these subsidiaries and associates are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial results of such subsidiaries and associates located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries and associates located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and reviewed by us.
9. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:
- 7 subsidiaries, whose interim financial results and other financial information reflect total revenues of Rs. 82 crores, total net profit after tax of Rs. 60 crores and total comprehensive income of Rs. 60 crores, for the quarter ended June 30, 2022 and for the period from April 01, 2022 to June 30, 2022, as considered in the consolidated financial results;
  - 3 associates and 3 joint ventures, whose interim financial results includes the Group's share of net profit of Rs. Nil and Group's share of total comprehensive income of Rs. Nil for the quarter ended June 30, 2022 and for the period from April 01, 2022 to June 30, 2022.

- 1 unincorporated joint operation not operated by the group; whose interim financial results includes the Group's share of revenue of Rs 33 crores, Group's share of net profit of Rs. 16 crores and Group's share of total comprehensive income of Rs. 16 crores for the quarter ended June 30, 2022 and for the period from April 01, 2022 to June 30, 2022.

The unaudited interim financial results and other unaudited financial information of the these have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, joint ventures, joint operation and associates, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement in respect of matters stated in para 7, 8 and 9 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

**For S.R. BATLIBOI & Co. LLP**

Chartered Accountants

**ICAI Firm registration number:** 301003E/E300005

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**per Sudhir Soni**

Partner

Membership No.: 41870

UDIN: 22041870ANTUDP7754

Place : Mumbai

Date : July 28, 2022

**Annexure 1 to our report dated July 28, 2022 on the consolidated financial results of Vedanta Limited for quarter ended June 30, 2022****List of subsidiaries/associates/ joint ventures****Subsidiaries**

<b>S. No.</b>	<b>Name</b>
1	Bharat Aluminium Company Limited (BALCO)
2	Copper Mines of Tasmania Pty Limited (CMT)
3	Fujairah Gold FZE
4	Hindustan Zinc Limited (HZL)
5	Monte Cello BV (MCBV)
6	Sesa Resources Limited (SRL)
7	Sesa Mining Corporation Limited
8	Thalanga Copper Mines Pty Limited (TCM)
9	MALCO Energy Limited (MEL)
10	Lakomasko B.V.
11	THL Zinc Ventures Limited
12	THL Zinc Limited
13	Talwandi Sabo Power Limited
14	THL Zinc Namibia Holdings (Pty) Limited (VNHL)
15	Skorpion Zinc (Pty) Limited (SZPL)
16	Namzinc (Pty) Limited (SZ)
17	Skorpion Mining Company (Pty) Limited (NZ)
18	Amica Guesthouse (Pty) Ltd
19	Black Mountain Mining (Pty) Ltd
20	THL Zinc Holding BV
21	Vedanta Lisheen Holdings Limited (VLHL)
22	Vedanta Lisheen Mining Limited (VLML)
23	Killoran Lisheen Mining Limited
24	Lisheen Milling Limited
25	Vizag General Cargo Berth Private Limited
26	Paradip Multi Cargo Berth Private Limited
27	Sterlite Ports Limited (SPL)
28	Maritime Ventures Private Limited
29	Goa Sea Port Private Limited
30	Bloom Fountain Limited (BFM)
31	Western Cluster Limited
32	Cairn India Holdings Limited
33	Cairn Energy Hydrocarbons Ltd
34	Cairn Energy Gujarat Block 1 Limited
35	CIG Mauritius Holdings Private Limited
36	CIG Mauritius Private Limited
37	Cairn Lanka Private Limited
38	Vedanta ESOS Trust
39	Avanstrate (Japan) Inc. (ASI)
40	Avanstrate (Korea) Inc
41	Avanstrate (Taiwan) Inc
42	Electrosteel Steels Limited
43	Lisheen Mine Partnership
44	Ferro Alloy Corporation Limited (FACOR)
45	Facor Power Limited (FPL)

<b>S. No.</b>	<b>Name</b>
46	Facor Realty and Infrastructure Limited
47	Hindustan Zinc Alloy Private Limited
48	Desai Cement Company Private Limited (DCCPL)

**Associates**

<b>S. No.</b>	<b>Name</b>
1	RoshSkor Township (Proprietary) Limited
2	Gaurav Overseas Private Limited
3	Raykal Aluminium Company Private Limited
4	Rampia Coal Mines and Energy Private limited (Struck off by the MCA on April 19, 2021)

**Joint Ventures**

<b>S. No.</b>	<b>Name</b>
1	Goa Maritime Private Limited
2	Madanpur South Coal Company Limited
3	Rosh Pinah Healthcare (Pty) Ltd
4	Gergarub Exploration and Mining (Pty) Limited

**Joint Operations**

<b>S. No.</b>	<b>Name</b>
1	RJ-ON-90/1
2	CB-OS/2
3	Ravva Block
4	KG-ONN-2003/1
5	KG-OSN-2009/3



Vedanta Limited  
CIN no. L13209MH1965PLC291394

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Mumbai-400093, Maharashtra

**STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER ENDED 30 JUNE 2022**

(₹ in Crore, except as stated)

S. No.	Particulars	Quarter ended			Year ended
		30.06.2022 (Unaudited)	31.03.2022 (Audited) (Refer note 2)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
1	Revenue from operations	38,251	39,342	28,105	131,192
2	Other operating income	371	480	307	1,540
3	Other income	733	611	739	2,600
	<b>Total income</b>	<b>39,355</b>	<b>40,433</b>	<b>29,151</b>	<b>135,332</b>
4	<b>Expenses</b>				
a)	Cost of materials consumed	10,774	11,235	8,207	37,172
b)	Purchases of stock-in-trade	12	35	88	133
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(813)	(643)	(766)	(2,049)
d)	Power and fuel charges	8,953	6,333	3,918	21,164
e)	Employee benefits expense	780	720	683	2,811
f)	Finance costs	1,206	1,333	1,182	4,797
g)	Depreciation, depletion and amortization expense	2,464	2,379	2,124	8,895
h)	Other expenses	8,719	8,509	6,315	28,677
5	<b>Total expenses</b>	<b>32,095</b>	<b>29,901</b>	<b>21,751</b>	<b>101,600</b>
6	<b>Profit before exceptional items and tax</b>	<b>7,260</b>	<b>10,532</b>	<b>7,400</b>	<b>33,732</b>
7	Net exceptional loss (Refer note 4)	-	(336)	(230)	(768)
8	<b>Profit before tax</b>	<b>7,260</b>	<b>10,196</b>	<b>7,170</b>	<b>32,964</b>
9	<b>Tax expense/ (benefit)</b>				
	<b>On other than exceptional items</b>				
a)	Net current tax expense	1,516	1,949	1,430	6,889
b)	Net deferred tax expense, net of tax credits	152	1,014	539	2,544
	<b>On exceptional items</b>				
c)	Net tax benefit on exceptional items (Refer note 4)	-	(28)	(81)	(178)
	<b>Net tax expense (a+b+c)</b>	<b>1,668</b>	<b>2,935</b>	<b>1,888</b>	<b>9,255</b>
10	<b>Profit after tax before share in profit of jointly controlled entities and associates</b>	<b>5,592</b>	<b>7,261</b>	<b>5,282</b>	<b>23,709</b>
11	Add: Share in profit of jointly controlled entities and associates	1	0	1	1
12	<b>Profit after share in profit of jointly controlled entities and associates (a)</b>	<b>5,593</b>	<b>7,261</b>	<b>5,283</b>	<b>23,710</b>



(₹ in Crore, except as stated)					
S. No.	Particulars	Quarter ended			Year ended
		30.06.2022 (Unaudited)	31.03.2022 (Audited) (Refer note 2)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
13	<b>Other Comprehensive Income/ (Loss)</b>				
i.	(a) Items that will not be reclassified to profit or loss	(38)	(49)	32	(3)
	(b) Tax benefit on items that will not be reclassified to profit or loss	1	3	0	1
ii.	(a) Items that will be reclassified to profit or loss	2,763	841	371	893
	(b) Tax (expense)/ benefit on items that will be reclassified to profit or loss	(757)	(5)	15	(28)
	<b>Total Other Comprehensive Income (b)</b>	<b>1,969</b>	<b>790</b>	<b>418</b>	<b>863</b>
14	<b>Total Comprehensive Income (a + b)</b>	<b>7,562</b>	<b>8,051</b>	<b>5,701</b>	<b>24,573</b>
15	<b>Profit attributable to:</b>				
a)	Owners of Vedanta Limited	4,421	5,799	4,224	18,802
b)	Non-controlling interests	1,172	1,462	1,059	4,908
16	<b>Other Comprehensive Income attributable to:</b>				
a)	Owners of Vedanta Limited	1,754	725	393	823
b)	Non-controlling interests	215	65	25	40
17	<b>Total Comprehensive Income attributable to:</b>				
a)	Owners of Vedanta Limited	6,175	6,524	4,617	19,625
b)	Non-controlling interests	1,387	1,527	1,084	4,948
18	Net Profit after taxes, non-controlling interests and share in profit of jointly controlled entities and associates but before exceptional items	4,421	6,027	4,342	19,279
19	Paid-up equity share capital (Face value of ₹ 1 each)	372	372	372	372
20	Reserves excluding revaluation reserves as per balance sheet				65,011
21	Earnings per share (₹) (*not annualised)				
	-Basic	11.92 *	15.66 *	11.40 *	50.73
	-Diluted	11.84 *	15.56 *	11.31 *	50.38



(₹ in Crore)					
S. No.	Segment information	Quarter ended			Year ended
		30.06.2022 (Unaudited)	31.03.2022 (Audited) (Refer note 2)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
1	<b>Segment Revenue</b>				
a)	Zinc, Lead and Silver				
	(i) Zinc & Lead - India	8,066	7,551	5,217	24,418
	(ii) Silver - India	1,109	1,036	1,106	4,206
	<b>Total</b>	<b>9,175</b>	<b>8,587</b>	<b>6,323</b>	<b>28,624</b>
b)	Zinc - International	1,459	1,242	1,119	4,484
c)	Oil & Gas	4,083	3,940	2,485	12,430
d)	Aluminium	14,644	15,475	10,263	50,881
e)	Copper	4,215	4,351	3,499	15,151
f)	Iron Ore	1,367	1,866	1,576	6,350
g)	Power	1,770	1,687	1,225	5,826
h)	Others	1,856	2,556	1,641	7,972
	<b>Total</b>	<b>38,569</b>	<b>39,704</b>	<b>28,131</b>	<b>131,718</b>
Less:	Inter Segment Revenue	318	362	26	526
	<b>Revenue from operations</b>	<b>38,251</b>	<b>39,342</b>	<b>28,105</b>	<b>131,192</b>
2	<b>Segment Results (EBITDA) <sup>i</sup></b>				
a)	Zinc, Lead and Silver	5,230	4,988	3,510	16,161
b)	Zinc - International	589	467	401	1,533
c)	Oil & Gas	2,081	2,053	1,063	5,992
d)	Aluminium	2,251	5,218	3,725	17,337
e)	Copper	(14)	15	(106)	(115)
f)	Iron Ore	363	548	762	2,280
g)	Power	81	188	346	1,082
h)	Others	160	291	331	1,049
	<b>Total Segment results (EBITDA)</b>	<b>10,741</b>	<b>13,768</b>	<b>10,032</b>	<b>45,319</b>
Less:	Depreciation, depletion and amortization expense	2,464	2,379	2,124	8,895
Add:	Other income, net of expenses <sup>ii</sup>	3 *	63	60	245
Less:	Finance costs	1,206	1,333	1,182	4,797
Add:	Other unallocable income, net of expenses	186	413	614	1,860
	<b>Profit before exceptional items and tax</b>	<b>7,260</b>	<b>10,532</b>	<b>7,400</b>	<b>33,732</b>
Add:	Net exceptional loss (Refer note 4)	-	(336)	(230)	(768)
	<b>Profit before tax</b>	<b>7,260</b>	<b>10,196</b>	<b>7,170</b>	<b>32,964</b>
3	<b>Segment assets</b>				
a)	Zinc, Lead and Silver - India	24,452	22,822	21,001	22,822
b)	Zinc - International	6,859	6,984	6,495	6,984
c)	Oil & Gas	26,983	24,149	20,270	24,149
d)	Aluminium	65,340	60,407	56,358	60,407
e)	Copper	5,898	5,912	6,323	5,912
f)	Iron Ore	5,182	4,156	3,302	4,156
g)	Power	17,296	17,195	17,526	17,195
h)	Others	9,823	9,197	8,163	9,197
i)	Unallocated	47,826	47,778	47,215	47,778
	<b>Total</b>	<b>209,659</b>	<b>198,600</b>	<b>186,653</b>	<b>198,600</b>

i) Earnings before interest, depreciation, tax and exceptional items ('EBITDA') is a non- GAAP measure.

ii) Includes amortisation of duty benefits relating to assets recognised as government grant.

\* Includes cost of exploration wells written off of ₹ 62 Crore in Oil & Gas segment.



(₹ in Crore)

S. No.	Segment information	Quarter ended			Year ended
		30.06.2022 (Unaudited)	31.03.2022 (Audited) (Refer note 2)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
4	<b>Segment liabilities</b>				
a)	Zinc, Lead and Silver - India	6,537	6,229	4,951	6,229
b)	Zinc - International	1,163	1,159	1,034	1,159
c)	Oil & Gas	19,140	16,138	12,551	16,138
d)	Aluminium	21,983	20,231	18,579	20,231
e)	Copper	5,186	5,028	4,103	5,028
f)	Iron Ore	3,123	2,601	1,463	2,601
g)	Power	2,390	1,976	1,889	1,976
h)	Others	2,861	2,694	1,985	2,694
i)	Unallocated	68,586	59,840	56,965	59,840
	<b>Total</b>	<b>130,969</b>	<b>115,896</b>	<b>103,520</b>	<b>115,896</b>

The main business segments are:

- (a) Zinc, Lead and Silver - India, which consists of mining of ore, manufacturing of zinc and lead ingots and silver, both from own mining and purchased concentrate. Additional intra segment information of revenues for the Zinc & Lead and Silver segment have been provided to enhance understanding of segment business;
- (b) Zinc - International, which consists of exploration, mining, treatment and production of zinc, lead, copper and associated mineral concentrates for sale;
- (c) Oil & Gas, which consists of exploration, development and production of oil and gas;
- (d) Aluminium, which consist of mining of bauxite and manufacturing of alumina and various aluminium products;
- (e) Copper, which consist of mining of copper concentrate, manufacturing of copper cathode, continuous cast copper rod, anode slime from purchased concentrate and manufacturing of precious metal from anode slime, sulphuric acid and phosphoric acid (Refer note 7);
- (f) Iron ore, which consists of mining of ore and manufacturing of pig iron and metallurgical coke;
- (g) Power, excluding captive power but including power facilities predominantly engaged in generation and sale of commercial power; and
- (h) Other business segment comprises port/berth, glass substrate, steel, ferroy alloys and cement. The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and liabilities, respectively.



**Notes:-**

- 1 The above consolidated results of Vedanta Limited ("the Company") and its subsidiaries ("the Group"), jointly controlled entities, and associates for the quarter ended 30 June 2022 have been reviewed by the Audit and Risk Management Committee at its meeting held on 27 July 2022 and approved by the Board of Directors at its meeting held on 28 July 2022. The statutory auditors have carried out a limited review on these results and issued an unmodified conclusion.
- 2 The figures for the quarter ended 31 March 2022 are the balancing figures between audited figures for the full financial year ended 31 March 2022 and unaudited figures for the nine months ended 31 December 2021.
- 3 During the quarter ended 30 June 2022, the Board of Directors of the Company at its meeting held on 28 April 2022, approved the first interim dividend of ₹ 31.50 per equity share, i.e., 3,150% on face value of ₹ 1/- per equity share for the year ended 31 March 2023. Subsequent to the quarter ended 30 June 2022, the Board of Directors of the Company at its meeting held on 19 July 2022, approved the second interim dividend of ₹ 19.50 per equity share, i.e., 1,950% on face value of ₹ 1/- per equity share for the year ended 31 March 2023. With this, the total dividend declared for FY 2022-23 currently stands at ₹ 51 per equity share of ₹ 1/- each.
- 4 Net exceptional loss comprise the following:

(₹ in Crore)

Particulars	Quarter ended			Year ended
	30.06.2022 (Unaudited)	31.03.2022 (Audited) (Refer note 2)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
Property, plant and equipment, exploration intangible assets under development, capital work-in-progress and other assets (impaired)/ reversal or (written off)/ written back in:				
- Oil & Gas				
a) Exploration cost written off	-	(2,403)	(96)	(2,618)
b) Reversal of previously recorded impairment	-	2,697	-	2,697
- Aluminium	-	(125)	-	(125)
- Others	-	-	-	(52)
- Unallocated	-	-	-	(24)
Provision for legal disputes (including change in law), force majeure and similar incidences in:				
- Aluminium	-	(288)	-	(288)
- Copper	-	(217)	-	(217)
- Zinc, Lead and Silver - India	-	-	(134)	(134)
- Others	-	-	-	(7)
<b>Net exceptional loss</b>	-	(336)	(230)	(768)
Current tax benefit on above	-	496	64	580
Net deferred tax (expense)/ benefit on above	-	(468)	17	(402)
Non-controlling interests on above	-	80	31	113
<b>Net exceptional loss, net of tax and non-controlling interests</b>	-	(228)	(118)	(477)

- 5 The Company operates an oil and gas production facility in Rajasthan under a Production Sharing Contract ("PSC"). The management is of the opinion that the Company is eligible for extension of the PSC for Rajasthan ("RJ") block on same terms w.e.f. 15 May 2020, a matter which was being adjudicated at the Delhi High Court. The Division Bench of the Delhi High Court in March 2021 set aside the single judge order of May 2018 which allowed extension of PSC on same terms and conditions. The Company has appealed this order in the Supreme Court. In parallel, the Government of India ("GoI"), accorded its approval for extension of the PSC, under the Pre-NELP Extension policy as per notification dated 07 April 2017 ("Pre-NELP Policy"), for RJ block by a period of 10 years, w.e.f. 15 May 2020 vide its letter dated 26 October 2018, subject to fulfilment of certain conditions.



One of the conditions for extension relates to notification of certain audit exceptions raised for FY 2016-17 as per PSC provisions and provides for payment of amounts, if such audit exceptions result into any creation of liability. In connection with the said audit exceptions, a demand of ₹ 2,870 Crore (US\$ 364 million) has been raised by Directorate General of Hydrocarbons ("DGH") on 12 May 2020, relating to the share of the Company and one of its subsidiaries. This amount was subsequently revised to ₹ 3,613 Crore (US\$ 458 million) till March 2018 vide DGH letter dated 24 December 2020.

On 28 April 2022, DGH has notified audit exceptions for the period upto 14 May 2020 and included an additional amount of ₹ 2,038 Crore (US\$ 259 million) for aforementioned matters.

The Company has disputed the aforesaid demand and the other audit exceptions, notified till date, as in the Company's view the audit notings are not in accordance with the PSC and are entirely unsustainable. Further, as per PSC provisions, disputed notings do not prevail and accordingly do not result in creation of any liability. The Company believes it has reasonable grounds to defend itself which are supported by independent legal opinions. In accordance with PSC terms, the Company has also commenced arbitration proceedings. The arbitration tribunal ("the Tribunal") stands constituted and the Company also filed its application for interim relief. The interim relief application was heard by the Tribunal on 15 December 2020 wherein it was directed that GoI should not take any coercive action to recover the disputed amount of audit exceptions which is presently in arbitration and that during the arbitration period, GoI should continue to extend the tenure of the Rajasthan Block PSC on terms of current extension. The GoI has challenged the said order before the Delhi High Court which is scheduled for hearing in due course.

Further, on 23 September 2020, the GoI had filed an application for interim relief before Delhi High Court seeking payment of all disputed dues. This matter is also scheduled for hearing in due course. In view of extenuating circumstances surrounding COVID-19 and pending signing of the PSC addendum for extension after complying with all stipulated conditions, the GoI has been granting permission to the Company to continue Petroleum operations in the RJ block. The latest permission is valid upto 14 August 2022 or signing of the PSC addendum, whichever is earlier. For reasons aforesaid, the Company is not expecting any material liability to devolve on account of these matters or any disruptions in its petroleum operations. The Company is also pursuing with the GoI for executing the RJ PSC addendum at the earliest.

- 6 In our oil and gas business, the GoI, vide its notification no. 05/2022 dated 30 June 2022 had levied Special Additional Excise Duty ("SAED") of ₹ 23,250 per tonne (approximately equivalent to US\$ 40/ barrel) on crude oil with effect from 01 July 2022, which has been revised to ₹ 17,000 per tonne (approximately equivalent to US\$ 30/ barrel) with effect from 20 July 2022. The SAED rate is expected to be revised every fortnight. This is in the nature of cess on windfall gain triggered by increase in crude oil prices in recent months.

The Company is engaging with the GoI on this levy, within the framework of contractual agreements of PSC and Revenue Sharing Contracts ("RSC") executed with the GoI.

The Company has performed sensitivity analysis to assess the impact of the above SAED on the recoverable value of assets in the oil and gas business, which is determined basis the consensus of analyst recommendations of long-term prices, discount rates, production quantity etc. Based on the results of such analysis, Management believes that no adjustment to the carrying value of the asset is required at this stage.

- 7 The Company has a copper smelter plant in Tuticorin. The Company's application for renewal of Consent to Operate ("CTO") for the plant was rejected by the Tamil Nadu Pollution Control Board ("TNPCB") in April 2018. Subsequently, the Government of Tamil Nadu issued directions to close and seal the existing copper smelter plant permanently. The Principal Bench of National Green Tribunal ("NGT") ruled in favour of the Company but its order was set aside by the Supreme Court vide its judgment dated 18 February 2019, on the sole basis of maintainability. The Company had filed a writ petition before the Madras High Court challenging various orders passed against the Company. On 18 August 2020, the Madras High Court dismissed the writ petitions filed by the Company, which has been challenged by the Company in the Supreme Court while also seeking interim relief to access the plant for care and maintenance. The hearing on care and maintenance could not be listed at the Supreme Court. Instead, the matter is now being heard on merits.

The Company was also in the process of expanding its capacities at an adjacent site ("Expansion Project"). The High Court of Madras, in a Public Interest Litigation, held that the application for renewal of the Environmental Clearance ("EC") for the Expansion Project shall be processed after a mandatory public hearing and in the interim, ordered the Company to cease construction and all other activities on the site with immediate effect. In the meanwhile, State Industries Promotion Corporation of Tamil Nadu ("SIPCOT") cancelled the land allotted for the Expansion Project, which was later stayed by the Madras High Court. Further, TNPCB issued an order directing the withdrawal of the Consent to Establish ("CTE") which was valid till 31 March 2023. The Company has also appealed this action before the TNPCB Appellate Authority and the matter is pending for adjudication and the matter is now being heard on merits. As per the Company's assessment, it is in compliance with the applicable regulations and hence there is no impact on the carrying value of the assets.



8 Subsequent to the quarter ended 30 June 2022, the Company acquired controlling stake in Athena Chhattisgarh Power Limited ("ACPL") under the liquidation proceedings of the Insolvency and Bankruptcy Code, 2016 for a consideration of ₹ 565 Crore. ACPL is building a 1,200 MW (600 MW X 2) coal-based power plant located at Jhanjgir Champa district, Chhattisgarh. The plant is expected to fulfill the power requirements for the Company's aluminium business.

9 Previous period/ year figures have been re-grouped/ rearranged, wherever necessary.



**By Order of the Board**

**Sunil Duggal**

**Whole - Time Director and  
Group Chief Executive Officer**

**Dated: 28 July 2022**

**Place: New Delhi**