

Limited Review Report

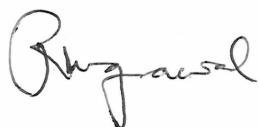
**Review Report to
The Board of Directors
Vedanta Limited**

1. We have reviewed the accompanying statement of unaudited standalone Ind AS financial results of Vedanta Limited ('the Company') for the quarter ended September 30, 2018 and year to date from April 1, 2018 to September 30, 2018 (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 ('the Regulation'), read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ('the Circular').
2. The preparation of the Statement 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, read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per Raj Agrawal

Partner

Membership No.: 82028



Gurugram

October 31, 2018



Vedanta Limited
CIN no. L13209MH1965PLC291394

Regd. Office: Vedanta Limited 1st Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East),
Mumbai-400093, Maharashtra

STATEMENT OF UNAUDITED STANDALONE RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2018

							(₹ in Crore)
S.No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited)	30.09.2018 (Unaudited)	30.09.2017 (Unaudited)	31.03.2018 (Audited)
1	Revenue						
a)	Revenue from operations (Net of excise duty)	9,690	9,690	10,375	19,380	19,303	45,524
	Add: Excise duty	-	-	-	-	450	450
	Revenue from operations (Gross of excise duty)	9,690	9,690	10,375	19,380	19,753	45,974
b)	Other income	179	107	390	285	991	3,866
	Total Income	9,869	9,797	10,765	19,666	20,744	49,840
2	Expenses						
a)	Cost of materials consumed	4,127	3,026	6,337	7,153	11,248	25,209
b)	Purchases of Stock-in-Trade	89	308	-	397	128	426
c)	Changes in inventories of finished goods and work-in-progress	(103)	506	(291)	403	(598)	(11)
d)	Power & fuel charges	2,318	2,028	1,476	4,346	2,732	6,643
e)	Employee benefits expense	224	205	200	429	394	802
f)	Excise Duty on sales	-	-	-	-	450	450
g)	Finance costs	1,049	1,078	931	2,127	2,067	3,900
h)	Depreciation, depletion and amortization expense	800	784	729	1,584	1,435	2,842
i)	Other expenses	1,298	1,376	1,158	2,674	2,387	4,758
j)	Share of expenses in producing oil and gas blocks	304	286	234	590	464	1,004
	Total expenses	10,106	9,597	10,774	19,703	20,707	46,023
3	(Loss)/Profit before exceptional items and tax	(237)	200	(9)	(37)	37	3,817
4	Net exceptional gain (Refer note 4)	320	52	472	372	472	5,407
5	Profit before tax	83	252	463	335	509	9,224
6	Tax expense/(benefit) on other than exceptional items:						
a)	Net Current tax expense	-	-	-	-	-	-
b)	Net Deferred tax expense/(benefit)	(55)	122	30	67	42	1,026
	Tax expense/(benefit) on exceptional items (Refer note 4):						
a)	Net Current tax expense	-	-	-	-	-	-
b)	Net Deferred tax expense/(benefit)	112	-	(38)	112	(38)	942
	Net tax expense/(benefit):	57	122	(8)	179	4	1,968
7	Net Profit after tax (a)	26	130	471	156	505	7,256
8	Net (Loss)/Profit after tax before exceptional items (net of tax)	(182)	78	(39)	(104)	(5)	2,791
9	Other Comprehensive Income						
i.	(a) Items that will not be reclassified to profit or loss	9	(17)	35	(8)	43	91
	(b) Tax benefit on items that will not be reclassified to profit or loss	-	-	6	-	7	5
ii.	(a) Items that will be reclassified to profit or loss	193	355	(32)	548	(76)	44
	(b) Tax benefit/ (expense) on items that will be reclassified to profit or loss	120	42	33	162	44	(5)
	Total Other Comprehensive Income (b)	322	380	42	702	18	135
10	Total Comprehensive Income (a+b)	348	510	513	858	523	7,391
11	Paid-up equity share capital (Face value of ₹ 1 each)	372	372	372	372	372	372
12	Reserves excluding Revaluation Reserves as per balance sheet						78,941
13	Earnings per share after exceptional items (₹) (*not annualised)						
	- Basic & Diluted	0.07 *	0.35 *	1.27 *	0.42 *	1.31 *	19.47
14	(Loss)/ Earnings per share before exceptional items (₹) (*not annualised)						
	- Basic & Diluted	(0.49) *	0.21 *	(0.10) *	(0.28) *	(0.06) *	7.46



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		Quarter ended			Half Year ended		(₹ in Crore)
S. No.	Segment Information	30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited)	30.09.2018 (Unaudited)	30.09.2017 (Unaudited)	Year ended 31.03.2018 (Audited)
1	Segment Revenue						
a)	Oil & Gas	1,856	1,721	1,111	3,577	2,312	5,085
b)	Aluminium	5,815	5,465	3,413	11,280	6,266	15,827
c)	Copper	1,325	1,650	5,282	2,975	9,722	21,277
d)	Iron Ore	614	788	542	1,402	1,261	3,174
e)	Power	27	36	10	63	145	412
	Total	9,637	9,660	10,358	19,297	19,706	45,775
Less:	Inter Segment Revenue	1	-	5	1	7	16
	Sales/income from operations	9,636	9,660	10,353	19,296	19,699	45,759
Add:	Other operating income	54	30	22	84	54	215
	Revenue from operations (Gross of excise duty)	9,690	9,690	10,375	19,380	19,753	45,974
2	Segment Results [Profit / (loss) before tax and interest]						
a)	Oil & Gas	688	619	258	1,307	638	1,896
b)	Aluminium	14	646	69	660	175	780
c)	Copper	(46)	(145)	341	(191)	519	1,159
d)	Iron Ore	74	157	3	231	2	347
e)	Power	(81)	(71)	(51)	(152)	(54)	(67)
	Total	649	1,206	620	1,855	1,280	4,115
Less:	Finance costs	1,049	1,078	931	2,127	2,067	3,900
Add:	Other unallocable income net off expenses	163	72	302	235	824	3,602
	(Loss)/Profit before exceptional items and tax	(237)	200	(9)	(37)	37	3,817
Add:	Net exceptional gain (Refer note 4)	320	52	472	372	472	5,407
	Profit before tax	83	252	463	335	509	9,224
3	Segment assets						
a)	Oil & Gas	15,834	15,166	9,395	15,834	9,395	12,842
b)	Aluminium	43,650	43,988	42,488	43,650	42,488	43,426
c)	Copper	8,808	8,745	9,722	8,808	9,722	9,968
d)	Iron Ore	2,804	3,075	3,618	2,804	3,618	3,094
e)	Power	3,251	3,257	3,134	3,251	3,134	3,263
f)	Unallocated	76,150	73,653	78,046	76,150	78,046	74,576
	Total	1,50,497	1,47,884	1,46,403	1,50,497	1,46,403	1,47,169
4	Segment liabilities						
a)	Oil & Gas	5,870	5,131	3,040	5,870	3,040	3,755
b)	Aluminium	13,271	12,056	10,084	13,271	10,084	11,919
c)	Copper	3,956	4,881	11,957	3,956	11,957	8,667
d)	Iron Ore	948	1,314	1,532	948	1,532	1,558
e)	Power	258	266	273	258	273	275
f)	Unallocated	45,990	44,398	39,219	45,990	39,219	41,682
	Total	70,293	68,046	66,105	70,293	66,105	67,856
The main business segments are :							
(a) Oil & Gas which consists of exploration, development and production of oil and gas.							
(b) Aluminium which consist of manufacturing of alumina and various aluminium products.							
(c) Copper which consists of manufacturing of copper cathode, continuous cast copper rod, anode slime from purchased concentrate and manufacturing of sulphuric acid, phosphoric acid (Refer note 5).							
(d) Iron ore including pig iron & metallurgical coke.							
(e) Power excluding captive power but including power facilities predominantly engaged in generation and sale of commercial power.							
The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and liabilities, respectively.							
Export incentives have been included under respective segment revenues.							



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Statement of Assets and Liabilities		(₹ in Crore)	
Particulars	As at September 30, 2018 (Unaudited)	As at March 31, 2018 (Audited)	
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	37,123	37,132	
(b) Capital work-in-progress	10,752	10,386	
(c) Exploration intangible assets under development	9,111	7,983	
(d) Intangible assets	44	44	
(e) Financial assets			
(i) Investments	64,286	62,473	
(ii) Trade receivables	893	471	
(iii) Loans	197	-	
(iv) Others	660	443	
(f) Income tax assets (net of provisions)	2,443	2,429	
(g) Other non-current assets	2,743	2,577	
Total Non-current assets	1,28,252	1,23,938	
2 Current assets			
(a) Inventories	7,809	8,149	
(b) Financial assets			
(i) Investments	5,650	5,537	
(ii) Trade receivables	1,286	1,968	
(iii) Cash and cash equivalents	1,673	1,144	
(iv) Other bank balances	727	450	
(v) Loans	104	14	
(vi) Others	2,582	3,105	
(c) Other current assets	2,414	2,864	
Total current assets	22,245	23,231	
Total assets	1,50,497	1,47,169	
B EQUITY AND LIABILITIES			
1 Equity			
Equity Share Capital	372	372	
Other Equity	79,832	78,941	
Total Equity	80,204	79,313	
Liabilities			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22,922	14,810	
(ii) Other financial liabilities	44	44	
(b) Provisions	949	852	
(c) Deferred tax liabilities (net)	333	26	
(d) Other non-current liabilities	2,455	2,479	
Total Non-current liabilities	26,703	18,211	
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15,899	18,320	
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises	122	84	
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	9,671	13,982	
(iii) Other financial liabilities	12,972	12,270	
(b) Other current liabilities	4,743	4,815	
(c) Provisions	138	129	
(d) Current tax liabilities (net)	45	45	
Total Current liabilities	43,590	49,645	
Total Equity and Liabilities	1,50,497	1,47,169	



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Notes:-

- The above results of Vedanta Limited ("the Company"), for the quarter and half year ended September 30, 2018 have been reviewed by the Audit Committee at its meeting held on October 30, 2018 and approved by the Board of Directors in its meeting held on October 31, 2018. The statutory auditors have carried out limited review of the same.
- The Board of Directors declared an interim dividend @ 1,700% i.e. ₹ 17 per equity share of ₹ 1 each. The record date for the payment of interim dividend is November 10, 2018. The Board of Directors vide circular resolution dated October 10, 2018 also approved the dividend @ 7.5% p.a. on the redeemable preference shares of face value of ₹ 10 each for a period from April 1, 2018 till October 27, 2018, as per their terms of issuance. These preference shares were redeemed, along with dividend on October 26, 2018.
- The Government of India, acting through the Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas (the "GoI") has granted its approval for a ten-year extension of the PSC for the Rajasthan Block, RJ-ON-90/1 (the "RJ Block") with effect from May 15, 2020. Such extension has been granted by the GoI, pursuant to its policy dated April 07, 2017 for extension of Pre-New Exploration Licensing Policy ("Pre-NELP") Exploration Blocks PSCs signed by the GoI (the "Pre-NELP Extension Policy"), subject to certain conditions. The applicability of the Pre-NELP Extension Policy to the RJ Block PSC is currently sub judice.
- Exceptional items comprises of the following:

(₹ in Crore)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited)	30.09.2018 (Unaudited)	30.09.2017 (Unaudited)	31.03.2018 (Audited)
Impairment reversal/(charge)						
- relating to investment in subsidiary- Cairn India Holdings Limited	-	52	581	52	581	3,358
- relating to property, plant & equipment and exploration assets- Oil & gas segment ^(a)	261	-	(109)	261	(109)	3,513
- relating to assets in Goa - Iron ore segment	-	-	-	-	-	(452)
- relating to investment in subsidiary- Sesa Resources Limited	-	-	-	-	-	(648)
Reversal/(Charge) pursuant to arbitration order/ Supreme court order	59	-	-	59	-	(113)
Loss relating to non-usable items of CWIP	-	-	-	-	-	(251)
Net exceptional gain	320	52	472	372	472	5,407
Tax (expense)/benefit on above	(112)	-	38	(112)	38	(942)
Net exceptional gain (net of tax)	208	52	510	260	510	4,465

- ₹ 261 Crore for the quarter ended September 30, 2018 represents non-cash reversal of previously recorded impairment charge following the start of commercial production in Krishna Godavari Onshore block.
- The Company's application for renewal of Consent to Operate (CTO) for existing copper smelter was rejected by Tamil Nadu Pollution Control Board (TNPCB) in April 2018. Subsequently the Government of Tamil Nadu issued directions to seal the existing copper smelter plant permanently.

The Company has appealed before the National Green Tribunal (NGT), Principal Bench and the matter is presently sub judice.

Further, 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. Ministry of Environment and Forests (MoEF) has delisted the expansion project since the matter is sub judice. However, in the meanwhile, SIPCOT cancelled the land allotted for the proposed Expansion Project and TNPCB issued order directing the withdrawal of the Consent to Establish (CTE) which was valid till March 31, 2023.

The Company has approached Madras High Court by way of writ petition challenging the cancellation of lease deeds by SIPCOT pursuant to which an interim stay has been granted. The Company has also filed Appeals before the TNPCB Appellate Authority challenging withdrawal of CTE by the TNPCB.

As per the Company's assessment, it is in compliance with the applicable regulations and hence does not expect any material adjustments to these financial results as a consequence of the above actions.
 - Effective April 01, 2018, the Company has adopted Ind AS 115 Revenue from Contracts with customers under the modified retrospective approach without adjustment of comparatives. The Standard is applied to contracts that remain in force as at April 01, 2018. The application of the standard did not have any significant impact on the retained earnings as at April 01, 2018 and financial results for the current and previous quarter.
 - With effect from July 01, 2017, Goods and Service tax ('GST') has been implemented which has replaced several indirect taxes including excise duty. While Ind-AS required excise duty to be included while computing revenues, GST is required to be excluded from revenue computation. Accordingly 'Revenue from Operations (Net of excise duty)' has been additionally disclosed in these results to enhance comparability of financial information.



- 8 Additional disclosures as per Regulation 52(4) & 52(6) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015:

a) Previous due date of Interest/Principal repayment, payment made on respective due date:

S.No.	Particulars	Previous Due Date (April 1, 2018 to September 30, 2018)	
		Principal Due Date	Interest Due Date
1	INE268A07145 bearing int @ 9.10% #	April 5, 2018	April 5, 2018
2	INE205A07113 bearing int @ 7.60%		May 31, 2018
3	INE268A07152 bearing int @ 9.17% #	July 4, 2018	July 4, 2018
4	INE268A07160 bearing int @ 9.17% #	July 5, 2018	July 5, 2018
5	INE205A07030 bearing int @ 9.45%		August 18, 2018

Call option was exercised by the company, basis which NCDs became due for repayment.

b) Next due date of Interest/Principal repayment along with amount due is as follows:

S.No.	Particulars	Next Due Date and Amount due (October 1, 2018 to March 31, 2019)			
		Principal Due Date	Amount Due (₹ Crore)	Interest Due Date	Amount Due (₹ Crore)
1	INE205A07089 bearing int @ 8.25%			October 29, 2018	25
2	INE205A07097 bearing int @ 7.95%			November 22, 2018	24
3	INE205A07105 bearing int @ 7.50%			November 30, 2018	15
4	INE205A07121 bearing int @ 7.80%			December 20, 2018	39

c) During the six months ended September 30, 2018, CRISIL maintained the long term rating / outlook on Vedanta's NCD's at "AA/Positive".

d) The Listed Non-Convertible debentures of the company aggregating ₹ 9,900 Crore as on September 30, 2018 are secured by way of first mortgage/charge on certain assets of the company, and the asset cover thereof exceeds 125% and 100% of the principal amount of ₹ 2,000 Crore and ₹ 7,900 Crore respectively, as required as per the terms of the Issue.

(₹ in Crore except otherwise stated)

Particulars	September 30, 2018	March 31, 2018
e) Net Worth (Equity + Reserves and surplus)	80,204	79,313
f) Debenture Redemption Reserve	868	1,430
g) Interest Service Coverage Ratio (No. of times)	3.01	3.08
h) Debt Service Coverage Ratio (No. of times)	0.94	1.00
i) Debt-Equity Ratio (No. of times)	0.56	0.51

j) The Company is also having 301 Crore, 7.5% redeemable non-cumulative preference shares having face value of ₹ 10 per share issued to non-controlling shareholders of erstwhile Cairn India Limited on April 28, 2017. These preference shares were redeemed along with dividend on October 26, 2018. Refer note 2 for dividend declared during the period.

Formulae for computation of ratios are as follows:

a)	Debt equity ratio	Debt / (paid up equity capital + reserves and surplus)
b)	Debt service coverage ratio	Earnings before interest, depreciation, tax and exceptional items / (interest expense + principal payments of long term loans)
c)	Interest service coverage ratio	Earnings before interest, depreciation, tax and exceptional items / interest expense

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

Place : Mumbai
Dated : October 31, 2018



By Order of the Board

Navin Agarwal
Executive Chairman