

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

1. We have reviewed the accompanying statement of unaudited consolidated Ind AS financial results of Vedanta Limited (the 'Company') comprising its subsidiaries (together referred to as 'the Group'), its associates and jointly controlled entities, for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 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 and based on the consideration of the reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of subsidiaries, associates and jointly controlled entities, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated Ind AS financial results prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards 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.
5. We did not review the financial results and other financial information, in respect of 8 subsidiaries, whose Ind AS financial results include total assets of Rs 13,692 crore and net assets of Rs 6,673 crore as at December 31, 2018, and total revenues of Rs 1,850 crore and Rs 4,103 crore for the quarter and the nine months period ended on that date respectively. These Ind AS financial results and other financial information have been reviewed by other auditors, which financial results, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net profit of Rs. Nil and Rs Nil for the quarter and the nine months period ended December 31, 2018 respectively, as considered in the consolidated Ind AS financial results, in respect of 1 associate, whose financial results and other financial information have been reviewed by other auditors and whose reports have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries and associate is based solely on the report of other auditors. Our conclusion is not modified in respect of this matter.
6. 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 reviewed 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



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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.

7. The accompanying consolidated Ind AS financial results include unreviewed financial results and other unreviewed financial information in respect of 9 subsidiaries and 1 non operated unincorporated joint venture, whose financial results and other financial information reflect total assets of Rs 5,783 crore and net assets of Rs 475 crore as at December 31, 2018, and total revenues of Rs 167 crore and Rs 524 crore for the quarter and the nine months period ended on that date respectively. Additionally, the accompanying consolidated Ind AS financial results also includes un-reviewed financial results and other un-reviewed financial information in respect of a subsidiary acquired on June 4, 2018 for which financial information from the date of acquisition upto June 30, 2018 is un-reviewed. Such financial results and other financial information from the date of acquisition upto June 30, 2018 reflect total revenues of Rs. 326 crore. These unreviewed financial results and other unreviewed financial information have been furnished to us by the management. The consolidated Ind AS financial results also include the Group's share of net profit of Rs. Nil and Rs Nil for the quarter and the nine months period ended December 31, 2018 respectively, as considered in the consolidated Ind AS financial results, in respect of 1 associate and 3 jointly controlled entities, whose financial results and other financial information have not been reviewed and whose unreviewed financial results and other unreviewed financial information have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of these subsidiaries, unincorporated joint venture, associates and jointly controlled entities, is based solely on such unreviewed financial results and other unreviewed financial information. According to the information and explanations given to us by the management, these financial results and other financial information are not material to the Group. Our conclusion is not modified in respect of this matter.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per **Raj Agrawal**
Partner

Membership No.: 82028

Gurugram

January 31, 2019





Vedanta Limited
CEN 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 CONSOLIDATED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

(₹ in Crore except as stated)

S. No.	Particulars	Quarter ended			Nine months ended		Year ended 31.03.2018 (Audited)
		31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	
1	Revenue						
	Revenue from operations (Net of excise duty)	23,669	22,705	24,361	68,580	64,236	91,866
	Add: Excise duty	-	-	-	-	1,057	1,057
	Revenue from operations (Gross of excise duty)	23,669	22,705	24,361	68,580	65,293	92,923
2	Other income	1,398	574	481	2,390	2,288	3,205
	Total Income	25,067	23,279	24,842	70,970	67,581	96,128
3	Expenses						
a)	Cost of materials consumed	7,148	6,689	8,205	18,952	22,582	31,582
b)	Purchases of stock-in-trade	107	167	134	582	210	220
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(369)	(179)	(12)	(150)	(644)	450
d)	Power & fuel charges	4,949	4,754	3,992	13,810	9,946	14,026
e)	Employee benefits expense	744	786	601	2,255	1,835	2,496
f)	Excise duty on sales	-	-	-	-	1,057	1,057
g)	Finance costs	1,358	1,478	1,125	4,288	3,907	5,112
h)	Depreciation, depletion and amortization expense	2,207	1,931	1,645	5,934	4,600	6,283
i)	Other expenses	5,445	5,355	4,766	16,163	13,139	18,230
4	Total expenses	21,589	20,981	20,456	61,834	56,632	79,456
5	Profit before exceptional items and tax	3,478	2,298	4,386	9,136	10,949	16,672
6	Net exceptional gain/(loss) (Refer note 3)	-	320	(158)	320	28	2,897
7	Profit before tax	3,478	2,618	4,228	9,456	10,977	19,569
8	Tax expense:						
	On other than exceptional items						
a)	Net Current tax expense	774	555	746	1,998	1,999	2,867
b)	Net Deferred tax expense	372	51	651	866	937	2,472
c)	Distribution tax credit on dividend from subsidiaries	-	-	-	-	-	(1,536)
	On Exceptional items (Refer note 3)						
a)	Net Current tax expense	-	-	-	-	51	51
b)	Net Deferred tax expense/(benefit)	-	112	(38)	112	(27)	2,023
	Net tax expense:	1,146	718	1,359	2,976	2,960	5,877
9	Profit after tax before share in profit of jointly controlled entities and associates and non-controlling interests	2,332	1,900	2,869	6,480	8,017	13,692
10	Add: Share in profit of jointly controlled entities and associates	0	0	0	0	0	0
11	Profit after share in profit of jointly controlled entities and associates (a)	2,332	1,900	2,869	6,480	8,017	13,692
12	Other Comprehensive Income						
i.	(a) Items that will not be reclassified to profit or loss	(3)	1	33	(37)	63	97
	(b) Tax benefit/(expense) on items that will not be reclassified to profit or loss	1	13	0	20	10	3
ii.	(a) Items that will be reclassified to profit or loss	(759)	961	(327)	905	(399)	2,042
	(b) Tax (expense)/benefit on items that will be reclassified to profit or loss	(111)	109	78	(32)	150	34
	Total Other Comprehensive Income (b)	(872)	1,084	(216)	856	(176)	2,176
13	Total Comprehensive Income (a + b)	1,460	2,984	2,653	7,336	7,841	15,868
14	Profit attributable to:						
a)	Owners of Vedanta Limited	1,574	1,343	1,994	4,450	5,540	10,342
b)	Non-controlling interests	758	557	875	2,030	2,477	3,350
15	Other comprehensive income attributable to:						
a)	Owners of Vedanta Limited	(850)	1,112	(172)	964	(118)	2,108
b)	Non-controlling interests	(22)	(28)	(44)	(108)	(58)	68
16	Total comprehensive income attributable to:						
a)	Owners of Vedanta Limited	724	2,455	1,822	5,414	5,422	12,450
b)	Non-controlling interests	736	529	831	1,922	2,419	3,418
17	Net profit after taxes, non-controlling interests and share in profit of jointly controlled entities and associates but before exceptional items	1,574	1,135	2,114	4,242	5,805	9,561
18	Paid-up equity share capital (Face value of ₹ 1 each)	372	372	372	372	372	372
19	Reserves excluding Revaluation Reserves as per balance sheet						62,940
20	Earnings per share after exceptional items (₹) (*not annualised)						
	-Basic	4.25 *	3.62 *	5.38 *	12.01 *	14.93 *	28.30
	-Diluted	4.23 *	3.61 *	5.36 *	11.96 *	14.90 *	28.24
21	Earnings per share before exceptional items (₹) (*not annualised)						
	-Basic	4.25 *	3.06 *	5.70 *	11.44 *	15.11 *	26.17
	-Diluted	4.23 *	3.05 *	5.69 *	11.40 *	15.07 *	26.11



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S. No.	Segment Information	Quarter ended			Nine months ended		(₹ in Crores)
		31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	Year ended 31.03.2018 (Audited)
1	Segment Revenue						
a)	Oil & Gas	3,350	3,479	2,413	10,048	6,787	9,536
b)	Zinc, Lead and Silver						
	(i) Zinc & Lead - India	4,810	4,048	5,334	13,532	14,453	19,999
	(ii) Silver - India	678	599	519	1,824	1,511	2,148
	Total	5,488	4,647	5,853	15,356	15,964	22,147
c)	Zinc - International	622	541	970	1,736	2,624	3,446
d)	Iron Ore	658	615	843	2,061	2,104	3,174
e)	Copper	2,763	2,376	5,898	7,936	17,457	24,975
f)	Aluminium	7,708	7,888	6,514	22,990	16,276	23,434
g)	Power	1,623	1,718	1,724	4,931	3,888	5,652
h)	Others	1,404	1,324	37	3,243	84	280
	Total	23,616	22,588	24,252	68,301	65,184	92,644
	Less: Inter Segment Revenue	57	38	48	124	200	215
	Sales/income from operations	23,559	22,550	24,204	68,177	64,984	92,429
	Other operating income	110	155	157	403	309	494
	Revenue from operations (Gross of excise duty)	23,669	22,705	24,361	68,580	65,293	92,923
2	Segment Results (Profit / (loss) before tax and interest)						
a)	Oil & Gas	1,276	1,427	791	3,981	2,314	3,852
b)	Zinc, Lead and Silver						
	(i) Zinc & Lead - India	1,763	1,277	2,450	4,926	6,395	8,949
	(ii) Silver - India	588	508	450	1,569	1,275	1,822
	Total	2,351	1,785	2,900	6,495	7,670	10,771
c)	Zinc - International	83	(73)	400	36	1,024	1,232
d)	Iron Ore	76	64	124	266	47	182
e)	Copper	(122)	(39)	192	(316)	550	844
f)	Aluminium	(229)	(27)	210	522	412	829
g)	Power	185	167	451	635	642	1,095
h)	Others	171	93	(2)	265	(15)	(36)
	Total	3,791	3,397	5,066	11,884	12,644	18,769
	Less: Finance costs	1,358	1,478	1,125	4,288	3,907	5,112
	Add: Other unallocable income net off expenses	1,045	379	445	1,540	2,212	3,015
	Profit before exceptional items and tax	3,478	2,298	4,386	9,136	10,949	16,672
	Add: Net exceptional gain/(loss) (Refer note 3)	-	320	(158)	320	28	2,897
	Profit before tax	3,478	2,618	4,228	9,456	10,977	19,569
3	Segment assets						
a)	Oil & Gas	27,949	28,564	16,499	27,949	16,499	23,361
b)	Zinc, Lead and Silver - India	20,099	18,903	17,957	20,099	17,957	17,777
c)	Zinc - International	6,003	5,984	4,842	6,003	4,842	5,597
d)	Iron Ore	3,058	3,006	5,747	3,058	5,747	3,246
e)	Copper	9,235	9,494	11,719	9,235	11,719	10,168
f)	Aluminium	57,073	56,295	55,731	57,073	55,731	55,523
g)	Power	20,842	20,729	19,452	20,842	19,452	20,615
h)	Others	8,977	8,911	2,613	8,977	2,613	2,821
i)	Unallocated	41,572	49,006	50,025	41,572	50,025	45,477
	Total	1,94,808	2,00,892	1,84,585	1,94,808	1,84,585	1,84,585
4	Segment liabilities						
a)	Oil & Gas	9,222	9,104	5,660	9,222	5,660	5,525
b)	Zinc, Lead and Silver - India	4,150	5,274	3,899	4,150	3,899	5,074
c)	Zinc - International	991	1,144	933	991	933	1,108
d)	Iron Ore	1,078	1,074	1,532	1,078	1,532	1,688
e)	Copper	3,575	4,294	12,809	3,575	12,809	9,016
f)	Aluminium	18,130	18,032	16,430	18,130	16,430	16,382
g)	Power	2,006	2,291	2,173	2,006	2,173	2,130
h)	Others	1,082	1,296	287	1,082	287	229
i)	Unallocated	79,026	73,010	59,091	79,026	59,091	64,160
	Total	1,19,260	1,15,519	1,02,814	1,19,260	1,02,814	1,05,312

The main business segments are,

(a) Oil & Gas which consists of exploration, development and production of oil and gas

(b) Zinc which consists of mining of ore, manufacturing of zinc and lead ingots and silver, both from own mining and purchased concentrate

(c) Iron ore including pig iron, metallurgical coke

(d) 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, phosphoric acid (Refer note 4)

(e) Aluminium which consist of mining of bauxite and manufacturing of alumina and various aluminium products

(f) Power excluding captive power but including power facilities predominantly engaged in generation and sale of commercial power and

(g) Other business segment comprises of port/berth, glass substrate and steel. The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and liabilities, respectively. Increase in assets and liabilities of 'Others Segment' is mainly on account of acquisition of Electrosteel Steels Limited in the quarter ended June 30, 2018. The transaction has been presently accounted for on a provisional basis as permitted by Ind AS 103.

Additional intra segment information of revenues and results for the Zinc, Lead and Silver segment have been provided to enhance understanding of segment business.

Export incentives have been included under respective segment revenues.



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Notes:-

- 1 The above consolidated results of Vedanta Limited ("the Company") and its subsidiaries, jointly controlled entities, and associates for the quarter and nine months ended December 31, 2018 have been reviewed by the Audit Committee at its meeting held on January 30, 2019 and approved by the Board of Directors at its meeting held on January 31, 2019. The statutory auditors have carried out a limited review of the same.
- 2 The Government of India, acting through the Directorate General of Hydrocarbons, Ministry of Petroleum and Natural Gas (the "GoI"), in October 2018, has granted its approval for an extension of the Production Sharing Contract (PSC) for the Rajasthan Block, RJ-ON-90/1 (the "RJ Block"), for a period of ten years 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. The effects of the same have been accounted for from the date of approval and the same has no material effect on the profit for the current period.
- 3 Exceptional items comprises of the following:

Particulars	Quarter ended			Nine months ended		(₹ in Crore)
	31.12.2018 (Unaudited)	30.09.2018 (Unaudited)	31.12.2017 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
Impairment reversal/(charge) relating to property, plant and equipment and exploration assets – Oil and Gas	-	261	-	261	(109)	6,907
Impairment charge relating to iron ore segment	-	-	-	-	-	(2,329)
Loss relating to non-usable items of CWIP	-	-	-	-	-	(251)
Reversal of provision for district mineral fund pursuant to a ruling by the Supreme Court	-	-	-	-	295	295
Foreign Currency Translation Loss reclassified from equity to profit and loss relating to subsidiaries under liquidation	-	-	-	-	-	(1,485)
Reversal/ (charge) pursuant to arbitration order/ Supreme court order	-	59	(113)	59	(113)	(113)
Others	-	-	(45)	-	(45)	(127)
Net exceptional gain/(loss)	-	320	(158)	320	28	2,897
Tax (expense)/ benefit on above	-	(112)	38	(112)	(24)	(2,074)
Non-controlling interests on above	-	-	-	-	(69)	(42)
Net exceptional gain/(loss) net of tax and non-controlling interests	-	208	(120)	208	(65)	781

- 4 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 National Green Tribunal (NGT), Principal Bench vide its order on December 15, 2018 has set aside the impugned orders and directed the TNPCB to pass fresh orders of renewal of consent and authorization to handle hazardous substances, subject to appropriate conditions for protection of environment in accordance with law within three weeks from this order. The order, which has been challenged before the Hon'ble Supreme Court, is subject to complying with certain directions as specified in the order. Meanwhile, the order of the Madurai bench of Madras High Court on maintaining 'Status quo' has been stayed by the Hon'ble Supreme Court vide its order dated January 8, 2019.

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 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 and the same is scheduled for hearing on February 05, 2019.

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.



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- 5 During the current quarter one of the subsidiaries of the Company has done a full and final settlement with one of its contractors against its various claims. Basis the settlement agreement, the contractor has agreed to compensate for losses incurred by the said subsidiary aggregating to ₹ 346 Crore, which has been credited to statement of profit and loss as 'other income'.
- 6 During the quarter ended December 31, 2018, as part of its cash management activities, Cairn India Holdings Limited (CIHL), a wholly owned foreign subsidiary of the Company, paid a part sum of US\$200 million (₹ 1,431 Crore) towards purchase of an economic interest in a structured investment in Anglo American PLC from its ultimate parent, Volcan Investments Limited ("Volcan"). The ownership of the underlying shares, and the associated voting interest, remains with Volcan. The investment has subsequently performed positively, on an unrealised mark to market basis.
- 7 Effective April 01, 2018, the Group 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 or on these financial results.
- 8 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.
- 9 Previous period/year figures have been re-grouped/ rearranged, wherever necessary.

By Order of the Board


Navin Agarwal
Executive Chairman

Place : Mumbai

Dated : January 31, 2019



