

**MALCO ENERGY LIMITED**

**CIN:** U31300MH2001PLC428719

**Registered Office:** C-103 Atul Projects, Corporate Avenue New Link Road Chakala Andheri (E), Chakala MIDC, Mumbai - 400093, Maharashtra, India

**Phone:** 022 6643 4500

**Email:** [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

**NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF MALCO ENERGY LIMITED  
PURSUANT TO THE ORDER DATED NOVEMBER 21, 2024, OF THE HON'BLE  
NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

Meeting of the Secured Creditors of Malco Energy Limited	
Day	Tuesday
Date	February 18, 2025
Time	03:00 pm IST
Mode of Meeting	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the meeting shall be conducted through Video Conferencing / Other Audio-Visual Means.
<b>Details of E-Voting:</b>	
Cut-off day & date for e-voting	Monday, September 30, 2024
Remote e-voting start day, date & time	Thursday, February 13, 2025; 09:00 am IST
Remote e-voting end day, date & time	Monday, February 17, 2025; 05:00 pm IST
E-voting at the Meeting	As per the instructions provided in the notice.

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The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. 01 – 40) and **Annexure A to Annexure X15** (page nos. 41-929) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH  
COMPANY SCHEME APPLICATION NO. C.A.(CAA) / MB/171 /2024**

**IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES  
ACT, 2013**

**AND**

**IN THE MATTER OF THE SCHEME OF ARRANGEMENT BETWEEN VEDANTA LIMITED ("DEMERGED COMPANY") AND VEDANTA ALUMINIUM METAL LIMITED ("RESULTING COMPANY 1") AND TALWANDI SABO POWER LIMITED ("RESULTING COMPANY 2") AND MALCO ENERGY LIMITED ("RESULTING COMPANY 3") AND VEDANTA BASE METALS LIMITED ("RESULTING COMPANY 4") AND VEDANTA IRON AND STEEL LIMITED ("RESULTING COMPANY 5") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME").**

**VEDANTA LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 1956 having its registered office at 1<sup>st</sup> )  
floor, C Wing, Unit 103, Corporate Avenue Atul Projects, )  
Chakala, Andheri (East), Mumbai, Maharashtra, India – )  
400093 )

CIN: L13209MH1965PLC291394 ) ... Demerged Company

**VEDANTA ALUMINIUM METAL LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 2013 having its registered office at C-103 )  
Atul Projects, Corporate Avenue New Link Chakala )  
MIDC, Mumbai, Maharashtra, India – 400093 )

CIN: U24202MH2023PLC411663 ) ... Resulting Company 1

**TALWANDI SABO POWER LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 1956 having its registered office at C-103 )  
Atul Projects, Corporate Avenue New Link Road, )  
Chakala, Andheri (E), Chakala MIDC, Mumbai, )  
Maharashtra, India – 400093 )

CIN: U40101MH2007PLC433557 ) ... Resulting Company 2

**MALCO ENERGY LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 1956 having its registered office at C- )  
103 Atul Projects, Corporate Avenue New Link Road )  
Chakala Andheri (E), Chakala MIDC, Mumbai, )  
Maharashtra, India – 400093 )

CIN: U31300MH2001PLC428719 ) .... Resulting Company 3

**VEDANTA BASE METALS LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 2013 having its registered office at C-103 )  
Atul Projects, Corporate Avenue New Link, Chakala )  
MIDC, Mumbai, Maharashtra, India – 400093 )

) .... Resulting Company 4\*

**VEDANTA IRON AND STEEL LIMITED**

a Company incorporated under the provisions of the  
Companies Act, 2013 having its registered office at C-103  
Atul Projects, Corporate Avenue New Link Chakala  
MIDC, Mumbai, Maharashtra, India – 400093

CIN: U24109MH2023PLC411777

.... Resulting Company 5

*\*Subsequent to the Order (as defined hereinafter), the board of directors (“Board”) of the Demerged Company, Resulting Company 4 and other Resulting Companies (as defined hereinafter) have, by way of their resolutions dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively, decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme (as defined hereinafter). Accordingly, the Board of the Demerged Company, Resulting Company 4 and other Resulting Companies have approved the updated Scheme of Arrangement, between the Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Resulting Company 5 and their respective shareholders and creditors.*

**NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS OF MALCO ENERGY LIMITED**

To,

All the secured creditors of Malco Energy Limited

1. **NOTICE** is hereby given that by an order dated November 21, 2024 (the “**Order**”) the Mumbai Bench of the Hon’ble National Company Law Tribunal (“**NCLT**” or “**Tribunal**”) has directed a meeting to be convened and held of the secured creditors of Malco Energy Limited (“**Resulting Company 3**”), for the purpose of considering, and if thought fit, approving the proposed Scheme of Arrangement between Vedanta Limited (“**Demerged Company**”) and Vedanta Aluminium Metal Limited (“**Resulting Company 1**”) and Talwandi Sabo Power Limited (“**Resulting Company 2**”) and Resulting Company 3 and Vedanta Base Metals Limited (“**VBML**”) and Vedanta Iron and Steel Limited (“**Resulting Company 4**”) and their respective shareholders and creditors pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 (the “**Act**”) (“**Original Scheme**”).
2. Subsequent to the Order, pursuant to paragraphs 44, 46 and 51 of the Original Scheme, the board of directors (“**Board**”) of the Demerged Company, VBML and the Resulting Companies, have by way of their resolutions dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively, decided to not proceed with implementation of Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies have approved the updated Scheme of Arrangement, between the Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Resulting Company 4 and their respective shareholders and creditors (“**Scheme**”). A copy of the Scheme is enclosed herewith as **Annexure A**. Copies of the board resolutions of the Demerged Company, VBML and the Resulting Companies are enclosed herewith as **Annexure C1 – C3**. A copy of the intimation made by the Demerged Company on BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”) regarding non-implementation of Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme is enclosed herewith as **Annexure D**.
3. Pursuant to the Order and as directed therein, Notice is hereby given that a meeting of the secured creditors of the Resulting Company 3 will be held on Tuesday, February 18, 2025 at 03:00 pm IST (“**Meeting**”), through Video Conferencing/Other Audio Visual Means (“**VC**”/“**OAVM**”), in compliance with the applicable provisions of the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) to consider, and, if thought fit, to pass the following resolution for approval of the Scheme by the requisite majority as prescribed under Section 230(1) read with Section 230(6) of the Act (as amended from time to time):

**“RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 (the “**Act**”) read with the rules, circulars, and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and the provisions of the Memorandum and Articles of Association of the Resulting Company 3, and subject to approval of the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”) and/or the National Company Law Appellate Tribunal or such other forum or authority as may be vested with the appellate jurisdiction in relation to approval of the

*Scheme (defined hereinbelow) and such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Resulting Company 3 (hereinafter referred to as the “Board”, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the proposed arrangement embodied in the Scheme of Arrangement between Vedanta Limited and Vedanta Aluminium Metal Limited and Talwandi Sabo Power Limited and Malco Energy Limited and Vedanta Iron and Steel Limited and their respective shareholders and creditors (“Scheme”), as per the draft enclosed as **Annexure A** to this notice, be and is hereby approved.*

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modification(s), amendment(s), withdrawal(s) (of one or more of Part II, Part III, Part IV and Part V of the Scheme), limitation(s) and/or condition(s), if any, which may be required and/or imposed by the Hon’ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be determined by the Board or required for the purpose of resolving any doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts, transfer/vesting of such assets and liabilities, as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper, without being required to seek any further approval of the Secured Creditors and the Secured Creditors shall be deemed to have given their approval thereto expressly by authority under this Resolution”

4. **TAKE FURTHER NOTICE** that the Hon’ble NCLT has appointed Mr. A R Narayanaswamy, Independent Director of the Resulting Company 3, and failing him, Mr. Dindayal Jalan, Independent Director of the Demerged Company, as the Chairperson of the Meeting, including for any adjournment thereof. Accordingly, Mr. Dindayal Jalan will be the Chairperson of the Meeting. Further, the Hon’ble NCLT has appointed Mr. Upendra Shukla, Practicing Company Secretary (Membership No. 2727), as the Scrutinizer for the Meeting, including for any adjournment thereof.
5. **TAKE FURTHER NOTICE** subsequent to the Order, pursuant to paragraphs 44, 46 and 51 of the Original Scheme, the Board of the Demerged Company, VBML and the Resulting Companies, have by way of their resolutions dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively, decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies have approved the updated Scheme, between the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4. All other terms as envisaged in the Original Scheme shall remain unaffected and will be implemented in accordance with the terms thereof.
6. **TAKE FURTHER NOTICE** that the secured creditors shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-voting system available at the Meeting to be held through VC / OAVM; or (b) by remote electronic voting (“**remote e-voting**”) during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of voting	Thursday, February 13, 2025; 09:00 am IST
End of voting	Monday, February 17, 2025; 05:00 pm IST

7. **TAKE FURTHER NOTICE** that a person whose name appears in the list of secured creditors of the Resulting Company 3 as on the cut-off date, i.e., September 30, 2024 (“**Cut-off Date**”), only shall be entitled to exercise his/her/its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an secured creditor as on the cut-off date, should treat the Notice for information purposes only.
8. **TAKE FURTHER NOTICE** that each secured creditor can opt for only one mode of voting. If the secured creditors opt for remote e-voting, they will be entitled to attend and participate in the Meeting but will not be entitled to vote again during the Meeting.
9. **TAKE FURTHER NOTICE** that a copy of the Scheme, the Explanatory Statement under Sections 230, 232 and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**CAA Rules**”), along with the enclosures as indicated in the Index, are enclosed herewith. A copy of this notice and the accompanying documents will be placed on the website of the Demerged Company at [www.vedantalimited.com](http://www.vedantalimited.com), and also on the website of National Securities Depository Limited (“**NSDL**”) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Pursuant to Rule 11 of the CAA Rules, a copy of the Scheme along with explanatory statement shall be furnished by the Resulting Company 3, on requisition from secured creditors to the Resulting

Company 3 on its email id: [compliance.officer@vedanta.co.in](mailto:compliance.officer@vedanta.co.in).

10. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approval(s), permission(s) and sanction(s) of regulatory or other authorities, as may be necessary.

**Sd/-**  
**Mr. Dindayal Jalan**  
**Independent Director of the Demerged Company**  
**DIN: 00006882**  
**Chairperson appointed for the Meeting**

Place: Mumbai

Date: January 17, 2025

Regd. Office: 1<sup>st</sup> floor, C Wing, Unit 103, Corporate Avenue Atul Projects, Chakala Andheri (East) Mumbai, Maharashtra, India – 400093

CIN: U31300MH2001PLC428719

Website: [www.vedantalimited.com](http://www.vedantalimited.com)

Email: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

Tel: +91 22 6643 4500

## NOTES:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench ("**Tribunal**") vide its Order dated November 21, 2024 ("**Tribunal Order**"), the Meeting of the secured creditors of the Resulting Company 3 is being conducted through video conferencing ("**VC**") / other audio-visual means ("**OAVM**") facility to transact the business set out in the Notice convening this Meeting. The deemed venue for the Meeting shall be the Registered Office of the Resulting Company 3 situated at 1<sup>st</sup> floor, C Wing, Unit 103, Corporate Avenue Atul Projects, Chakala Andheri (East) Mumbai, Maharashtra, India – 400093.
2. Since this Meeting is being held through VC/OAVM, physical attendance of secured creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the secured creditors will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed hereto. However, in pursuance of Section 112 and Section 113 of the Act, authorized representatives of institutional/ corporate secured creditors may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such secured creditor sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, on its behalf. The scanned image of the abovementioned documents should be in the name format 'MEL'. The said resolution/authorization shall be sent to the scrutinizer by email through his registered email id address to [vedlscrutinizer@gmail.com](mailto:vedlscrutinizer@gmail.com) and to the Resulting Company 3 at [compliance.officer@vedanta.co.in](mailto:compliance.officer@vedanta.co.in), with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) at least 48 hours before the VC/OAVM Meeting or before the remote e-voting, as the case may be. The corporate secured creditors can also upload documents in NSDL e-voting system for verification by scrutinizer.
3. Secured creditors attending the Meeting through VC / OAVM shall be reckoned for the purpose of quorum. In terms of the Tribunal Order, the quorum for the Meeting shall be 1 (one) secured creditor.
4. Pursuant to the directions of the Tribunal given under the Tribunal Order and Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, SS-2, and in accordance with the requirements prescribed by the Ministry of Corporate Affairs ("**MCA**") for holding general meetings through e-voting vide General Circular No. 09/2024 dated September 19, 2024, read with previous circulars issued by MCA in this regard (collectively referred to as "**MCA Circulars**"), the Resulting Company 3 is providing to the secured creditors the facility to exercise their right to vote at the Meeting by electronic means, i.e., remote e-Voting and e-Voting at the Meeting (hereinafter referred to as "**e-Voting**"). For this purpose, the Resulting Company 3 has entered into an agreement with National Securities Depository Limited ("**NSDL**") for facilitating voting through electronic means, as the authorized agency.
5. As per directions of the Tribunal Order and in terms with the MCA circulars, the Notice of the Meeting and the accompanying documents mentioned in the Index are being sent only through electronic mail to those secured creditors whose email addresses are registered with the Resulting Company 3 / Depositories/ Registrar and Transfer Agent ("**RTA**") of the Company i.e. Kfin Technologies Limited (formerly known as KFin Technologies Private Limited) ("**Kfin**").
6. A person whose name appears in the list of creditors of the Resulting Company 3 as on the cut-off date (specified in the Notice) only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not a secured creditor as on the cut-off date, should treat the Notice for information purpose only.
7. The Statement pursuant to Section 230 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**CAA Rules**") in respect of the business set out in the Notice of the Meeting is annexed hereto.
8. The Notice convening Meeting will be published through advertisement in Business Standard, all India edition in English and Navshakti, Mumbai edition in Marathi having circulation in Maharashtra.
9. No route map of the venue of the Meeting is annexed hereto, since this Meeting is being held through VC / OAVM.
10. A copy of the Scheme, Statement under Section 230 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to Statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Demerged Company and can be accessed at: [www.vedantalimited.com](http://www.vedantalimited.com); the website of NSDL viz. [www.evoting.nsdl.com](http://www.evoting.nsdl.com), being the agency appointed by the Resulting Company 3 to provide e-voting and other facilities for the Meeting. All the documents referred to in the accompanying Statement, shall be available for inspection through electronic mode during the proceedings of the Meeting. Secured creditors seeking to inspect copies of the said documents may send an email at [compliance.officer@vedanta.co.in](mailto:compliance.officer@vedanta.co.in).

11. If so desired, secured creditors may obtain a physical copy of the Notice and the accompanying documents, i.e., Scheme and the Statement under Section 230 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules, 2016 etc., free of charge. A written request in this regard, along with details including name, address, Permanent Account Number (“PAN”), mobile number and email address, may be addressed at [compliance.officer@vedanta.co.in](mailto:compliance.officer@vedanta.co.in).
12. The Scheme shall be considered approved by the secured creditors of the Resulting Company 3 if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the secured creditors voting at the Meeting through VC/OAVM or by remote e-voting, in terms of the provisions of Section 230 of the Act.
13. **Procedure for joining the meeting through VC / OAVM:**
- Secured creditors of the Resulting Company 3 will be able to attend the Meeting through VC / OAVM or view the live webcast of the Meeting provided by NSDL by following the instructions provided in the notes to the Notice of the Meeting.
  - Facility to join the Meeting shall be opened 30 (thirty) minutes before the scheduled time of the Meeting and shall be kept open throughout the proceedings of the Meeting.
  - Secured creditors requiring any assistance/ support for participation before or during the Meeting, can contact NSDL on [evoting@nsdl.com](mailto:evoting@nsdl.com) or can call at 022 4886 7000 or contact Ms. Pallavi Mhatre – Senior Manager, NSDL, at the designated e-mail id: [evoting@nsdl.com](mailto:evoting@nsdl.com).
14. **Procedure and Instructions relating to e-voting:**
- Instructions relating to e-voting:**
    - Pursuant to the directions of the Tribunal given under the Tribunal Order, the Resulting Company 3 is providing facility to its secured creditors to exercise their right to vote on resolution proposed to be passed at the Meeting by electronic means.
    - The manner of voting, including voting remotely by secured creditors, is explained in the instructions given hereinbelow.
    - The remote e-voting will not be allowed beyond the end date and time specified in the voting period as stated in the Notice and the remote e-voting module shall be forthwith disabled by NSDL upon expiry of the aforesaid period.
    - The Resulting Company 3 has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till the resolution proposed in the Notice is considered and voted upon at the Meeting and may be used for voting only by the secured creditors as on the Cut-off Date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.
    - The secured creditors who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on the resolution is cast by an secured creditor, whether partially or otherwise, the secured creditor will not be allowed to change it subsequently or cast the vote again.
    - A secured creditor can opt for only single mode of voting i.e., either through remote e-voting or e-voting at the Meeting. If a secured creditor casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as “INVALID”.
    - Mr. Upendra Shukla, Practicing Company Secretary (Membership No. 2727) has been appointed as the Scrutinizer for conducting the e-voting process including remote e-voting in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
    - The remote e-voting facility will be available during the following period:

REMOTE E-VOTING PERIOD	
Commencement of voting	Thursday, February 13, 2025; 09:00 am IST
End of voting	Monday, February 17, 2025; 05:00 pm IST



- (ix) Voting rights of a secured creditor shall be in proportion to the outstanding amount due by the Resulting Company 3 as on the Cut-off Date (specified in the notice).
- (x) A person whose name is recorded in the list of the secured creditors of the Resulting Company 3 as on the Cut-off Date only shall be entitled to avail the facility of e-Voting.
- (xi) It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to insert the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password;
- (xii) To attend to any queries, you may refer the Frequently Asked Questions ("FAQs") and e-voting user manual available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call at : 022 4886 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or contact Ms. Pallavi Mhatre, Senior Manager, at the designated email id: [evoting@nsdl.com](mailto:evoting@nsdl.com) at National Securities Depository Limited, 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India who will also address the grievances connected with the voting by electronic means.

**(b) Procedure for e-voting**

**(A) The details of the process and manner for remote e-voting and e-voting at the Meeting are explained below.**

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member/ Creditor section.
- (iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
- (iv) Your Login id and password details casting your vote electronically and for attending the Meeting of secured creditors through VC/ OAVM are attached in the pdf file enclosed herewith. Please note that the password to open the pdf file is the unique id mentioned above.
- (v) For the first time the system will ask to reset your password.
- (vi) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (vii) Now, you will have to click on "Login" button.
- (viii) After you click on the "Login" button, Home page of e-Voting will open.
- (ix) You will be able to see the EVEN no. of the company.
- (x) Click on "EVEN" of company to cast your vote.
- (xi) Now you are ready for e-Voting as the Voting page opens.
- (xii) Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
- (xiii) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xiv) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (xv) Once you confirm your vote on the resolution, you will not be allowed to modify your vote
- (xvi) If you face any problems/experience any difficulty or if you forgot your password please feel free to contact on 022 - 4886 7000 or contact on email id [evoting@nsdl.com](mailto:evoting@nsdl.com).

**(B) Instructions for secured creditors for attending the Meeting through VC/OAVM are as under:**

- (i) The procedure for e-Voting on the day of the secured creditor Meeting is same as the instructions mentioned above for remote e-voting.
- (ii) Only those secured creditors, who will be present in the Meeting through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Meeting.

**(C) Procedure for speaker registration or to raise questions / queries**



- (i) The secured creditors of the Resulting Company 3 who have any questions on the resolution proposed in the Notice are requested to send their queries in advance, latest by Friday, February 7, 2025 through e-mail at [compliance.officer@vedanta.co.in](mailto:compliance.officer@vedanta.co.in) by mentioning their name, address, PAN, email id and mobile number.
- (ii) Secured creditors of the Resulting Company 3 who would like to express their views or ask questions during the Meeting may register themselves as speaker by sending their request from their registered e-mail address mentioning their name, address, PAN and mobile number at [compliance.officer@vedanta.co.in](mailto:compliance.officer@vedanta.co.in) on or before Friday, February 7, 2025. Those secured creditors of the Resulting Company 3 who have registered themselves as a speaker will only be allowed to express their views, ask questions during the Meeting. The Resulting Company 3 reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the Meeting. The secured creditors of the Resulting Company 3 may view the criteria for identification/ selection of speakers which is available on the website of the Demerged Company at [www.vedantalimited.com](http://www.vedantalimited.com).
- (iii) All documents referred to in the Notice will also be available electronically for inspection without any fee by the secured creditors from the date of circulation of this Notice up to the date of Meeting. Secured creditors of the Resulting Company 3 seeking to inspect such documents can send an e-mail to [compliance.officer@vedanta.co.in](mailto:compliance.officer@vedanta.co.in).

**(c) Results of the Meeting**

- (i) The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson of the Meeting. The result of voting for the Meeting will be declared within prescribed statutory timelines and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Demerged Company: [www.vedantalimited.com](http://www.vedantalimited.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The result will simultaneously be communicated to the Stock Exchanges. The result will also be displayed at the registered office of the Resulting Company 3.
- (ii) Subject to receipt of requisite majority of votes in favour of the Scheme i.e., majority in number representing three-fourth in value (as per Section 230 of the Act), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting (specified in the Notice).

**Secured creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-Voting or e-Voting at the Meeting**

**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH  
COMPANY SCHEME APPLICATION NO. C.A.(CAA) / MB/171 /2024**

**IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES  
ACT, 2013**

**AND**

**IN THE MATTER OF THE SCHEME OF ARRANGEMENT BETWEEN VEDANTA LIMITED ("DEMERGED COMPANY") AND VEDANTA ALUMINIUM METAL LIMITED ("RESULTING COMPANY 1") AND TALWANDI SABO POWER LIMITED ( "RESULTING COMPANY 2") AND MALCO ENERGY LIMITED ("RESULTING COMPANY 3") AND VEDANTA BASE METALS LIMITED ("RESULTING COMPANY 4") AND VEDANTA IRON AND STEEL LIMITED ("RESULTING COMPANY 5") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME").**

**VEDANTA LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 1956 having its registered office at 1<sup>st</sup> )  
floor, C Wing, Unit 103, Corporate Avenue Atul Projects, )  
Chakala, Andheri (East), Mumbai, Maharashtra, India – )  
400093 )

CIN: L13209MH1965PLC291394 ) ... Demerged Company

**VEDANTA ALUMINIUM METAL LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 2013 having its registered office at C-103 )  
Atul Projects, Corporate Avenue New Link Chakala )  
MIDC, Mumbai, Maharashtra, India – 400093 )

CIN: U24202MH2023PLC411663 ) ... Resulting Company 1

**TALWANDI SABO POWER LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 1956 having its registered office at C-103 )  
Atul Projects, Corporate Avenue New Link Road, )  
Chakala, Andheri (E), Chakala MIDC, Mumbai, )  
Maharashtra, India – 400093 )

CIN: U40101MH2007PLC433557 ) ... Resulting Company 2

**MALCO ENERGY LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 1956 having its registered office at C- )  
103 Atul Projects, Corporate Avenue New Link Road )  
Chakala Andheri (E), Chakala MIDC, Mumbai, )  
Maharashtra, India – 400093 )

CIN: U31300MH2001PLC428719 ) .... Resulting Company 3

**VEDANTA BASE METALS LIMITED**

a Company incorporated under the provisions of the )  
Companies Act, 2013 having its registered office at C-103 )  
Atul Projects, Corporate Avenue New Link, Chakala )

MIDC, Mumbai, Maharashtra, India – 400093 )  
 .... Resulting Company 4\*  
 CIN: U43121MH2023PLC411696 )  
**VEDANTA IRON AND STEEL LIMITED** )  
 a Company incorporated under the provisions of the )  
 Companies Act, 2013 having its registered office at C-103 )  
 Atul Projects, Corporate Avenue New Link Chakala )  
 MIDC, Mumbai, Maharashtra, India – 400093 )  
 CIN: U24109MH2023PLC411777 ) .... Resulting Company 5

*\*Subsequent to the Order (as defined hereinafter), the board of directors (“Board”) of the Demerged Company, Resulting Company 4 and other Resulting Companies (as defined hereinafter) have, by way of their resolutions dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively, decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme (as defined hereinafter). Accordingly, the Board of the Demerged Company, Resulting Company 4 and other Resulting Companies have approved the updated Scheme of Arrangement, between the Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Resulting Company 5 and their respective shareholders and creditors.*

**EXPLANATORY STATEMENT UNDER SECTION 230(3) READ WITH SECTION 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. This is a statement accompanying the Notice convening the meeting of the secured creditors of Malco Energy Limited (“**Resulting Company 3**”) on Tuesday, February 18, 2025 at 03:00 pm IST (“**Meeting**”), as per the details specified in the said notice, pursuant to the order dated November 21, 2024 (“**Order**”) passed by the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**” or “**Tribunal**”) in the Company Scheme Application No. C.A.(CAA) / MB/171 /2024, for the purpose of considering and, if thought fit, approving, the proposed Scheme of Arrangement between Vedanta Limited (“**Demerged Company**”) and Vedanta Aluminium Metal Limited (“**Resulting Company 1**”) and Talwandi Sabo Power Limited (“**Resulting Company 2**”) and the Resulting Company 3 and Vedanta Base Metals Limited (“**VBML**”) and Vedanta Iron and Steel Limited (“**Resulting Company 4**”) and their respective shareholders and creditors pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 (the “**Act**”) (“**Original Scheme**”). A copy of the Original Scheme is enclosed herewith as **Annexure B**.
2. Subsequent to the Order and pursuant to Demerged Company’s discussions and deliberations with stakeholders (including lenders) with respect to the Original Scheme, following had emerged:
  - (i) A demerger of the Base Metals Undertaking may be considered at a stage when the Base Metals business evolves and matures to realize the full value potential of such demerger for shareholders;
  - (ii) Lenders believe the Original Scheme would be more favourable for unlocking value and overall optimal balancing of debt allocation across the Demerged Company and the Resulting Companies post the demerger if the Base Metals Undertaking is retained in the Demerged Company itself;
  - (iii) Given the Demerged Company is exploring alternative avenues for restarting the copper business (at Thoothukudi, Tamil Nadu), which is an integral part of the Base Metals Undertaking, the Demerged Company should proceed with the Original Scheme, without implementing Part V of the Original Scheme in relation to demerger of Base Metals undertaking; and
  - (iv) The non-implementation of demerger of the Base Metals Undertaking and retaining the same in the Demerged Company will not affect the overall value creation as envisioned. The shareholders will continue to enjoy value unlocking of the Base Metals Undertaking as part of legacy residual Demerged Company where they will remain shareholders in addition to receiving equivalent shares in other Resulting Companies which will mirror shareholding of the Demerged Company. The shareholders’ beneficial interests in the overall value of the Demerged Company and the Resulting Companies will remain unaffected.
3. Accordingly, pursuant to paragraphs 44, 46 and 51 of the Original Scheme, the board of directors (“**Board**”) of the Demerged Company, VBML and the Resulting Companies, have by way of their resolutions dated

December 20, 2024, December 23, 2024 and December 23, 2024 respectively decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies have approved the updated Scheme of Arrangement, between the Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Resulting Company 4 and their respective shareholders and creditors ("**Scheme**"). A copy of the Scheme is enclosed as **Annexure A** and forms part of this Statement. The proposed Scheme is envisaged to be effective from the Appointed Date (*as defined in the Scheme*).

Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 are hereinafter collectively referred to as the "**Resulting Companies**". Capitalised terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

4. The secured creditors of the Resulting Company 3 would be entitled to vote by remote e-voting prior to the Meeting or by e-voting during the Meeting. The quorum of the Meeting shall be 1 (one) secured creditor of the Resulting Company 3 present through VC / OAVM.
5. In terms of the said Order, the NCLT, has appointed Mr. A R Narayanaswamy, Independent Director of the Resulting Company 3 failing him Mr. Dindayal Jalan, Independent Director of the Demerged Company, as Chairperson of the Meeting. Accordingly, Mr. Dindayal Jalan will be the Chairperson of the Meeting.

## 6. **BACKGROUND AND RATIONALE OF THE SCHEME**

### 6.1. 'Rationale and Purpose' as set out in the Scheme is as under:

- (i) The Demerged Company has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.
- (ii) Each of the varied businesses carried on by the Demerged Company by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.
- (iii) The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.
- (iv) In order to lend enhanced focus to the operation of identified businesses, VEDL proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking.
- (v) The following benefits shall accrue on demergers of the Aluminium Business (*as defined in the Scheme*), the Merchant Power Business (*as defined in the Scheme*), the Oil and Gas Business (*as defined in the Scheme*) and the Iron Ore Business (*as defined in the Scheme*):
  - (a) creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;
  - (b) enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;
  - (c) each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;
  - (d) enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;
  - (e) enabling focused and sharper capital market access (debt and equity) and thereby unlocking

the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, and the Iron Ore Undertaking and creating enhanced value for shareholders

The Scheme is in the interests of all stakeholders of the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.

## 7. BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME IS AS UNDER:

### 7.1. Particulars of the Demerged Company:

- (a) The Demerged Company is a public company incorporated under the Companies Act, 1956 with CIN L13209MH1965PLC291394 and registered office situated at 1<sup>st</sup> Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East) Mumbai – 400093. The Demerged Company is a diversified natural resource company engaged in the business of extraction, refining, manufacture and sale of various metals and minerals, generation and sale of power and other businesses including semiconductor manufacturing, display glass manufacturing, etc. The equity shares of the Demerged Company are listed on the BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”) (hereinafter collectively referred to as the “**Stock Exchanges**”). The Listed Debt Securities (as defined under the Scheme) of the Demerged Company are listed on BSE.
- (b) Permanent Account Number (“**PAN**”): AACCS7101B
- (c) E-mail address: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)
- (d) The equity shares of the Demerged Company are listed on BSE and NSE.
- (e) The main objects of the Demerged Company, as set out in its Memorandum of Association, are as under:
  - 1. *To continue to carry on the business of this Company, which was a Sociedade Por Quotas Responsabilidade Limitada, and to carry on all or any of the business of prospecting, exploring, mining, winning, importing, exporting, dealing, processing, buying, selling and distributing and generally dealing in earth and ore of all kinds including iron-ore, ferro-manganese, china-clay, quartz, silica, abrasive minerals, aluminium minerals, anhydrite, antimony minerals aquamarine, asbestos, barium minerals, bauxite, fluorspars and others.*
  - 2. *To purchase, take on lease or otherwise acquire mines, lands, and mineral properties, and also grants, concession, leases, claims, licences of or other interest in mines, mining rights, lands, mineral properties, water rights, either absolutely or conditionally and either solely or jointly with others.*
  - 3. *To buy, sell, import, export, distribute, prepare, produce, process and manufacture agriculture, forest, mineral, animal or any other goods, ware commodities, merchandise, article and things of any description or kind whatsoever.*
  - 4. *To crush, win, get, quarry, smelt, calcine, refine, dress, amalgamated, manipulate, and prepare for market, ore, metal and mineral substances of all kinds, and to carry on any other metallurgical operations which may seem conducive to any of the Company’s objects.*
  - 5. *To carry on all or any of the business of exploring, discovering, producing, refining, processing, importing, exporting, distributing and generally dealing in crude oil, natural gas and other hydrocarbons.*
  - 6. *To carry on the business of mechanical, electrical, railway, marine, aeronautical, agricultural, sanitary, civil and constructional engineers, ferrous and non-ferrous metal founders, casters, spinners, rollers, and workers of all metals and their alloys, welders by any process whatsoever of ferrous and non ferrous metals and metal compounds, manufacturers of welding applications, tool makers, metal workers, boiler makers, mill-wrights, machinists, manufacturers of iron, pig iron, steel, metal wires, ingots, metals and their alloys of all kinds and descriptions, metal conductors, wires, galvanized wires, rods and things in all its branches, wire nails, bolts, nuts and appliances, tools and implements, sheets that could be manufactured out of aluminum, iron, steel, brass, zinc, copper, gold, silver or any other kind and combination of metal, converters of iron and steel and other metals, smiths, tin manufacturers and tinkers, wheelwrights, wood workers, builders, painters, metallurgists, water supply engineers; gas makers, varnishers, vulcanizers, electroplaters, silverplates, nickelplates, aluminium platers,*

*importers, exporters and distributors in all kinds of plant and machinery, apparatus, tools, component parts, accessories, and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in any kind of metals, machinery, implements, tools, accessories, rolling stock, hardware of all kinds and things necessary or convenient for carrying on the business or usually dealt in by persons in like business.*

7. *To carry on the business of manufacturers of, and dealers in chemicals of any nature and kind whatsoever, including acids, alkalies and salts, manures, fertilizers, dyes, caustic soda, soda ash, sulphur, sulphuric acid, phosphoric acid, silicic acid, magnesite and drugs, tannins, essences, pharmaceutical, sizing, medicinal, chemical, industrial and other preparations and articles of any nature and kind whatsoever, mineral and other waters, soaps, oils, paints, varnishes compounds, drugs, dyestuffs- organic and mineral- intermediates, paints and colour grinders, makers of and dealers in proprietary articles of all kinds and of electrical, chemical, photographic, surgical and scientific apparatuses and materials and to manufacture, refine manipulate, import and deal in salts and marine minerals and their derivatives, by products and compounds of any nature and kind whatsoever.*
8. *To generate, supply, sell, accumulate, convert, transmit and distribute electric power or energy (conventional and non-conventional) and to do all such things as may be required in connection therewith and to acquire, establish, maintain and run power plant(s) whether for captive use or otherwise. To carry on the business of acquiring, establishing, commissioning, setting up, operating and maintaining thermal, hydro, nuclear and all kinds of conventional and non-conventional power plants, power transmission systems, power systems, generation stations based on conventional/non-conventional resources for evacuation, generation, transmission and distribution of power through establishing or using station, tie-lines sub-stations and transmission lines on commercial basis including build, own and transfer (BOT), built own and operate (BOO) and/or build, own lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis and to carry on the business of acquiring, operating, managing and maintaining power transmission system, power generation stations, tie-lines, sub-stations and transmission lines, either newly set up or acquired from State Electricity Boards, Vidyut Boards, Power Utilities Generating Companies, Transmission Companies, Distribution Companies, State Governments, licensees, Statutory Bodies, other organizations and bulk consumers of power and for any or all of the aforesaid purposes, to do trading and all the necessary or ancillary activities as may be considered necessary or beneficial or desirable. To manufacture, buy, sell, exchange, alter, improve, manipulate, prepare for market, import or export or otherwise deal in electrical wires, electrical goods and cables of all kinds, including but not limited to power/electrical/telecommunication cables, jelly filled cables, dry core cables, coaxial, optic fibre cables, switch board cables, jumpwires, telephone handset cords and other suitable alike cables and wires.*
9. *To carry on the business of developing Special Economic Zones in India in compliance with the applicable Governmental policies and procedures.*
10. *To purchase, take on lease, or in exchange, hire, or otherwise acquire any real, immovable or personal property and / or to build, construct, alter, enlarge, pull down, work, manage any buildings, offices, factories, machinery, engines, roads, ways and other works either solely or jointly with others.*
11. *To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, work, plant, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on.*
12. *To establish, maintain and operate shipping, road transport service and all ancillary services and for those purposes or as independent undertakings, to purchase, take in exchange, charter, hire, build, construct or otherwise acquire, and to own, work, manage and trade with ships, trawlers, drifters, tugs and vessels, motor and other vehicles with all necessary and convenient equipments, stores and accessories and to maintain, repair, fit out, refit, improve, insure, alter, sell, exchange or let out on hire or hire purchase or charter or otherwise deal with and dispose of any of the ships, vessels and vehicles or any of the equipments, stores and accessories of the Company.*
- 12A. *To carry on the business of manufacturing, buying, selling, reselling, exchanging, altering, importing, improving, assembling or distributing and dealing in motor vehicles, packages of components parts thereof, trucks, tractors, chassis, motors, motorcycles, mopeds, scooters,*

*cycles, buses, lorries, omni buses, engines, ships, boats, barges, launches and other vehicles, and components of motor vehicles replacement parts, tools, implements, spare parts, accessories, materials and products for the transport or conveyance of passengers, merchandise, and goods of every description whether propelled or used by electricity, steam, oil, vapour, gas, petroleum or any other motive or mechanical power.*

- 12B. *To carry on the business as structural engineers, construction engineers, mechanical engineers, electrical engineers, automobile engineers, fabricators, iron founders, fitters, wire drawers, tool-makers, enamellers, electroplaters, painters, tools, equipment, metal workers, smiths, wood-workers and metallurgists and in particular to manufacture and fabricate engineering goods, machine tools, precision instruments, pneumatic tools, structural steels and material handling equipment.*
- 12C *To carry on the business of manufacturing, converting, altering, processing, assembling, improving, buying, selling, exchanging, importing, exporting, operating, distributing or otherwise dealing in any or all of the following items, namely,*
- i. Electronic and electrical equipment, instruments, components and parts for consumer electronics and appliances, telecommunications, space application, automotive electronics, industrial applications including integrated circuits and packages, semiconductor devices, chips, television sets, video recorders and computer peripherals, monitors, micro-processors, logic controllers and other control equipment, all types of radar, transmitters and receivers, telephone, switching equipment and systems, calculators and digital electronic devices and instruments.*
  - ii. Pig iron and all types of steel including alloy, special steels, stainless steel, cold and hot rolled steels.*
  - iii. Equipment for production and conservation of energy covering non- conventional and renewable/non-renewable sources of energy including wind driven generators, solar powered equipment and all types of batteries and accumulators and the components, parts and accessories thereof.*
  - iv. All types of finished leather goods.*
- 12D
- i. To construct, develop, maintain, build, operate equip, hire or otherwise deal with ports, shipyard, jetties, harbours, docks ship breaking, ship repair, ship building at any port in India or elsewhere.*
  - ii. To carry on business of inland and sea transport including goods, passengers and mail, shippers, ship agents, ship underwriters, ship managers, tug owners, barge owners, loading brokers, freight brokers, freight contractors, stevedores, warehouseman, Wharfingers and building, assembling, fitting, constructing, repairing and managing ships, seagoing vessels for inland waterways.*
  - iii. To carry on in India and in any part of the world the business to construct, erect, build, buy, sell, give or take on lease or license, repair, remodel, demolish, develop, improve, own, equip, operate and maintain, ports and port approaches, breakwaters for protection of port or on the fore shore of the port approaches with all such convenient arches, drains, lending places, hard jetties, floating barges or pontoons, stairs, fences, roads, railways, sidings, bridges, tunnels and approaches and widening deepening and improving any portion of the port or port approaches, light houses, light ships, beacons, pilot boats or other appliances necessary for the safe navigation of the ports and the port approaches and to build highways, roads, parks, streets, sideways building structure, building and warehouses and to construct and establish, dry docks, shipways and boat basins and workshops to carry out repairs or overwhelming of vessels, tugs, boats, machinery or appliances.*
  - iv. To establish and develop Special Economic Zones and Industrial Estates/Parks and to carry on the business of properties developers, builders, creators, operators, owners, contractors of all and any kind of Infrastructure facilities and services including cities, towns, roads, seaports, airports, hotels, airways, railways, tramways, mass rapid transport system, cargo movement and cargo handling including mechanised handling system and equipment, shipyard, land development, water desalination plant, water treatment & recycling facilities, water supply & distribution system, solid waste management, effluent treatment facilities, power generation, transmission, distribution, power trading, generation and supply of gas or any other form of energy, environmental protection and pollution control public utilities, security services, municipal services, clearing house agency and stevedoring services and of like infrastructure facilities and services viz., telecommunication, cell services, cable and satellite communication networking, data transmission network, information technology network, agriculture and*

*food processing zone, textile & apparel park, automobile & auto ancillaries park, chemical park, drugs & pharmaceuticals parks, light & heavy engineering parks, trading & warehousing zone, gem and jewellery and other industrial parks, factory buildings, warehouses, internal container depots, container freight station, clearing houses, research centre, trading centres, school and educational institutions, hospitals, community centre, training centres, hostels, places of worship, courts, markets, canteen, restaurants, residential complexes, commercial complexes and other social infrastructures and equip the same with all or any amenities, other facilities and infrastructure required by the various industries and people, entertainment centres, amusement park, green park, recreational zone, import & export house, to purchase, acquire, take on lease or in exchange or in any other lawful manner land, building, structures to promote industrial, commercial activity for inland and foreign trade, to carry on the business of international financial services centers, banks, insurance, postal services, courier services and to purchase plant & machineries, tools and equipment and carry on business of import and export, buying, selling, marketing and to do government liaison work and other work.*

- 12E. To carry on in India and elsewhere in the world the business or businesses of surveying, prospecting, drilling and exploring for, acquiring, developing, producing, maintaining, refining, storing, trading, supplying, transporting, marketing, distributing, importing, exporting and generally dealing in minerals and other natural oils, petroleum and all other forms of solid, liquid and gaseous hydrocarbons and other minerals and their products and by-products and all their branches.*
- 12F. To search for, purchase, take on lease or licence, obtain concessions over or otherwise acquire, any estate or interest in, develop the resources of, work, dispose of, or otherwise turn to account, land or sea or any other place in India or in any other part of the world containing, or thought likely to contain, oil, petroleum, petroleum resource or alternate source of energy or other oils in any form, asphalt, bitumen or similar substances or natural gas, chemicals or any substances used, or which is thought likely to be useful for any purpose for which petroleum or other oils in any form, asphalt, bitumen or similar substances, or natural gas is, or could be used and to that end to organise, equip and employ expeditions, commissions, experts and other agents and to sink wells, to make borings and otherwise to search for, obtain, exploit, develop, render suitable for trade, petroleum, other mineral oils, natural gas, asphalt, or other similar substances or products thereof.*
- 13. To enter into any arrangements with any Government or authorities, municipal, local or otherwise, or any persons or company, in India or abroad, that may seem conducive to the objects of the Company or any of them and to obtain from any such government, authority, persons or company any rights, privileges, charters, contracts, licences and concessions including, in particular, right in respect of waters, waterways, roads and highways, which the Company may think it desirable, and to carry out, exercise and comply therewith.*
- 14. To procure the Company to be registered in any place, and to establish subsidiary companies, agencies and branches for conducting the business of the Company in any part of India and abroad.*
- 15. To acquire the whole or any part of the undertaking and assets of any business within the objects of the Company and any lands, privileges, rights, contracts, property or effects held or used in connection therewith and upon any such purchase to undertake the liabilities of any company, association, partnership or person.*
- 16. To amalgamate, enter into partnership, or into any arrangement for sharing profits union of interests, cooperation, joint adventures, or reciprocal concessions, or for limiting competition with any person or Company carrying on or engaged in, or about to carry on or engage in, any business or the transaction which the Company is authorized to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the company .*
- 17. To sell, lease, mortgage or otherwise dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, stock, debentures or other securities of any other company whether or not having objects all together or in part similar to those of the Company.*
- 18. To distribute among the members in specie in the event of winding up, any property of the*



*company or any proceeds of the sale or disposal of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.*

19. *To act as agents or Brokers and as trustees for any person or company and to undertake and perform sub-contracts and to do all or part of the above things in any part of the world and either as principals, agents, trustees, contractors, or otherwise and either alone or jointly with others, and either by or through agents, managing agents, sub-contractors, trustees or otherwise.*
20. *To apply for, purchase, or otherwise acquire and protect and renew in any part of the world any patents, patent rights, inventions, licenses, concession and the like, concerning any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly to benefit the Company, and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired, and to spend money in experimenting upon, testing or improving any such patents, invention or rights.*
21. *To invest and deal with the moneys of the Company not immediately required in any manner and in particular to accumulate funds or to acquire or take by subscription, purchase or otherwise howsoever or to hold shares or stock in or the security of any company, association or undertaking in India or abroad.*
22. *To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers and others having dealing with the Company, and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities.*
23. *To receive money on deposit or loan and borrow and raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture-stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any other person or company, as the case may be, provided that the Company shall not carry on the business of banking within the meaning of the Banking Companies Act, 1949.*
24. *To pay for any business, property or rights acquired or agreed to be acquired by the Company and generally to satisfy any obligation of the Company by the issue or transfer of shares of this or any other company directed as fully or partly paid up or of debentures or other securities of this or any other company.*
25. *To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.*
26. *To pay for any rights or property acquired by the Company and remunerate any person or company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid full or in part or otherwise.*
27. *To establish and maintain or procure the establishment and maintenance of any contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or any Company which is subsidiary of the Company or is allied to or associated with the Company or with Company or with any such subsidiary company, or who are or were at any time Directors or Officers of the Company, or for any such other company as aforesaid, and the wives, widows, families and dependents of any persons, and also establish and subsidise and subscribe to any institutions, including in particular, any cafeterias, canteens or clubs, or funds calculated to be for the benefit of or to advance the interests and well being of the Company or of any such other company as aforesaid and make payments to or towards the insurance of any such persons as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such company as aforesaid.*

28. *To subscribe or contribute or otherwise assist or to grant money to charitable, benevolent, religious, scientific, national, public, political, or any other useful institutions, objects or purposes.*
29. *To create any depreciation fund, reserve fund, sinking fund, or any other special fund whether for depreciation or for preparing, improving, extending or maintaining any of the properties of the Company or for any other purpose conducive to the interest of the Company.*
30. *To place, reserve or distribute as dividend or bonus among the members, or otherwise to apply, as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company, and any money received in respect of dividends accrued on forfeited shares or from unclaimed dividends.*
31. *To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds; to promote studies and researches both scientific and technical, investigations and inventions by providing, authorized, endowing, or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote, and reward studies, researches, investigations, experiments, tests and invention of any kind that may be considered likely to assist any business which the Company is authorised to carry on.*
32. *To take part in management, supervision or control of the business or operations of any company or undertaking, and for that purpose to appoint and remunerate any Director, accountants, or other experts, or agents and to act as managing agents or secretaries and treasurers or as Secretary of any such Company or undertaking.*
33. *Subject to the provisions of the Companies Act, 1956, or any other enactment in force, to indemnify and keep indemnified members, officers, Directors, agents and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done or ordered to be done by them, for and in the interest of the Company and for any loss, damage, or misfortune, whatever and which shall happen in execution of the duties of their office or in relation thereto.*
34. *To do all or any of the above things in any part of the world, and either as principals, agents, contractors, trustees, or otherwise, and by or through trustees, agents, or otherwise, either alone or in conjunction with others, and to do all such other things as are incidental or conducive to the attainment of the above objects or any of them. And it is hereby declared that the word "Company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether corporate or unincorporated, and whether domiciled in India or elsewhere.*
35. *To carry on business of manufacture of coke and market the same both in wholesale and retail in the local and international markets.*
36. *To provide consultancy service in the specialized technology in the setting up of non- recovery type of coking ovens.*
37. *To carry on business of manufacturing Sinter, Sponge iron, Cast iron including derivatives thereof and all types of Steel including structural steel, in the form of cast, rolled or forged or in any other form; machine tools, precision instruments, pneumatic tools, material handling equipment and other engineering goods, and marketing the same, both in wholesale and retails in local and international markets.*
38. *To carry on the business of sale of waste gases emanating from the Pig Iron blast furnace or any other process for the purpose of utilizing of its energy content, calorific value or sensible heat.*
39. *To purchase waste heat with the purpose of utilizing its energy content, calorific value or sensible heat.*
40. *To carry on the business of generation of power from the waste gases emanating from the Pig*

*Iron blast furnace, coke oven and to supply/market the same to local parties and Government/Electricity Board.*

- (f) Details of change of name, registered office and objects of the Demerged Company during the last five years: There has been no change of name, registered office or objects of the Demerged Company during the last five years.
- (g) The authorized, issued, subscribed, paid-up and listed share capital of the Demerged Company as on December 31, 2024, is as under:

Particulars	INR
<b>Authorized Share Capital</b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
<b>Total</b>	<b>74,12,01,00,000</b>
<b>Issued and Subscribed Share Capital</b>	
3,91,06,86,689 equity shares of INR 1 each	3,91,06,86,689
<b>Total</b>	<b>3,91,06,86,689</b>
<b>Paid-up Share Capital</b>	
3,91,06,86,689 equity shares of INR 1 each	3,91,06,86,689
<b>Total</b>	<b>3,91,06,86,689</b>
<b>Listed Capital</b>	
3,91,03,88,057* equity shares of INR 1 each	3,91,03,88,057
<b>Total</b>	<b>3,91,03,88,057</b>

*\*2,98,632 shares are under abeyance category which are pending for allotment being sub-judice and doesn't form part of the listed share capital of the Company.*

The Demerged Company does not have any issued or paid-up preference share capital.

- (h) The latest financial statements of the Demerged Company have been audited for the financial year ended March 31, 2024 and are attached as **Annexure E**. Consolidated and Standalone unaudited financial results (limited reviewed) of the Demerged Company for the quarter and half year ended September 30, 2024 are attached as **Annexure F**.
- (i) The details of Promoters and Directors of the Demerged Company (as on the date of the Notice) along with their addresses are mentioned herein below:

**Details of Promoters and Promoter Group: -**

Sr. No.	Name	Address
<b>Promoter(s)</b>		
1.	Anil Agarwal	44, Hill Street, London, United Kingdom, W1J 5NX GB
2.	Finsider International Company Limited	13 <sup>th</sup> Floor, One Angel Court, London, United Kingdom, EC2R 7HJ
<b>Promoter Group</b>		
3.	Pravin Agarwal	117, Koregaon Park, Lane No. 4, Pune – 411 001, Maharashtra
4.	Suman Didwania	212, Mount Blanc, Dady Seth Hill, August Kranti Marg, Mumbai – 400 036, Maharashtra

Sr. No.	Name	Address
5.	Ankit Agarwal	117, Koregaon Park, South Main Road, Lane No. 4, Pune – 411 001, Maharashtra
6.	Sakshi Mody	25 <sup>th</sup> Floor, Flat No. 2501, Orbit Arya, Off. Nepean Sea Road, Darabsha Lane, Mumbai – 400 036
7.	Navin Agarwal	Soham, 8/738 Behramji Gamadia Road, Mumbai – 400 026, Maharashtra
8.	Kiran Agarwal	113/114, Samundar Mahal, Dr. Annie Besant Road, Near Lotus, Worli, Mumbai Maharashtra, 400018
9.	Agnivesh Agarwal	213, 13 <sup>th</sup> Floor, Samudra Mahal, Dr. Annie Besant Road, Worli, Mumbai – 400 018
10.	Priya Agarwal	Flat No. 2501/2502, Raheja Legend, Plot No. 254 A, Dr. Anne Besant Road, Worli, Mumbai – 400 025
11.	Pratik Agarwal	403-A, 3 <sup>rd</sup> Floor, Samudra Mahal, A-Wing opp. Lotus, Dr. A.B. Road, Worli, Mumbai – 400 018
12.	Hare Krishna Packaging Pvt. Limited	Unit no. 412 , 4 <sup>th</sup> Floor, B Wing, The Capital Plot no. C 70, G Block, Bandra Kurla Complex, Mumbai City, Mumbai, Maharashtra, India, 400051
14.	Welter Trading Limited	205, 28 <sup>th</sup> Oktovriou Avenue, Louloupis Court, 1 <sup>st</sup> Floor, P.C. 3035, Limassol, Cyprus, P.O. Box 51625, 3507 Limassol, Cyprus
15.	Twin Star Holdings Ltd.	C/o IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Mauritius
16.	Vedanta Holdings Mauritius Limited	C/o Amicorp (Mauritius) Limited, 6 <sup>th</sup> Floor, Tower 1, Nexteracom Building, Ebene, Mauritius
17.	Vedanta Holdings Mauritius II Limited	C/o Amicorp (Mauritius) Limited, 6 <sup>th</sup> Floor, Tower 1, Nexteracom Building, Ebene, Mauritius
18.	Vedanta Netherlands Investments B.V.	C/o Amicorp Netherlands BV, Strawinskylaan 1143, C-11, 1077XX, Amsterdam, The Netherlands
19.	Vedanta Netherlands Investments II B.V.	C/o Amicorp Netherlands BV, Strawinskylaan 1143, C-11, 1077XX, Amsterdam, The Netherlands
20.	Vedanta UK Investments Limited	13 <sup>th</sup> Floor, One Angel Court, London, United Kingdom, EC2R 7HJ
21.	Westglobe Limited	C/o IQ EQ Corporate Services (Mauritius) Ltd, 33, Edith Cavell Street, Port Louis, 11324, Mauritius
22.	Richter Holding Limited, Cyprus	221, Christodoulou Chatzipavlou Str., Helios Court 3 <sup>rd</sup> Floor, 3036 Limassol, Cyprus P.O. Box 51625, 3507 Limassol, Cyprus
23.	Vedanta Resources Cyprus Limited (VRCL, Cyprus)	221, Christodoulou Chatzipavlou Str., Helios Court 3 <sup>rd</sup> Floor, 3036 Limassol, Cyprus P.O. Box 51625, 3507 Limassol, Cyprus
24.	Vedanta Resources Mauritius Limited	C/o Amicorp (Mauritius) Limited, Tower 1, Level 6 Nexteracom Building Ebene Mauritius
25.	Vedanta Resources Holdings Limited (VRHL, UK)	13 <sup>th</sup> Floor, One Angel Court, London, United Kingdom, EC2R 7HJ
26.	Vedanta Finance UK Limited (VFUL)	13 <sup>th</sup> Floor, One Angel Court, London, United Kingdom, EC2R 7HJ
27.	Vedanta Resources Limited, UK	13 <sup>th</sup> Floor, One Angel Court, London, United Kingdom, EC2R 7HJ
28.	Vedanta Holdings Jersey Limited	47, The Esplanade St. Helier Jersey JE1 0BD

Sr. No.	Name	Address
29.	Volcan Investments Cyprus Limited	221, Christodoulou Chatzipavlou Str., Helios Court 3 <sup>rd</sup> Floor, 3036 Limassol, Cyprus P.O. Box 51625, 3507 Limassol, Cyprus
30.	Vedanta Resources Finance Limited	13 <sup>th</sup> Floor, One Angel Court, London, United Kingdom, EC2R 7HJ
31.	Vedanta Resources Finance II PLC	13 <sup>th</sup> Floor, One Angel Court, London, United Kingdom, EC2R 7HJ
32.	Anil Agarwal Discretionary Trust	Ocean Center, East Bay Street, Montagu Foreshore, Nassau Bahamas
33.	Conclave PTC Limited	Ocean Center, East Bay Street, Montagu Foreshore, Nassau Bahamas
34.	Vedanta Incorporated (Erstwhile Volcan Investments Limited)	Loyalist Plaza, Don Mackay Blvd, Marsh Harbour, Abaco, Bahamas

**Details of Directors:**

Name	Designation	Address
Anil Agarwal	Non-Executive Chairman	44, Hill Street, London, United Kingdom, W1J 5NX GB
Navin Agarwal	Executive Chairman Vice-	Soham, 8/ 738 Behramji Gamadia Road, Mumbai – 400 026
Arun Misra	Executive Director	D8, Ambavgarh, The Junior Study School, Girwa, Udaipur, Rajasthan – 313 001
Padmini Sekhsaria	Independent Director	B 2001, Lodha Altamount, Altamount Road, Cumballa Hill, Mumbai – 400 026
Dindayal Jalan	Independent Director	D-807, Ashok Tower, 63/74, SS Rao Road, Parel, Mumbai – 400 012
Prasun Kumar Mukherjee	Independent Director	Flat No. 301, Brindavan, V.S Dempo Marg, Tonca, Caranzalem, North Goa, 403 002
Pallavi Joshi Bakhru	Independent Director	W-129, Greater Kailash Part-2, South Delhi, India – 110 048
Priya Agarwal	Non-Executive Director	Flat No. 2501/2502, Raheja Legend, Plot No. 254 A, Dr. Anne Besant Road, Worli, Mumbai – 400 025

**7.2. Particulars of the Resulting Company 1:**

- (a) Resulting Company 1 is Vedanta Aluminium Metal Limited, a public company incorporated under the Companies Act, 2013 with CIN U24202MH2023PLC411663 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai – 400093 and is a wholly owned subsidiary of the Demerged Company.
- (b) Resulting Company 1 has been incorporated with the objective of inter alia carrying on the business of metallurgists and miners including beneficiation, dressing, concentration, smelting, refining and the extraction, manufacture and fabrication, purchase and sale of metals and in particular to manufacture, produce and/or otherwise deal in alumina, aluminium and aluminium products and by-products and the sale, dealing or other disposition of alumina, aluminium and aluminium products and by-products.
- (c) PAN: AAJCV6954A
- (d) E-mail address: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

- (e) The equity shares of Resulting Company 1 are not listed on any stock exchange. Upon consummation of the Scheme, the equity shares of the Resulting Company 1 will be listed on both the Stock Exchanges.
- (f) The main objects of the Resulting Company 1, as set out in its Memorandum of Association, are as under:
1. *To carry on in India and elsewhere trades or business of metallurgists and miners including beneficiation of mineral, mineral dressing, concentration, smelting refining and the extraction, manufacture and fabrication, purchase and sale of and generally dealing in all metals and their products and alloys and in particular to manufacture and/or produce and/or otherwise engage generally in the manufacture or production of/dealing in alumina, aluminium and aluminium products and by-products and the sale, dealing or other disposition of alumina, aluminium and aluminium products and by-products.*
  2. *To conduct, buy, sell, produce, import and export, deal in and carry on the business of ferrous and non ferrous metals and mining, refining and preparing of market ores, minerals, metals and substances of every kind and description and processing them, trading in the products and by-products and engaging in working of iron ore, coal, bauxite, magnesite and other minerals or, metallic ores or substances of all description, the production and working of aluminium hydroxide, alumina, magnesia and other oxides or alloys and to acquire lands, mining rights, water rights and other easement necessary to carry out the above activities.*
  3. *To mine, quarry, beneficiate, dress, smelt, refine, manufacture, process, fabricate purchase or otherwise acquire, sell or otherwise dispose of or deal in bauxite and other aluminium – bearing ores, alumina, aluminium, aluminium alloys and compounds, aluminium goods, wares & products of all kinds, chemicals, chemical compounds and mining, production or processing of bauxite or other aluminium bearing ores, alumina, aluminium and aluminium products of every kind.*
  4. *To search for, inspect, prospect, examine, explore, mine, quarry, purchase or otherwise acquire in the Union of India, or elsewhere in the world, bauxite or other aluminium- bearing ores, feldspar, fluorspar and all other metals, minerals and mineral substances of every kind which may be of direct or indirect use in the production of alumina, aluminium and aluminium products, or which may result as an incident to or by-product of any of the foregoing.*
  5. *To generate, supply, sell, accumulate, transmit, convert and distribute any kind of power or electrical energy using coal, lignite, petroleum products or any other substances, wind energy, solar energy, renewable energy, wave energy, tidal energy, hydro energy, thermal energy or any other form of energy and any products or by-products derived from any such business of energy (conventional and non- conventional) and to do all such things as may be required in connection therewith and to acquire, maintain and run power plant/s whether for captive use or otherwise.*
  6. *To carry on the business of acquiring, establishing, commissioning, setting up, operating and maintaining thermal, hydro, nuclear and all kinds of conventional and non-conventional power plants, power transmission systems, power systems, generation stations based on conventional/non-conventional resources for evacuation, generation, transmission and distribution of power through establishing or using station, tie-lines sub-stations and transmission lines on commercial basis including build, own and transfer (BOT), built own and operate (BOO) and/or build, own lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis and to carry on the business of acquiring, operating, managing and maintaining power transmission system, power generation stations, tie-lines, sub-stations and transmission lines, either newly set up or acquired from State Electricity Boards, Vidyut Boards, Power Utilities Generating Companies, Transmission Companies, Distribution Companies, State Governments, licensees, Statutory Bodies, other organizations and bulk consumers of power and for any or all of the aforesaid purposes, to do trading and all the necessary or ancillary activities as may be considered necessary or beneficial or desirable.*
  7. *To acquire the right to use or manufacture and to put up all apparatus now known, or which may hereafter be invented, in connection with the generation, accumulation, distribution, supply and employment of electricity, or any power that can be used as a substitute therefor, including all cables, wires or appliances for connecting apparatus at a distance with other apparatus, and including the formation of exchanges or centres.*

- (g) Details of change of name, registered office and objects of the Resulting Company 1 during the last five years: There has been no change of name, registered office or objects of Resulting Company 1 during the last five years.
- (h) The authorized, issued, subscribed and paid-up share capital of the Resulting Company 1 as on December 31, 2024, is as under:

Particulars	INR
<b>Authorized Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

Subsequent to the aforesaid, there is no change in the capital structure of the Resulting Company 1. The Resulting Company 1 does not have any preference share capital.

- (i) The latest financial statements of the Resulting Company 1 have been audited for the financial year ended March 31, 2024 and are attached as **Annexure G1**. The limited review financials of the Resulting Company 1 for the half year ended September 30, 2024 are attached as **Annexure H1**.
- (j) The details of Promoters and Directors of the Resulting Company 1 (as on the date of the Notice) along with their addresses are mentioned herein below:

**Details of Promoters and Promoter Group:**

Sr. No.	Name	Address
<b>Promoter(s)</b>		
1.	Vedanta Limited	1 <sup>st</sup> floor, C Wing, Unit 103, Corporate Avenue Atul Projects, Chakala Andheri (East), Mumbai – 400093, Maharashtra

**Details of Directors:**

Name	Designation	Address
Sunil Gupta	Non-Executive Director	S-9 Bungalow, Vedanta Meadows, Jharsuguda, Odhisha
Anup Agarwal	Non-Executive Director	WHA-033, Westend Heights, DLF Phase -5, Chakarpur, Gurgaon, Haryana - 122002
Pankaj Jha	Non-Executive Director	Tirupati Tower, Flat No. 4, Block B, 1st Floor, 13/1 Dharmatala Road, Nr PNB Bank Belur Branch, Belur, Howrah – 711202

**7.3. Particulars of Resulting Company 2:**

- (a) Resulting Company 2 is Talwandi Sabo Power Limited, a public company incorporated under the Companies Act, 1956 with CIN U40101MH2007PLC433557 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link Chakala MIDC, Mumbai – 400093 and is a wholly owned subsidiary of the Demerged Company.
- (b) Resulting Company 2 is authorized by its memorandum of association to engage in the business of inter alia generation, transmission and distribution of power for supply to the state electricity boards, power utilities, generating companies, transmission companies, distribution companies, etc.
- (c) PAN: AACCT6775G

- (d) E-mail address: [tspl.secretarial@vedanta.co.in](mailto:tspl.secretarial@vedanta.co.in)
- (e) The equity shares of Resulting Company 2 are not listed on any Stock Exchange. Upon consummation of the Scheme, the equity shares of Resulting Company 2 will be listed on both the Stock Exchanges.
- (f) The main objects of Resulting Company 2, as set out in its Memorandum of Association, are as under:
1. *To plan; promote; develop, design, engineer. Construct, operate and maintain “electricity system” as defined under Section 2(25) of the Electricity Act, 2003 and integrated fuel system in all its aspects including design and engineer; prepare preliminary feasibility, detailed project and appraisal reports; establish; own; construct; operate and maintain electricity system and captive coal mines for generation evacuation; transmission and distribution of power for supply to the State Electricity Boards, Vidyut Boards, Power Utilities, Generating Companies, Transmission Companies, Distribution Companies, State Governments. Licensees, statutory bodies, other organisations (including private, public and Joint sector undertakings) and bulk consumers of power in accordance with the applicable laws, rules regulations, policies, procedures, guidelines and objectives prescribed by the Govt. of India from time to time.*
  2. *To act as consultants, technical advisors, surveyors and providers of technical and other services to Public or Private Sector enterprises engaged in power generation, transmission and distribution and for financial institutions, banks, Central Government and State Governments and agencies engaged in research design, engineering of all form of power, both conventional and non-conventional.*
- (g) Details of change of name, registered office and objects of the Resulting Company 2 during the last five years: The registered office of the Resulting Company 2 was changed from Talwandi Sabo Power Limited, Village Banwala, Mansa – Talwandi Sabo Road, Mansa Punjab – 151302 to C-103 Atul Projects, Corporate Avenue New Link Chakala MIDC, Mumbai – 400093 by way of order dated September 30, 2024 issued by Regional Director, Northern Region, New Delhi. There has been no change of name or objects of Resulting Company 2 during the last five years.
- (h) The authorized, issued, subscribed and paid-up share capital of the Resulting Company 2 as on December 31, 2024, is as under:

Particulars	INR
<b>Authorized Share Capital</b>	
4,00,00,00,000 equity shares of INR 10 each	40,00,00,00,000
<b>Total</b>	<b>40,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
3,20,66,09,692 equity shares of INR 10 each	32,06,60,96,920
<b>Total</b>	<b>32,06,60,96,920</b>

Subsequent to the aforesaid, there has been no change in the capital structure of the Resulting Company 2. The Resulting Company 2 does not have any preference share capital.

- (i) The latest financial statements of the Resulting Company 2 have been audited for the financial year ended March 31, 2024 and are attached as **Annexure G2**. The limited review financials of the Resulting Company 2 for half year ended September 30, 2024 are attached as **Annexure H2**.
- (j) The details of Promoters and Directors of the Resulting Company 2 (as on the date of the Notice) along with their addresses are mentioned herein below:

**Details of Promoters and Promoter Group:**

Sr. No.	Name	Address
<b>Promoter(s)</b>		
1.	Vedanta Limited	1 <sup>st</sup> floor, C Wing, Unit 103, Corporate Avenue Atul Projects, Chakala Andheri (East), Mumbai – 400093



**Details of Directors:**

Name	Designation	Address
Agnivesh Agarwal	Chairman, Non-Executive Director	213, 13 <sup>th</sup> Floor Samudra Mahal, Dr Annie Besant Road, Worli, Mumbai – 400018
Baldev Krishan Sharma	Non-Executive Director	House No. 47, Sector -8, Faridabad - 121006, Haryana, India
Mahendra Singh Mehta	Independent Director	1701, Raheja Excelsior, Pt Madanmohan Malviya Marg, Near Sabo Mall, Tulsiwadi, Tardeo , Mumbai- 400034
Sonal Kushwaha Choithani	Non-Executive Director	D-3/3056, Vasant Kunj, Delhi -110070
Pankaj Kumar Sharma	Whole-time Director	Villa No. 47, Ganpati Enclave, Bhatinda - 151001

**7.4. Details of the Resulting Company 3:**

- (a) Resulting Company 3 is Malco Energy Limited, a public company incorporated under the Companies Act, 1956 with CIN U31300MH2001PLC428719 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link Road, Chakala Andheri (E), Chakala MIDC, Mumbai, Maharashtra, India – 400093 and is a wholly owned subsidiary of the Demerged Company.
- (b) The Resulting Company 3 is authorized by its memorandum of association to engage in the business of inter alia processing ferrous and non-ferrous metals and mining, refining and preparing of market ores, minerals, metals and substances of every kind and description and processing them.
- (c) PAN: AAHCS6896A
- (d) E-mail address: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)
- (e) The equity shares of the Resulting Company 3 are not listed on any Stock Exchange. Upon consummation of the Scheme, the equity shares of the Resulting Company 3 will be listed on both the Stock Exchanges.
- (f) The main objects of the Resulting Company 3, as set out in its Memorandum of Association, are as under:
- To conduct, buy, sell, produce, import and export, deal in and carry on the business of ferrous and non-ferrous metals and mining, refining and preparing of market ores, minerals, metals and substances of every kind and description and processing them, trading in the products and bi products and engaging in working of iron ore, coal, bauxite, magnesite and other minerals or, metallic ores or substances of all description, the production and working of aluminum hydroxide, alumina, magnesia and other oxides or alloys and to acquire lands , mining rights, water rights and other easement necessary to carry out the above activities.*
  - To generate, supply, sell, accumulate, convert and distribute electric power or energy (conventional and non-conventional) and to do all such things as may be required in connection therewith and to acquire, maintain and run power plant/s whether for captive use or otherwise.*
- (g) Details of change of name, registered office and objects of the Resulting Company 3 during the last five years: The registered office of the Resulting Company 3 was changed from SIPCOT Industrial Complex, Madurai Bypass Road, T.V. Puram P.O. Tuticorin, Tamil Nadu – 628002 to C-103 Atul Projects, Corporate Avenue New Link Road, Chakala Andheri (E), Chakala MIDC, Mumbai, Maharashtra, India – 400093 by way of order dated June 03, 2024 issued by Regional Director, Southern Region, Chennai. There has been no change of name or objects of the Resulting Company 3 during the last five years.
- (h) The authorized, issued, subscribed and paid-up share capital of the Resulting Company 3 as on December 31, 2024, is as under:

Particulars	INR
-------------	-----

<b>Authorized Share Capital</b>	
88,00,00,000 equity shares of INR 2 each	176,00,00,000
12,50,000 preference shares of INR 1,000 each	125,00,00,000
<b>Total</b>	<b>301,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
2,33,66,406 equity shares of INR 2 each	4,67,32,812
<b>Total</b>	<b>4,67,32,812</b>

Subsequent to the aforesaid, there has been no change in the capital structure of the Resulting Company 3. Further, Resulting Company 3 has issued 613,54,483 compulsory convertible debentures of face value INR 100 each to the Demerged Company.

- (i) The latest financial statements of the Resulting Company 3 have been audited for the financial year ended March 31, 2024 is attached as **Annexure G3**. The limited review financial results of the Resulting Company 3 for half year ended September 30, 2024 is attached as **Annexure H3**.
- (j) The details of Promoters and Directors of the Resulting Company 3 (as on the date of the Notice) along with their addresses are mentioned herein below:

**Details of Promoters and Promoter Group:**

<b>Sr. No.</b>	<b>Name</b>	<b>Address</b>
<b>Promoter(s)</b>		
1.	Vedanta Limited	1 <sup>st</sup> floor, C Wing, Unit 103, Corporate Avenue Atul Projects, Chakala Andheri (East), Mumbai – 400093

**Details of Directors:**

<b>Name</b>	<b>Designation</b>	<b>Address</b>
Narayanaswamy Alampallam Ramakrishnan	Independent Director	A-12, Archana CHS, Juhu, Versova Link Road, Mumbai, 400053
Navin Kumar Jaju	Non-Executive Director	Howrah A.C. Market, 14 Watkins Lane, D Block, 6 <sup>th</sup> Floor, Howrah, West Bengal, 711101
Poovannan Sumathi	Non-Executive Director	H. No. 1/395, Mariyamman Koil, St. Vittukatti, Deevambalpuram, Thiruvavur, Tamil Nadu, India 614715

**7.5. Details of the Resulting Company 4:**

- (a) Resulting Company 4 is Vedanta Iron and Steel Limited, a public company incorporated under the Companies Act, 2013 with CIN U24109MH2023PLC411777 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai-400093, Maharashtra and is a wholly owned subsidiary of the Demerged Company.
- (b) The Resulting Company 4 has been incorporated with the objective of inter alia carrying on business as explorers and miners of ferrous ores and minerals and manufacturers, exporters, importers, buyers, sellers and dealers in all kinds and description of iron and steel, their alloys and any other special steel group and their products, and all varieties of profiles and products whether forged, rolled, cast or drawn and all products intermediated and by-products consequent to or obtained in the process of manufacture of above articles.
- (c) PAN: AAJCV6998E
- (d) E-mail address: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

- (e) The equity shares of the Resulting Company 4 are not listed on any stock exchange. Upon consummation of the Scheme, the equity shares of the Resulting Company 4 will be listed on both the Stock Exchanges.
- (f) The main objects of the Resulting Company 4, as set out in its Memorandum of Association, are as under:
1. *To carry on or to be interested or engaged in either solely or in partnership with other companies, corporation, or individual, or firm or any other association or person as explorers and miners of ferrous ores and minerals and manufacturers exporters, importers, buyers, sellers, agents and dealers in all kinds and description of iron and steel, structural steel, stainless steel, carbon steel, alloy steel, mild steel, micro-alloy steel, tool steel and other special steel group and their products such as ingots, billets, blooms, sheets, strips, rounds, rods, bars, tops, squares, invert angles, valve, plates mining U-beam, elevator guide channels, flats, slabs, I-Beams, H-Beams, rails, joints, joist, channels, angles, rolls, steel, strips, plates plain and cooled twisted bars, Z-sections, shafting, structural pipes, tubes, wires etc., and all other varieties of profiles and products whether forged, rolled, cast or drawn and all products intermediated and by-products consequent to or obtained in the process of manufacture of above articles and to carry on any other business (manufacture or otherwise) which may seem to the company capable of being conveniently carried on in connection with the above or either calculated directly or indirectly to enhance the value, if any, of the company's properties and rights for the time being.*
  2. *To generate and transmit electrical power by conventional and nonconventional methods including coal, gas, lignite, oil, bio-mass, waste, thermal, solar, atomic, ocean energy, geo-hydel, wind and tidal waves or any other form of energy; and to transmit, distribute, buy, sell, supply, exchange, market, function as a licensee and otherwise deal in power and energy and for that purpose to own, acquire, erect, construct, establish, maintain, improve, manage, operate, alter, carry on control, take on hire or lease, power generation plants of all kinds including co-generation plants, wind farms, solar farms, hydel projects, thermal power stations etc. and transmission lines and grids.*
  3. *To produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally deal in cement, Portland cement, alumina cement, lime and lime-stone and by-products thereof, cement-pipes, sheets and other building materials, refractories and bricks and in connection therewith to take on lease or acquire, erect, construct, establish, operate and maintain cement factories, quarries and collieries, workshop and other works.*
  4. *To take on lease, purchase or otherwise acquire mining and other rights together with the veins, seams or beds of ferrous minerals, coal and other minerals, along with mining rights grant concessions and effects appertaining or belonging thereto and all or any other works, lands, hereditaments and premises held in connection with such price and consideration and upon such terms and conditions there with and to do the business relating to mining and working of minerals, mines, ores, mineral oils and mineral substances of all kinds the production and working of metals and all other materials connected thereto.*
  5. *To carry on the business of mechanical, electrical, railway, marine, aeronautical, agricultural, sanitary, civil and constructional engineers, ferrous and non-ferrous metal founders, casters, spinners, rollers, and workers of all metals and their alloys, welders by any process whatsoever of ferrous and non ferrous metals and metal compounds, manufacturers of welding applications, tool makers, metal workers, boiler makers, mill-wrights, machinists, manufacturers of iron, pig iron, steel, metal wires, ingots, metals and their alloys of all kinds and descriptions, metal conductors, wires, galvanized wires, rods and things in all its branches, wire nails, bolts, nuts and appliances, tools and implements, sheets that could be manufactured out of aluminium, iron, steel, brass, zinc, copper, gold, silver or any other kind and combination of metal, converters of iron and steel and other metals, smiths, tin manufacturers and tinkers, wheelwrights, wood workers, builders, painters, metallurgists, water supply engineers; gas makers, varnishers, vulcanizers, electroplaters, silverplates, nickelplates, aluminium platers, importers, exporters and distributors in all kinds of plant and machinery, apparatus, tools, component parts, accessories, and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in any kind of metals, machinery, implements, tools, accessories, rolling stock.*
  6. *To carry on the business as structural engineers, construction engineers, mechanical engineers, electrical engineers, automobile engineers, fabricators, iron founders, fitters, wire drawers, tool-makers, enamellers, electroplaters, painters, tools, equipment, metal workers,*

*smiths, wood-workers and metallurgists and in particular to manufacture and fabricate engineering goods, machine tools, precision instruments, pneumatic tools, structural steels and material handling equipment.*

7. *To carry on the business of manufacturing, converting, altering, processing, assembling, improving, buying, selling, exchanging, importing, exporting, operating, distributing or otherwise dealing in any or all of the following items, namely,*
    - I. *Electronic and electrical equipment, instruments, components and parts for consumer electronics and appliances, telecommunications, space application, automotive electronics, industrial applications including integrated circuits and packages, semiconductor devices, chips, television sets, video recorders and computer peripherals, monitors, micro-processors, logic controllers and other control equipment, all types of radar, transmitters and receivers, telephone, switching equipment and systems, calculators and digital electronic devices and instruments.*
    - II. *Pig iron and all types of steel including alloy, special steels, stainless steel, cold and hot rolled steels.*
    - III. *Equipment for production and conservation of energy covering non- conventional and renewable/non-renewable sources of energy including wind driven generators, solar powered equipment and all types of batteries and accumulators and the components, parts and accessories thereof.*
    - IV. *All types of finished leather goods.*
  8. *To carry on business of manufacturing Sinter, Sponge iron, Cast iron including derivatives thereof and all types of Steel including structural steel, in the form of cast, rolled or forged or in any other form; machine tools, precision instruments, pneumatic tools, material handling equipment and other engineering goods, and marketing the same, both in wholesale and retails in local and international markets.*
  9. *To carry on the business of sale of waste gases emanating from the Pig Iron blast furnace or any other process for the purpose of utilizing of its energy content, calorific value or sensible heat.*
  10. *To carry on the business of generation of power from the waste gases emanating from the pig iron blast furnace, coke oven and to supply/market the same to local parties and Government/Electricity Board.*
- (g) Details of change of name, registered office and objects of the Resulting Company 4 during the last five years: There has been no change of name, registered office or change in objects of Resulting Company 4 during the last five years.
- (h) The authorized, issued, subscribed and paid-up share capital of the Resulting Company 4 as on December 31, 2024, is as under:

Particulars	INR
<b>Authorized Share Capital</b>	
1,00,000 preference shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,00,000 preference shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

Subsequent to the aforesaid, there has been no change in the capital structure of the Resulting Company 4. The Resulting Company 4 does not have any preference share capital.

- (i) The latest financial statements of the Resulting Company 4 have been audited for the financial year ended March 31, 2024 is attached as **Annexure G4**. The limited review financial results of the Resulting Company 4 for the half year ended September 30, 2024 is attached as **Annexure H4**
- (j) The details of Promoters and Directors of the Resulting Company 4 (as on the date of the Notice) along with their addresses are mentioned herein below:

**Details of Promoters and Promoter Group:**

Sr. No.	Name	Address
<b>Promoter(s)</b>		
1.	Vedanta Limited	1 <sup>st</sup> floor, C Wing, Unit 103, Corporate Avenue Atul Projects, Chakala Andheri (East), Mumbai – 400093

**Details of Directors:**

Name	Designation	Address
Pankaj Jha	Non-Executive Director	Tirupati Tower, Flat No. 4, Block B, 1st Floor, 13/1Dharmatala Road, Nr PNB Bank Belur Branch, Belur, Howrah – 711202
Anup Agarwal	Non-Executive Director	WHA-033, Westend Heights, DLF Phase -5, Chakarpur, Gurgaon, Haryana - 122002
Sunil Gupta	Non-Executive Director	S-9 Bungalow, Vedanta Meadows, Jharsuguda, Odhisha

**8. RELATIONSHIP BETWEEN THE COMPANIES**

Each of the Resulting Companies are wholly owned subsidiaries of the Demerged Company. As on the date of approval of the Scheme by the respective Board of Directors of the Demerged Company and each of the Resulting Companies as on the date of this notice, the entire share capital of Resulting Companies is 100% legally and beneficially held by the Demerged Company along with its nominees.

**9. SALIENT FEATURES OF THE SCHEME:****9.1. This Scheme *inter alia* provides for:**

- (a) Demerger of the Aluminium Undertaking (*as defined under the Scheme*) of Demerged Company to Resulting Company 1, and corresponding issuance of equity shares of Resulting Company 1 to the shareholders of Demerged Company and reduction and cancellation of the entire paid-up share capital of Resulting Company 1 as on the Effective Date (*as defined under the Scheme*), pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (b) Demerger of the Merchant Power Undertaking (*as defined under the Scheme*) of Demerged Company to Resulting Company 2, and corresponding issuance of equity shares of Resulting Company 2 to shareholders of Demerged Company and reduction and cancellation of the paid-up share capital of the Resulting Company 2 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (c) Demerger of the Oil and Gas Undertaking (*as defined under the Scheme*) of Demerged Company to Resulting Company 3, and corresponding issuance of equity shares of Resulting Company 3 to shareholders of Demerged Company and reduction and cancellation of the paid-up share capital of the Resulting Company 3 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (d) Demerger of the Iron Ore Undertaking (*as defined under the Scheme*) of Demerged Company to Resulting Company 4, and corresponding issuance of equity shares of Resulting Company 4 to shareholders of Demerged Company and reduction and cancellation of the paid-up share capital of the Resulting Company 4 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

**9.2. The Demerged Company and Resulting Companies have made/shall make application(s) and/or petition(s) under Sections 230-232 of the Act, and other applicable provisions of the Act to the jurisdictional NCLT, as the case may be, for sanction of the Scheme and all matters ancillary or incidental thereto.****9.3. As per Clause 1.1. of Part I of the Scheme, “Appointed Date” is defined as “in respect of any of Parts II to V of the Scheme, shall mean the Effective Date in respect of such Part of the Scheme, and the Appointed Date for each of the Parts II to V of the Scheme may be a different date”.**

- 9.4. Effective Date, as defined in the Scheme, with respect to Parts II to V of the Scheme, the date or last of the dates on which all of the conditions precedent set forth in the following Clauses of the Scheme are fulfilled, obtained or waived, as applicable in accordance with the Scheme:
- Part II of the Scheme: Clause 39.1 and Clause 39.2;
  - Part III of the Scheme: Clause 39.1 and Clause 39.3;
  - Part IV of the Scheme: Clause 39.1 and Clause 39.4;
  - Part V of the Scheme: Clause 39.1 and Clause 39.5.

**Note: The secured creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.**

## 10. CORPORATE APPROVALS

- 10.1. The Board of Directors of the Demerged Company on September 29, 2023, unanimously approved the Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Anil Agarwal	Non-Executive Chairman	Yes	Not Applicable	
Navin Agarwal	Executive Vice-Chairman	Yes		
Arun Misra	Executive Director	Yes		
Padmini Sekhsaria	Independent Director	Yes		
Dindayal Jalan	Independent Director	Yes		
Akhilesh Joshi*	Independent Director	Yes		
Upendra Kumar Sinha**	Independent Director	Yes		
Priya Agarwal	Non-Executive Director	Yes		

\*Mr. Akhilesh Joshi ceased to hold office due to completion of his term with effect from close of business hours on June 30, 2024.

\*\*Mr. Upendra Kumar Sinha ceased to hold office due to completion of their term with effect from close of business hours on August 10, 2024.

Further, the below Directors have been appointed on the Board:

- Mr. Prasun Kumar Mukherjee was appointed as Non-Executive Independent Director with effect from August 11, 2024.
- Ms. Pallavi Joshi Bakhru was appointed as Non-Executive Independent Director with effect from July 01, 2024.

- 10.2. The Board of Directors of the Demerged Company by way of circular resolution on December 20, 2024, unanimously approved the Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Anil Agarwal	Non-Executive Chairman	Yes	Not Applicable	
Navin Agarwal	Executive Vice-Chairman	Yes		
Padmini Sekhsaria	Independent Director	Yes		
Dindayal Jalan	Independent Director	Yes		
Priya Agarwal	Non-Executive Director	Yes		
Prasun Kumar Mukherjee	Independent Director	Yes		
Pallavi Joshi Bakhru	Independent Director	Yes		
Arun Misra	Executive Director	Yes		

- 10.3. The Board of Directors of the Resulting Company 1 on October 13, 2023, unanimously approved the Original Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Sunil Gupta	Non-Executive Director	Yes	Not Applicable	
Anup Agarwal	Non-Executive Director	Yes		
Pankaj Jha	Non-Executive Director	Yes		

- 10.4. The Board of Directors of the Resulting Company 1 on December 23, 2024, unanimously approved the Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Sunil Gupta	Non-Executive Director	Yes	Not Applicable	
Anup Agarwal	Non-Executive Director	Yes		
Pankaj Jha	Non-Executive Director	Yes		

- 10.5. The Board of Directors of the Resulting Company 2 on October 10, 2023, unanimously approved the Original Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Agnivesh Agarwal	Chairman, Non-Executive Director	Leave of Absence		
Baldev Krishan Sharma	Non-Executive Director	Yes	Not Applicable	
Mahendra Singh Mehta	Independent Director	Yes		
Sonal Kushwaha Choithani	Non-Executive Director	Yes		
Pankaj Kumar Sharma	Whole-time Director	Yes		

- 10.6. The Board of Directors of the Resulting Company 2 on December 23, 2024, unanimously approved the Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Agnivesh Agarwal	Chairman, Non-Executive Director	Yes	Not Applicable	
Baldev Krishan Sharma	Non-Executive Director	Yes		
Mahendra Singh Mehta	Independent Director	Yes		
Sonal Kushwaha Choithani	Non-Executive Director	Yes		
Pankaj Kumar Sharma	Whole-time Director	Yes		

- 10.7. The Board of Directors of the Resulting Company 3 on October 13, 2023, unanimously approved the Original Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Narayanaswamy Alampallam Ramakrishnan	Independent Director	Yes	Not Applicable	
Navin Kumar Jaju	Non-Executive Director	Yes		
Poovannan Sumathi	Non-Executive Director	Yes		

- 10.8. The Board of Directors of the Resulting Company 3 on December 23, 2024, unanimously approved the Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Narayanaswamy Alampallam Ramakrishnan	Independent Director	Yes	Not Applicable	
Navin Kumar Jaju	Non-Executive Director	Yes		
Poovannan Sumathi	Non-Executive Director	Yes		

- 10.9. The Board of Directors of the Resulting Company 4 on October 13, 2023, unanimously approved the Original Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Pankaj Jha	Non-Executive Director	Yes	Not Applicable	
Anup Agarwal	Non-Executive Director	Yes		
Sunil Gupta	Non-Executive Director	Leave of Absence		

- 10.10. The Board of Directors of the Resulting Company 4 on December 23, 2024, unanimously approved the Scheme, as detailed below:

Name of the Directors	Designation	Voted in Favour	Voted Against	Abstained from voting
Pankaj Jha	Non-Executive Director	Yes	Not Applicable	
Anup Agarwal	Non-Executive Director	Yes		
Sunil Gupta	Non-Executive Director	Yes		

## 11. DETAILS OF CAPITAL OR DEBT RESTRUCTURING, IF ANY

- 11.1. There is no debt restructuring envisaged in this Scheme.

- 11.2. Pursuant to the Scheme, for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each held by equity shareholders of the Demerged Company, the said equity shareholders will receive equity shares of the Resulting Companies in following manner (collectively **"New Equity Shares"**):

- 1 (One) fully paid-up equity share of the Resulting Company 1 having face value of INR 1 (Indian Rupee One) each;
- 1 (One) fully paid-up equity share of the Resulting Company 2 having face value of INR 10 (Indian Rupees Ten) each;
- 1 (One) fully paid-up equity share of the Resulting Company 3 having face value of INR 1 (Indian Rupee One) each; and
- 1 (One) fully paid-up equity share of the Resulting Company 4 having face value of INR 1 (Indian Rupee One) each.

- 11.3. Immediately with effect from the Effective Date and upon allotment of New Equity Shares by each of the Resulting Companies, the entire pre-demerger paid up equity share capital, as on the Effective Date, of each of the Resulting Companies shall stand cancelled, extinguished and annulled on and from the Effective Date and the paid up capital of each of the Resulting Companies to that effect shall stand cancelled and reduced, which shall be regarded as reduction of equity share capital of the respective Resulting Companies, pursuant to Section 66 of the Act as also any other applicable provisions of the Act. The reduction of the share capital of the Resulting Companies shall be effected as an integral part of the Scheme itself, without having to follow the process under Section 66 of the Act separately and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction.



12. **INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNELS (KMPS), THEIR RELATIVES AND DEBENTURE TRUSTEES**

- 12.1. None of the Directors, KMPS (as defined under the Act and rules framed thereunder) of the Resulting Company 3 and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their directorship and shareholding, if any, in the Resulting Company 3. The Debenture Trustee (for the debentures issued by the Resulting Company 3) has no interest in the Scheme.
- 12.2. None of the Directors, KMPS (as defined under the Act and rules framed thereunder) of each of the Resulting Companies and their respective relatives (as defined under the Act and rules framed thereunder), have any interest in the Scheme except to the extent of their directorship and shareholding, if any, in the Resulting Companies.
- 12.3. The Debenture Trustee (for the debentures issued by the Resulting Company 3) has no interest in the Scheme. Resulting Company 1, Resulting Company 2 and Resulting Company 4 have not issued any debentures.

13. **AMOUNTS DUE TO UNSECURED CREDITORS AS ON SEPTEMBER 30, 2024**

- 13.1. The amount due to unsecured creditors of the Resulting Company 3, as on September 30, 2024 is INR 8,43,77,23,958.
- 13.2. The amount due to unsecured creditors of the Demerged Company and other Resulting Companies, as on September 30, 2024, is set out in the table below:

	Amount in INR
Demerged Company	1,83,70,82,00,393
Resulting Company 1	3,83,781
Resulting Company 2	2,35,45,40,416
Resulting Company 4	1,21,865

14. **PRE AND POST SCHEME CAPITAL STRUCTURE**

- 14.1. The pre-Scheme capital structure of the Demerged Company is set out in Paragraph 7.1 (g). Post-Scheme, there will be no change in the capital structure of the Demerged Company.
- 14.2. The pre-scheme capital structure of each of the Resulting Companies is mentioned in Paragraphs 7.2(h), 7.3(h), 7.4(h) and 7.5(h) respectively. The post-scheme capital structure of each of the Resulting Companies is collectively enclosed herewith as **Annexure I**.
- 14.3. The issued, subscribed and paid-up capital structure of each of the Resulting Companies will mirror the shareholding of the Demerged Company and each of the Resulting Companies shall, and to the extent required, take all the necessary steps and approvals required to increase its authorized share capital on or before the Effective Date for issuance of the New Equity Shares pursuant to the Scheme.
- 14.4. Pre and post-Scheme (indicative) shareholding pattern of the Demerged Company and Resulting Companies is collectively enclosed herewith as **Annexure J** and **Annexure K1 - K4** respectively and forms part of this Statement.

15. **SHARE ENTITLEMENT RATIO REPORTS AND FAIRNESS OPINIONS**

- 15.1. Copies of the share entitlement ratio reports dated September 29, 2023 from M/s. BDO Valuation Advisory LLP, Registered Valuers, on the share entitlement ratio for the issue of shares by each of the Resulting Companies ("**Share Entitlement Ratio Reports**") are attached as **Annexure L1 - L4**.
- 15.2. Copies of the fairness opinions dated September 29, 2023 issued by M/s. ICICI Securities Limited, Category I Merchant Banker with respect to each of the Resulting Companies, are attached as **Annexure M1 – M4**.

16. **AUDITORS' CERTIFICATE ON CONFORMITY OF ACCOUNTING TREATMENT SPECIFIED IN THE SCHEME WITH ACCOUNTING STANDARDS**

The respective Statutory Auditors of the Demerged Company and of the Resulting Companies have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act and other Generally Accepted Accounting Principles in India.

## **17. EFFECTS OF THE SCHEME ON STAKEHOLDERS**

### **17.1. Equity Shareholders, KMPs, Promoter and Non-Promoter shareholders**

- (i) The effect of the Scheme on the equity shareholders, KMPs, promoter and non-promoter shareholders of the Demerged Company and the respective Resulting Companies is given in the reports adopted by the Board of Directors of the Demerged Company and the Resulting Companies on September 29, 2023, October 13, 2023, October 10, 2023, October 13, 2023 and October 13, 2023 respectively, pursuant to the provisions of Section 232(2)(c) of the Act which are attached as **Annexure N** and **Annexure O1 - O4** respectively, to this Statement.
- (ii) The Scheme is not expected to have any adverse effects on the KMPs, Promoters and Non-Promoter Members of the Demerged Company and the Resulting Companies, wherever relevant.

### **17.2. Directors**

- (i) The Scheme will have no effect on the office of the existing Directors of the Demerged Company or each of the Resulting Companies. Further, no change in the Board of Directors of the Demerged Company and the Resulting Companies is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Demerged Company and of the Resulting Companies may change by appointments, retirements or resignations in accordance with the provisions of the Act, SEBI Listing Regulations, Applicable Laws and Memorandum and Articles of Association of the Demerged Company and of each of the Resulting Companies.
- (ii) The effect of the Scheme on the Directors of the Demerged Company and each of the Resulting Companies in their capacity as equity shareholders of the Demerged Company is same as in case of other equity shareholders of the Demerged Company, as mentioned in the aforesaid report attached as **Annexure N** and **Annexure O1 - O4** respectively.

### **17.3. Creditors**

- (i) The rights and interests of secured and unsecured creditors of the Demerged Company and the Resulting Companies, if any, will not be prejudicially affected by the Scheme as no compromise, sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner and post the Scheme, the Demerged Company and each of the Resulting Companies will be able to meet their respective liabilities as they arise in the ordinary course of business.
- (ii) The audited financial statements of the Demerged Company and the Resulting Companies for the year ended March 31, 2024, indicate that the Demerged Company and the Resulting Companies would be in solvent positions and would be able to meet their respective liabilities as they arise in the course of business. There is no likelihood that any creditors of the Demerged Company and the Resulting Companies would lose or be prejudiced as a result of this Scheme being passed since no compromise, sacrifice or waiver is at all called for from them nor are their rights sought to be adversely modified in any manner.
- (iii) Hence, the Scheme will not cast any additional burden on the shareholders or creditors of the Demerged Company and the Resulting Companies, nor will it adversely affect the interest of any of the shareholders or creditors.

### **17.4. Employees**

- (i) As far as the employees of the Demerged Company are concerned, there would not be any change in their terms of employment on account of the Scheme. Employees of the Demerged Company transferred pursuant to the Scheme to the respective Resulting Companies will be governed as per clause 5, 12, 19 and 27 of the Scheme. Therefore, the Scheme will have no effect on the existing employees of the Demerged Company and the Resulting Companies.

### **17.5. Debenture holders and Debenture Trustees**

- (i) The Demerged Company has issued non-convertible debentures (“**NCDs**”) and has appointed debenture trustees. The NCDs are listed on BSE.
- (ii) There will not be any impact on the debenture holders of the Demerged Company pursuant to the Scheme. The liability of the Demerged Company to the debenture holders is neither reduced or extinguished under the Scheme. The current debenture holders of the Demerged Company will continue to be served by the respective Resulting Companies. Thus, the Scheme envisages that the holders of NCDs of the Demerged Company will become holders of NCDs of the respective Resulting Companies on exactly the same terms and will be vested in and shall be exercised by or against the respective Resulting Companies as if the relevant Resulting Company was the issuer of such NCDs. Therefore, the Scheme will not have any adverse impact on the holders of the NCDs and thus adequately safeguards interests of the holders of the NCDs.
- (iii) With effect from the Effective Date and upon allotment of New Equity Shares by the Resulting Company 3, the entire pre-demerger paid up equity share capital (including any compulsory convertible debentures (if any)), as on the Effective Date, shall stand cancelled, extinguished and annulled and from the Effective Date and will mirror the shareholding of the Demerged Company as of the Record Date.

#### 17.6. Depositors and Deposit Trustees

- (i) The Resulting Company 3 has not accepted any deposits within the meaning of the Act and Rules framed thereunder. Hence, no Deposit Trustees have been appointed.

There will be no adverse effect on account of the Scheme on the aforesaid stakeholders. The Scheme is proposed to the advantage of all concerned, including the said stakeholders.

#### 18. DETAILS OF APPROVAL FROM REGULATORY AUTHORITIES

- 18.1. In terms of Regulation 37 and Regulation 59A of the SEBI Listing Regulations read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (“**SEBI Master Circular**”), NSE and BSE, by their respective Observation Letters dated July 30, 2024 and July 31, 2024, have conveyed ‘no adverse observations/ no-objection’ on the Original Scheme. Copies of the said letters issued by NSE and BSE are enclosed hereto as **Annexure P** and **Annexure Q**, respectively (“**Observation Letters**”). Further, the Demerged Company has not received any complaint relating to the Original Scheme and “NIL” complaints report were filed by the Demerged Company with BSE and NSE in terms of the SEBI Master Circular, copies of which are enclosed as **Annexure R** and **Annexure S**, respectively.

The Demerged Company has not received any complaints related to the Scheme since the Scheme has been approved by the Board of Directors of the Demerged Company on December 20, 2024.

- 18.2. The Resulting Company 3 confirms that copy of the Order has been duly filed with the Registrar of Companies, in Form GNL-1, on December 05, 2024. Further, the Resulting Company 3 confirms that notice of the Scheme in the prescribed form is also being served on all Authorities in terms of the Order of the Hon’ble NCLT, Mumbai Bench dated November 21, 2024.
- 18.3. Prior to the effectiveness of the Scheme, the Demerged Company and the Resulting Companies shall make requisite applications and obtain necessary approvals from the regulatory authorities as set out in paragraphs 39.2, 39.3, 39.4 and 39.5 of the Scheme. Each Part of the Scheme is subject to receipt of necessary approvals or deemed approvals as set out in the Scheme from:
  - (i) Part II of the Scheme: (a) Central and State Governments for the transfer of the coal mines and (b) State Government for the transfer of the bauxite mine(s);
  - (ii) Part III of the Scheme: counterparties to applicable power purchase agreements;
  - (iii) Part IV of the Scheme: Central Government and counterparties under the production sharing contracts, revenue sharing contracts and joint operating agreements for the transfer of operatorship and participating interests, as applicable;
  - (iv) Part V of the Scheme: State Governments for the transfer of the iron ore mines.

#### 19. INVESTIGATION OR PROCEEDINGS, IF ANY, PENDING AGAINST THE DEMERGED COMPANY UNDER THE ACT

- 19.1. No investigation proceedings have been instituted or are pending in relation to the Demerged Company and the Resulting Companies under Sections 210 to 227 of Chapter XIV of the Act or under the corresponding provisions of the Companies Act, 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against any of the aforementioned Companies.
- 19.2. To the knowledge of the Demerged Company and each of the Resulting Companies, no winding up proceedings have been filed or are pending against them under the Act or the corresponding provisions of the Companies Act, 1956.
20. The applicable information of each of the Resulting Companies in the format specified for the abridged prospectus as provided in Part E of the Schedule VI of the Securities Exchange Board of (Issue of Capital and Disclosures Requirements) Regulations, 2018 read with SEBI Circular dated February 4, 2022 are enclosed herewith as **Annexure T1 – T4** and forms part of this Statement.

## 21. **ADDITIONAL INFORMATION**

### 21.1. As per comments contained in the Observation Letters:

- (i) Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Demerged Company, its promoters and directors, are enclosed herewith as **Annexure U** and forms part of this Statement.
- (ii) Following information, is enclosed herewith as **Annexure V** and forms part of this Statement.
  - (a) details of assets, liabilities, networth, revenue of VEDL and the Resulting Companies, for both pre and post scheme of arrangement;
  - (b) write up on the history of each of viz. (a) Aluminium Undertaking (as defined under the Scheme); (b) the Merchant Power Undertaking (as defined under the Scheme); (c) the Oil and Gas Undertaking (as defined under the Scheme); and and (e) the Iron Ore Undertaking (as defined under the Scheme);
  - (c) latest net worth certificate along with statement of assets and liabilities of both VEDL and each of the Resulting Companies for both pre and post the Scheme; and
  - (d) comparison of revenue and net worth of demerged undertakings (set out in (ii) above) with the total revenue and net worth of the VEDL in last three financial years.
- (iv) Detailed statement on the applicability of statutory and other approvals viz. Central or State Government, Ministry, Regulatory, etc., including the status of those approvals is set out in paragraph 18.3 above;
- (v) Need, rationale and synergies of the scheme along with its impact on the shareholders
  - (a) The 'Rationale and Purpose' of the Scheme is as set out in paragraph 6 above; and
  - (b) The 'Effects of the Scheme on Stakeholders' is as set out in paragraph 17above.
- (vi) Additional information submitted to NSE as per Annexure M of the list of documents to be submitted with NSE vide letter dated October 19, 2023, in accordance with NSE Observation Letter, as set out in **Annexure W1 – W15**.
- (vii) Additional information submitted to BSE vide letter dated July 30, 2024, in accordance with BSE Observation Letter, as set out in **Annexure X1 – X15**.

### 21.2. **Non-implementation of Part V of the Original Scheme (Demerger and Vesting of the Base Metals Undertaking):**

Subsequent to the Order, pursuant to paragraphs 44, 46 and 51 of the Original Scheme, the board of directors ("**Board**") of the Demerged Company, VBML and the Resulting Companies, have by way of their resolutions dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively, decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies have approved the updated Scheme, between the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting

Company 3 and Resulting Company 4. All other terms as envisaged in the Original Scheme shall remain unaffected and will be implemented in accordance with the terms thereof.

- 21.3. A separate Company Scheme Application (C.A.(CAA) No. 220/(MB) of 2024) was filed by the Resulting Company 2 with the NCLT on October 22, 2024, given that original registered office of Resulting Company 2 was in the process of being changed from Punjab to Mumbai, Maharashtra at the time of filing the captioned Company Scheme Application (C.A.(CAA) / MB/171 /2024) with respect to the Scheme. The notice for convening meetings of secured and unsecured creditors of Resulting Company 2 for approving the Scheme shall be issued as per the directions of the NCLT in the Company Scheme Application (C.A.(CAA) No. 220/(MB) of 2024).

## 22. INSPECTION

The electronic copy of the following documents shall be available for inspection by the secured creditors of the Demerged Company in the investor section of the website of the Demerged Company at [www.vedantalimited.com](http://www.vedantalimited.com):

- (a) Copy of the said Order;
- (b) Copy of the Original Scheme;
- (c) Copy of the Scheme;
- (d) Memorandum and Articles of Association of the Demerged Company and the Resulting Companies;
- (e) Consolidated and Standalone audited financial statements of the Demerged Company for the financial year ended March 31, 2024;
- (f) Consolidated and Standalone unaudited financial results (limited reviewed) for the quarter and half year ended September 30, 2024 of the Demerged Company;
- (g) Audited financial statements of the Resulting Companies for the financial year ended March 31, 2024;
- (h) The limited review financial results for the half year ended September 30, 2024 of the Resulting Companies;
- (i) Share Entitlement Ratio Reports by M/s. BDO Valuation Advisory LLP, Registered Valuers, dated September 29, 2023 with respect to each of the Resulting Companies;
- (j) Fairness opinions dated September 29, 2023 issued by M/s. ICICI Securities Limited, Category I Merchant Banker with respect to each of the Resulting Companies;
- (k) Reports of the Audit and Risk Management Committee and Independent Directors Committee of the Demerged Company, both dated September 29, 2023;
- (l) Report of the Board of Directors of the Demerged Company pursuant to Section 232(2)(c) of the Act;
- (m) Reports of the Board of Directors of each of the Resulting Companies pursuant to Section 232(2)(c) of the Act;
- (n) Certificate of the Statutory Auditor of the Demerged Company confirming that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
- (o) Certificates of the Statutory Auditors of the Resulting Companies that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Act and applicable accounting standards;
- (p) Copies of the Observation Letters issued by the Stock Exchanges to Demerged Company; and
- (q) Certificate issued by Navigant Corporate Advisors Limited SEBI Registered Merchant Banker, certifying the accuracy and adequacy of disclosures made in **Annexure T1 - T4**.

- (r) Copy of the board resolutions of the Demerged Company, VBML and the Resulting Companies dated December 20, 2024, December 23, 2024 and December 23, 2024 respectively, approving the non-implementation of Part V of the Scheme and the Scheme.

23. Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Demerged Company, its equity shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Resulting Company 3 recommends the Scheme for approval of the secured creditors.

Sd/-

**Mr. Dindayal Jalan**  
**Independent Director of the Demerged Company**  
**DIN: 00006882**  
**Chairperson appointed for the Meeting**

Place: Mumbai

Date: January 17, 2025

Regd. Office: 1<sup>st</sup> floor, C Wing, Unit 103, Corporate Avenue Atul Projects, Chakala Andheri (East) Mumbai, Maharashtra, India – 400093

CIN: U31300MH2001PLC428719

Website: [www.vedantalimited.com](http://www.vedantalimited.com)

Email: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

Tel: +91 22 6643 4500

**COMPOSITE SCHEME OF ARRANGEMENT**  
**BETWEEN**  
**VEDANTA LIMITED**  
**AND**  
**VEDANTA ALUMINIUM METAL LIMITED**  
**AND**  
**TALWANDI SABO POWER LIMITED**  
**AND**  
**MALCO ENERGY LIMITED**  
**AND**  
**VEDANTA IRON AND STEEL LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**  
**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE**  
**PROVISIONS OF THE COMPANIES ACT, 2013**





A) **PREAMBLE**

1. This composite scheme of arrangement (hereinafter referred to as the “Scheme”) *inter alia* provides for:

- (i) Demerger of the Aluminium Undertaking (*as defined hereinafter*) of Vedanta Limited (“VEDL”) to Vedanta Aluminium Metal Limited (“**Resulting Company 1**”), and corresponding issuance of equity shares of Resulting Company 1 to the shareholders of VEDL and reduction and cancellation of the entire paid-up share capital of Resulting Company 1 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (ii) Demerger of the Merchant Power Undertaking (*as defined hereinafter*) of VEDL to Talwandi Sabo Power Limited (“**Resulting Company 2**”), and corresponding issuance of equity shares of Resulting Company 2 to shareholders of VEDL and reduction and cancellation of the paid-up share capital of the Resulting Company 2 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (iii) Demerger of the Oil and Gas Undertaking (*as defined hereinafter*) of VEDL to MALCO Energy Limited (“**Resulting Company 3**”), and corresponding issuance of equity shares of Resulting Company 3 to shareholders of VEDL and reduction and cancellation of the paid-up share capital of the Resulting Company 3 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (iv) Demerger of the Iron Ore Undertaking (*as defined hereinafter*) of VEDL to Vedanta Iron and Steel Limited (“**Resulting Company 4**”), and corresponding issuance of equity shares of Resulting Company 4 to shareholders of VEDL and reduction and cancellation of the paid-up share capital of the Resulting Company 4 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 are collectively referred to as the “**Resulting Companies**”.

2. This Scheme also provides for various other matters consequent and incidental thereto.

B) **INTRODUCTION**

1. VEDL is a company incorporated under the Companies Act, 1956 with CIN L13209MH1965PLC291394 and registered office situated at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East) Mumbai - 400093. VEDL is a diversified natural resource company engaged in the business of extraction, refining, manufacture and sale of various metals and minerals, generation and sale of power and other businesses including semiconductor manufacturing, display glass manufacturing, etc. The equity shares of VEDL are listed on the BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”). The Listed Debt Securities (*as defined hereinafter*) of VEDL are listed on the BSE.

2. Resulting Company 1 is a company incorporated under the Companies Act, 2013 with CIN U24202MH2023PLC411663 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai-400093, Maharashtra and is a wholly owned subsidiary of VEDL. The Resulting Company 1 has been incorporated with the objective of *inter alia* carrying on the business of metallurgists and miners including beneficiation, dressing,





concentration, smelting, refining and the extraction, manufacture and fabrication, purchase and sale of metals and in particular to manufacture, produce and/or otherwise deal in alumina, aluminium and aluminium products and by-products and the sale, dealing or other disposition of alumina, aluminium and aluminium products and by-products. Following the coming into effect of Part II of the Scheme, the Resulting Company 1 will carry on the Aluminium Business (*as defined hereinafter*). The equity shares of the Resulting Company 1 are presently not listed on the Stock Exchanges (*as defined hereinafter*).

3. Resulting Company 2 is Talwandi Sabo Power Limited, a company incorporated under the Companies Act, 1956 with CIN U40101PB2007PLC031035 and is a wholly owned subsidiary of VEDL. The Resulting Company 2 is engaged in the business of *inter alia* generation, transmission and distribution of power for supply to the state electricity boards, power utilities, generating companies, transmission companies, distribution companies, etc. Following the coming into effect of Part III of the Scheme, the Resulting Company 2 will carry on the Merchant Power Business (*as defined hereinafter*). The equity shares of the Resulting Company 2 are presently not listed on the Stock Exchanges.
4. Resulting Company 3 is MALCO Energy Limited, a company incorporated under the Companies Act, 1956 with CIN U31300TN2001PLC069645 and is a wholly owned subsidiary of VEDL. Currently, Resulting Company 3 is engaged in the business of *inter alia* processing ferrous and non-ferrous metals and mining, refining and preparing of market ores, minerals, metals and substances of every kind and description and processing them. Following the coming into effect of Part IV of the Scheme, the Resulting Company 3 will carry on the Oil and Gas Business (*as defined hereinafter*). The equity shares of the Resulting Company 3 are presently not listed on the Stock Exchanges.
5. Resulting Company 4 is a company incorporated under the Companies Act, 2013 with CIN U24109MH2023PLC411777 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai-400093, Maharashtra and is a wholly owned subsidiary of VEDL. The Resulting Company 4 has been incorporated with the objective of *inter alia* carrying on business as explorers and miners of ferrous ores and minerals and manufacturers, exporters, importers, buyers, sellers and dealers in all kinds and description of iron and steel, their alloys and any other special steel group and their products, and all varieties of profiles and products whether forged, rolled, cast or drawn and all products intermediated and by-products consequent to or obtained in the process of manufacture of above articles. Following the coming into effect of Part V of the Scheme, the Resulting Company 4 will carry on the Iron Ore Business (*as defined hereinafter*). The equity shares of the Resulting Company 4 are presently not listed on the Stock Exchanges.

#### C) **RATIONALE**

- (i) VEDL has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.
- (ii) Each of the varied businesses carried on by VEDL by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.
- (iii) The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.



- (iv) In order to lend enhanced focus to the operation of identified businesses, VEDL proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking.
- (v) The following benefits shall accrue on demergers of the Aluminium Business (*as defined hereinafter*), the Merchant Power Business (*as defined hereinafter*), the Oil and Gas Business (*as defined hereinafter*) and the Iron Ore Business (*as defined hereinafter*):
  - (a) creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;
  - (b) enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;
  - (c) each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;
  - (d) enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;
  - (e) enabling focused and sharper capital market access (debt and equity) and thereby unlocking the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, and the Iron Ore Undertaking and creating enhanced value for shareholders.

The Scheme is in the interests of all stakeholders of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.

#### D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **PART I** deals with the definitions, share capital of the Parties (*as defined hereinafter*), date of taking effect and implementation of this Scheme;
2. **PART II** deals with the demerger, transfer and vesting of the Aluminium Undertaking from the Demerged Company into Resulting Company 1 on a going concern basis and the issue of equity shares by the Resulting Company 1 to the shareholders of the Demerged Company, in consideration thereof;
3. **PART III** deals with the demerger, transfer and vesting of the Merchant Power Undertaking from the Demerged Company into Resulting Company 2 on a going concern basis and the issue of equity shares by the Resulting Company 2 to the shareholders of the Demerged Company, in consideration thereof;



4. **PART IV** deals with the demerger, transfer and vesting of the Oil and Gas Undertaking from the Demerged Company into Resulting Company 3 on a going concern basis and the issue of equity shares by the Resulting Company 3 to the shareholders of the Demerged Company, in consideration thereof;
5. **PART V** deals with the demerger, transfer and vesting of the Iron Ore Undertaking from the Demerged Company into Resulting Company 4 on a going concern basis and the issue of equity shares by the Resulting Company 4 to the shareholders of the Demerged Company, in consideration thereof;
6. **PART VI** deals with the general terms and conditions applicable to this Scheme.

**E) TREATMENT OF THE SCHEME UNDER INCOME TAX ACT, 1961**

1. The provisions of Parts II to V of this Scheme have been drawn up to comply with the conditions relating to “demerger” as defined under Section 2(19AA) of the Income Tax Act and the demerger of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking and their respective transfer and vesting into the Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 respectively shall be in compliance with Section 2(19AA) of the Income Tax Act, 1961.
2. If any of the terms or provisions of Parts II to V of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section 2(19AA) at a later date including as a result of an amendment of law or for any other reason whatsoever, the said Section 2(19AA) shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA). Such modification shall not affect the other parts of the Scheme.



## PART I

### DEFINITIONS, SHARE CAPITAL OF THE PARTIES, DATE OF TAKING EFFECT

#### 1. DEFINITIONS

- 1.1. In this Scheme, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

“**Act**” means the Companies Act, 2013 as amended from time to time and the rules made thereunder;

“**Aluminium Business**” means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company’s division engaged in mining and processing of bauxite and refining of alumina and extraction, manufacture, and sale of aluminium;

“**Aluminium Undertaking**” means the undertaking of the Demerged Company pertaining to the Aluminium Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, residential premises occupied by the employees engaged for the purpose of the Aluminium Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Aluminium Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (ii) All assets as are movable in nature pertaining to the Aluminium Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants), actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., including investments in BALCO, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits or set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Aluminium Business;
- (iii) all mines, including applications for mining leases and letters of intent issued in respect of the mines, with all necessary licenses, approvals, clearances, all mine infrastructures





standing on the mining lease land and surface rights, composite licenses for the mines, whether already granted or for which an application is pending or in process as on the Effective Date;

- (iv) mining infrastructure such as tangible assets used for mining operations, being civil works, workshops, immovable ore winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centers, site administrative offices, fixed installations, ore handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport systems, hauling systems land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by mining operations under the relevant Law;
- (v) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Aluminium Business (“**Aluminium Undertaking Liabilities**”) and / or arising out of and / or relatable to the Aluminium Business including:
  - (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Aluminium Business;
  - (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Aluminium Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Aluminium Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Aluminium Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of Demerged Company immediately prior to giving effect to Part II of the Scheme;
- (vi) contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Aluminium Business;
- (vii) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Aluminium Business;
- (viii) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Aluminium Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise),



research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Aluminium Business;

- (ix) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Aluminium Business;
- (x) all legal or other proceedings of whatsoever nature that pertain to the Aluminium Business;
- (xi) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Aluminium Business;
- (xii) all employees employed by / engaged in the Aluminium Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise;
- (xiii) (a) The aluminium smelter units of the Demerged Company situated in Jharsuguda, Odisha, (b) the aluminium refinery of the Demerged Company situated in Lanjigarh, Odisha, and (c) the bauxite mine of the Demerged Company located in Sijimali, Odisha; and
- (xiv) (a) 4 (four) captive power plants of the Demerged Company of total capacity 3015 MW situated in Jharsuguda, Odisha; (b) 1 (one) captive power plant of the Demerged Company of capacity 90 MW situated in Lanjigarh, Odisha, (c) coal mines of the Demerged Company situated in Jamkhani, Radhikapur West, Kuraloi and Ghogharpalli; (d) capital work in progress in relation to plant of capacity 130 MW situated in Lanjigarh, Odisha.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Aluminium Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 1.

**“Applicable Law” or “Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, press notes, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority; (b) Permits; and (c) orders, decisions, writs, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties, in each case having the force of law and that is binding or applicable to a person, as may be in force from time to time;



**“Appointed Date”** in respect of any of Parts II to V of the Scheme, shall mean the Effective Date in respect of such Part of the Scheme, and the Appointed Date for each of the Parts II to V of the Scheme may be a different date;

**“Appropriate Authority”** means:

- (i) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, Tribunal, central bank, commission, or other authority thereof;
- (ii) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, SEBI, and the Tribunal; and
- (iii) any Stock Exchange.

**“BALCO”** means Bharat Aluminium Company Limited, a public limited company incorporated under the Companies Act, 1956 with CIN U74899DL1965PLC004518 and registered office situated at Aluminium Sadan Core – 6scope Office Complex, 7 Lodhi Road, New Delhi – 110003;

**“Board”** in relation to a Party, means the board of directors of such Party, and shall include a committee of directors or any person authorised by such board of directors or such committee of directors;

**“Demerged Company”** means VEDL;

**“Effective Date”** means, in respect of:

- (i) Part II of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.2 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;
- (ii) Part III of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.3 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;
- (iii) Part IV of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.4 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;
- (iv) Part V of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 39.1 and Clause 39.5 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;

References in any Part of this Scheme to the date of **“coming into effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date in respect of such Part of the Scheme;

**“Income Tax Act”** or **“IT Act”** means the Income-tax Act, 1961, as amended from time to time or any statutory modification / reenactment thereof together with the rules, regulations, circulars, notifications, clarifications, and orders issued thereunder;



**“INR” or “Rupee(s)”** means Indian Rupee(s), the lawful currency of the Republic of India;

**“Iron Ore Business”** means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company’s division engaged in mining, processing and sale of iron ore;

**“Iron Ore Undertaking”** means the undertaking of the Demerged Company pertaining to the Iron Ore Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, residential premises occupied by the employees engaged for the purpose of the Iron Ore Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Iron Ore Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (ii) All assets as are movable in nature pertaining to the Iron Ore Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants) actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits or set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Iron Ore Business;
- (iii) all mines (including the iron ore mines situated in Goa and Karnataka) and also including applications for mining leases and letters of intent issued in respect of the mines, with all necessary licenses, approvals, clearances, all mine infrastructures standing on the mining lease land and surface rights, composite licenses for the mines, whether already granted or for which an application is pending or in process as on the Effective Date;
- (iv) mining infrastructure such as tangible assets used for mining operations, being civil works, workshops, immovable ore winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centers, site administrative offices, fixed installations, ore handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport





systems, hauling systems land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by mining operations under the relevant Law;

- (v) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Iron Ore Business ("**Iron Ore Undertaking Liabilities**") and / or arising out of and / or relatable to the Iron Ore Business including:
  - (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Iron Ore Business;
  - (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Iron Ore Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Iron Ore Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Iron Ore Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of Demerged Company immediately prior to giving effect to Part V of the Scheme;
- (vi) contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Iron Ore Business;
- (vii) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Iron Ore Business;
- (viii) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Iron Ore Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Iron Ore Business;
- (ix) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other



rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Iron Ore Business;

- (x) all legal or other proceedings of whatsoever nature that pertain to the Iron Ore Business;
- (xi) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Iron Ore Business;
- (xii) all employees employed by / engaged in the Iron Ore Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xiii) Value added business (comprising of pig iron plant, metallurgical coke plant, two power plants, and beneficiation plant in Goa), and metallurgical coke plant in Vazare.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Iron Ore Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 4.

**“Listed Debt Securities”** mean any outstanding listed debt securities as on Effective Date including non-convertible debentures, non-convertible redeemable preference shares, bonds, commercial papers, etc. issued by VEDL and listed on the Stock Exchanges, including the redeemable, non-cumulative, non-convertible debentures issued by VEDL with the following international securities identification numbers:

- (i) INE205A07196;
- (ii) INE205A07212;
- (iii) INE205A07220; and
- (iv) INE205A08012.

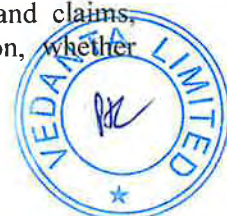
**“Merchant Power Business”** means all the businesses, undertakings, activities, properties, and liabilities of whatsoever nature of the Demerged Company in relation to generation, distribution, trading, supply and sale of power.

**“Merchant Power Undertaking”** means the undertaking of the Demerged Company pertaining to the Merchant Power Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, steel structures, cables, conductors, residential premises occupied by the employees engaged for the purpose of the Merchant Power Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Merchant Power Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;



- (ii) All assets as are movable in nature pertaining to the Merchant Power Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants), actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., including investments in Resulting Company 2, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits or set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Merchant Power Business;
- (iii) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Merchant Power Business and / or arising out of and / or relatable to the Merchant Power Business ("**Merchant Power Undertaking Liabilities**") including:
- (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Merchant Power Business;
  - (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Merchant Power Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Merchant Power Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Merchant Power Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of the Demerged Company immediately prior to giving effect to Part III of the Scheme;
- (iv) contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, power purchase agreements tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether



written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Merchant Power Business;

- (v) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Merchant Power Business;
- (vi) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Merchant Power Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Merchant Power Business;
- (vii) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Merchant Power Business;
- (viii) all legal or other proceedings of whatsoever nature that pertain to the Merchant Power Business;
- (ix) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Merchant Power Business;
- (x) amounts claimed or to be claimed including the receivables by the Merchant Power Business from any third party including from distribution companies (with whom the Merchant Power Business has executed power purchase agreements);
- (xi) all employees employed by / engaged in the Merchant Power Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xii) (a) 1 (one) unit of the Demerged Company of total gross capacity of 600 MW situated in Jharsuguda, Odisha; (b) all the assets and liabilities of Athena Chhattisgarh Power Limited (“**Athena**”), which is in the process of being amalgamated with the Demerged Company pursuant to the Insolvency and Bankruptcy Code, 2016, including the two units of total capacity of 1,200 MW situated in Chhattisgarh (owned and operated by Athena);

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Merchant Power Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 2.





**“Oil and Gas Business”** means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company’s division engaged in exploration, discovery, development, production, extraction, storage and sale of hydrocarbons;

**“Oil and Gas Undertaking”** means the undertaking of the Demerged Company pertaining to the Oil and Gas Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon and resources underneath (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, residential premises provided by the Demerged Company and occupied by the employees engaged for the purpose of the Oil and Gas Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Oil and Gas Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties held by the Demerged Company;
- (ii) All assets as are movable in nature pertaining to the Oil and Gas Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants), actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits or set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Oil and Gas Business;
- (iii) infrastructure such as tangible assets used for exploration operations, being civil works, equipment, rigs, foundations, embankments, pavements, electrical systems, communication systems, relief centers, site administrative offices, fixed installations, handling arrangements, pipelines and conveying systems, underground transport systems, hauling systems, land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by exploration operations under the relevant Law;
- (iv) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Oil and Gas Business (**“Oil and Gas Undertaking Liabilities”**) and / or arising out of and / or relatable to the Oil and Gas Business including:



- (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Oil and Gas Business;
- (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Oil and Gas Business;
- (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Oil and Gas Business;
- (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Oil and Gas Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of Demerged Company immediately prior to giving effect to Part IV of the Scheme;
- (v) contracts (including production sharing contracts and revenue sharing contracts for hydrocarbon blocks), operatorship and participating interests, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Oil and Gas Business;
- (vi) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Oil and Gas Business;
- (vii) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Oil and Gas Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Oil and Gas Business;
- (viii) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Oil and Gas Business;
- (ix) all legal or other proceedings of whatsoever nature that pertain to the Oil and Gas Business;



- (x) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Oil and Gas Business;
- (xi) all employees employed by / engaged in the Oil and Gas Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xii) Operatorship and participating interest for all hydrocarbon blocks including the hydrocarbon blocks set out in **Annexure I** of this Scheme, whether pursuant to production sharing contracts, revenue sharing contracts or otherwise.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Oil and Gas Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 3.

**“Parties”** shall collectively mean VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4; and **“Party”** means each of them, individually;

**“Permits”** means all consents, licenses, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory, or otherwise as required under Applicable Law;

**“Person”** means an individual, a partnership, a corporation, a limited liability partnership, a company, an association, a trust, a joint venture, an unincorporated organization, or an Appropriate Authority;

**“Record Date”** means the date to be fixed by the Boards of Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 respectively in consultation with the Board of the Demerged Company for the purpose of determining the shareholders of the Demerged Company for issue of the Resulting Company 1 New Equity Shares, Resulting Company 2 New Equity Shares, Resulting Company 3 New Equity Shares and Resulting Company 4 New Equity Shares respectively and the Record Date for each of the Parts II to V of the Scheme may be different dates;

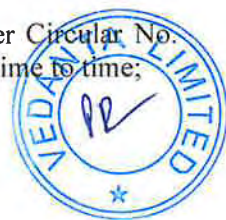
**“Remaining Business”** means all the business, units, divisions, undertakings, and assets and liabilities of VEDL other than the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking, including VEDL’s investment in Hindustan Zinc Limited, VEDL’s interest in semiconductors and glass displays, stainless steel, Ferrochrome and Nickel and base metals business in relation to mining and processing of certain base metals such as Copper and manufacture and sale of Copper;

**“RoC”** means the relevant jurisdictional Registrar of Companies having jurisdiction over any of the Parties;

**“Scheme”** or **“this Scheme”** means this scheme of arrangement as modified from time to time;

**“SEBI”** means the Securities and Exchange Board of India;

**“SEBI Circular”** means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time;



“**SEBI LODR Regulations**” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

“**Stock Exchanges**” means BSE and NSE collectively and Stock Exchange shall mean each of them individually;

“**Tax Laws**” means all Applicable Laws dealing with Taxes including but not limited to income tax, goods and service tax, customs duty, or any other levy of similar nature;

“**Taxation**” or “**Tax**” or “**Taxes**” means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties and all penalties, charges, costs and interest relating thereto;

“**Tribunal**” means the relevant bench of the National Company Law Tribunal having jurisdiction over the Parties; and

“**VEDL**” means Vedanta Limited, a company incorporated under the Companies Act, 1956, having corporate identity number L13209MH1965PLC291394 and having its registered office 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai 400 093, Maharashtra, India.

1.2. In this Scheme, unless the context otherwise requires:

- (i) words denoting the singular shall include the plural and vice versa;
- (ii) headings, subheadings, titles, subtitles to clauses and sub-clauses are for convenience only and shall be ignored in construing the Scheme;
- (iii) reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications, or supplement(s) to, or replacement, re-enactment, restatement, or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and
- (iv) all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income Tax Act, or any other Applicable Laws, rules, regulations, or bye laws, as the case may be.

## 2. SHARE CAPITAL

2.1. The share capital of VEDL as on November 7, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000





<b>Total</b>	74,12,01,00,000
<b>Issued and Subscribed Share Capital</b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	3,71,75,04,871
<b>Paid-up Share Capital</b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	3,71,75,04,871
<b>Listed Capital</b>	
3,71,72,06,239* equity shares of INR 1 each	3,71,72,06,239
<b>Total</b>	

\*2,98,632 shares are under abeyance category which are pending for allotment being sub-judice. Separately, 7,200 equity shares have been released from abeyance category during Q1 FY 24 and have received listing and trading approval effective from October 25, 2023.

- 2.2. The share capital of the Resulting Company 1 as on October 6, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	1,00,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	1,00,000

- 2.3. The share capital of the Resulting Company 2 as on September 15, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
4,00,00,00,000 equity shares of INR 10 each	40,00,00,00,000
<b>Total</b>	40,00,00,00,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	
3,20,66,09,692 equity shares of INR 10 each	32,06,60,96,920
<b>Total</b>	32,06,60,96,920

- 2.4. The share capital of the Resulting Company 3 as on September 15, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
88,00,00,00,000 equity shares of INR 2 each	176,00,00,00,000
12,50,000 preference shares of INR 1,000 each	125,00,00,000



<b>Total</b>	301,00,00,000
<b>Issued, Subscribed and Paid-up Share Capital*</b>	
2,33,66,406 equity shares of INR 2 each	4,67,32,812
<b>Total</b>	4,67,32,812

*\* At present, Resulting Company 3 has issued 613,54,483 compulsory convertible debentures of face value INR 100 each to the Demerged Company.*

- 2.5. The share capital of the Resulting Company 4 as on October 11, 2023, is as follows:

<b>Particulars</b>	<b>INR</b>
<b>Authorised Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	1,00,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	1,00,000

### 3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

- 3.1. The Scheme as set out in its present form or with any modifications (as may be approved, imposed, or directed by the Tribunal), or with any modifications or waivers undertaken in the manner prescribed in this Scheme, shall become effective from the Appointed Date and operative on and from the Effective Date.

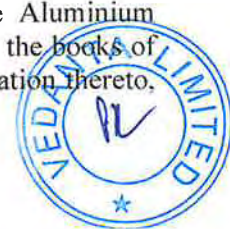


## PART II

### DEMERGER AND VESTING OF THE ALUMINIUM UNDERTAKING

#### 4. DEMERGER AND VESTING OF THE ALUMINIUM UNDERTAKING

- 4.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Aluminium Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 1 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 1 by virtue of operation of law, and in the manner provided in this Scheme.
- 4.2. Without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer of the Aluminium Undertaking under this Scheme, is as follows:
- 4.2.1. In respect of such of the assets and properties forming part of the Aluminium Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Aluminium Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 1 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 1 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 1 shall also be entitled to use the “Vedanta” brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;
- 4.2.2. With respect to the moveable assets of the Aluminium Undertaking other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 1, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 1. With regard to the licenses of the properties, the Resulting Company 1 will enter into novation agreements, if it is so required;
- 4.2.3. In respect of such of the assets and properties forming part of the Aluminium Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto,



the same shall stand transferred to the Resulting Company 1 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 1;

- 4.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 4.2.3 above and Clause 4.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Aluminium Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 1 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.2.4 or Clause 4.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Aluminium Undertaking takes place and the Aluminium Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 4.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 1.
- 4.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Aluminium Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 1, if the Resulting Company 1 so decides, the Demerged Company and the Resulting Company 1, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 1 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 4.2.7. Upon the effectiveness of the Scheme, all Aluminium Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 1 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 1 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 1 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 1 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 1, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The Board of





Directors of the Resulting Company 1 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing.

- 4.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 1, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Aluminium Undertaking stands transferred to the Resulting Company 1 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 4.2.9. In so far as encumbrances, if any, in respect of the Aluminium Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Aluminium Undertaking which have been encumbered in respect of the Aluminium Undertaking Liabilities as transferred to the Resulting Company 1 pursuant to this Scheme. Further, in so far as the assets comprised in the Aluminium Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 1 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 4.2.10. Subject to Clause 4 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Aluminium Undertaking, the Demerged Company shall, if so required by the Resulting Company 1, issue notices in such form as the Resulting Company 1 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 1, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 4.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Aluminium Undertaking, shall be accepted by the bankers of the Resulting Company 1 and credited to the account of the Resulting Company 1, if presented by the Resulting Company 1;
- 4.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Aluminium Undertaking, shall be transferred to the Resulting Company 1 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 1 as if the same were originally given by, issued to or executed in favour of the Resulting Company 1 and the Resulting Company 1 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 1 to carry on the operations of the Aluminium Undertaking without any hindrance, whatsoever; and
- 4.2.13. Contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, letters of authority, licenses and leases (including the



mining leases, prospecting licenses and letters of authority for mines and any applications made for such mining leases, prospective licenses or letters of authority) in relation to the Aluminium Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 1 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect, such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 1 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

4.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 4 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 1 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Aluminium Undertaking transferred to and registered in, the name of the Resulting Company 1, as per Applicable Law.

4.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Aluminium Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 1 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Aluminium Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## **5. EMPLOYEES**

5.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Aluminium Undertaking shall become the employees of the Resulting Company 1 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Aluminium Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.

5.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 1 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 1. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the



existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.

## **6. LEGAL PROCEEDINGS**

- 6.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Aluminium Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 1 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 1 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Aluminium Undertaking.
- 6.2. The Resulting Company 1 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 1 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 1 shall make relevant applications and take all steps as may be required in this regard.
- 6.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Aluminium Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Aluminium Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 1. However, if the Demerged Company is unable to get the Resulting Company 1 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 1 and at the cost of the Resulting Company 1 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

## **7. TAXES/ DUTIES/ CESS**

- 7.1. The Resulting Company 1 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Aluminium Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 1 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 7.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Aluminium Undertaking as on the Appointed Date, shall, for all purposes; be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 1 in



accordance with the provisions of IT Act. It is further clarified that any book losses and/ or unabsorbed depreciation of Demerged Company relating to the Aluminium Undertaking as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Resulting Company 1 for the purposes of computation of minimum alternate tax, if applicable.

- 7.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Aluminium Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 1 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 1 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 7.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 7.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Aluminium Undertaking under any Tax Law or Applicable Law, the Resulting Company 1 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company 1 in accordance with Applicable Law.
- 7.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 7.7. It is further clarified that the Resulting Company 1 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Aluminium Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

## **8. CONSIDERATION AND DISCHARGE OF CONSIDERATION**

- 8.1. The consideration for the demerger of the Aluminium Undertaking shall be the issue by the Resulting Company 1 of 1 (One) fully paid-up equity share of the Resulting Company 1 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 1 New Equity Shares**").
- 8.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 1 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 1 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 1 having face value of INR 1 (Indian Rupee One) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.





- 8.3. The issue price of Resulting Company 1 New Equity Shares shall be the price arrived at by dividing the book value of assets minus liabilities of the Aluminium Undertaking as on the Effective Date by the total number of equity shares issued and allotted by the Resulting Company 1 pursuant to this Clause 8. The difference between the issue price and the face value of the equity shares to be issued and allotted by the Resulting Company 1 will be recorded as 'Securities Premium' under the head 'Other Equity'.
- 8.4. The Resulting Company 1 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 1, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 1 New Equity Shares.
- 8.5. The Resulting Company 1 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 1 to enable it to issue the Resulting Company 1 New Equity Share(s) in dematerialised form.
- 8.6. For the purpose of allotment of the Resulting Company 1 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 1 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 1 New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company 1 ("**Trustee of the Resulting Company 1**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 1 New Equity Share(s) held by the Trustee of the Resulting Company 1 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 1, along with such other documents as may be required by the Trustee of the Resulting Company 1.
- 8.7. The issue and allotment of the Resulting Company 1 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 1 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 1 New Equity Shares under applicable provisions of the Act.
- 8.8. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 1.
- 8.9. The Resulting Company 1 New Equity Shares to be issued by the Resulting Company 1 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 1.
- 8.10. The Resulting Company 1 New Equity Shares to be issued by the Resulting Company 1 in respect of the shares of the Demerged Company held in the Investor Education and Protection



Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 1.

- 8.11. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 8.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.

Upon the Scheme becoming effective but prior to the issue of the Resulting Company 1 New Equity Shares, the authorised share capital of the Resulting Company 1 shall stand altered, reclassified, and increased, without any further act, instrument, or deed on the part of the Resulting Company 1 to mirror the shareholding of the Demerged Company. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 1 shall, without any act, instrument or deed be and stand altered, modified and amended.

- 8.12. It is clarified that the approval of the members of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 1 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 8.13. The Resulting Company 1 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 1 New Equity Shares allotted by the Resulting Company 1 in terms of Clause 8.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 1 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 8.14. The Resulting Company 1 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

## **9. ACCOUNTING TREATMENT**

The Demerged Company and Resulting Company 1 shall account for the demerger for Aluminium Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

### **9.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part II of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 9.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;

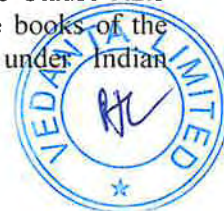


- 9.1.2. The Demerged Company shall de-recognize the carrying values of all the assets and liabilities pertaining to Aluminium Undertaking of the Demerged Company, as on the Effective Date, that are held in and /or transferred to Resulting Company 1 pursuant to this Scheme in accordance with the applicable de-recognition related stipulations contained in the relevant accounting standards;
- 9.1.3. The difference, if any, between the book value of assets of the Aluminium Undertaking of the Demerged Company transferred to Resulting Company 1 and the book value of the liabilities of the Aluminium Undertaking of the Demerged Company transferred to the Resulting Company 1, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and
- 9.1.4. The Demerged Company's investment in Resulting Company 1 as on the Effective Date, if any, shall be cancelled pursuant to Clause 10 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity' in the order specified in Clause 9.1.3 above.

## 9.2. In the books of Resulting Company 1

With effect from the Effective Date and upon Part II of the Scheme coming into effect, Resulting Company 1 shall account for the demerger in its books of account in the following manner:

- 9.2.1. Resulting Company 1 shall record all assets and liabilities of the Aluminium Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 9.2.2. Resulting Company 1 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- 9.2.3. The difference between (A) the book value of assets minus liabilities so recorded in the books of the Resulting Company 1, and (B) the value of the Resulting Company 1 New Equity Shares issued and allotted to the shareholders of the Demerged Company (i.e., number of Resulting Company 1 New Equity Shares issued multiplied by issue price of Resulting Company 1 New Equity Shares) as consideration, if any, shall be credited to the 'Other Equity (Capital Reserve)' of the Resulting Company 1;
- 9.2.4. The Resulting Company 1's share capital as on the Effective Date shall be cancelled pursuant to Clause 10 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity (Capital Reserve)';
- 9.2.5. If the accounting policies adopted by the Resulting Company 1 are different from those adopted by the Demerged Company, the assets and liabilities of the Aluminium Undertaking shall be accounted in the books of the Resulting Company 1 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);
- 9.2.6. Any change effected in the book value of the assets and liabilities of the Aluminium Undertaking, as at the beginning of the comparative period, pursuant to Clause 9.2.5 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 1 with appropriate disclosures as required under Indian



Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and

- 9.2.7. The Resulting Company 1 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 1, whichever is later.
- 9.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 9.1.3 and 9.1.4 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.
- 10. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 1**
- 10.1. Immediately prior to the allotment of the Resulting Company 1 New Equity Shares, the entire paid-up share capital of the Resulting Company 1 as on Effective Date ("**Resulting Company 1 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 1, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 1 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 10.2. It is clarified that the approval of the members of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 1 under applicable provisions of the Act.
- 10.3. Notwithstanding the reduction in the share capital of the Resulting Company 1, the Resulting Company 1 shall not be required to add "And Reduced" as suffix to its name.





## PART III

### DEMERGER AND VESTING OF THE MERCHANT POWER UNDERTAKING

#### 11. DEMERGER AND VESTING OF THE MERCHANT POWER UNDERTAKING

- 11.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Merchant Power Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 2 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 2 by virtue of operation of law, and in the manner provided in this Scheme.
- 11.2. Without prejudice to the generality of the provisions of Clause 11.1 above, the manner of transfer of the Merchant Power Undertaking under this Scheme, is as follows:
- 11.2.1. In respect of such of the assets and properties forming part of the Merchant Power Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Merchant Power Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 2 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 2 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 2 shall also be entitled to use the “Vedanta” brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;
- 11.2.2. With respect to the moveable assets of the Merchant Power Undertaking other than those referred to in Clause 11.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 2, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 2. With regard to the licenses of the properties, the Resulting Company 2 will enter into novation agreements, if it is so required;
- 11.2.3. In respect of such of the assets and properties forming part of the Merchant Power Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto,



the same shall stand transferred to the Resulting Company 2 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 2;

- 11.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 11.2.3 above and Clause 11.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Merchant Power Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 2 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 11.2.4 or Clause 11.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Merchant Power Undertaking takes place and the Merchant Power Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 11.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 2.;
- 11.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Merchant Power Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 2, if the Resulting Company 2 so decides, the Demerged Company and the Resulting Company 2, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 2 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 11.2.7. Upon the effectiveness of the Scheme, all Merchant Power Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 2 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 2 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 2 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 2 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 2, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The



Board of Directors of the Resulting Company 2 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing;

- 11.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 2, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Merchant Power Undertaking stands transferred to the Resulting Company 2 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 11.2.9. In so far as encumbrances, if any, in respect of the Merchant Power Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Merchant Power Undertaking which have been encumbered in respect of the Merchant Power Undertaking Liabilities as transferred to the Resulting Company 2 pursuant to this Scheme. Further, in so far as the assets comprised in the Merchant Power Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 2 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 11.2.10. Subject to this Clause 11 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Merchant Power Undertaking, the Demerged Company shall, if so required by the Resulting Company 2, issue notices in such form as the Resulting Company 2 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 2, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 11.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Merchant Power Undertaking, shall be accepted by the bankers of the Resulting Company 2 and credited to the account of the Resulting Company 2, if presented by the Resulting Company 2;
- 11.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Merchant Power Undertaking, shall be transferred to the Resulting Company 2 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 2 as if the same were originally given by, issued to or executed in favour of the Resulting Company 2 and the Resulting Company 2 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 2 to carry on the operations of the Merchant Power Undertaking without any hindrance, whatsoever; and





- 11.2.13. Contracts in relation to the Merchant Power Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 2 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 2 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.
- 11.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 11 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 2 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Merchant Power Undertaking transferred to and registered in, the name of the Resulting Company 2, as per Applicable Law.
- 11.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Merchant Power Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 2 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Merchant Power Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## **12. EMPLOYEES**

- 12.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Merchant Power Undertaking shall become the employees of the Resulting Company 2 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Merchant Power Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.
- 12.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 2 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 2. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the





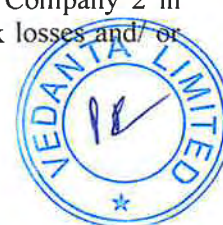
existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.

### 13. LEGAL PROCEEDINGS

- 13.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Merchant Power Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 2 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 2 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Merchant Power Undertaking.
- 13.2. The Resulting Company 2 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 13.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 2 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 2 shall make relevant applications and take all steps as may be required in this regard.
- 13.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Merchant Power Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Merchant Power Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 2. However, if the Demerged Company is unable to get the Resulting Company 2 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 2 and at the cost of the Resulting Company 2 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

### 14. TAXES/ DUTIES/ CESS

- 14.1. The Resulting Company 2 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Merchant Power Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 2 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 14.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Merchant Power Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 2 in accordance with the provisions of IT Act. It is further clarified that any book losses and/ or



unabsorbed depreciation of Demerged Company relating to the Merchant Power Undertaking as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Resulting Company 2 for the purposes of computation of minimum alternate tax, if applicable.

- 14.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Merchant Power Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 2 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 2 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 14.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 14.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Merchant Power Undertaking under any Tax Law or Applicable Law, the Resulting Company 2 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company 2 in accordance with Applicable Law.
- 14.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 14.7. It is further clarified that the Resulting Company 2 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Merchant Power Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

## 15. CONSIDERATION AND DISCHARGE OF CONSIDERATION

- 15.1. The consideration for the demerger of the Merchant Power Undertaking shall be the issue by the Resulting Company 2 of 1 (One) fully paid-up equity share of the Resulting Company 2 having face value of INR 10 (Indian Rupees Ten) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 2 New Equity Shares**").
- 15.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 2 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 2 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 2 having face value of INR 10 (Indian Rupees Ten) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.



- 15.3. The Resulting Company 2 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 2, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 2 New Equity Shares.
- 15.4. The Resulting Company 2 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 2 to enable it to issue the Resulting Company 2 New Equity Share(s) in dematerialised form.
- 15.5. For the purpose of allotment of the Resulting Company 2 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 2 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 2 New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company 2 ("**Trustee of the Resulting Company 2**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 2 New Equity Share(s) held by the Trustee of the Resulting Company 2 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 2, along with such other documents as may be required by the Trustee of the Resulting Company 2.
- 15.6. The issue and allotment of the Resulting Company 2 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 2 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 2 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 2 New Equity Shares under applicable provisions of the Act.
- 15.7. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 2.
- 15.8. The Resulting Company 2 New Equity Shares to be issued by the Resulting Company 2 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 2.
- 15.9. The Resulting Company 2 New Equity Shares to be issued by the Resulting Company 2 in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 2.
- 15.10. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 15.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.



Upon the Scheme becoming effective but prior to the issue of the Resulting Company 2 New Equity Shares, the authorised share capital of the Resulting Company 2 shall stand altered and reclassified, without any further act, instrument, or deed on the part of the Resulting Company 2 to mirror the shareholding of the Demerged Company. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 2 shall, without any act, instrument or deed be and stand altered, modified and amended.

- 15.11. It is clarified that the approval of the members of the Resulting Company 2 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 2 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 15.12. The Resulting Company 2 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 2 New Equity Shares allotted by the Resulting Company 2 in terms of Clause 15.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 2 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 15.13. The Resulting Company 2 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

## **16. ACCOUNTING TREATMENT**

The Demerged Company and Resulting Company 2 shall account for the demerger for Merchant Power Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

### **16.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part III of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 16.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 16.1.2. The Demerged Company shall de-recognize the carrying values of all assets and liabilities pertaining to Merchant Power Undertaking of the Demerged Company, as on the Effective Date, that are held in and /or transferred to Resulting Company 2 pursuant to this Scheme in accordance with de-recognition related stipulations contained in the relevant accounting standards; and
- 16.1.3. The difference, if any, between the book value of assets of the Merchant Power Undertaking of the Demerged Company transferred to Resulting Company 2 and the





book value of the liabilities of the Merchant Power Undertaking of the Demerged Company transferred to the Resulting Company 2, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and

#### 16.2. In the books of Resulting Company 2

With effect from the Effective Date and upon Part III of the Scheme coming into effect, Resulting Company 2 shall account for the demerger in its books of account in the following manner:

- 16.2.1. Resulting Company 2 shall record all assets and liabilities of the Merchant Power Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
  - 16.2.2. Resulting Company 2 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
  - 16.2.3. The difference between (A) the book value of assets minus liabilities recorded in the books of the Resulting Company 2, and (B) the face value of the Resulting Company 2 New Equity Shares issued and allotted to the shareholders of the Demerged Company (number of Resulting Company 2 New Equity Shares issued multiplied by face value of Resulting Company 2 New Equity Shares) as consideration, if any, shall be credited to 'Other Equity (Capital Reserve)' of the Resulting Company 2;
  - 16.2.4. Any debit balance lying in surplus of 'Statement of Profit and Loss' of Resulting Company 2 prior to the effectiveness of the Scheme, to be adjusted against Other Equity (Capital Reserve) of the Resulting Company 2;
  - 16.2.5. The Resulting Company 2's share capital as on the Effective Date stands cancelled pursuant to Clause 17 of this Scheme and the resultant impact, if any, will be adjusted in Other Equity (Capital Reserve);
  - 16.2.6. If the accounting policies adopted by the Resulting Company 2 are different from those adopted by the Demerged Company, the assets and liabilities of the Merchant Power Undertaking shall be accounted in the books of the Resulting Company 2 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);
  - 16.2.7. Any change effected in the book value of the assets and liabilities of the Merchant Power Undertaking, as at the beginning of the Comparative period, pursuant to Clause 16.2.6 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 2 with appropriate disclosures as required under Indian Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and
  - 16.2.8. The Resulting Company 2 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 2, whichever is later.
- 16.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 16.1.3 above, being consequential in nature, is



proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.

## **17. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 2**

- 17.1. Immediately prior to the allotment of the Resulting Company 2 New Equity Shares, the entire paid-up share capital of the Resulting Company 2 as on Effective Date ("**Resulting Company 2 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 2, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 2 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 17.2. It is clarified that the approval of the members of the Resulting Company 2 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 2 under applicable provisions of the Act.
- 17.3. Notwithstanding the reduction in the share capital of the Resulting Company 2, the Resulting Company 2 shall not be required to add "And Reduced" as suffix to its name.

## **17A. CHANGE OF NAME OF RESULTING COMPANY 2**

- 17A.1. Upon this Scheme becoming effective, the name of the Resulting Company 2 shall stand changed to 'Vedanta Power Company Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.
- 17A.2. Consequently, subject to Clause 17A.1 above, Clause I of the memorandum of association of the Resulting Company 2 shall without any act, procedure, instrument or deed be and stand altered, modified and amended, to reflect the revised name of the Resulting Company 2, pursuant to Sections 13, 232 and other applicable provisions of the Act.
- 17A.3. It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 17A.1 and 17A.2, the consent of the shareholders of the Resulting Company 2 to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.



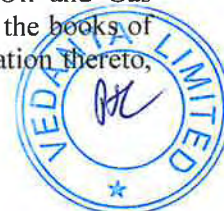


## PART IV

### DEMERGER AND VESTING OF THE OIL AND GAS UNDERTAKING

#### 18. DEMERGER AND VESTING OF THE OIL AND GAS UNDERTAKING

- 18.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Oil and Gas Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 3 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 3 by virtue of operation of law, and in the manner provided in this Scheme.
- 18.2. Without prejudice to the generality of the provisions of Clause 18.1 above, the manner of transfer of the Oil and Gas Undertaking under this Scheme, is as follows:
- 18.2.1. In respect of such of the assets and properties forming part of the Oil and Gas Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Oil and Gas Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 3 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 3 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 3 shall also be entitled to use the "Vedanta" brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;
- 18.2.2. With respect to the moveable assets of the Oil and Gas Undertaking other than those referred to in Clause 18.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 3, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 3. With regard to the licenses of the properties, the Resulting Company 3 will enter into novation agreements, if it is so required;
- 18.2.3. In respect of such of the assets and properties forming part of the Oil and Gas Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto,



the same shall stand transferred to the Resulting Company 3 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 3;

- 18.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 18.2.3 above and Clause 18.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Oil and Gas Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 3 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 18.2.4 or Clause 18.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Oil and Gas Undertaking takes place and the Oil and Gas Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 18.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 3;
- 18.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Oil and Gas Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 3, if the Resulting Company 3 so decides, the Demerged Company and the Resulting Company 3, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 3 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 18.2.7. Upon the effectiveness of the Scheme, all Oil and Gas Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 3 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 3 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 3 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 3 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 3, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The Board of



Directors of the Resulting Company 3 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing;

- 18.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 3, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Oil and Gas Undertaking stands transferred to the Resulting Company 3 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 18.2.9. In so far as encumbrances, if any, in respect of the Oil and Gas Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to and shall operate only over the assets comprised in the Oil and Gas Undertaking which have been encumbered in respect of the Oil and Gas Undertaking Liabilities as transferred to the Resulting Company 3 pursuant to this Scheme. Further, in so far as the assets comprised in the Oil and Gas Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 3 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 18.2.10. Subject to Clause 18 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Oil and Gas Undertaking, the Demerged Company shall, if so required by the Resulting Company 3, issue notices in such form as the Resulting Company 3 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 3, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 3 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 18.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Oil and Gas Undertaking, shall be accepted by the bankers of the Resulting Company 3 and credited to the account of the Resulting Company 3, if presented by the Resulting Company 3;
- 18.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Oil and Gas Undertaking, shall be transferred to the Resulting Company 3 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 3 as if the same were originally given by, issued to or executed in favour of the Resulting Company 3 and the Resulting Company 3 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 3 to carry on the operations of the Oil and Gas Undertaking without any hindrance, whatsoever; and
- 18.2.13. Contracts in relation to the Oil and Gas Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 3 pursuant to the Scheme





becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 3 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

18.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 18 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 3 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Oil and Gas Undertaking transferred to and registered in, the name of the Resulting Company 3, as per Applicable Law.

18.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Oil and Gas Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 3 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Oil and Gas Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## **19. EMPLOYEES**

19.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Oil and Gas Undertaking shall become the employees of the Resulting Company 3 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Oil and Gas Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.

19.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 3 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 3. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.



## 20. LEGAL PROCEEDINGS

- 20.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Oil and Gas Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 3 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 3 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible for or liable in relation to any such legal or other proceedings in relation to the Oil and Gas Undertaking.
- 20.2. The Resulting Company 3 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 20.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 3 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 3 shall make relevant applications and take all steps as may be required in this regard.
- 20.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Oil and Gas Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Oil and Gas Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 3. However, if the Demerged Company is unable to get the Resulting Company 3 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 3 and at the cost of the Resulting Company 3 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

## 21. TAXES/ DUTIES/ CESS

- 21.1. The Resulting Company 3 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Oil and Gas Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 3 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 21.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Oil and Gas Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 3 in accordance with the provisions of IT Act. It is further clarified that any book losses and/ or unabsorbed depreciation of Demerged Company relating to the Oil and Gas Undertaking as specified in their respective books of accounts shall be included as book losses and/or



unabsorbed depreciation of the Resulting Company 3 for the purposes of computation of minimum alternate tax, if applicable.

- 21.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Oil and Gas Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 3 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 3 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 21.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 21.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Oil and Gas Undertaking under any Tax Law or Applicable Law, the Resulting Company 3 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or credits, as the case may be, without any specific approval or permission and such benefit or incentives or credits, as the case may be, shall be available for dematerialization to the Resulting Company 3 in accordance with Applicable Law.
- 21.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 21.7. It is further clarified that the Resulting Company 3 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Oil and Gas Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

## 22. CONSIDERATION AND DISCHARGE OF CONSIDERATION

- 22.1. The consideration for the demerger of the Oil and Gas Undertaking shall be the issue by the Resulting Company 3 of 1 (One) fully paid-up equity share of the Resulting Company 3 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 3 New Equity Shares**").
- 22.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 3 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 3 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 3 having face value of INR 1 (Indian Rupee One) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.

The Resulting Company 3 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 3, including





with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 3 New Equity Shares.

- 22.4. The Resulting Company 3 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialized form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 3 to enable it to issue the Resulting Company 3 New Equity Share(s) in dematerialized form.
- 22.5. For the purpose of allotment of the Resulting Company 3 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 3 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 3 New Equity Share(s) in dematerialized form to a trustee nominated by the Board of the Resulting Company 3 ("**Trustee of the Resulting Company 3**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 3 New Equity Share(s) held by the Trustee of the Resulting Company 3 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 3, along with such other documents as may be required by the Trustee of the Resulting Company 3.
- 22.6. The issue and allotment of the Resulting Company 3 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 3 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 3 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 3 New Equity Shares under applicable provisions of the Act.
- 22.7. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 3.
- 22.8. The Resulting Company 3 New Equity Shares to be issued by the Resulting Company 3 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 3.
- 22.9. The Resulting Company 3 New Equity Shares to be issued by the Resulting Company 3 in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 3.
- 22.10. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 22.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.

Upon the Scheme becoming effective but prior to the issue of the Resulting Company 3 New Equity Shares, the authorised share capital of the Resulting Company 3 shall stand altered, reclassified, and increased, without any further act, instrument, or deed on the part of the



Resulting Company 3 to mirror the shareholding of the Demerged Company. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 3 shall, without any act, instrument or deed be and stand altered, modified and amended.

- 22.11. It is clarified that the approval of the members of the Resulting Company 3 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 3 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 22.12. The Resulting Company 3 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 3 New Equity Shares allotted by the Resulting Company 3 in terms of Clause 20.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 3 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 22.13. The Resulting Company 3 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

### **23. ACCOUNTING TREATMENT**

The Demerged Company and Resulting Company 3 shall account for the demerger for Oil and Gas Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

#### **23.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part IV of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 23.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 23.1.2. The Demerged Company shall de-recognize the carrying values of all the assets and liabilities pertaining to Oil and Gas Undertaking of the Demerged Company, as on the Effective Date, that are held in and /or transferred to Resulting Company 3 pursuant to this Scheme in accordance with the applicable de-recognition related stipulations contained in the relevant accounting standards;
- 23.1.3. The difference, if any, between the book value of assets of the Oil and Gas Undertaking of the Demerged Company transferred to Resulting Company 3 and the book value of the liabilities of the Oil and Gas Undertaking of the Demerged Company transferred to the Resulting Company 3, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any;



thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and

- 23.1.4. The Demerged Company's investment in Resulting Company 3 as on the Effective Date, if any, shall be cancelled pursuant to Clause 24 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity' in the order specified in Clause 23.1.3 above.

**23.2. In the books of Resulting Company 3**

With effect from the Effective Date and upon Part IV of the Scheme coming into effect, Resulting Company 3 shall account for the demerger in its books of account in the following manner:

- 23.2.1. Resulting Company 3 shall record all assets and liabilities of the Oil and Gas Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 23.2.2. Resulting Company 3 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- 23.2.3. The difference between (A) the book value of assets minus liabilities, recorded in the books of the Resulting Company 3, and (B) the face value of the Resulting Company 3 New Equity Shares issued and allotted to the shareholders of the Demerged Company (number of Resulting Company 3 New Equity Shares issued multiplied by face value per Resulting Company 3 New Equity Shares) as consideration, if any, shall be credited to the 'Other Equity (Capital Reserve)' of the Resulting Company 3;
- 23.2.4. Any debit balance lying in surplus of 'Statement of Profit and Loss' of Resulting Company 3 prior to the effectiveness of the Scheme to be adjusted against Other Equity (Capital Reserve) of the Resulting Company 3;
- 23.2.5. The Resulting Company 3's share capital as on the Effective Date shall be cancelled pursuant to Clause 24 of this Scheme and the resultant impact, if any, will be adjusted in Other Equity (Capital Reserve);
- 23.2.6. If the accounting policies adopted by the Resulting Company 3 are different from those adopted by the Demerged Company, the assets and liabilities of the Oil and Gas Undertaking shall be accounted in the books of the Resulting Company 3 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);
- 23.2.7. Any change effected in the book value of the assets and liabilities of the Oil and Gas Undertaking, as at the beginning of the comparative period, pursuant to Clause 23.2.6 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 3 with appropriate disclosures as required under Indian Accounting Standard – 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and
- 23.2.8. The Resulting Company 3 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 3, whichever is later.



- 23.3. The utilization of the ‘Capital Reserve’, ‘Securities Premium’ and ‘General Reserve’ of the Demerged Company pursuant to Clause 23.1.3 and 23.1.4 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.

## **24. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 3**

- 24.1. Immediately prior to the allotment of the Resulting Company 3 New Equity Shares, the entire paid-up share capital of the Resulting Company 3 as on Effective Date (“**Resulting Company 3 Cancelled Shares**”) shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 3, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 3 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 24.2. It is clarified that the approval of the members and creditors of the Resulting Company 3 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 3 under applicable provisions of the Act.
- 24.4. Notwithstanding the reduction in the share capital of the Resulting Company 3, the Resulting Company 3 shall not be required to add “And Reduced” as suffix to its name.

## **25. ALTERATION OF NAME AND OBJECTS CLAUSE OF RESULTING COMPANY 3**

- 25.1. Upon this Scheme becoming effective, the name of the Resulting Company 3 shall stand changed to ‘Vedanta Oil and Gas Limited’ or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.
- 25.2. Consequently, subject to Clause 25.1 above, Clause I of the memorandum of association of the Resulting Company 3 shall without any act, procedure, instrument or deed be and stand altered, modified and amended, to reflect the revised name of the Resulting Company 3, pursuant to Sections 13, 232 and other applicable provisions of the Act.
- 25.3. The existing objects clause of the Memorandum of Association of the Resulting Company 3 shall without any act, instrument or deed be and stand altered, modified, and amended by the addition of the following clause as Paragraph 2A:

*“To carry on all or any of the businesses of exploring, drilling, development, extracting, producing, treating (including refining), producing, storing, transporting, exporting, selling and generally dealing in, or with, hydrocarbon and other crude oils, asphalt, bitumen, natural gas, chemicals and any such substances as aforesaid inside or outside India.”*

- 25.4. It is hereby clarified that, for the purposes of acts and events as mentioned in this Clause 25, the consent of the shareholders of the Resulting Company 3 to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.





## PART V

### DEMERGER AND VESTING OF THE IRON ORE UNDERTAKING

#### 26. DEMERGER AND VESTING OF THE IRON ORE UNDERTAKING

26.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Iron Ore Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 4 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 4 by virtue of operation of law, and in the manner provided in this Scheme.

26.2. Without prejudice to the generality of the provisions of Clause 26.1 above, the manner of transfer of the Iron Ore Undertaking under this Scheme, is as follows:

26.2.1. In respect of such of the assets and properties forming part of the Iron Ore Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Iron Ore Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 4 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 4 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 4 shall also be entitled to use the "Vedanta" brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;

26.2.2. With respect to the moveable assets of the Iron Ore Undertaking other than those referred to in Clause 26.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 4, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 4. With regard to the licenses of the properties, the Resulting Company 4 will enter into novation agreements, if it is so required;



- 26.2.3. In respect of such of the assets and properties forming part of the Iron Ore Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto, the same shall stand transferred to the Resulting Company 4 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 4;
- 26.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 26.2.3 above and Clause 26.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Iron Ore Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 4 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 26.2.4 or Clause 26.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Iron Ore Undertaking takes place and the Iron Ore Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 26.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 4;
- 26.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Iron Ore Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 4, if the Resulting Company 4 so decides, the Demerged Company and the Resulting Company 4, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 4 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 26.2.7. Upon the effectiveness of the Scheme, all Iron Ore Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 4 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 4 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 4 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 4 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the





Resulting Company 4, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The Board of Directors of the Resulting Company 4 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing;

- 26.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 4, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Iron Ore Undertaking stands transferred to the Resulting Company 4 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 26.2.9. In so far as encumbrances, if any, in respect of the Iron Ore Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Iron Ore Undertaking which have been encumbered in respect of the Iron Ore Undertaking Liabilities as transferred to the Resulting Company 4 pursuant to this Scheme. Further, in so far as the assets comprised in the Iron Ore Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 4 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 26.2.10. Subject to Clause 26 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Iron Ore Undertaking, the Demerged Company shall, if so required by the Resulting Company 4, issue notices in such form as the Resulting Company 4 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 4, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 4 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 26.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Iron Ore Undertaking, shall be accepted by the bankers of the Resulting Company 4 and credited to the account of the Resulting Company 4, if presented by the Resulting Company 4;
- 26.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Iron Ore Undertaking, shall be transferred to the Resulting Company 4 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 4 as if the same were originally given by, issued to or executed in favour of the Resulting Company 4 and the Resulting Company 4 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 4 to carry on the operations of the Iron Ore Undertaking without any hindrance, whatsoever; and



- 26.2.13. Contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, letters of authority, licenses and leases (including the mining leases, prospecting licenses and letters of authority for mines and any applications made for such mining leases, prospective licenses or letters of authority) in relation to the Iron Ore Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 4 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 4 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.
- 26.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 26 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 4 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Iron Ore Undertaking transferred to and registered in, the name of the Resulting Company 4, as per Applicable Law.
- 26.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Iron Ore Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 4 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Iron Ore Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## 27. EMPLOYEES

- 27.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Iron Ore Undertaking shall become the employees of the Resulting Company 4 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Iron Ore Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.
- 27.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 4 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 4. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the



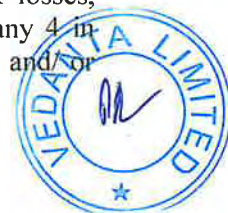
existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.

## **28. LEGAL PROCEEDINGS**

- 28.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Iron Ore Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 4 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 4 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible for or liable in relation to any such legal or other proceedings in relation to the Iron Ore Undertaking.
- 28.2. The Resulting Company 4 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 28.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 4 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 4 shall make relevant applications and take all steps as may be required in this regard.
- 28.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Iron Ore Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Iron Ore Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 4. However, if the Demerged Company is unable to get the Resulting Company 4 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 4 and at the cost of the Resulting Company 4 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

## **29. TAXES/ DUTIES/ CESS**

- 29.1. The Resulting Company 4 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Iron Ore Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 4 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 29.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Iron Ore Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 4 in accordance with the provisions of IT Act. It is further clarified that any book losses and/or





unabsorbed depreciation of Demerged Company relating to the Iron Ore Undertaking as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Resulting Company 4 for the purposes of computation of minimum alternate tax, if applicable.

- 29.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Iron Ore Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 4 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 4 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 29.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 29.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Iron Ore Undertaking under any Tax Law or Applicable Law, the Resulting Company 4 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company 4 in accordance with Applicable Law.
- 29.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 29.7. It is further clarified that the Resulting Company 4 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Iron Ore Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

### **30. CONSIDERATION AND DISCHARGE OF CONSIDERATION**

- 30.1. The consideration for the demerger of the Iron Ore Undertaking shall be the issue by the Resulting Company 4 of 1 (One) fully paid-up equity share of the Resulting Company 4 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 4 New Equity Shares**").
- 30.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 4 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 4 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 4 having face value of INR 1 (Indian Rupee One) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.



- 30.3. The issue price of Resulting Company 4 New Equity Shares shall be the price arrived at by dividing the book value of assets minus liabilities of the Iron Ore Undertaking as on the Effective Date by the total number of equity shares issued and allotted by the Resulting Company 4 pursuant to this Clause 30. The difference between the issue price and the face value of the equity shares to be issued and allotted by the Resulting Company 4 will be recorded as 'Securities Premium' under the head 'Other Equity'.
- 30.4. The Resulting Company 4 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 4, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 4 New Equity Shares.
- 30.5. The Resulting Company 4 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 4 to enable it to issue the Resulting Company 4 New Equity Share(s) in dematerialised form.
- 30.6. For the purpose of allotment of the Resulting Company 4 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 4 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 4 New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company 4 ("**Trustee of the Resulting Company 4**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 4 New Equity Share(s) held by the Trustee of the Resulting Company 4 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 4, along with such other documents as may be required by the Trustee of the Resulting Company 4.
- 30.7. The issue and allotment of the Resulting Company 4 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 4 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 4 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 4 New Equity Shares under applicable provisions of the Act.
- 30.8. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 4.
- 30.9. The Resulting Company 4 New Equity Shares to be issued by the Resulting Company 4 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 4.
- 30.10. The Resulting Company 4 New Equity Shares to be issued by the Resulting Company 4 in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 4.



- 30.11. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 30.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.

Upon the Scheme becoming effective but prior to the issue of the Resulting Company 4 New Equity Shares, the authorised share capital of the Resulting Company 4 shall stand altered, reclassified, and increased, without any further act, instrument, or deed on the part of the Resulting Company 4 to mirror the shareholding of the Demerged Company. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 4 shall, without any act, instrument or deed be and stand altered, modified and amended.

- 30.12. It is clarified that the approval of the members of the Resulting Company 4 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 4 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 30.13. The Resulting Company 4 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 4 New Equity Shares allotted by the Resulting Company 4 in terms of Clause 30.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 4 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 30.14. The Resulting Company 4 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

## **31. ACCOUNTING TREATMENT**

The Demerged Company and Resulting Company 4 shall account for the demerger for Iron Ore Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

### **31.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part V of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 31.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 31.1.2. The Demerged Company shall de-recognize the carrying values of all assets and liabilities pertaining to Iron Ore Undertaking of the Demerged Company as on the Effective Date, that are held in and /or transferred to Resulting Company 4 pursuant to





this Scheme in accordance with de-recognition related stipulations contained in the relevant accounting standards;

- 31.1.3. The difference, if any, between the book value of assets of the Iron Ore Undertaking of the Demerged Company transferred to Resulting Company 4 and the book value of the liabilities of the Iron Ore Undertaking of the Demerged Company transferred to the Resulting Company 4, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and
- 31.1.4. The Demerged Company's investment in Resulting Company 4 as on the Effective Date, if any, shall be cancelled pursuant to Clause 32 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity' in the order specified in Clause 31.1.3 above.

### **31.2. In the books of Resulting Company 4**

With effect from the Effective Date and upon Part V of the Scheme coming into effect, Resulting Company 4 shall account for the demerger in its books of account in the following manner:

- 31.2.1. Resulting Company 4 shall record all assets and liabilities, if any of the Iron Ore Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 31.2.2. Resulting Company 4 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- 31.2.3. The difference between (A) the book value of assets minus liabilities if any, recorded in the books of the Resulting Company 4, and (B) the value of the Resulting Company 4 New Equity Shares issued and allotted to the shareholders of the Demerged Company (number of Resulting Company 4 New Equity Shares issued multiplied by issue price per Resulting Company 4 New Equity Shares) as consideration, if any, shall be credited to 'Other Equity (Capital Reserve)' of the Resulting Company 4;
- 31.2.4. The Resulting Company 4's share capital as on the Effective Date shall be cancelled pursuant to Clause 32 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity (Capital Reserve)';
- 31.2.5. If the accounting policies adopted by the Resulting Company 4 are different from those adopted by the Demerged Company, the assets and liabilities of the Iron Ore Undertaking shall be accounted in the books of the Resulting Company 4 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015;
- 31.2.6. Any change effected in the book value of the assets and liabilities of the Iron Ore Undertaking, as at the beginning of the comparative period, pursuant to Clause 31.2.5 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 4 with appropriate disclosures as required under Indian Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and



- 31.2.7. The Resulting Company 4 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 4, whichever is later.
- 31.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 31.1.3 and 31.1.4 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.
- 32. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 4**
- 32.1. Immediately prior to the allotment of the Resulting Company 4 New Equity Shares, the entire paid-up share capital of the Resulting Company 4 as on Effective Date ("**Resulting Company 4 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 4, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 4 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 32.2. It is clarified that the approval of the members of the Resulting Company 4 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 4 under applicable provisions of the Act.
- 32.3. Notwithstanding the reduction in the share capital of the Resulting Company 4 the Resulting Company 4 shall not be required to add "And Reduced" as suffix to its name.



## PART VI

### GENERAL TERMS AND CONDITIONS

#### 33. BUSINESS UNTIL THE EFFECTIVE DATE

33.1. With effect from the date of approval of this Scheme by the respective Boards of the Parties and up to and including the Effective Date:

33.1.1. VEDL shall carry on the business of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto; and

33.1.2. VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals, and sanctions which they may require to carry on the relevant business that is being transferred and vested in terms of this Scheme.

33.2. Notwithstanding anything to the contrary contained in this Clause 33 or the Scheme, prior to the coming into effect of the relevant Part of the Scheme, the Board of VEDL may transfer, sell or dispose of such of the assets, liabilities or properties pertaining to the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking and Iron Ore Undertaking, on such terms and to such party as it may deem appropriate, in accordance with Applicable Law.

#### 34. PROPERTY IN TRUST AND DIVIDENDS

34.1. Notwithstanding anything contained in this Scheme, on or after the Effective Date, as the case may be, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom (including rights to any mines or mining leases) pertaining to the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking is transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively, subject to Applicable Law, each of Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively are deemed to be authorised to enjoy the property, asset or the rights and benefits arising from the relevant license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement and may, subject to Applicable Law, occupy and operate such property or asset. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Parties, VEDL will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom (including rights to any mine or mining leases), in trust for and on behalf of the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively and the same will be deemed to be effective from the Appointed Date.

34.2. During the pendency of the Scheme, the Parties shall be entitled to declare and pay dividends to their respective shareholders in consistent with the past practice or in ordinary course of business, whether interim or final. Any other dividend shall be recommended/declared only by the mutual consent of the concerned Parties. It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and



shall not be deemed to confer any right on any shareholder of the Parties to demand or claim or be entitled to any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of the Parties as the case may be, and subject to approval, if required, of the shareholders of the Parties as the case may be.

### **35. ANCILLARY PROVISION**

In terms of provisions of the Scheme, any credit balance remaining in capital reserve of the respective Resulting Companies on the Effective Date shall be transferred to the Securities Premium of the respective Resulting Companies.

### **36. FACILITATION PROVISIONS**

- 36.1. Notwithstanding anything to the contrary contained in this Scheme, each Resulting Company (subject to the relevant Part of the Scheme in respect of such Resulting Company having come into effect) and the Demerged Company, may provide to the other Resulting Companies, and each Resulting Company (subject to the relevant Part of the Scheme in respect of such Resulting Company having come into effect) may provide to the Demerged Company, such financial support and collateral and may enter into such arrangements with each other in this behalf as the Boards of the relevant Resulting Companies and the Demerged Company may determine, in order to facilitate the implementation of this Scheme or any Part thereof.
- 36.2. For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, each of the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the demerger of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking respectively in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively shall be entitled to exercise all rights and privileges and be liable to pay all Taxes and charges and fulfil all obligations in relation to or applicable to all immovable properties including mutation and/or substitution of the ownership or the title to or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authorities in favour of the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively pursuant to the sanction of this Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4. It is clarified that the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.

### **37. APPLICATIONS / PETITIONS**

- 37.1. The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.





- 37.2. The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Resulting Company 1, Resulting Company 2, Resulting Company 3, or Resulting Company 4 may require to own the assets and / or liabilities of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking respectively and to carry on the business of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking, as applicable.

### **38. MODIFICATION OR AMENDMENTS TO THIS SCHEME**

- 38.1. The respective Boards of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable, or appropriate. The Scheme may also be modified in accordance with the procedure laid down by the Board. The respective Boards of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.
- 38.2. For the purposes of giving effect to this Scheme or to any modification hereof, the Board of VEDL on the one hand and the Board of each of Resulting Company 1, Resulting Company 2, Resulting Company 3, or Resulting Company 4 on the other hand, as may be relevant, give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively as if the same were specifically incorporated in this Scheme.

### **39. CONDITIONS PRECEDENT**

- 39.1. This Scheme is conditional upon and subject to the following general conditions precedent:
- 39.1.1. Receipt of no-objection/ observation letter from the Stock Exchanges in relation to this Scheme under Regulations 11 and 37 of the SEBI LODR Regulations read with the SEBI Circular.
- 39.1.2. Approval of this Scheme by the requisite majority in number and value of each class of shareholders and creditors of the Parties as applicable or as may be required under the Act and Applicable Law and as may be directed by the Tribunal.
- 39.1.3. VEDL complying with the provisions of the SEBI Circular, including seeking approval of its shareholders through e-voting.
- 39.1.4. Sanction of the Scheme by the Tribunal under Sections 230 to 232 of the Act;
- 39.1.5. Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the RoC; and
- 39.1.6. The Boards of the Demerged Company and the respective Resulting Company having passed a resolution confirming the effectiveness of the Scheme or any Parts thereof, with respect to such Resulting Company.
- 39.2. In addition to the satisfaction of the conditions precedent set out in Clause 39.1 above, Part II of the Scheme is also conditional upon and subject to receipt of necessary approvals or deemed approvals from the (a) Central and State Governments for the transfer of the coal mines and (b) State Government for the transfer of the bauxite mine(s).





- 39.3. In addition to the satisfaction of the conditions precedent set out in Clause 39.1 above, Part III of the Scheme is also conditional upon and subject to the receipt of necessary approvals or deemed approvals from the counterparties to applicable power purchase agreements.
- 39.4. In addition to the satisfaction of the conditions precedent set out in Clause 39.1 above Part IV of the Scheme is also conditional upon and subject to the receipt of necessary approvals or deemed approvals from the Central Government and counterparties under the production sharing contracts, revenue sharing contracts and joint operating agreements for the transfer of operatorship and participating interests, as applicable.
- 39.5. In addition to the satisfaction of the conditions precedent set out in Clause 39.1 above, Part V of the Scheme is also conditional upon and subject to receipt of necessary approvals or deemed approvals from the State Governments for the transfer of the iron ore mines.
- 39.6. The respective parts of the Scheme shall be made effective in the following manner:
- 39.6.1. Part II of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 39.1 and Clause 39.2;
- 39.6.2. Part III of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 39.1 and Clause 39.3;
- 39.6.3. Part IV of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 39.1 and Clause 39.4;
- 39.6.4. Part V of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 39.1 and Clause 39.5.
- 39.7. In the event any of the conditions set out in Clause 39 above are not obtained or complied with by March 31, 2025 or such later date as the Boards of the respective Parties may agree, or if for any other reason, this Scheme or any Part thereof cannot be implemented, then the Boards of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 may, as relevant, waive the conditions set out in Clause 39 above to the extent permitted under Applicable Law. In the event any condition set out in Clause 39 is not satisfied or waived in accordance with this Clause 39.7, the relevant Part of the Scheme concerned shall become null and void, and in that event, no rights and liabilities shall accrue or be incurred between VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, or Resulting Company 4 as applicable, or their shareholders or creditors or employees or any other Person, provided that any one or more Parts of the Scheme becoming null and void in accordance with this Clause shall not affect the validity of the other Parts of the Scheme which shall continue in full force and effect.

#### **40. WITHDRAWAL OF THIS SCHEME**

The Board of VEDL shall be at liberty to withdraw and not give effect to the Scheme in its entirety (or any one or more of Part II, Part III, Part IV, and Part V of the Scheme without affecting the validity of the other Parts of the Scheme) at any point of time.

#### **41. COSTS AND EXPENSES**

All costs, charges and expenses payable in relation to or in connection with this Scheme and incidental to the completion of the transfer and vesting of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking in the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company



4 respectively, in pursuance of this Scheme including stamp duty, if any, to the extent applicable and payable shall be borne and paid by the Parties in such proportion as may be agreed by their respective Boards.

#### **42. SAVING OF CONCLUDED TRANSACTIONS**

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by VEDL in relation to the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, and Iron Ore Undertaking until the Effective Date, to the end and intent that the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively shall accept and adopt all acts, deeds and things done and executed by VEDL in respect thereto as done and executed on their behalf.

#### **43. REMAINING BUSINESS OF VEDL**

- 43.1. The Remaining Business of VEDL shall continue to belong to and be owned and managed by VEDL. VEDL shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business and the Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4, shall not have any liability or obligation in relation to the Remaining Business.
- 43.2. If any of Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 respectively are in receipt of any demand, claim, notice and/or are impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of VEDL, then each of Resulting Company 1, Resulting Company 2, Resulting Company 3, or Resulting Company 4 as applicable shall take all such steps in the proceedings before the Appropriate Authority to substitute itself with VEDL. However, if any of Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4, as applicable is unable to have itself replaced with VEDL in such proceedings, it shall defend the same or deal with such demand at the cost of VEDL and the latter shall reimburse it, against all liabilities and obligations incurred by or against it, in respect thereof.

#### **44. DEEMED APPROVAL**

- 44.1. On the approval of this Scheme by the shareholders of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 and such other classes of Persons of the said Parties, if any, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise under Applicable Law (including under Sections 13, 14, 52, 61, 64, 66, 180, 185, 186 and 188 of the Act and Regulation 23 and other applicable provisions of the SEBI LODR Regulations) to the same extent applicable in relation to the Scheme and related matters and no further resolutions would be required to be separately passed.

#### **45. SEVERABILITY**

- 45.1. If any Part and/or provision of this Scheme is found to be unworkable for any reason whatsoever or is withdrawn, the same shall not, subject to the decision of the Parties through their respective Boards, affect the validity or implementation of the other Parts and/or provisions of this Scheme.



# ANNEXURE I

#	Name of block	Location
<b>Production Sharing Contracts</b>		
1.	RJ-ON-90/1	Rajasthan
2.	Ravva oil and gas field	Offshore Andhra Pradesh
3.	CB/OS – 2	Gujarat
4.	KG-ONN-2003/1	Andhra Pradesh
5.	KG-OSN-2009/3	Andhra Pradesh
<b>Revenue Sharing Contracts under the Hydrocarbon Exploration and Licensing Policy</b>		
6.	AA-ONHP-2017/1	Assam
7.	AA-ONHP-2017/6	Assam
8.	AA-ONHP-2017/14	Assam
9.	AA-ONHP-2017/4	Assam
10.	AA-ONHP-2017/5	Assam
11.	AA-ONHP-2017/8	Assam
12.	AA-ONHP-2017/9	Assam
13.	AA-ONHP-2017/11	Assam
14.	AA-ONHP-2017/15	Assam
15.	AA-ONHP-2017/2	Assam
16.	AA-ONHP-2017/3	Assam
17.	KG-OSHP-2017/1	KG Offshore
18.	KG-DWHP-2017/1	KG Deepwater
19.	CY-OSHP-2017/1	Cauvery Offshore
20.	CY-OSHP-2017/2	Cauvery Offshore
21.	GK-ONHP-2017/1	Gujarat Kutch Onland and Offshore
22.	GK-OSHP-2017/1	Gujarat Kutch Offshore
23.	GS-OSHP-2017/1	Gujarat Kutch Offshore
24.	GS-OSHP-2017/2	Gujarat Kutch Offshore
25.	MB-OSHP-2017/2	Mumbai Offshore
26.	RJ-ONHP-2017/5	Barmer
27.	RJ-ONHP-2017/6	Barmer
28.	RJ-ONHP-2017/7	Barmer
29.	RJ-ONHP-2017/1	Barmer
30.	RJ-ONHP-2017/2	Barmer
31.	RJ-ONHP-2017/3	Barmer
32.	RJ-ONHP-2017/4	Barmer
33.	CB-ONHP-2017/1	Cambay
34.	CB-ONHP-2017/7	Cambay
35.	CB-ONHP-2017/10	Cambay
36.	CB-ONHP-2017/6	Cambay
37.	CB-ONHP-2017/2	Cambay
38.	CB-ONHP-2017/3	Cambay
39.	CB-ONHP-2017/4	Cambay
40.	CB-ONHP-2017/5	Cambay
41.	CB-ONHP-2017/11	Cambay
42.	HF-ONHP-2017/1	Himalaya Foreland



#	Name of block	Location
43.	GV-ONHP-2017/1	Ganga Valley
44.	CB-ONHP-2018/1	Cambay
45.	GK-OSHP-2018/1	Kutch
46.	GK-OSHP-2018/2	Kutch
47.	RJ-ONHP-2018/1	Rajasthan
48.	MN-OSHP-2018/1	Mahanadi
49.	AA-ONHP-2018/1	Assam
50.	CB-ONHP-2018/3	Cambay
51.	CB-ONHP-2018/4	Cambay
52.	SR-ONHP-CBM-2021/5	Chattisgarh
<b>Revenue Sharing Contracts under the Discovered Small Fields Policy</b>		
53.	AA/ONDSF/TUKBAI/2021	ASSAM
54.	AA/ONDSF/PATHARIA/2021	ASSAM
55.	CB/OSDSF/AMBE/2021	Cambay Offshore
56.	GK/OSDSF/GK1/2021	Kutch Offshore
57.	MB/OSDSF/BH68/2021	Mumbai offshore
58.	MB/OSDSF/B174/2021	Mumbai offshore
59.	KG/OSDSF/G4/2021	KG Offshore
60.	VN/ONDSF/NOHTA/2021	Madhya Pradesh
61.	AA/ONDSF/Hazarigaon/2018	Assam
62.	KG/ONDSF/Kaza/2018	KG Onshore



**Annexure B**

**COMPOSITE SCHEME OF ARRANGEMENT**

**BETWEEN**

**VEDANTA LIMITED**

**AND**

**VEDANTA ALUMINIUM METAL LIMITED**

**AND**

**TALWANDI SABO POWER LIMITED**

**AND**

**MALCO ENERGY LIMITED**

**AND**

**VEDANTA BASE METALS LIMITED**

**AND**

**VEDANTA IRON AND STEEL LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE  
PROVISIONS OF THE COMPANIES ACT, 2013**





A) **PREAMBLE**

1. This composite scheme of arrangement (hereinafter referred to as the “**Scheme**”) *inter alia* provides for:

- (i) Demerger of the Aluminium Undertaking (*as defined hereinafter*) of Vedanta Limited (“**VEDL**”) to Vedanta Aluminium Metal Limited (“**Resulting Company 1**”), and corresponding issuance of equity shares of Resulting Company 1 to the shareholders of VEDL and reduction and cancellation of the entire paid-up share capital of Resulting Company 1 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013
- (ii) Demerger of the Merchant Power Undertaking (*as defined hereinafter*) of VEDL to Talwandi Sabo Power Limited (“**Resulting Company 2**”), and corresponding issuance of equity shares of Resulting Company 2 to shareholders of VEDL and reduction and cancellation of the paid-up share capital of the Resulting Company 2 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (iii) Demerger of the Oil and Gas Undertaking (*as defined hereinafter*) of VEDL to MALCO Energy Limited (“**Resulting Company 3**”), and corresponding issuance of equity shares of Resulting Company 3 to shareholders of VEDL and reduction and cancellation of the paid-up share capital of the Resulting Company 3 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (iv) Demerger of the Base Metals Undertaking (*as defined hereinafter*) of VEDL to Vedanta Base Metals Limited (“**Resulting Company 4**”), and corresponding issuance of equity shares of Resulting Company 4 to shareholders of VEDL and reduction and cancellation of the paid-up share capital of the Resulting Company 4 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.
- (v) Demerger of the Iron Ore Undertaking (*as defined hereinafter*) of VEDL to Vedanta Iron and Steel Limited (“**Resulting Company 5**”), and corresponding issuance of equity shares of Resulting Company 5 to shareholders of VEDL and reduction and cancellation of the paid-up share capital of the Resulting Company 5 as on the Effective Date, pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 are collectively referred to as the “**Resulting Companies**”.

2. This Scheme also provides for various other matters consequent and incidental thereto.

B) **INTRODUCTION**

1. VEDL is a company incorporated under the Companies Act, 1956 with CIN L13209MH1965PLC291394 and registered office situated at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East) Mumbai - 400093. VEDL is a diversified natural resource company engaged in the business of extraction, refining, manufacture and sale of various metals and minerals, generation and sale of power and other businesses including semiconductor manufacturing, display glass manufacturing, etc. The equity shares of VEDL are listed on the BSE Limited (“**BSE**”) and the National Stock Exchange



of India Limited ("NSE"). The Listed Debt Securities (*as defined hereinafter*) of VEDL are listed on the BSE.

2. Resulting Company 1 is a company incorporated under the Companies Act, 2013 with CIN U24202MH2023PLC411663 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai-400093, Maharashtra and is a wholly owned subsidiary of VEDL. The Resulting Company 1 has been incorporated with the objective of *inter alia* carrying on the business of metallurgists and miners including beneficiation, dressing, concentration, smelting, refining and the extraction, manufacture and fabrication, purchase and sale of metals and in particular to manufacture, produce and/or otherwise deal in alumina, aluminium and aluminium products and by-products and the sale, dealing or other disposition of alumina, aluminium and aluminium products and by-products. Following the coming into effect of Part II of the Scheme, the Resulting Company 1 will carry on the Aluminium Business (*as defined hereinafter*). The equity shares of the Resulting Company 1 are presently not listed on the Stock Exchanges (*as defined hereinafter*).
3. Resulting Company 2 is Talwandi Sabo Power Limited, a company incorporated under the Companies Act, 1956 with CIN U40101PB2007PLC031035 and is a wholly owned subsidiary of VEDL. The Resulting Company 2 is engaged in the business of *inter alia* generation, transmission and distribution of power for supply to the state electricity boards, power utilities, generating companies, transmission companies, distribution companies, etc. Following the coming into effect of Part III of the Scheme, the Resulting Company 2 will carry on the Merchant Power Business (*as defined hereinafter*). The equity shares of the Resulting Company 2 are presently not listed on the Stock Exchanges.
4. Resulting Company 3 is MALCO Energy Limited, a company incorporated under the Companies Act, 1956 with CIN U31300TN2001PLC069645 and is a wholly owned subsidiary of VEDL. Currently, Resulting Company 3 is engaged in the business of *inter alia* processing ferrous and non-ferrous metals and mining, refining and preparing of market ores, minerals, metals and substances of every kind and description and processing them. Following the coming into effect of Part IV of the Scheme, the Resulting Company 3 will carry on the Oil and Gas Business (*as defined hereinafter*). The equity shares of the Resulting Company 3 are presently not listed on the Stock Exchanges.
5. Resulting Company 4 is a company incorporated under the Companies Act, 2013 with CIN U43121MH2023PLC411696 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai-400093, Maharashtra and is a wholly owned subsidiary of VEDL. The Resulting Company 4 has been incorporated with the objective of *inter alia* carrying on the business of prospecting, exploring, mining, winning, importing, exporting, dealing, processing, buying, selling and distributing and generally dealing in earth and ore of all kinds including copper, zinc, precious metals and other metallic minerals. Following the coming into effect of Part V of the Scheme, the Resulting Company 4 will carry on the Base Metals Business (*as defined hereinafter*). The equity shares of the Resulting Company 4 are presently not listed on the Stock Exchanges.
6. Resulting Company 5 is a company incorporated under the Companies Act, 2013 with CIN U24109MH2023PLC411777 and registered office situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai-400093, Maharashtra and is a wholly owned subsidiary of VEDL. The Resulting Company 5 has been incorporated with the objective of *inter alia* carrying on business as explorers and miners of ferrous ores and minerals and manufacturers, exporters, importers, buyers, sellers and dealers in all kinds and description of iron and steel, their alloys and any other special steel group and their products, and all varieties of profiles and products whether forged, rolled, cast or drawn and all products intermediated and by-products consequent to or obtained in the process of manufacture of above articles.



Following the coming into effect of Part VI of the Scheme, the Resulting Company 5 will carry on the Iron Ore Business (*as defined hereinafter*). The equity shares of the Resulting Company 5 are presently not listed on the Stock Exchanges.

### C) RATIONALE

- (i) VEDL has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.
- (ii) Each of the varied businesses carried on by VEDL by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.
- (iii) The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.
- (iv) In order to lend enhanced focus to the operation of identified businesses, VEDL proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking.
- (v) The following benefits shall accrue on demergers of the Aluminium Business (*as defined hereinafter*), the Merchant Power Business (*as defined hereinafter*), the Oil and Gas Business (*as defined hereinafter*), the Base Metals Business (*as defined hereinafter*) and the Iron Ore Business (*as defined hereinafter*):
  - (a) creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;
  - (b) enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;
  - (c) each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;
  - (d) enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;
  - (e) Enabling focused and sharper capital market access (debt and equity) and thereby unlocking the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking and creating enhanced value for



shareholders.

The Scheme is in the interests of all stakeholders of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4, and Resulting Company 5.

**D) PARTS OF THE SCHEME**

The Scheme is divided into the following parts:

1. **PART I** deals with the definitions, share capital of the Parties (*as defined hereinafter*), date of taking effect and implementation of this Scheme;
2. **PART II** deals with the demerger, transfer and vesting of the Aluminium Undertaking from the Demerged Company into Resulting Company 1 on a going concern basis and the issue of equity shares by the Resulting Company 1 to the shareholders of the Demerged Company, in consideration thereof;
3. **PART III** deals with the demerger, transfer and vesting of the Merchant Power Undertaking from the Demerged Company into Resulting Company 2 on a going concern basis and the issue of equity shares by the Resulting Company 2 to the shareholders of the Demerged Company, in consideration thereof;
4. **PART IV** deals with the demerger, transfer and vesting of the Oil and Gas Undertaking from the Demerged Company into Resulting Company 3 on a going concern basis and the issue of equity shares by the Resulting Company 3 to the shareholders of the Demerged Company, in consideration thereof;
5. **PART V** deals with the demerger, transfer and vesting of the Base Metals Undertaking from the Demerged Company into Resulting Company 4 on a going concern basis and the issue of equity shares by the Resulting Company 4 to the shareholders of the Demerged Company, in consideration thereof;
6. **PART VI** deals with the demerger, transfer and vesting of the Iron Ore Undertaking from the Demerged Company into Resulting Company 5 on a going concern basis and the issue of equity shares by the Resulting Company 5 to the shareholders of the Demerged Company, in consideration thereof;
7. **PART VII** deals with the general terms and conditions applicable to this Scheme.

**E) TREATMENT OF THE SCHEME UNDER INCOME TAX ACT, 1961**

1. The provisions of Parts II to VI of this Scheme have been drawn up to comply with the conditions relating to “demerger” as defined under Section 2(19AA) of the Income Tax Act and the demerger of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking and their respective transfer and vesting into the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively shall be in compliance with Section 2(19AA) of the Income Tax Act, 1961.
2. If any of the terms or provisions of Parts II to VI of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section 2(19AA) at a later date including as a result of an amendment of law or for any other reason whatsoever, the said Section 2(19AA) shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA). Such modification shall not affect the other parts of the Scheme.





## PART I

### DEFINITIONS, SHARE CAPITAL OF THE PARTIES, DATE OF TAKING EFFECT

#### 1. DEFINITIONS

- 1.1. In this Scheme, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

“**Act**” means the Companies Act, 2013 as amended from time to time and the rules made thereunder;

“**Aluminium Business**” means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company’s division engaged in mining and processing of bauxite and refining of alumina and extraction, manufacture, and sale of aluminium;

“**Aluminium Undertaking**” means the undertaking of the Demerged Company pertaining to the Aluminium Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, residential premises occupied by the employees engaged for the purpose of the Aluminium Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Aluminium Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (ii) All assets as are movable in nature pertaining to the Aluminium Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants), actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., including investments in BALCO, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits or set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Aluminium Business;
- (iii) all mines, including applications for mining leases and letters of intent issued in respect of the mines, with all necessary licenses, approvals, clearances, all mine infrastructures





standing on the mining lease land and surface rights, composite licenses for the mines, whether already granted or for which an application is pending or in process as on the Effective Date;

- (iv) mining infrastructure such as tangible assets used for mining operations, being civil works, workshops, immovable ore winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centers, site administrative offices, fixed installations, ore handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport systems, hauling systems land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by mining operations under the relevant Law;
- (v) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Aluminium Business (“**Aluminium Undertaking Liabilities**”) and / or arising out of and / or relatable to the Aluminium Business including:
  - (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Aluminium Business;
  - (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Aluminium Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Aluminium Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Aluminium Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of Demerged Company immediately prior to giving effect to Part II of the Scheme;
- (vi) contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Aluminium Business;
- (vii) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Aluminium Business;
- (viii) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Aluminium Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise)



research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Aluminium Business;

- (ix) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Aluminium Business;
- (x) all legal or other proceedings of whatsoever nature that pertain to the Aluminium Business;
- (xi) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Aluminium Business;
- (xii) all employees employed by / engaged in the Aluminium Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise;
- (xiii) (a) The aluminium smelter units of the Demerged Company situated in Jharsuguda, Odisha, (b) the aluminium refinery of the Demerged Company situated in Lanjigarh, Odisha, and (c) the bauxite mine of the Demerged Company located in Sijimali, Odisha; and
- (xiv) (a) 4 (four) captive power plants of the Demerged Company of total capacity 3015 MW situated in Jharsuguda, Odisha; (b) 1 (one) captive power plant of the Demerged Company of capacity 90 MW situated in Lanjigarh, Odisha, (c) coal mines of the Demerged Company situated in Jamkhani, Radhikapur West, Kuraloi and Ghogharpalli; (d) capital work in progress in relation to plant of capacity 130 MW situated in Lanjigarh, Odisha.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Aluminium Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 1.

**“Applicable Law” or “Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, press notes, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority; (b) Permits; and (c) orders, decisions, writs, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties, in each case having the force of law and that is binding or applicable to a person, as may be in force from time to time;



**“Appointed Date”** in respect of any of Parts II to VI of the Scheme, shall mean the Effective Date in respect of such Part of the Scheme, and the Appointed Date for each of the Parts II to VI of the Scheme may be a different date;

**“Appropriate Authority”** means:

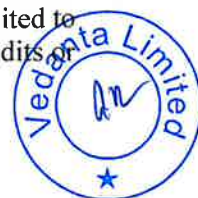
- (i) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, Tribunal, central bank, commission, or other authority thereof;
- (ii) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, SEBI, and the Tribunal; and
- (iii) any Stock Exchange.

**“BALCO”** means Bharat Aluminium Company Limited, a public limited company incorporated under the Companies Act, 1956 with CIN U74899DL1965PLC004518 and registered office situated at Aluminium Sadan Core – 6scope Office Complex, 7 Lodhi Road, New Delhi – 110003;

**“Base Metals Business”** means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company’s division engaged in mining and processing of certain base metals such as copper and manufacture and sale of copper;

**“Base Metals Undertaking”** means the undertaking of the Demerged Company pertaining to the Base Metals Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, residential premises occupied by the employees engaged for the purpose of the Base Metals Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Base Metals Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (ii) All assets as are movable in nature pertaining to the Base Metals Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants) actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits



set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Base Metals Business;

- (iii) all mines, including applications for mining leases and letters of intent issued in respect of the mines, with all necessary licenses, approvals, clearances, all mine infrastructures standing on the mining lease land and surface rights, composite licenses for the mines, whether already granted or for which an application is pending or in process as on the Effective Date;
- (iv) mining infrastructure such as tangible assets used for mining operations, being civil works, workshops, immovable ore winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centers, site administrative offices, fixed installations, ore handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport systems, hauling systems land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by mining operations under the relevant Law;
- (v) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Base Metals Business (“**Base Metals Undertaking Liabilities**”) and / or arising out of and / or relatable to the Base Metals Business including:
  - (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Base Metals Business;
  - (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Base Metals Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Base Metals Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Base Metals Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of Demerged Company immediately prior to giving effect to Part V of the Scheme;
- (vi) contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Base Metals Business;





- (vii) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Base Metals Business;
- (viii) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Base Metals Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Base Metals Business;
- (ix) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Base Metals Business;
- (x) all legal or other proceedings of whatsoever nature that pertain to the Base Metals Business;
- (xi) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Base Metals Business;
- (xii) all employees employed by / engaged in the Base Metals Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xiii) (a) The copper smelter, refinery, sulphuric acid plant, phosphoric acid plant and copper rod plant of the Demerged Company situated in Tuticorin, Tamil Nadu; (b) power plants, (c) the copper refinery and copper rod plants of the Demerged Company situated in Silvassa, western India; and (d) other ancillary units, by whatever name called, designed and implemented for improving the value chain.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Base Metals Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 4.

**“Board”** in relation to a Party, means the board of directors of such Party, and shall include a committee of directors or any person authorised by such board of directors or such committee of directors;

**“Demerged Company”** means VEDL;

**“Effective Date”** means, in respect of:





- (i) Part II of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 45.1 and Clause 45.2 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;
- (ii) Part III of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 45.1 and Clause 45.3 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;
- (iii) Part IV of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 45.1 and Clause 45.4 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;
- (iv) Part V of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 45.1 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;
- (v) Part VI of the Scheme, the date or the last date of the dates on which all conditions precedent set forth in Clause 45.1 and Clause 45.5 are fulfilled, obtained or waived, as applicable in accordance with this Scheme;

References in any Part of this Scheme to the date of **“coming into effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date in respect of such Part of the Scheme;

**“Income Tax Act”** or **“IT Act”** means the Income-tax Act, 1961, as amended from time to time or any statutory modification / reenactment thereof together with the rules, regulations, circulars, notifications, clarifications, and orders issued thereunder;

**“INR”** or **“Rupee(s)”** means Indian Rupee(s), the lawful currency of the Republic of India;

**“Iron Ore Business”** means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company’s division engaged in mining, processing and sale of iron ore;

**“Iron Ore Undertaking”** means the undertaking of the Demerged Company pertaining to the Iron Ore Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, residential premises occupied by the employees engaged for the purpose of the Iron Ore Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Iron Ore Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (ii) All assets as are movable in nature pertaining to the Iron Ore Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants) actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., outstanding loans and advances, recoverable in cash or in kind or for value to be



received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits or set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Iron Ore Business;

- (iii) all mines (including the iron ore mines situated in Goa and Karnataka) and also including applications for mining leases and letters of intent issued in respect of the mines, with all necessary licenses, approvals, clearances, all mine infrastructures standing on the mining lease land and surface rights, composite licenses for the mines, whether already granted or for which an application is pending or in process as on the Effective Date;
- (iv) mining infrastructure such as tangible assets used for mining operations, being civil works, workshops, immovable ore winning equipment, foundations, embankments, pavements, electrical systems, communication systems, relief centers, site administrative offices, fixed installations, ore handling arrangements, crushing and conveying systems, railway sidings, pits, shafts, inclines, underground transport systems, hauling systems land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by mining operations under the relevant Law;
- (v) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Iron Ore Business (“**Iron Ore Undertaking Liabilities**”) and / or arising out of and / or relatable to the Iron Ore Business including:
  - (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Iron Ore Business;
  - (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Iron Ore Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Iron Ore Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Iron Ore Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of Demerged Company immediately prior to giving effect to Part VI of the Scheme;
- (vi) contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, tenancy rights, agreements



for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Iron Ore Business;

- (vii) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Iron Ore Business;
- (viii) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Iron Ore Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Iron Ore Business;
- (ix) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Iron Ore Business;
- (x) all legal or other proceedings of whatsoever nature that pertain to the Iron Ore Business;
- (xi) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Iron Ore Business;
- (xii) all employees employed by / engaged in the Iron Ore Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xiii) Value added business (comprising of pig iron plant, metallurgical coke plant, two power plants, and beneficiation plant in Goa), and metallurgical coke plant in Vazare.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Iron Ore Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 5.

**“Listed Debt Securities”** mean any outstanding listed debt securities as on Effective Date including non-convertible debentures, non-convertible redeemable preference shares, bonds, commercial papers, etc. issued by VEDL and listed on the Stock Exchanges, including the redeemable, non-cumulative, non-convertible debentures issued by VEDL with the following international securities identification numbers:

- (i) INE205A07196;



- (ii) INE205A07212;
- (iii) INE205A07220; and
- (iv) INE205A08012.

**“Merchant Power Business”** means all the businesses, undertakings, activities, properties, and liabilities of whatsoever nature of the Demerged Company in relation to generation, distribution, trading, supply and sale of power.

**“Merchant Power Undertaking”** means the undertaking of the Demerged Company pertaining to the Merchant Power Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, steel structures, cables, conductors, residential premises occupied by the employees engaged for the purpose of the Merchant Power Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Merchant Power Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties;
- (ii) All assets as are movable in nature pertaining to the Merchant Power Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants), actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., including investments in Resulting Company 2, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits or set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Merchant Power Business;
- (iii) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Merchant Power Business and / or arising out of and / or relatable to the Merchant Power Business (**“Merchant Power Undertaking Liabilities”**) including:
  - (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Merchant Power Business;





- (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Merchant Power Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Merchant Power Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Merchant Power Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of the Demerged Company immediately prior to giving effect to Part III of the Scheme;
- (iv) contracts, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, power purchase agreements tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Merchant Power Business;
  - (v) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Merchant Power Business;
  - (vi) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Merchant Power Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Merchant Power Business;
  - (vii) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Merchant Power Business;
  - (viii) all legal or other proceedings of whatsoever nature that pertain to the Merchant Power Business;
  - (ix) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Merchant Power Business;





- (x) amounts claimed or to be claimed including the receivables by the Merchant Power Business from any third party including from distribution companies (with whom the Merchant Power Business has executed power purchase agreements);
- (xi) all employees employed by / engaged in the Merchant Power Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xii) (a) 1 (one) unit of the Demerged Company of total gross capacity of 600 MW situated in Jharsuguda, Odisha; (b) all the assets and liabilities of Athena Chhattisgarh Power Limited (“**Athena**”), which is in the process of being amalgamated with the Demerged Company pursuant to the Insolvency and Bankruptcy Code, 2016, including the two units of total capacity of 1,200 MW situated in Chhattisgarh (owned and operated by Athena);

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Merchant Power Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 2.

**“Oil and Gas Business”** means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company’s division engaged in exploration, discovery, development, production, extraction, storage and sale of hydrocarbons;

**“Oil and Gas Undertaking”** means the undertaking of the Demerged Company pertaining to the Oil and Gas Business as on the Appointed Date and shall include (without limitation):

- (i) All immovable properties i.e. land together with the buildings and structures standing thereon and resources underneath (whether freehold, leasehold, licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, residential premises provided by the Demerged Company and occupied by the employees engaged for the purpose of the Oil and Gas Business, security cabins, foundations for civil works etc. which immovable properties are currently being used for the purpose of the Oil and Gas Business and all documents of title, rights and easement in relation thereto and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties held by the Demerged Company;
- (ii) All assets as are movable in nature pertaining to the Oil and Gas Business, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, modules, inverters, electrical fittings, submersible pumps, sprinkler system, module cleaning machine, electrical erections, earthing and lighting systems, diesel generators, cables, transformers, capital work in progress, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventory, tools and plants), actionable claims, earnest monies and sundry debtors, financial assets, investments in shares, securities etc., outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, benefit of bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added / sales tax, entry tax credits on



set-offs, income tax holiday/ benefit/ losses / minimum alternate tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company, tax credits including, but not limited to, credits in respect of income tax (including brought forward tax losses comprising of unabsorbed depreciation), minimum alternate tax, advance tax, tax deducted at source, tax refunds, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the Oil and Gas Business;

- (iii) infrastructure such as tangible assets used for exploration operations, being civil works, equipment, rigs, foundations, embankments, pavements, electrical systems, communication systems, relief centers, site administrative offices, fixed installations, handling arrangements, pipelines and conveying systems, underground transport systems, hauling systems, land demarcated for afforestation and land for rehabilitation and resettlement of persons affected by exploration operations under the relevant Law;
- (iv) all debts, liabilities including contingent liabilities, duties, taxes, and obligations whether present or future, whether secured or unsecured pertaining to the Oil and Gas Business ("**Oil and Gas Undertaking Liabilities**") and / or arising out of and / or relatable to the Oil and Gas Business including:
  - (a) the debts, liabilities, duties, and obligations of the Demerged Company which arise out of the activities or operations of the Oil and Gas Business;
  - (b) specific loans and borrowings raised, incurred, and utilised solely for the activities or operations of the Oil and Gas Business;
  - (c) existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Oil and Gas Business;
  - (d) liabilities other than those referred to in subclauses (a) and (b) above and not directly relatable to the Remaining Business of the Demerged Company being the amounts of general and multipurpose borrowings of the Demerged Company that shall be allocated to the Oil and Gas Undertaking in the same proportion which the value of assets transferred under this Scheme bears to the total value of the assets of Demerged Company immediately prior to giving effect to Part IV of the Scheme;
- (v) contracts (including production sharing contracts and revenue sharing contracts for hydrocarbon blocks), operatorship and participating interests, agreements, purchase orders, service orders, operation and maintenance contracts, memoranda of understanding, undertakings, memoranda of agreement, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, hire purchase agreements, lease / license agreements, tenancy rights, agreements for right of way, equipment purchase agreements, agreements with customers, purchase and other agreements with supplier / manufacturer or goods or service providers, schemes, other arrangements, undertakings, deeds, bonds, concession agreements, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the Oil and Gas Business;
- (vi) all Permits, quotas, incentives, right of way, powers, authorities, allotments, rights, benefits, advantages, credits, awards, sanctions, exemptions, concessions, liberties including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto pertaining to the Oil and Gas Business;



- (vii) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames, trademarks, goodwill, trade secrets in relation to the Oil and Gas Business (including any applications for the same) of any nature whatsoever, including all books, records, files, papers, engineering and process information, hardware, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, pricing information, and other records whether in physical or electronic form in connection with or pertaining to Oil and Gas Business;
- (viii) rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership or possession of or in control of or vested in or granted in favour of or enjoyed in respect of the Oil and Gas Business;
- (ix) all legal or other proceedings of whatsoever nature that pertain to the Oil and Gas Business;
- (x) entire experience, credentials, past record, and market share of the Demerged Company pertaining to the Oil and Gas Business;
- (xi) all employees employed by / engaged in the Oil and Gas Business as on the Effective Date including liabilities with regard to employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (xii) Operatorship and participating interest for all hydrocarbon blocks including the hydrocarbon blocks set out in **Annexure I** of this Scheme, whether pursuant to production sharing contracts, revenue sharing contracts or otherwise.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Oil and Gas Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company 3.

**“Parties”** shall collectively mean VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4, and Resulting Company 5; and **“Party”** means each of them, individually;

**“Permits”** means all consents, licenses, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory, or otherwise as required under Applicable Law;

**“Person”** means an individual, a partnership, a corporation, a limited liability partnership, a company, an association, a trust, a joint venture, an unincorporated organization, or an Appropriate Authority;

**“Record Date”** means the date to be fixed by the Boards of Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively in consultation with the Board of the Demerged Company for the purpose of



determining the shareholders of the Demerged Company for issue of the Resulting Company 1 New Equity Shares, Resulting Company 2 New Equity Shares, Resulting Company 3 New Equity Shares, Resulting Company 4 New Equity Shares and Resulting Company 5 New Equity Shares respectively and the Record Date for each of the Parts II to VI of the Scheme may be different dates;

**“Remaining Business”** means all the business, units, divisions, undertakings, and assets and liabilities of VEDL other than the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking, and Iron Ore Undertaking, including VEDL’s investment in Hindustan Zinc Limited, VEDL’s interest in semiconductors and glass displays, stainless steel(ferrochrome and nickel) and port business;

**“RoC”** means the relevant jurisdictional Registrar of Companies having jurisdiction over any of the Parties;

**“Scheme”** or **“this Scheme”** means this scheme of arrangement as modified from time to time;

**“SEBI”** means the Securities and Exchange Board of India;

**“SEBI Circular”** means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time;

**“SEBI LODR Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

**“Stock Exchanges”** means BSE and NSE collectively and Stock Exchange shall mean each of them individually;

**“Tax Laws”** means all Applicable Laws dealing with Taxes including but not limited to income tax, goods and service tax, customs duty, or any other levy of similar nature;

**“Taxation”** or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties and all penalties, charges, costs and interest relating thereto;

**“Tribunal”** means the relevant bench of the National Company Law Tribunal having jurisdiction over the Parties; and

**“VEDL”** means Vedanta Limited, a company incorporated under the Companies Act, 1956, having corporate identity number L13209MH1965PLC291394 and having its registered office 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai 400 093, Maharashtra, India.

1.2. In this Scheme, unless the context otherwise requires:

- (i) words denoting the singular shall include the plural and vice versa;
- (ii) headings, subheadings, titles, subtitles to clauses and sub-clauses are for convenience only and shall be ignored in construing the Scheme;





- (iii) reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications, or supplement(s) to, or replacement, re-enactment, restatement, or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and
- (iv) all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income Tax Act, or any other Applicable Laws, rules, regulations, or bye laws, as the case may be.

## 2. SHARE CAPITAL

2.1. The share capital of VEDL as on November 7, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
<b>Total</b>	<b>74,12,01,00,000</b>
<b>Issued and Subscribed Share Capital</b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b>Paid-up Share Capital</b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b>Listed Capital</b>	
3,71,72,06,239* equity shares of INR 1 each	3,71,72,06,239
<b>Total</b>	

\*2,98,632 shares are under abeyance category which are pending for allotment being sub-judice. Separately, 7,200 equity shares have been released from abeyance category during Q1 FY 24 and have received listing and trading approval effective from October 25, 2023.

2.2. The share capital of the Resulting Company 1 as on October 6, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>





2.3. The share capital of the Resulting Company 2 as on September 15, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
4,00,00,00,000 equity shares of INR 10 each	40,00,00,00,000
<b>Total</b>	<b>40,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
3,20,66,09,692 equity shares of INR 10 each	32,06,60,96,920
<b>Total</b>	<b>32,06,60,96,920</b>

2.4. The share capital of the Resulting Company 3 as on September 15, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
88,00,00,00,000 equity shares of INR 2 each	176,00,00,00,000
12,50,000 preference shares of INR 1,000 each	125,00,00,000
<b>Total</b>	<b>301,00,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital*</b>	
2,33,66,406 equity shares of INR 2 each	4,67,32,812
<b>Total</b>	<b>4,67,32,812</b>

\* At present, Resulting Company 3 has issued 613,54,483 compulsory convertible debentures of face value INR 100 each to the Demerged Company.

2.5. The share capital of the Resulting Company 4 as on October 10, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

2.6. The share capital of the Resulting Company 5 as on October 11, 2023, is as follows:

Particulars	INR
<b>Authorised Share Capital</b>	
1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	



1,00,000 equity shares of INR 1 each	1,00,000
<b>Total</b>	<b>1,00,000</b>

### 3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

- 3.1. The Scheme as set out in its present form or with any modifications (as may be approved, imposed, or directed by the Tribunal), or with any modifications or waivers undertaken in the manner prescribed in this Scheme, shall become effective from the Appointed Date and operative on and from the Effective Date.



## PART II

### DEMERGER AND VESTING OF THE ALUMINIUM UNDERTAKING

#### 4. DEMERGER AND VESTING OF THE ALUMINIUM UNDERTAKING

4.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Aluminium Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 1 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 1 by virtue of operation of law, and in the manner provided in this Scheme.

4.2. Without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer of the Aluminium Undertaking under this Scheme, is as follows:

4.2.1. In respect of such of the assets and properties forming part of the Aluminium Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Aluminium Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 1 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 1 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 1 shall also be entitled to use the “Vedanta” brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;

4.2.2. With respect to the moveable assets of the Aluminium Undertaking other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 1, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 1. With regard to the licenses of the properties, the Resulting Company 1 will enter into novation agreements, if it is so required;

4.2.3. In respect of such of the assets and properties forming part of the Aluminium Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto,



the same shall stand transferred to the Resulting Company 1 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 1;

- 4.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 4.2.3 above and Clause 4.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Aluminium Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 1 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.2.4 or Clause 4.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Aluminium Undertaking takes place and the Aluminium Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 4.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 1.
- 4.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Aluminium Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 1, if the Resulting Company 1 so decides, the Demerged Company and the Resulting Company 1, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 1 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 4.2.7. Upon the effectiveness of the Scheme, all Aluminium Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 1 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 1 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 1 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 1 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 1, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The Board of





Directors of the Resulting Company 1 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing.

- 4.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 1, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Aluminium Undertaking stands transferred to the Resulting Company 1 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 4.2.9. In so far as encumbrances, if any, in respect of the Aluminium Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Aluminium Undertaking which have been encumbered in respect of the Aluminium Undertaking Liabilities as transferred to the Resulting Company 1 pursuant to this Scheme. Further, in so far as the assets comprised in the Aluminium Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 1 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 4.2.10. Subject to Clause 4 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Aluminium Undertaking, the Demerged Company shall, if so required by the Resulting Company 1, issue notices in such form as the Resulting Company 1 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 1, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 4.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Aluminium Undertaking, shall be accepted by the bankers of the Resulting Company 1 and credited to the account of the Resulting Company 1, if presented by the Resulting Company 1;
- 4.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Aluminium Undertaking, shall be transferred to the Resulting Company 1 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 1 as if the same were originally given by, issued to or executed in favour of the Resulting Company 1 and the Resulting Company 1 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 1 to carry on the operations of the Aluminium Undertaking without any hindrance, whatsoever; and
- 4.2.13. Contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, letters of authority, licenses and leases (including the





mining leases, prospecting licenses and letters of authority for mines and any applications made for such mining leases, prospective licenses or letters of authority) in relation to the Aluminium Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 1 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect, such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 1 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

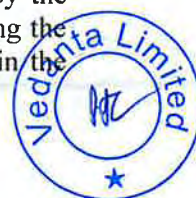
4.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 4 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 1 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Aluminium Undertaking transferred to and registered in, the name of the Resulting Company 1, as per Applicable Law.

4.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Aluminium Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 1 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Aluminium Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## **5. EMPLOYEES**

5.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Aluminium Undertaking shall become the employees of the Resulting Company 1 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Aluminium Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.

5.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 1 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 1. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the



existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.

## **6. LEGAL PROCEEDINGS**

- 6.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Aluminium Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 1 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 1 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Aluminium Undertaking.
- 6.2. The Resulting Company 1 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 1 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 1 shall make relevant applications and take all steps as may be required in this regard.
- 6.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Aluminium Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Aluminium Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 1. However, if the Demerged Company is unable to get the Resulting Company 1 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 1 and at the cost of the Resulting Company 1 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

## **7. TAXES/ DUTIES/ CESS**

- 7.1. The Resulting Company 1 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Aluminium Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 1 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 7.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Aluminium Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 1 in



accordance with the provisions of IT Act. It is further clarified that any book losses and/ or unabsorbed depreciation of Demerged Company relating to the Aluminium Undertaking as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Resulting Company 1 for the purposes of computation of minimum alternate tax, if applicable.

- 7.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Aluminium Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 1 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 1 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 7.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 7.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Aluminium Undertaking under any Tax Law or Applicable Law, the Resulting Company 1 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company 1 in accordance with Applicable Law.
- 7.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 7.7. It is further clarified that the Resulting Company 1 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Aluminium Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

## **8. CONSIDERATION AND DISCHARGE OF CONSIDERATION**

- 8.1. The consideration for the demerger of the Aluminium Undertaking shall be the issue by the Resulting Company 1 of 1 (One) fully paid-up equity share of the Resulting Company 1 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 1 New Equity Shares**").
- 8.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 1 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 1 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 1 having face value of INR 1 (Indian Rupee One) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.



- 8.3. The issue price of Resulting Company 1 New Equity Shares shall be the price arrived at by dividing the book value of assets minus liabilities of the Aluminium Undertaking as on the Effective Date by the total number of equity shares issued and allotted by the Resulting Company 1 pursuant to this Clause 8. The difference between the issue price and the face value of the equity shares to be issued and allotted by the Resulting Company 1 will be recorded as 'Securities Premium' under the head 'Other Equity'.
- 8.4. The Resulting Company 1 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 1, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 1 New Equity Shares.
- 8.5. The Resulting Company 1 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 1 to enable it to issue the Resulting Company 1 New Equity Share(s) in dematerialised form.
- 8.6. For the purpose of allotment of the Resulting Company 1 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 1 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 1 New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company 1 ("**Trustee of the Resulting Company 1**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 1 New Equity Share(s) held by the Trustee of the Resulting Company 1 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 1, along with such other documents as may be required by the Trustee of the Resulting Company 1.
- 8.7. The issue and allotment of the Resulting Company 1 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 1 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 1 New Equity Shares under applicable provisions of the Act.
- 8.8. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 1.
- 8.9. The Resulting Company 1 New Equity Shares to be issued by the Resulting Company 1 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 1.

8.10. The Resulting Company 1 New Equity Shares to be issued by the Resulting Company 1 in respect of the shares of the Demerged Company held in the Investor Education and Protection





Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 1.

- 8.11. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 8.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.
- 8.12. Upon the Scheme becoming effective but prior to the issue of the Resulting Company 1 New Equity Shares, the authorised share capital of the Resulting Company 1 shall stand altered, reclassified, and increased, without any further act, instrument, or deed on the part of the Resulting Company 1 as under:

Authorised Share Capital	INR
3,75,75,04,871 equity shares of INR 1 each	3,75,75,04,871
<b>Total</b>	<b>3,75,75,04,871</b>

- 8.13. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 1 shall without any act, instrument or deed be and stand altered, modified, and amended and be replaced by the following clause:

*"The Authorised Share Capital of the Company is 3,75,75,04,871/- (Indian Rupees Three Hundred Seventy Five Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) consisting of 3,75,75,04,871 (Three Hundred Seventy Five Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) equity shares of INR 1/- (Indian Rupee One only) each; with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company."*

- 8.14. It is clarified that the approval of the members of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 1 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 8.15. The Resulting Company 1 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 1 New Equity Shares allotted by the Resulting Company 1 in terms of Clause 8.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 1 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 8.16. The Resulting Company 1 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.





## **9. ACCOUNTING TREATMENT**

The Demerged Company and Resulting Company 1 shall account for the demerger for Aluminium Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

### **9.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part II of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 9.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 9.1.2. The Demerged Company shall de-recognize the carrying values of all the assets and liabilities pertaining to Aluminium Undertaking of the Demerged Company, as on the Effective Date, that are held in and /or transferred to Resulting Company 1 pursuant to this Scheme in accordance with the applicable de-recognition related stipulations contained in the relevant accounting standards;
- 9.1.3. The difference, if any, between the book value of assets of the Aluminium Undertaking of the Demerged Company transferred to Resulting Company 1 and the book value of the liabilities of the Aluminium Undertaking of the Demerged Company transferred to the Resulting Company 1, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and
- 9.1.4. The Demerged Company's investment in Resulting Company 1 as on the Effective Date, if any, shall be cancelled pursuant to Clause 10 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity' in the order specified in Clause 9.1.3 above.

### **9.2. In the books of Resulting Company 1**

With effect from the Effective Date and upon Part II of the Scheme coming into effect, Resulting Company 1 shall account for the demerger in its books of account in the following manner:

- 9.2.1. Resulting Company 1 shall record all assets and liabilities of the Aluminium Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 9.2.2. Resulting Company 1 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;



- 9.2.3. The difference between (A) the book value of assets minus liabilities so recorded in the books of the Resulting Company 1, and (B) the value of the Resulting Company 1 New Equity Shares issued and allotted to the shareholders of the Demerged Company (i.e., number of Resulting Company 1 New Equity Shares issued multiplied by issue price of Resulting Company 1 New Equity Shares) as consideration, if any, shall be credited to the 'Other Equity (Capital Reserve)' of the Resulting Company 1;
- 9.2.4. The Resulting Company 1's share capital as on the Effective Date shall be cancelled pursuant to Clause 10 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity (Capital Reserve)';
- 9.2.5. If the accounting policies adopted by the Resulting Company 1 are different from those adopted by the Demerged Company, the assets and liabilities of the Aluminium Undertaking shall be accounted in the books of the Resulting Company 1 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);
- 9.2.6. Any change effected in the book value of the assets and liabilities of the Aluminium Undertaking, as at the beginning of the comparative period, pursuant to Clause 9.2.5 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 1 with appropriate disclosures as required under Indian Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and
- 9.2.7. The Resulting Company 1 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 1, whichever is later.
- 9.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 9.1.3 and 9.1.4 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.
- 10. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 1**
- 10.1. Immediately prior to the allotment of the Resulting Company 1 New Equity Shares, the entire paid-up share capital of the Resulting Company 1 as on Effective Date ("**Resulting Company 1 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 1, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 1 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 10.2. It is clarified that the approval of the members of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 1 under applicable provisions of the Act.
- 10.3. Notwithstanding the reduction in the share capital of the Resulting Company 1, the Resulting Company 1 shall not be required to add "And Reduced" as suffix to its name.



### PART III

#### DEMERGER AND VESTING OF THE MERCHANT POWER UNDERTAKING

##### 11. DEMERGER AND VESTING OF THE MERCHANT POWER UNDERTAKING

- 11.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Merchant Power Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 2 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 2 by virtue of operation of law, and in the manner provided in this Scheme.
- 11.2. Without prejudice to the generality of the provisions of Clause 11.1 above, the manner of transfer of the Merchant Power Undertaking under this Scheme, is as follows:
- 11.2.1. In respect of such of the assets and properties forming part of the Merchant Power Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Merchant Power Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 2 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 2 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 2 shall also be entitled to use the "Vedanta" brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;
- 11.2.2. With respect to the moveable assets of the Merchant Power Undertaking other than those referred to in Clause 11.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 2, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 2. With regard to the licenses of the properties, the Resulting Company 2 will enter into novation agreements, if it is so required;
- 11.2.3. In respect of such of the assets and properties forming part of the Merchant Power Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto,



the same shall stand transferred to the Resulting Company 2 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 2;

- 11.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 11.2.3 above and Clause 11.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Merchant Power Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 2 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 11.2.4 or Clause 11.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Merchant Power Undertaking takes place and the Merchant Power Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 11.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 2.;
- 11.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Merchant Power Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 2, if the Resulting Company 2 so decides, the Demerged Company and the Resulting Company 2, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 2 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 11.2.7. Upon the effectiveness of the Scheme, all Merchant Power Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 2 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 2 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 2 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 2 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 2, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any.





Board of Directors of the Resulting Company 2 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing;

- 11.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 2, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Merchant Power Undertaking stands transferred to the Resulting Company 2 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 11.2.9. In so far as encumbrances, if any, in respect of the Merchant Power Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Merchant Power Undertaking which have been encumbered in respect of the Merchant Power Undertaking Liabilities as transferred to the Resulting Company 2 pursuant to this Scheme. Further, in so far as the assets comprised in the Merchant Power Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 2 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 11.2.10. Subject to this Clause 11 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Merchant Power Undertaking, the Demerged Company shall, if so required by the Resulting Company 2, issue notices in such form as the Resulting Company 2 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 2, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 11.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Merchant Power Undertaking, shall be accepted by the bankers of the Resulting Company 2 and credited to the account of the Resulting Company 2, if presented by the Resulting Company 2;
- 11.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Merchant Power Undertaking, shall be transferred to the Resulting Company 2 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 2 as if the same were originally given by, issued to or executed in favour of the Resulting Company 2 and the Resulting Company 2 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 2 to carry on the operations of the Merchant Power Undertaking without any hindrance, whatsoever; and





- 11.2.13. Contracts in relation to the Merchant Power Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 2 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 2 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.
- 11.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 11 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 2 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Merchant Power Undertaking transferred to and registered in, the name of the Resulting Company 2, as per Applicable Law.
- 11.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Merchant Power Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 2 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Merchant Power Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## **12. EMPLOYEES**

- 12.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Merchant Power Undertaking shall become the employees of the Resulting Company 2 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Merchant Power Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.
- 12.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 2 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 2. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the



existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.

### 13. LEGAL PROCEEDINGS

- 13.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Merchant Power Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 2 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 2 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Merchant Power Undertaking.
- 13.2. The Resulting Company 2 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 13.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 2 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 2 shall make relevant applications and take all steps as may be required in this regard.
- 13.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Merchant Power Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Merchant Power Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 2. However, if the Demerged Company is unable to get the Resulting Company 2 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 2 and at the cost of the Resulting Company 2 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

### 14. TAXES/ DUTIES/ CESS

- 14.1. The Resulting Company 2 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Merchant Power Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 2 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 14.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Merchant Power Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 2 in accordance with the provisions of IT Act. It is further clarified that any book losses and/ or



unabsorbed depreciation of Demerged Company relating to the Merchant Power Undertaking as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Resulting Company 2 for the purposes of computation of minimum alternate tax, if applicable.

- 14.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Merchant Power Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 2 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 2 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 14.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 14.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Merchant Power Undertaking under any Tax Law or Applicable Law, the Resulting Company 2 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company 2 in accordance with Applicable Law.
- 14.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 14.7. It is further clarified that the Resulting Company 2 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Merchant Power Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

## **15. CONSIDERATION AND DISCHARGE OF CONSIDERATION**

- 15.1. The consideration for the demerger of the Merchant Power Undertaking shall be the issue by the Resulting Company 2 of 1 (One) fully paid-up equity share of the Resulting Company 2 having face value of INR 10 (Indian Rupees Ten) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 2 New Equity Shares**").
- 15.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 2 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 2 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 2 having face value of INR 10 (Indian Rupees Ten) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.



- 15.3. The Resulting Company 2 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 2, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 2 New Equity Shares.
- 15.4. The Resulting Company 2 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 2 to enable it to issue the Resulting Company 2 New Equity Share(s) in dematerialised form.
- 15.5. For the purpose of allotment of the Resulting Company 2 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 2 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 2 New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company 2 ("**Trustee of the Resulting Company 2**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 2 New Equity Share(s) held by the Trustee of the Resulting Company 2 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 2, along with such other documents as may be required by the Trustee of the Resulting Company 2.
- 15.6. The issue and allotment of the Resulting Company 2 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 2 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 2 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 2 New Equity Shares under applicable provisions of the Act.
- 15.7. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 2.
- 15.8. The Resulting Company 2 New Equity Shares to be issued by the Resulting Company 2 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 2.
- 15.9. The Resulting Company 2 New Equity Shares to be issued by the Resulting Company 2 in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 2.
- 15.10. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 15.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.





- 15.11. Upon the Scheme becoming effective but prior to the issue of the Resulting Company 2 New Equity Shares, the authorised share capital of the Resulting Company 2 shall stand altered and reclassified, without any further act, instrument, or deed on the part of the Resulting Company 2 as under:

Authorised Share Capital	INR
4,00,00,00,000 equity shares equity shares of INR 10 each	40,00,00,00,000
<b>Total</b>	<b>40,00,00,00,000</b>

- 15.12. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 2 shall without any act, instrument or deed be and stand altered, modified, and amended and be replaced by the following clause:

*“The Authorised Share Capital of the Company is 40,00,00,00,000/- (Indian Rupees Four Thousand Crore) consisting of 4,00,00,00,000 (Four Hundred Crore) equity shares of INR 10/- (Indian Rupees Ten Only) each; with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company.”*

- 15.13. It is clarified that the approval of the members of the Resulting Company 2 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 2 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 15.14. The Resulting Company 2 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 2 New Equity Shares allotted by the Resulting Company 2 in terms of Clause 15.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 2 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 15.15. The Resulting Company 2 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

## 16. ACCOUNTING TREATMENT

The Demerged Company and Resulting Company 2 shall account for the demerger for Merchant Power Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:





#### **16.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part III of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 16.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 16.1.2. The Demerged Company shall de-recognize the carrying values of all assets and liabilities pertaining to Merchant Power Undertaking of the Demerged Company, as on the Effective Date, that are held in and /or transferred to Resulting Company 2 pursuant to this Scheme in accordance with de-recognition related stipulations contained in the relevant accounting standards; and
- 16.1.3. The difference, if any, between the book value of assets of the Merchant Power Undertaking of the Demerged Company transferred to Resulting Company 2 and the book value of the liabilities of the Merchant Power Undertaking of the Demerged Company transferred to the Resulting Company 2, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and

#### **16.2. In the books of Resulting Company 2**

With effect from the Effective Date and upon Part III of the Scheme coming into effect, Resulting Company 2 shall account for the demerger in its books of account in the following manner:

- 16.2.1. Resulting Company 2 shall record all assets and liabilities of the Merchant Power Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 16.2.2. Resulting Company 2 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- 16.2.3. The difference between (A) the book value of assets minus liabilities recorded in the books of the Resulting Company 2, and (B) the face value of the Resulting Company 2 New Equity Shares issued and allotted to the shareholders of the Demerged Company (number of Resulting Company 2 New Equity Shares issued multiplied by face value of Resulting Company 2 New Equity Shares) as consideration, if any, shall be credited to 'Other Equity (Capital Reserve)' of the Resulting Company 2;
- 16.2.4. Any debit balance lying in surplus of 'Statement of Profit and Loss' of Resulting Company 2 prior to the effectiveness of the Scheme, to be adjusted against Other Equity (Capital Reserve) of the Resulting Company 2;
- 16.2.5. The Resulting Company 2's share capital as on the Effective Date stands cancelled pursuant to Clause 17 of this Scheme and the resultant impact, if any, will be adjusted in Other Equity (Capital Reserve);



- 16.2.6. If the accounting policies adopted by the Resulting Company 2 are different from those adopted by the Demerged Company, the assets and liabilities of the Merchant Power Undertaking shall be accounted in the books of the Resulting Company 2 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);
- 16.2.7. Any change effected in the book value of the assets and liabilities of the Merchant Power Undertaking, as at the beginning of the Comparative period, pursuant to Clause 16.2.6 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 2 with appropriate disclosures as required under Indian Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and
- 16.2.8. The Resulting Company 2 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 2, whichever is later.
- 16.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 16.1.3 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.
- 17. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 2**
- 17.1. Immediately prior to the allotment of the Resulting Company 2 New Equity Shares, the entire paid-up share capital of the Resulting Company 2 as on Effective Date ("**Resulting Company 2 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 2, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 2 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 17.2. It is clarified that the approval of the members of the Resulting Company 2 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 2 under applicable provisions of the Act.
- 17.3. Notwithstanding the reduction in the share capital of the Resulting Company 2, the Resulting Company 2 shall not be required to add "And Reduced" as suffix to its name.
- 17A. CHANGE OF NAME OF RESULTING COMPANY 2**
- 17A.1. Upon this Scheme becoming effective, the name of the Resulting Company 2 shall stand changed to 'Vedanta Power Company Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.
- 17A.2. Consequently, subject to Clause 17A.1 above, Clause I of the memorandum of association of the Resulting Company 2 shall without any act, procedure, instrument or deed be and stand



altered, modified and amended, to reflect the revised name of the Resulting Company 2, pursuant to Sections 13, 232 and other applicable provisions of the Act.

- 17A.3. It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 17A.1 and 17A.2, the consent of the shareholders of the Resulting Company 2 to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.

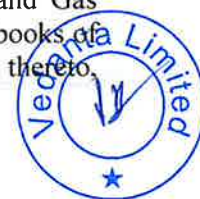


## PART IV

### DEMERGER AND VESTING OF THE OIL AND GAS UNDERTAKING

#### 18. DEMERGER AND VESTING OF THE OIL AND GAS UNDERTAKING

- 18.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Oil and Gas Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 3 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 3 by virtue of operation of law, and in the manner provided in this Scheme.
- 18.2. Without prejudice to the generality of the provisions of Clause 18.1 above, the manner of transfer of the Oil and Gas Undertaking under this Scheme, is as follows:
- 18.2.1. In respect of such of the assets and properties forming part of the Oil and Gas Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Oil and Gas Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 3 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 3 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 3 shall also be entitled to use the “Vedanta” brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;
- 18.2.2. With respect to the moveable assets of the Oil and Gas Undertaking other than those referred to in Clause 18.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 3, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 3. With regard to the licenses of the properties, the Resulting Company 3 will enter into novation agreements, if it is so required;
- 18.2.3. In respect of such of the assets and properties forming part of the Oil and Gas Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto,



the same shall stand transferred to the Resulting Company 3 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 3;

- 18.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 18.2.3 above and Clause 18.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Oil and Gas Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 3 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 18.2.4 or Clause 18.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Oil and Gas Undertaking takes place and the Oil and Gas Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 18.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 3.;
- 18.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Oil and Gas Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 3, if the Resulting Company 3 so decides, the Demerged Company and the Resulting Company 3, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 3 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 18.2.7. Upon the effectiveness of the Scheme, all Oil and Gas Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 3 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 3 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 3 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 3 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 3, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The Board of





Directors of the Resulting Company 3 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing;

- 18.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 3, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Oil and Gas Undertaking stands transferred to the Resulting Company 3 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 18.2.9. In so far as encumbrances, if any, in respect of the Oil and Gas Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to and shall operate only over the assets comprised in the Oil and Gas Undertaking which have been encumbered in respect of the Oil and Gas Undertaking Liabilities as transferred to the Resulting Company 3 pursuant to this Scheme. Further, in so far as the assets comprised in the Oil and Gas Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 3 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 18.2.10. Subject to Clause 18 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Oil and Gas Undertaking, the Demerged Company shall, if so required by the Resulting Company 3, issue notices in such form as the Resulting Company 3 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 3, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 3 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 18.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Oil and Gas Undertaking, shall be accepted by the bankers of the Resulting Company 3 and credited to the account of the Resulting Company 3, if presented by the Resulting Company 3;
- 18.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Oil and Gas Undertaking, shall be transferred to the Resulting Company 3 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 3 as if the same were originally given by, issued to or executed in favour of the Resulting Company 3 and the Resulting Company 3 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 3 to carry on the operations of the Oil and Gas Undertaking without any hindrance, whatsoever; and
- 18.2.13. Contracts in relation to the Oil and Gas Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 3 pursuant to the Scheme



becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 3 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

18.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 18 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 3 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Oil and Gas Undertaking transferred to and registered in, the name of the Resulting Company 3, as per Applicable Law.

18.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Oil and Gas Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 3 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Oil and Gas Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## **19. EMPLOYEES**

19.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Oil and Gas Undertaking shall become the employees of the Resulting Company 3 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Oil and Gas Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.

19.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 3 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 3. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.



## 20. LEGAL PROCEEDINGS

- 20.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Oil and Gas Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 3 in the same manner and to the same extent as would or might have been continued and enforced by or against the De merged Company. The Resulting Company 3 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible for or liable in relation to any such legal or other proceedings in relation to the Oil and Gas Undertaking.
- 20.2. The Resulting Company 3 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 20.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 3 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 3 shall make relevant applications and take all steps as may be required in this regard.
- 20.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Oil and Gas Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Oil and Gas Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 3. However, if the Demerged Company is unable to get the Resulting Company 3 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 3 and at the cost of the Resulting Company 3 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

## 21. TAXES/ DUTIES/ CESS

- 21.1. The Resulting Company 3 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value- added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Oil and Gas Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 3 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 21.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Oil and Gas Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 3 in accordance with the provisions of IT Act. It is further clarified that any book losses and/ or unabsorbed depreciation of Demerged Company relating to the Oil and Gas Undertaking as specified in their respective books of accounts shall be included as book losses and/or



unabsorbed depreciation of the Resulting Company 3 for the purposes of computation of minimum alternate tax, if applicable.

- 21.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Oil and Gas Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 3 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 3 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 21.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 21.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Oil and Gas Undertaking under any Tax Law or Applicable Law, the Resulting Company 3 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or credits, as the case may be, without any specific approval or permission and such benefit or incentives or credits, as the case may be, shall be available for dematerialization to the Resulting Company 3 in accordance with Applicable Law.
- 21.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 21.7. It is further clarified that the Resulting Company 3 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Oil and Gas Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

## 22. CONSIDERATION AND DISCHARGE OF CONSIDERATION

- 22.1. The consideration for the demerger of the Oil and Gas Undertaking shall be the issue by the Resulting Company 3 of 1 (One) fully paid-up equity share of the Resulting Company 3 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 3 New Equity Shares**").
- 22.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 3 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 3 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 3 having face value of INR 1 (Indian Rupee One) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.

The Resulting Company 3 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 3, including





with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 3 New Equity Shares.

- 22.4. The Resulting Company 3 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialized form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 3 to enable it to issue the Resulting Company 3 New Equity Share(s) in dematerialized form.
- 22.5. For the purpose of allotment of the Resulting Company 3 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 3 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 3 New Equity Share(s) in dematerialized form to a trustee nominated by the Board of the Resulting Company 3 ("**Trustee of the Resulting Company 3**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 3 New Equity Share(s) held by the Trustee of the Resulting Company 3 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 3, along with such other documents as may be required by the Trustee of the Resulting Company 3.
- 22.6. The issue and allotment of the Resulting Company 3 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 3 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 3 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 3 New Equity Shares under applicable provisions of the Act.
- 22.7. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 3.
- 22.8. The Resulting Company 3 New Equity Shares to be issued by the Resulting Company 3 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 3.
- 22.9. The Resulting Company 3 New Equity Shares to be issued by the Resulting Company 3 in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 3.
- 22.10. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 22.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.
- 22.11. Upon the Scheme becoming effective but prior to the issue of the Resulting Company 3 New Equity Shares, the authorised share capital of the Resulting Company 3 shall stand altered.





reclassified, and increased, without any further act, instrument, or deed on the part of the Resulting Company 3 as under:

Authorised Share Capital	INR
3,75,75,04,871 equity shares of INR 1 each	3,75,75,04,871
1,250,000 preference shares of INR 1,000 each	1,25,00,00,000
<b>Total</b>	<b>5,00,75,04,871</b>

- 22.12. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 3 shall without any act, instrument or deed be and stand altered, modified, and amended and be replaced by the following clause:

*"The Authorised Share Capital of the Company is 5,00,75,04,871/- (Indian Rupees Five Hundred Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) consisting of 3,75,75,04,871 (Three Hundred Seventy Five Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) equity shares of INR 1/- (Indian Rupee One Only) each and 12,50,000 (Twelve Lakh Fifty Thousand Only) preference shares of INR 1000/- (Indian Rupees One Thousand Only) each; with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company."*

- 22.13. It is clarified that the approval of the members of the Resulting Company 3 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 3 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 22.14. The Resulting Company 3 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 3 New Equity Shares allotted by the Resulting Company 3 in terms of Clause 20.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 3 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 22.15. The Resulting Company 3 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

## 23. ACCOUNTING TREATMENT

The Demerged Company and Resulting Company 3 shall account for the demerger for Oil and Gas Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:



### **23.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part IV of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 23.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 23.1.2. The Demerged Company shall de-recognize the carrying values of all the assets and liabilities pertaining to Oil and Gas Undertaking of the Demerged Company, as on the Effective Date, that are held in and /or transferred to Resulting Company 3 pursuant to this Scheme in accordance with the applicable de-recognition related stipulations contained in the relevant accounting standards;
- 23.1.3. The difference, if any, between the book value of assets of the Oil and Gas Undertaking of the Demerged Company transferred to Resulting Company 3 and the book value of the liabilities of the Oil and Gas Undertaking of the Demerged Company transferred to the Resulting Company 3, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and
- 23.1.4. The Demerged Company's investment in Resulting Company 3 as on the Effective Date, if any, shall be cancelled pursuant to Clause 24 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity' in the order specified in Clause 23.1.3 above.

### **23.2. In the books of Resulting Company 3**

With effect from the Effective Date and upon Part IV of the Scheme coming into effect, Resulting Company 3 shall account for the demerger in its books of account in the following manner:

- 23.2.1. Resulting Company 3 shall record all assets and liabilities of the Oil and Gas Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 23.2.2. Resulting Company 3 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- 23.2.3. The difference between (A) the book value of assets minus liabilities, recorded in the books of the Resulting Company 3, and (B) the face value of the Resulting Company 3 New Equity Shares issued and allotted to the shareholders of the Demerged Company (number of Resulting Company 3 New Equity Shares issued multiplied by face value per Resulting Company 3 New Equity Shares) as consideration, if any, shall be credited to the 'Other Equity (Capital Reserve)' of the Resulting Company 3;



- 23.2.4. Any debit balance lying in surplus of 'Statement of Profit and Loss' of Resulting Company 3 prior to the effectiveness of the Scheme to be adjusted against Other Equity (Capital Reserve) of the Resulting Company 3;
- 23.2.5. The Resulting Company 3's share capital as on the Effective Date shall be cancelled pursuant to Clause 24 of this Scheme and the resultant impact, if any, will be adjusted in Other Equity (Capital Reserve);
- 23.2.6. If the accounting policies adopted by the Resulting Company 3 are different from those adopted by the Demerged Company, the assets and liabilities of the Oil and Gas Undertaking shall be accounted in the books of the Resulting Company 3 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);
- 23.2.7. Any change effected in the book value of the assets and liabilities of the Oil and Gas Undertaking, as at the beginning of the comparative period, pursuant to Clause 23.2.6 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 3 with appropriate disclosures as required under Indian Accounting Standard – 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and
- 23.2.8. The Resulting Company 3 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 3, whichever is later.
- 23.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 23.1.3 and 23.1.4 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.

## **24. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 3**

- 24.1. Immediately prior to the allotment of the Resulting Company 3 New Equity Shares, the entire paid-up share capital of the Resulting Company 3 as on Effective Date ("**Resulting Company 3 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 3, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 3 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 24.2. It is clarified that the approval of the members and creditors of the Resulting Company 3 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 3 under applicable provisions of the Act.
- 24.4. Notwithstanding the reduction in the share capital of the Resulting Company 3, the Resulting Company 3 shall not be required to add "And Reduced" as suffix to its name.

## **25. ALTERATION OF NAME AND OBJECTS CLAUSE OF RESULTING COMPANY 3**



- 25.1. Upon this Scheme becoming effective, the name of the Resulting Company 3 shall stand changed to 'Vedanta Oil and Gas Limited' or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.
- 25.2. Consequently, subject to Clause 25.1 above, Clause I of the memorandum of association of the Resulting Company 3 shall without any act, procedure, instrument or deed be and stand altered, modified and amended, to reflect the revised name of the Resulting Company 3, pursuant to Sections 13, 232 and other applicable provisions of the Act.
- 25.3. The existing objects clause of the Memorandum of Association of the Resulting Company 3 shall without any act, instrument or deed be and stand altered, modified, and amended by the addition of the following clause as Paragraph 2A:
- “To carry on all or any of the businesses of exploring, drilling, development, extracting, producing, treating (including refining), producing, storing, transporting, exporting, selling and generally dealing in, or with, hydrocarbon and other crude oils, asphalt, bitumen, natural gas, chemicals and any such substances as aforesaid inside or outside India.”*
- 25.4. It is hereby clarified that, for the purposes of acts and events as mentioned in this Clause 25, the consent of the shareholders of the Resulting Company 3 to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.





## PART V

### DEMERGER AND VESTING OF THE BASE METALS UNDERTAKING

#### 26. DEMERGER AND VESTING OF THE BASE METALS UNDERTAKING

26.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Base Metals Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 4 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 4 by virtue of operation of law, and in the manner provided in this Scheme.

26.2. Without prejudice to the generality of the provisions of Clause 26.1 above, the manner of transfer of the Base Metals Undertaking under this Scheme, is as follows:

26.2.1. In respect of such of the assets and properties forming part of the Base Metals Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Base Metals Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 4 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 4 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 4 shall also be entitled to use the “Vedanta” brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;

26.2.2. With respect to the moveable assets of the Base Metals Undertaking other than those referred to in Clause 26.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 4, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 4. With regard to the licenses of the properties, the Resulting Company 4 will enter into novation agreements, if it is so required;

26.2.3. In respect of such of the assets and properties forming part of the Base Metals Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto,





the same shall stand transferred to the Resulting Company 4 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 4;

- 26.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 26.2.3 above and Clause 26.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Base Metals Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 4 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 26.2.4 or Clause 26.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Base Metals Undertaking takes place and the Base Metals Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 26.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 4.;
- 26.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Base Metals Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 4, if the Resulting Company 4 so decides, the Demerged Company and the Resulting Company 4, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 4 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 26.2.7. Upon the effectiveness of the Scheme, all Base Metals Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 4 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 4 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 4 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 4 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 4, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The Board of



Directors of the Resulting Company 4 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing;

- 26.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 4, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Base Metals Undertaking stands transferred to the Resulting Company 4 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 26.2.9. In so far as encumbrances, if any, in respect of the Base Metals Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Base Metals Undertaking which have been encumbered in respect of the Base Metals Undertaking Liabilities as transferred to the Resulting Company 4 pursuant to this Scheme. Further, in so far as the assets comprised in the Base Metals Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 4 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;
- 26.2.10. Subject to Clause 26 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Base Metals Undertaking, the Demerged Company shall, if so required by the Resulting Company 4, issue notices in such form as the Resulting Company 4 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 4, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 4 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 26.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Base Metals Undertaking, shall be accepted by the bankers of the Resulting Company 4 and credited to the account of the Resulting Company 4, if presented by the Resulting Company 4;
- 26.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Base Metals Undertaking, shall be transferred to the Resulting Company 4 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 4 as if the same were originally given by, issued to or executed in favour of the Resulting Company 4 and the Resulting Company 4 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 4 to carry on the operations of the Base Metals Undertaking without any hindrance, whatsoever; and
- 26.2.13. Contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, letters of authority, licenses and leases (including the



mining leases, prospecting licenses and letters of authority for mines and any applications made for such mining leases, prospective licenses or letters of authority) in relation to the Base Metals Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 4 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 4 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

26.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 26 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 4 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Base Metals Undertaking transferred to and registered in, the name of the Resulting Company 4, as per Applicable Law.

26.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Base Metals Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 4 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Base Metals Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

## **27. EMPLOYEES**

27.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Base Metals Undertaking shall become the employees of the Resulting Company 4 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Base Metals Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.

27.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 4 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 4. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the



existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.

## **28. LEGAL PROCEEDINGS**

- 28.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Base Metals Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 4 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 4 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Base Metals Undertaking.
- 28.2. The Resulting Company 4 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 28.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 4 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 4 shall make relevant applications and take all steps as may be required in this regard.
- 28.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Base Metals Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Base Metals Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 4. However, if the Demerged Company is unable to get the Resulting Company 4 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 4 and at the cost of the Resulting Company 4 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

## **29. TAXES/ DUTIES/ CESS**

- 29.1. The Resulting Company 4 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Base Metals Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 4 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 29.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Base Metals Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 4 in accordance with the provisions of IT Act. It is further clarified that any book losses and/ or





unabsorbed depreciation of Demerged Company relating to the Base Metals Undertaking as specified in their respective books of accounts shall be included as book losses and/or unabsorbed depreciation of the Resulting Company 4 for the purposes of computation of minimum alternate tax, if applicable.

- 29.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Base Metals Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 4 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 4 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 29.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 29.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Base Metals Undertaking under any Tax Law or Applicable Law, the Resulting Company 4 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company 4 in accordance with Applicable Law.
- 29.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 29.7. It is further clarified that the Resulting Company 4 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Base Metals Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

### **30. CONSIDERATION AND DISCHARGE OF CONSIDERATION**

- 30.1. The consideration for the demerger of the Base Metals Undertaking shall be the issue by the Resulting Company 4 of 1 (One) fully paid-up equity share of the Resulting Company 4 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 4 New Equity Shares**").
- 30.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 4 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 4 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 4 having face value of INR 1 (Indian Rupee One) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.





- 30.3. The issue price of Resulting Company 4 New Equity Shares shall be the price arrived at by dividing the book value of assets minus liabilities of the Base Metals Undertaking as on the Effective Date by the total number of equity shares issued and allotted by the Resulting Company 4 pursuant to this Clause 30. The difference between the issue price and the face value of the equity shares to be issued and allotted by the Resulting Company 4 will be recorded as 'Securities Premium' under the head 'Other Equity'.
- 30.4. The Resulting Company 4 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 4, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 4 New Equity Shares.
- 30.5. The Resulting Company 4 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 4 to enable it to issue the Resulting Company 4 New Equity Share(s) in dematerialised form.
- 30.6. For the purpose of allotment of the Resulting Company 4 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 4 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 4 New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company 4 ("**Trustee of the Resulting Company 4**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 4 New Equity Share(s) held by the Trustee of the Resulting Company 4 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 4, along with such other documents as may be required by the Trustee of the Resulting Company 4.
- 30.7. The issue and allotment of the Resulting Company 4 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 4 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 4 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 4 New Equity Shares under applicable provisions of the Act.
- 30.8. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 4.
- 30.9. The Resulting Company 4 New Equity Shares to be issued by the Resulting Company 4 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 4.
- 30.10. The Resulting Company 4 New Equity Shares to be issued by the Resulting Company 4 in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 4.



- 30.11. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 30.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.
- 30.12. Upon the Scheme becoming effective but prior to the issue of the Resulting Company 4 New Equity Shares, the authorised share capital of the Resulting Company 4 shall stand altered, reclassified, and increased, without any further act, instrument, or deed on the part of the Resulting Company 4 as under:

Authorised Share Capital	INR
3,75,75,04,871 equity shares of INR 1 each	3,75,75,04,871
<b>Total</b>	<b>3,75,75,04,871</b>

- 30.13. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 4 shall without any act, instrument or deed be and stand altered, modified, and amended and be replaced by the following clause:

*“The Authorised Share Capital of the Company is 3,75,75,04,871/- (Indian Rupees Three Hundred Seventy Five Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) consisting of 3,75,75,04,871 (Three Hundred Seventy Five Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) equity shares of INR 1/- (Indian Rupee One only) each; with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company.”*

- 30.14. It is clarified that the approval of the members of the Resulting Company 4 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 4 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 30.15. The Resulting Company 4 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 4 New Equity Shares allotted by the Resulting Company 4 in terms of Clause 30.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 4 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 30.16. The Resulting Company 4 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

### 31. ACCOUNTING TREATMENT



The Demerged Company and Resulting Company 4 shall account for the demerger for Base Metals Undertaking of the Demerged Company in compliance with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

**31.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part V of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 31.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 31.1.2. The Demerged Company shall de-recognize the carrying values of all assets and liabilities pertaining to Base Metals Undertaking of the Demerged Company as on the Effective Date, that are held in and /or transferred to Resulting Company 4 pursuant to this Scheme in accordance with de-recognition related stipulations contained in the relevant accounting standards;
- 31.1.3. The difference, if any, between the book value of assets of the Base Metals Undertaking of the Demerged Company transferred to Resulting Company 4 and the book value of the liabilities of the Base Metals Undertaking of the Demerged Company transferred to the Resulting Company 4, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and
- 31.1.4. The Demerged Company's investment in Resulting Company 4 as on the Effective Date, if any, shall be cancelled pursuant to Clause 32 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity' in the order specified in Clause 31.1.3 above.

**31.2. In the books of Resulting Company 4**

With effect from the Effective Date and upon Part V of the Scheme coming into effect, Resulting Company 4 shall account for the demerger in its books of account in the following manner:

- 31.2.1. Resulting Company 4 shall record all assets and liabilities of the Base Metals Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 31.2.2. Resulting Company 4 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- 31.2.3. The difference between (A) the book value of assets minus liabilities if any, recorded in the books of the Resulting Company 4, and (B) the value of the Resulting Company 4 New Equity Shares issued and allotted to the shareholders of the Demerged Company (i.e. number of Resulting Company 4 New Equity Shares issued multiplied by issue



price of Resulting Company 4 New Equity Shares) as consideration, if any, shall be credited to the 'Other Equity (Capital Reserve)' of the Resulting Company 4;

- 31.2.4. The Resulting Company 4's share capital as on the Effective Date shall be cancelled pursuant to Clause 32 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity (Capital Reserve)';
- 31.2.5. If the accounting policies adopted by the Resulting Company 4 are different from those adopted by the Demerged Company, the assets and liabilities of the Base Metals Undertaking shall be accounted in the books of the Resulting Company 4 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015;
- 31.2.6. Any change effected in the book value of the assets and liabilities of the Base Metals Undertaking, as at the beginning of the comparative period, pursuant to Clause 31.2.5 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 4 with appropriate disclosures as required under Indian Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and
- 31.2.7. The Resulting Company 4 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 4, whichever is later.
- 31.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 31.1.3 and 31.1.4 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.

## **32. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 4**

- 32.1. Immediately prior to the allotment of the Resulting Company 4 New Equity Shares, the entire paid-up share capital of the Resulting Company 4 as on Effective Date ("**Resulting Company 4 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 4, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 4 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 32.2. It is clarified that the approval of the members of the Resulting Company 4 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 4 under applicable provisions of the Act.

Notwithstanding the reduction in the share capital of the Resulting Company 4, the Resulting Company 4 shall not be required to add "And Reduced" as suffix to its name.





## PART VI

### DEMERGER AND VESTING OF THE IRON ORE UNDERTAKING

#### 33. DEMERGER AND VESTING OF THE IRON ORE UNDERTAKING

- 33.1. Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Iron Ore Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 5 on a *going concern* basis, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, duties and obligations of the Resulting Company 5 by virtue of operation of law, and in the manner provided in this Scheme.
- 33.2. Without prejudice to the generality of the provisions of Clause 33.1 above, the manner of transfer of the Iron Ore Undertaking under this Scheme, is as follows:
- 33.2.1. In respect of such of the assets and properties forming part of the Iron Ore Undertaking which are movable in nature (including but not limited to all intangible assets, intellectual property and intellectual property rights (whether or not recorded), including any applications for the same, of any nature whatsoever including but not limited to brands, registered or unregistered trademarks and goodwill forming part of the Iron Ore Undertaking, and all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company 5 upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of the Resulting Company 5 without requiring any deed or instrument of conveyance for transfer of the same. The Resulting Company 5 shall also be entitled to use the “Vedanta” brand and all associated trademarks on the same terms and conditions as the Demerged Company. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;
- 33.2.2. With respect to the moveable assets of the Iron Ore Undertaking other than those referred to in Clause 33.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Resulting Company 5, with effect from the Appointed Date by operation of law as transmission in favour of the Resulting Company 5. With regard to the licenses of the properties, the Resulting Company 5 will enter into novation agreements, if it is so required;
- 33.2.3. In respect of such of the assets and properties forming part of the Iron Ore Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto, the same shall





stand transferred to the Resulting Company 5 with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company 5;

- 33.2.4. For the avoidance of doubt and without prejudice to the generality of Clause 33.2.3 above and Clause 33.2.6 below, it is clarified that, with respect to the immovable properties comprised in the Iron Ore Undertaking in the nature of land and buildings, the Demerged Company and the Resulting Company 5 may register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 33.2.4 or Clause 33.2.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Iron Ore Undertaking takes place and the Iron Ore Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 33.2.5. Without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold properties, including the mining leases and the licenses including prospecting licenses, letters of intent, Permits etc., (including in each case, any applications made therefor), shall, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 5;
- 33.2.6. Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Iron Ore Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to the Resulting Company 5, if the Resulting Company 5 so decides, the Demerged Company and the Resulting Company 5, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 5 in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 33.2.7. Upon the effectiveness of the Scheme, all Iron Ore Undertaking Liabilities as on the Appointed Date shall, without any further act or deed, become the liabilities of the Resulting Company 5 to the extent that they are outstanding as on the Appointed Date, including such number of the Listed Debt Securities as the Boards of the Demerged Company and Resulting Company 5 may mutually agree. The holders of such number of Listed Debt Securities whose names are recorded in the relevant registers of the Demerged Company on the Record Date, shall continue holding the same number of Listed Debt Securities in the Resulting Company 5 on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and shall become and stand vested in and shall be exercised by or against the Resulting Company 5 as if it was the issuer of such Listed Debt Securities. Subject to the requirements, if any, imposed or concessions, if any, by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, such Listed Debt Securities vested in the Resulting Company 5, shall continue to be listed and/or admitted to trading on the relevant Stock Exchanges, where the Listed Debt Securities are currently listed, subject to applicable regulations and prior approval requirements, if any. The Board of



Directors of the Resulting Company 5 and Demerged Company shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing;

33.2.8. Post the Effective Date, the Demerged Company may, at the request of the Resulting Company 5, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Iron Ore Undertaking stands transferred to the Resulting Company 5 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;

33.2.9. In so far as encumbrances, if any, in respect of the Iron Ore Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to, and shall operate only over the assets comprised in the Iron Ore Undertaking which have been encumbered in respect of the Iron Ore Undertaking Liabilities as transferred to the Resulting Company 5 pursuant to this Scheme. Further, in so far as the assets comprised in the Iron Ore Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to the Resulting Company 5 pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and the Demerged Company may provide such other security that may be agreed between the Demerged Company and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee, or third party shall not affect the operation of the above;

33.2.10. Subject to Clause 33 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Iron Ore Undertaking, the Demerged Company shall, if so required by the Resulting Company 5, issue notices in such form as the Resulting Company 5 may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company 5, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company 5 and that appropriate entries should be passed in their respective books to record the aforesaid changes;

33.2.11. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Iron Ore Undertaking, shall be accepted by the bankers of the Resulting Company 5 and credited to the account of the Resulting Company 5, if presented by the Resulting Company 5;

33.2.12. Permits, including the benefits attached thereto of the Demerged Company, in relation to the Iron Ore Undertaking, shall be transferred to the Resulting Company 5 from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Resulting Company 5 as if the same were originally given by, issued to or executed in favour of the Resulting Company 5 and the Resulting Company 5 shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company 5 to carry on the operations of the Iron Ore Undertaking without any hindrance, whatsoever; and

33.2.13. Contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, letters of authority, licenses and leases (including the



mining leases, prospecting licenses and letters of authority for mines and any applications made for such mining leases, prospective licenses or letters of authority) in relation to the Iron Ore Undertaking, where the Demerged Company is a party, shall stand transferred to the Resulting Company 5 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of the foregoing sentence. The Demerged Company and the Resulting Company 5 shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

33.2.14. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 33 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 5 may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. The Demerged Company shall take such actions as may be necessary to get the assets pertaining to the Iron Ore Undertaking transferred to and registered in, the name of the Resulting Company 5, as per Applicable Law.

33.2.15. Upon the Scheme being effective, for the purpose of satisfying any eligibility criteria including technical and/ or financial parameters for participating and qualifying in invitations for expression of interest(s) and/ or bid(s) and/ or tender(s) of any nature meant for any project(s) or contract(s) or work(s) or services or a combination thereof, related to the Iron Ore Business, in addition to its own technical experience and/ or financial credentials including drawn through other arrangements such as consortium or joint venture etc., the Resulting Company 5 shall be entitled to the benefit of all pre-qualification, track-record, experience, goodwill, and all other rights, claims and powers of whatsoever nature belonging to the Demerged Company in connection with or pertaining or relatable to the Iron Ore Undertaking for all intents and purposes and specifically including but not limited to financial credentials including the turnover, profitability, net-worth, technical expertise, market share, project management experience, incorporation history, track record of having undertaken, performed and/or executed the business and / or orders by the Demerged Company, etc.

#### **34. EMPLOYEES**

34.1. With effect from the Appointed Date, all employees of the Demerged Company engaged in or in relation to the Iron Ore Undertaking shall become the employees of the Resulting Company 5 on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service, and with the period of service to the Demerged Company being taken into consideration for retirement benefits. The decision on whether or not an employee is part of the Iron Ore Undertaking shall be taken by the Demerged Company, and such decision shall be final and binding on all concerned Parties.

34.2. The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Resulting Company 5 set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by the Resulting Company 5. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of Demerged Company.



### 35. LEGAL PROCEEDINGS

- 35.1. Upon the coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted at any time thereafter and in each case relating to the Iron Ore Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against the Resulting Company 5 in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. The Resulting Company 5 shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall stand nullified. The Demerged Company shall in no event be responsible for or liable in relation to any such legal or other proceedings in relation to the Iron Ore Undertaking.
- 35.2. The Resulting Company 5 undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 35.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company 5 to the exclusion of the Demerged Company on priority. The Demerged Company and the Resulting Company 5 shall make relevant applications and take all steps as may be required in this regard.
- 35.3. Notwithstanding anything contained herein above, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Iron Ore Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Iron Ore Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company 5. However, if the Demerged Company is unable to get the Resulting Company 5 replaced in its place in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company 5 and at the cost of the Resulting Company 5 and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

### 36. TAXES/ DUTIES/ CESS

- 36.1. The Resulting Company 5 shall be entitled to, *inter alia*, file/ or revise its income tax returns, tax audit reports, TDS returns, wealth tax returns, service tax returns, goods and service tax returns and other statutory returns, if required, credit for / in respect of all Taxes paid (including but not limited to value-added tax, income-tax, service tax and goods and service tax, whether or not recorded in the books of accounts of Demerged Company) including receipt of refund, credit, etc., if any, pertaining to the Iron Ore Undertaking as may be required consequent to implementation of this Scheme. The Resulting Company 5 shall be entitled to file modified tax returns in accordance with the provisions of IT Act.
- 36.2. Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, brought forward tax losses, unabsorbed tax depreciation, minimum alternate tax credit, if any, of Demerged Company relating to the Iron Ore Undertaking as on the Appointed Date, shall, for all purposes, be treated as tax losses, unabsorbed tax depreciation, minimum alternate tax credit of the Resulting Company 5 in accordance with the provisions of IT Act. It is further clarified that any book losses and/ or unabsorbed depreciation of Demerged Company relating to the Iron Ore Undertaking as specified in their respective books of accounts shall be included as book losses and/or





unabsorbed depreciation of the Resulting Company 5 for the purposes of computation of minimum alternate tax, if applicable.

- 36.3. Upon the Scheme becoming effective and from the Appointed Date, all un-availed credits, exemptions, deductions (including Chapter VIA deductions), tax holidays and other statutory benefits, including in respect of income Tax, CENVAT, customs, VAT, sales Tax, service tax, entry Tax and goods and service Tax entitled to/enjoyed/availed by Demerged Company relating to the Iron Ore Undertaking shall stand transferred to and vested in or deemed to be transferred to and vested in the Resulting Company 5 and shall be allowed to be enjoyed/availed/utilized by the Resulting Company 5 on and from the Appointed Date in the same manner as would have been entitled to/enjoyed/availed/utilized by the Demerged Company before implementation of this Scheme in accordance with the provisions of IT Act.
- 36.4. The Parties shall be allowed a deduction in accordance with Section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which Demerger takes place in accordance with the provisions of IT Act.
- 36.5. If the Demerged Company is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Iron Ore Undertaking under any Tax Law or Applicable Law, the Resulting Company 5 shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to the Resulting Company 5 in accordance with Applicable Law.
- 36.6. Upon the Scheme becoming effective, the Demerged Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme.
- 36.7. It is further clarified that the Resulting Company 5 shall be entitled to claim deduction under Section 43B of the Income Tax Act in respect of unpaid liabilities transferred to it as part of the Iron Ore Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to the Appointed Date.

### **37. CONSIDERATION AND DISCHARGE OF CONSIDERATION**

- 37.1. The consideration for the demerger of the Iron Ore Undertaking shall be the issue by the Resulting Company 5 of 1 (One) fully paid-up equity share of the Resulting Company 5 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 5 New Equity Shares**").
- 37.2. Upon the coming into effect of the Scheme and subject to the provisions of this Scheme, the Resulting Company 5 shall, without any further application, act, deed, consent or instrument, issue and allot, the Resulting Company 5 New Equity Share(s) to the shareholders of the Demerged Company who hold fully paid-up equity shares of the Demerged Company and whose names are recorded in the register of members and/ or records of the depository on the Record Date, in the ratio of 1 (One) equity share of the Resulting Company 5 having face value of INR 1 (Indian Rupee One) each, credited as fully paid up, for every 1 (one) fully paid up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company.
- 37.3. The issue price of Resulting Company 5 New Equity Shares shall be the price arrived at by dividing the book value of assets minus liabilities of the Iron Ore Undertaking as on the





Effective Date by the total number of equity shares issued and allotted by the Resulting Company 5 pursuant to this Clause 37. The difference between the issue price and the face value of the equity shares to be issued and allotted by the Resulting Company 5 will be recorded as 'Securities Premium' under the head 'Other Equity'.

- 37.4. The Resulting Company 5 New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 5, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the Resulting Company 5 New Equity Shares.
- 37.5. The Resulting Company 5 New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall provide such confirmation, information and details as may be required, relating to his/ her/ its account with a depository participant, to the Resulting Company 5 to enable it to issue the Resulting Company 5 New Equity Share(s) in dematerialised form.
- 37.6. For the purpose of allotment of the Resulting Company 5 New Equity Shares pursuant to this Scheme, in the event, if any eligible shareholder of the Demerged Company holds shares in physical form, the Resulting Company 5 shall deal with the relevant shares in such manner as they may deem fit and in the best interest of such eligible shareholder, including by way of issuing the Resulting Company 5 New Equity Share(s) in dematerialised form to a trustee nominated by the Board of the Resulting Company 5 ("**Trustee of the Resulting Company 5**") who shall hold these equity shares in trust for the benefit of such shareholder. The Resulting Company 5 New Equity Share(s) held by the Trustee of the Resulting Company 5 for the benefit of such eligible shareholders shall be transferred to the respective eligible shareholder once they provide details of his/her/its demat account to the Trustee of the Resulting Company 5, along with such other documents as may be required by the Trustee of the Resulting Company 5.
- 37.7. The issue and allotment of the Resulting Company 5 New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 5 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company 5 to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the Resulting Company 5 New Equity Shares under applicable provisions of the Act.
- 37.8. The equity shares to be issued pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Resulting Company 5.
- 37.9. The Resulting Company 5 New Equity Shares to be issued by the Resulting Company 5 in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company 5.
- 37.10. The Resulting Company 5 New Equity Shares to be issued by the Resulting Company 5 in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund created for shareholders of the Resulting Company 5.



- 37.11. In the event the Demerged Company restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 37.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.
- 37.12. Upon the Scheme becoming effective but prior to the issue of the Resulting Company 5 New Equity Shares, the authorised share capital of the Resulting Company 5 shall stand altered, reclassified, and increased, without any further act, instrument, or deed on the part of the Resulting Company 5 as under:

Authorised Share Capital	INR
3,75,75,04,871 equity shares of INR 1 each	3,75,75,04,871
<b>Total</b>	<b>3,75,75,04,871</b>

- 37.13. Consequently, the existing capital clause of the Memorandum of Association of the Resulting Company 5 shall without any act, instrument or deed be and stand altered, modified, and amended and be replaced by the following clause:

*"The Authorised Share Capital of the Company is 3,75,75,04,871/- (Indian Rupees Three Hundred Seventy Five Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) consisting of 3,75,75,04,871 (Three Hundred Seventy Five Crores Seventy Five Lakhs Four Thousand Eight Hundred Seventy One Only) equity shares of INR 1/- (Indian Rupee One only) each; with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company."*

- 37.14. It is clarified that the approval of the members of the Resulting Company 5 to this Scheme, shall be deemed to be their consent/approval for the alteration of the Memorandum of Association under Sections 13, 61, 64 and other applicable provisions of the Act. The Resulting Company 5 shall pay the requisite stamp duty and RoC fees and shall file the required returns/information/ amended copy of the Memorandum of Association with the RoC to give effect to the alteration in the authorised share capital.
- 37.15. The Resulting Company 5 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The Resulting Company 5 New Equity Shares allotted by the Resulting Company 5 in terms of Clause 37.2 above, pursuant to this Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of the Resulting Company 5 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 37.16. The Resulting Company 5 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

### 38. ACCOUNTING TREATMENT

The Demerged Company and Resulting Company 5 shall account for the demerger for Iron Ore Undertaking of the Demerged Company in compliance with generally accepted accounting



practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

**38.1. In the books of the Demerged Company**

With effect from the Effective Date and upon Part VI of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

- 38.1.1. The Demerged Company shall eliminate all inter-unit balances or transactions, if any, as on the Effective Date, between its various undertakings appearing within the Demerged Company. Such amounts shall stand cancelled without any further act or deed;
- 38.1.2. The Demerged Company shall de-recognize the carrying values of all assets and liabilities pertaining to Iron Ore Undertaking of the Demerged Company as on the Effective Date, that are held in and /or transferred to Resulting Company 5 pursuant to this Scheme in accordance with de-recognition related stipulations contained in the relevant accounting standards;
- 38.1.3. The difference, if any, between the book value of assets of the Iron Ore Undertaking of the Demerged Company transferred to Resulting Company 5 and the book value of the liabilities of the Iron Ore Undertaking of the Demerged Company transferred to the Resulting Company 5, shall be recognized in 'Other Equity', and will be adjusted firstly against the total amount lying to the credit of the 'Capital Reserve', if any; thereafter with the total amount lying to the credit of the 'Securities Premium', if any; thereafter with the total amount lying to the credit of the 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of the 'Retained Earnings' of the Demerged Company; and
- 38.1.4. The Demerged Company's investment in Resulting Company 5 as on the Effective Date, if any, shall be cancelled pursuant to Clause 39 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity' in the order specified in Clause 38.1.3 above.

**38.2. In the books of Resulting Company 5**

With effect from the Effective Date and upon Part VI of the Scheme coming into effect, Resulting Company 5 shall account for the demerger in its books of account in the following manner:

- 38.2.1. Resulting Company 5 shall record all assets and liabilities, if any of the Iron Ore Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;
- 38.2.2. Resulting Company 5 shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to this Scheme;
- 38.2.3. The difference between (A) the book value of assets minus liabilities if any, recorded in the books of the Resulting Company 5, and (B) the value of the Resulting Company 5 New Equity Shares issued and allotted to the shareholders of the Demerged Company (number of Resulting Company 5 New Equity Shares issued multiplied by issue price



per Resulting Company 5 New Equity Shares) as consideration, if any, shall be credited to 'Other Equity (Capital Reserve)' of the Resulting Company 5;

- 38.2.4. The Resulting Company 5's share capital as on the Effective Date shall be cancelled pursuant to Clause 39 of this Scheme and the resultant impact, if any, will be adjusted in 'Other Equity (Capital Reserve)';
- 38.2.5. If the accounting policies adopted by the Resulting Company 5 are different from those adopted by the Demerged Company, the assets and liabilities of the Iron Ore Undertaking shall be accounted in the books of the Resulting Company 5 adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015;
- 38.2.6. Any change effected in the book value of the assets and liabilities of the Iron Ore Undertaking, as at the beginning of the comparative period, pursuant to Clause 38.2.5 above, shall be debited/ credited to the capital reserve account in the books of the Resulting Company 5 with appropriate disclosures as required under Indian Accounting Standard - 8 "Accounting Policies, Changes in Accounting Estimates and Errors"; and
- 38.2.7. The Resulting Company 5 shall restate comparative information from the beginning of the comparative period presented or date of incorporation of Resulting Company 5, whichever is later.
- 38.3. The utilization of the 'Capital Reserve', 'Securities Premium' and 'General Reserve' of the Demerged Company pursuant to Clause 38.1.3 and 38.1.4 above, being consequential in nature, is proposed to be affected as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Demerged Company shall not be required to separately comply with the applicable provisions of the Act including Section 52 read with Section 66 of the Act, with respect to utilization of these reserves.
- 39. REDUCTION AND CANCELLATION OF ENTIRE SHARE CAPITAL OF THE RESULTING COMPANY 5**
- 39.1. Immediately prior to the allotment of the Resulting Company 5 New Equity Shares, the entire paid-up share capital of the Resulting Company 5 as on Effective Date ("**Resulting Company 5 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 5, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 5 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.
- 39.2. It is clarified that the approval of the members of the Resulting Company 5 to this Scheme, shall be deemed to be their consent/approval for the reduction of the share capital of the Resulting Company 5 under applicable provisions of the Act.
- 39.3. Notwithstanding the reduction in the share capital of the Resulting Company 5, the Resulting Company 5 shall not be required to add "And Reduced" as suffix to its name.





## PART VII

### GENERAL TERMS AND CONDITIONS

#### 40. BUSINESS UNTIL THE EFFECTIVE DATE

40.1. With effect from the date of approval of this Scheme by the respective Boards of the Parties and up to and including the Effective Date:

40.1.1. VEDL shall carry on the business of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking, and Iron Ore Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto; and

40.1.2. VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4, and Resulting Company 5 respectively shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals, and sanctions which they may require to carry on the relevant business that is being transferred and vested in terms of this Scheme.

40.2 Notwithstanding anything to the contrary contained in this Clause 40 or the Scheme, prior to the coming into effect of the relevant Part of the Scheme, the Board of VEDL may transfer, sell or dispose of such of the assets, liabilities or properties pertaining to the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking, on such terms and to such party as it may deem appropriate, in accordance with Applicable Law.

#### 41. PROPERTY IN TRUST AND DIVIDENDS

41.1. Notwithstanding anything contained in this Scheme, on or after the Effective Date, as the case may be, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom (including rights to any mines or mining leases) pertaining to the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking is transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively, subject to Applicable Law, each of Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively are deemed to be authorised to enjoy the property, asset or the rights and benefits arising from the relevant license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement and may, subject to Applicable Law, occupy and operate such property or asset. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the Parties, VEDL will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom (including rights to any mine or mining leases), in trust for and on behalf of the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively and the same will be deemed to be effective from the Appointed Date

41.2. During the pendency of the Scheme, the Parties shall be entitled to declare and pay dividends to their respective shareholders in consistent with the past practice or in ordinary course of business, whether interim or final. Any other dividend shall be recommended/declared only by the mutual consent of the concerned Parties. It is clarified that the aforesaid provisions in





respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Parties to demand or claim or be entitled to any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of the Parties as the case may be, and subject to approval, if required, of the shareholders of the Parties as the case may be.

#### **41A. ANCILLARY PROVISION**

In terms of provisions of the Scheme, any credit balance remaining in capital reserve of the respective Resulting Companies on the Effective Date shall be transferred to the Securities Premium of the respective Resulting Companies.

#### **42. FACILITATION PROVISIONS**

42.1 Notwithstanding anything to the contrary contained in this Scheme, each Resulting Company (subject to the relevant Part of the Scheme in respect of such Resulting Company having come into effect) and the Demerged Company, may provide to the other Resulting Companies, and each Resulting Company (subject to the relevant Part of the Scheme in respect of such Resulting Company having come into effect) may provide to the Demerged Company, such financial support and collateral and may enter into such arrangements with each other in this behalf as the Boards of the relevant Resulting Companies and the Demerged Company may determine, in order to facilitate the implementation of this Scheme or any Part thereof.

42.2 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, each of the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the demerger of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking respectively in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4, and Resulting Company 5 shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively shall be entitled to exercise all rights and privileges and be liable to pay all Taxes and charges and fulfil all obligations in relation to or applicable to all immovable properties including mutation and/or substitution of the ownership or the title to or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authorities in favour of the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively pursuant to the sanction of this Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by Resulting Company 1, Resulting Company 2., Resulting Company 3, Resulting Company 4 and Resulting Company 5. It is clarified that the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4, and Resulting Company 5 respectively shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.

#### **43. APPLICATIONS / PETITIONS**



- 43.1. The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.
- 43.2. The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 or Resulting Company 5 may require to own the assets and / or liabilities of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking respectively and to carry on the business of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking, as applicable.

#### **44. MODIFICATION OR AMENDMENTS TO THIS SCHEME**

- 44.1. The respective Boards of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable, or appropriate. The Scheme may also be modified in accordance with the procedure laid down by the Board. The respective Boards of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.
- 44.2. For the purposes of giving effect to this Scheme or to any modification hereof, the Board of VEDL on the one hand and the Board of each of Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 or Resulting Company 5 on the other hand, as may be relevant, give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively as if the same were specifically incorporated in this Scheme.

#### **45. CONDITIONS PRECEDENT**

- 45.1. This Scheme is conditional upon and subject to the following general conditions precedent:
  - 45.1.1. Receipt of no-objection/ observation letter from the Stock Exchanges in relation to this Scheme under Regulations 11 and 37 of the SEBI LODR Regulations read with the SEBI Circular.
  - 45.1.2. Approval of this Scheme by the requisite majority in number and value of each class of shareholders and creditors of the Parties as applicable or as may be required under the Act and Applicable Law and as may be directed by the Tribunal.
  - 45.1.3. VEDL complying with the provisions of the SEBI Circular, including seeking approval of its shareholders through e-voting.
  - 45.1.4. Sanction of the Scheme by the Tribunal under Sections 230 to 232 of the Act;
  - 45.1.5. Certified copies of the orders of the Tribunal sanctioning this Scheme being filed with the RoC; and
  - 45.1.6. The Boards of the Demerged Company and the respective Resulting Company having passed a resolution confirming the effectiveness of the Scheme or any Parts thereof, with respect to such Resulting Company.

In addition to the satisfaction of the conditions precedent set out in Clause 45.1 above, Part II of the Scheme is also conditional upon and subject to receipt of necessary approvals or deemed



approvals from the (a) Central and State Governments for the transfer of the coal mines and (b) State Government for the transfer of the bauxite mine(s).

- 45.3. In addition to the satisfaction of the conditions precedent set out in Clause 45.1 above, Part III of the Scheme is also conditional upon and subject to the receipt of necessary approvals or deemed approvals from the counterparties to applicable power purchase agreements.
- 45.4. In addition to the satisfaction of the conditions precedent set out in Clause 45.1 above Part IV of the Scheme is also conditional upon and subject to the receipt of necessary approvals or deemed approvals from the Central Government and counterparties under the production sharing contracts, revenue sharing contracts and joint operating agreements for the transfer of operatorship and participating interests, as applicable.
- 45.5. In addition to the satisfaction of the conditions precedent set out in Clause 45.1 above, Part VI of the Scheme is also conditional upon and subject to receipt of necessary approvals or deemed approvals from the State Governments for the transfer of the iron ore mines.
- 45.6. The respective parts of the Scheme shall be made effective in the following manner:
- 45.6.1. Part II of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 45.1 and Clause 45.2;
- 45.6.2. Part III of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 45.1 and Clause 45.3;
- 45.6.3. Part IV of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 45.1 and Clause 45.4;
- 45.6.4. Part V of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 45.1;
- 45.6.5. Part VI of the Scheme shall be made effective subject to satisfaction or waiver of conditions mentioned in Clause 45.1 and Clause 45.5.
- 45.7. In the event any of the conditions set out in Clause 45 above are not obtained or complied with by March 31, 2025 or such later date as the Boards of the respective Parties may agree, or if for any other reason, this Scheme or any Part thereof cannot be implemented, then the Boards of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 may, as relevant, waive the conditions set out in Clause 45 above to the extent permitted under Applicable Law. In the event any condition set out in Clause 45 is not satisfied or waived in accordance with this Clause 45.7, the relevant Part of the Scheme concerned shall become null and void, and in that event, no rights and liabilities shall accrue or be incurred between VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 or Resulting Company 5 as applicable, or their shareholders or creditors or employees or any other Person, provided that any one or more Parts of the Scheme becoming null and void in accordance with this Clause shall not affect the validity of the other Parts of the Scheme which shall continue in full force and effect.

#### **46. WITHDRAWAL OF THIS SCHEME**

The Board of VEDL shall be at liberty to withdraw and not give effect to the Scheme in its entirety (or any one or more of Part II, Part III, Part IV, Part V and Part VI of the Scheme without affecting the validity of the other Parts of the Scheme) at any point of time.



#### **47. COSTS AND EXPENSES**

All costs, charges and expenses payable in relation to or in connection with this Scheme and incidental to the completion of the transfer and vesting of the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking in the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively, in pursuance of this Scheme including stamp duty, if any, to the extent applicable and payable shall be borne and paid by the Parties in such proportion as may be agreed by their respective Boards.

#### **48. SAVING OF CONCLUDED TRANSACTIONS**

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by VEDL in relation to the Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking until the Effective Date, to the end and intent that the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively shall accept and adopt all acts, deeds and things done and executed by VEDL in respect thereto as done and executed on their behalf.

#### **49. REMAINING BUSINESS OF VEDL**

- 49.1. The Remaining Business of VEDL shall continue to belong to and be owned and managed by VEDL. VEDL shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business and the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4, and Resulting Company 5 shall not have any liability or obligation in relation to the Remaining Business.
- 49.2. If any of Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively are in receipt of any demand, claim, notice and/or are impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of VEDL, then each of Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 or Resulting Company 5 as applicable shall take all such steps in the proceedings before the Appropriate Authority to substitute itself with VEDL. However, if any of Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4, and Resulting Company 5 as applicable is unable to have itself replaced with VEDL in such proceedings, it shall defend the same or deal with such demand at the cost of VEDL and the latter shall reimburse it, against all liabilities and obligations incurred by or against it, in respect thereof.

#### **50. DEEMED APPROVAL**

- 50.1. On the approval of this Scheme by the shareholders of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 and such other classes of Persons of the said Parties, if any, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise under Applicable Law (including under Sections 13, 14, 52, 61, 64, 66, 180, 185, 186 and 188 of the Act and Regulation 23 and other applicable provisions of the SEBI LODR Regulations) to the same extent applicable in relation to the Scheme and related matters and no further resolutions would be required to be separately passed.

#### **51. SEVERABILITY**



- 51.1. If any Part and/or provision of this Scheme is found to be unworkable for any reason whatsoever or is withdrawn, the same shall not, subject to the decision of the Parties through their respective Boards, affect the validity or implementation of the other Parts and/or provisions of this Scheme.





## ANNEXURE I

#	Name of block	Location
<b>Production Sharing Contracts</b>		
1.	RJ-ON-90/1	Rajasthan
2.	Ravva oil and gas field	Offshore Andhra Pradesh
3.	CB/OS – 2	Gujarat
4.	KG-ONN-2003/1	Andhra Pradesh
5.	KG-OSN-2009/3	Andhra Pradesh
<b>Revenue Sharing Contracts under the Hydrocarbon Exploration and Licensing Policy</b>		
6.	AA-ONHP-2017/1	Assam
7.	AA-ONHP-2017/6	Assam
8.	AA-ONHP-2017/14	Assam
9.	AA-ONHP-2017/4	Assam
10.	AA-ONHP-2017/5	Assam
11.	AA-ONHP-2017/8	Assam
12.	AA-ONHP-2017/9	Assam
13.	AA-ONHP-2017/11	Assam
14.	AA-ONHP-2017/15	Assam
15.	AA-ONHP-2017/2	Assam
16.	AA-ONHP-2017/3	Assam
17.	KG-OSHP-2017/1	KG Offshore
18.	KG-DWHP-2017/1	KG Deepwater
19.	CY-OSHP-2017/1	Cauvery Offshore
20.	CY-OSHP-2017/2	Cauvery Offshore
21.	GK-ONHP-2017/1	Gujarat Kutch Onland and Offshore
22.	GK-OSHP-2017/1	Gujarat Kutch Offshore
23.	GS-OSHP-2017/1	Gujarat Kutch Offshore
24.	GS-OSHP-2017/2	Gujarat Kutch Offshore
25.	MB-OSHP-2017/2	Mumbai Offshore
26.	RJ-ONHP-2017/5	Barmer
27.	RJ-ONHP-2017/6	Barmer
28.	RJ-ONHP-2017/7	Barmer
29.	RJ-ONHP-2017/1	Barmer
30.	RJ-ONHP-2017/2	Barmer
31.	RJ-ONHP-2017/3	Barmer
32.	RJ-ONHP-2017/4	Barmer
33.	CB-ONHP-2017/1	Cambay
34.	CB-ONHP-2017/7	Cambay
35.	CB-ONHP-2017/10	Cambay
36.	CB-ONHP-2017/6	Cambay
37.	CB-ONHP-2017/2	Cambay
38.	CB-ONHP-2017/3	Cambay
39.	CB-ONHP-2017/4	Cambay
40.	CB-ONHP-2017/5	Cambay
41.	CB-ONHP-2017/11	Cambay
42.	HF-ONHP-2017/1	Himalaya Foreland



#	Name of block	Location
43.	GV-ONHP-2017/1	Ganga Valley
44.	CB-ONHP-2018/1	Cambay
45.	GK-OSHP-2018/1	Kutch
46.	GK-OSHP-2018/2	Kutch
47.	RJ-ONHP-2018/1	Rajasthan
48.	MN-OSHP-2018/1	Mahanadi
49.	AA-ONHP-2018/1	Assam
50.	CB-ONHP-2018/3	Cambay
51.	CB-ONHP-2018/4	Cambay
52.	SR-ONHP-CBM-2021/5	Chattisgarh
<b>Revenue Sharing Contracts under the Discovered Small Fields Policy</b>		
53.	AA/ONDSF/TUKBAI/2021	ASSAM
54.	AA/ONDSF/PATHARIA/2021	ASSAM
55.	CB/OSDSF/AMBE/2021	Cambay Offshore
56.	GK/OSDSF/GK1/2021	Kutch Offshore
57.	MB/OSDSF/BH68/2021	Mumbai offshore
58.	MB/OSDSF/B174/2021	Mumbai offshore
59.	KG/OSDSF/G4/2021	KG Offshore
60.	VN/ONDSF/NOHTA/2021	Madhya Pradesh
61.	AA/ONDSF/Hazarigaon/2018	Assam
62.	KG/ONDSF/Kaza/2018	KG Onshore





CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS OF VEDANTA LIMITED ON FRIDAY, DECEMBER 20, 2024

Approval in relation to non-implementation of Part V (Demerger and Vesting of Base Metals Undertaking) of Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1") and Talwandi Sabo Power Limited ("Resulting Company 2") and Malco Energy Limited ("Resulting Company 3") and Vedanta Base Metals Limited ("Resulting Company 4") and Vedanta Iron and Steel Limited ("Resulting Company 5") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme") and approval of the updated scheme in this regard

"RESOLVED THAT in the opinion of the Board, non-implementation of Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Scheme will be advantageous and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable and is not detrimental to the shareholders of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of paragraphs 44, 46 and 51 of the Scheme, the consent of the Board of Directors of the Company ("Board"), be and is hereby accorded for not implementing Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Scheme.

RESOLVED FURTHER THAT the updated draft of the Scheme in relation to non-implementation of Part V of (*Demerger and Vesting of the Base Metals Undertaking*) of the Scheme along with consequential and other factual updates, a copy of which is circulated to the Board for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT all other clauses of the Scheme shall remain unaltered and unchanged.

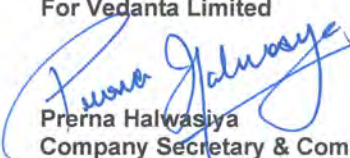
RESOLVED FURTHER THAT any of the Directors or Key Managerial Personnel of the Company; Mr. Ajay Agarwal, President – Finance; Mr. Anupam Kumar, Deputy CFO; Ms. Deepa Dumbre, Deputy Head Treasury; Ms. Kavitha Pillai, AGM – Corporate Secretarial; Ms. Akansha Aggarwal, Deputy Head Taxation; Mr. M Gopichand, Deputy Group Head Taxation; Mr. Mayank Totla, AGM Finance; Ms. Mansi Dhiman, Director – M&A and Strategy; Mr. Vinit Bansal, Head – FP&A and Mr. Rohit Agarwal, Director – MAS ("Authorised Persons"), be and are hereby severally authorized to:

- (i) make the necessary updates to the Scheme and all relevant documents and papers with regard to the Scheme and / or the Company's application with the Hon'ble National Company Law Tribunal ("Tribunal");
- (ii) make appropriate disclosures in the notice convening meeting of shareholders / creditors and file intimations with statutory authorities including the Tribunal and to do all such acts, deeds, matters and things and sign and execute all such documents as may be necessary, desirable and expedient and as they may deem fit to give effect to the updated Scheme.

RESOLVED FURTHER THAT the disclosure to be submitted to the stock exchanges in connection with the Board's resolution on non-implementation of Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Scheme, under Regulation 30 of the SEBI Listing Regulations, a copy of which is circulated to the Board, be and is hereby approved.

RESOLVED FURTHER THAT any of the Authorised Persons, be and are hereby severally authorized to do all such acts, deeds and things for the purpose of giving effect to the above resolution and take all such necessary steps as may be deemed necessary or incidental in this regard."

Certified True Copy  
For Vedanta Limited

  
Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS No. 20856  
Place: New Delhi



#### VEDANTA LIMITED

REGISTERED OFFICE: Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East) Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530  
Email: comp.sect@vedanta.co.in | Website: www.vedantalimited.com

CIN: L13209MH1965PLC291394



## VEDANTA BASE METALS LIMITED

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS OF VEDANTA BASE METALS LIMITED ON MONDAY, DECEMBER 23, 2024**

---

Approval in relation to non-implementation of Part V (Demerger and Vesting of Base Metals Undertaking) of Scheme of Arrangement between Vedanta Limited ("Vedanta") and Vedanta Aluminium Metal Limited ("Resulting Company 1") and Talwandi Sabo Power Limited ("Resulting Company 2") and Malco Energy Limited ("Resulting Company 3") and Vedanta Base Metals Limited ("Resulting Company 4") and Vedanta Iron and Steel Limited ("Resulting Company 5") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Original Scheme") and approval of the updated Scheme in this regard

**"RESOLVED THAT** pursuant to the decision of the Board of Directors of Vedanta Limited by way of circular resolution dated December 20, 2024, and pursuant to the provisions of paragraphs 44 and 51 of the Original Scheme, the consent of the Board of Directors of the Company ("**Board**"), be and is hereby accorded for not implementing Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme.

**RESOLVED FURTHER THAT** the updated draft of the Scheme in relation to non-implementation of Part V of (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme along with consequential and other factual updates, a copy of which was circulated to the Board for the purposes of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** all other clauses of the Original Scheme shall remain unaltered and unchanged.

**RESOLVED FURTHER THAT** any of the Directors of the Company; Mr. Ajay Agarwal, President – Finance; Mr. Anupam Kumar, Deputy CFO; Ms. Deepa Dumbre, Deputy Head Treasury; Ms. Kavitha Pillai, AGM – Corporate Secretarial; Ms. Akansha Aggarwal, Deputy Head Taxation; Mr. M Gopichand, Deputy Group Head Taxation; Mr. Mayank Totla, AGM Finance; Ms. Mansi Dhiman, Director – M&A and Strategy; Mr. Vinit Bansal, Head – FP&A and Mr. Rohit Agarwal, Director – MAS ("**Authorised Persons**"), be and are hereby severally authorized to:

- (i) make the necessary updates to the Scheme and all relevant documents and papers with regard to the Scheme and / or the Company's application with the Hon'ble National Company Law Tribunal ("**Tribunal**");
- (ii) make appropriate disclosures in the notice convening meeting of shareholders / creditors, as may be applicable and to do all such acts, deeds, matters and things and sign and execute all such documents as may be necessary, desirable and expedient and as they may deem fit to give effect to the updated Scheme.

## VEDANTA BASE METALS LIMITED

**RESOLVED FURTHER THAT** any of the Authorised Persons, be and are hereby severally authorized to do all such acts, deeds and things for the purpose of giving effect to the above resolution and take all such necessary steps as may be deemed necessary or incidental in this regard.”

**Certified True Copy**

**For Vedanta Base Metals Limited**



**Anup Agarwal**  
**Director**

**DIN: 08551388**

**Place: New Delhi**



## VEDANTA ALUMINIUM METAL LIMITED

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS OF VEDANTA ALUMINIUM METAL LIMITED ON MONDAY, DECEMBER 23, 2024**

---

Approval in relation to non-implementation of Part V (Demerger and Vesting of Base Metals Undertaking) of Scheme of Arrangement between Vedanta Limited ("Vedanta") and Vedanta Aluminium Metal Limited ("Resulting Company 1") and Talwandi Sabo Power Limited ("Resulting Company 2") and Malco Energy Limited ("Resulting Company 3") and Vedanta Base Metals Limited ("Resulting Company 4") and Vedanta Iron and Steel Limited ("Resulting Company 5") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Original Scheme") and approval of the updated Scheme in this regard

**"RESOLVED THAT** pursuant to the decision of the Board of Directors of Vedanta Limited by way of circular resolution dated December 20, 2024, and pursuant to the provisions of paragraphs 44 and 51 of the Original Scheme, the consent of the Board of Directors of the Company ("**Board**"), be and is hereby accorded for not implementing Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme.

**RESOLVED FURTHER THAT** the updated draft of the Scheme in relation to non-implementation of Part V of (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme along with consequential and other factual updates, a copy of which was circulated to the Board for the purposes of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** all other clauses of the Original Scheme shall remain unaltered and unchanged.

**RESOLVED FURTHER THAT** any of the Directors of the Company; Mr. Ajay Agarwal, President – Finance; Mr. Anupam Kumar, Deputy CFO; Ms. Deepa Dumbre, Deputy Head Treasury; Ms. Kavitha Pillai, AGM – Corporate Secretarial; Ms. Akansha Aggarwal, Deputy Head Taxation; Mr. M Gopichand, Deputy Group Head Taxation; Mr. Mayank Totla, AGM Finance; Ms. Mansi Dhiman, Director – M&A and Strategy; Mr. Vinit Bansal, Head – FP&A and Mr. Rohit Agarwal, Director – MAS ("**Authorised Persons**"), be and are hereby severally authorized to:


- (i) make the necessary updates to the Scheme and all relevant documents and papers with regard to the Scheme and / or the Company's application with the Hon'ble National Company Law Tribunal ("**Tribunal**");
- (ii) make appropriate disclosures in the notice convening meeting of shareholders / creditors, as may be applicable and to do all such acts, deeds, matters and things and sign and execute all such documents as may be necessary, desirable and expedient and as they may deem fit to give effect to the updated Scheme.

## VEDANTA ALUMINIUM METAL LIMITED

**RESOLVED FURTHER THAT** any of the Authorised Persons, be and are hereby severally authorized to do all such acts, deeds and things for the purpose of giving effect to the above resolution and take all such necessary steps as may be deemed necessary or incidental in this regard.”

**Certified True Copy**

**For Vedanta Aluminium Metal Limited**



**Anup Agarwal**

**Director**

**DIN: 08551388**

**Place: New Delhi**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF TALWANDI SABO POWER LIMITED THROUGH CIRCULAR RESOLUTION ON MONDAY, DECEMBER 23, 2024**

**Resolution No. 09/ FY 2024-25:** To approve non-implementation of Part V (Demerger and Vesting of Base Metals Undertaking) of Scheme of Arrangement between Vedanta Limited ("Vedanta") and Vedanta Aluminium Metal Limited ("Resulting Company 1") and Talwandi Sabo Power Limited ("Resulting Company 2") and Malco Energy Limited ("Resulting Company 3") and Vedanta Base Metals Limited ("Resulting Company 4") and Vedanta Iron and Steel Limited ("Resulting Company 5") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Original Scheme") and approval of the updated Scheme in this regard

**"RESOLVED THAT** pursuant to the decision of the Board of Directors of Vedanta Limited by way of circular resolution dated December 20, 2024, and pursuant to the provisions of paragraphs 44 and 51 of the Original Scheme, the consent of the Board of Directors of the Company ("**Board**"), be and is hereby accorded for not implementing Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme.

**RESOLVED FURTHER THAT** the updated draft of the Scheme in relation to non-implementation of Part V of (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme along with consequential and other factual updates, a copy of which was circulated to the Board for the purposes of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** all other clauses of the Original Scheme shall remain unaltered and unchanged.

**RESOLVED FURTHER THAT** any of the Directors or Key Managerial Personnel of the Company, Mr. Ajay Agarwal, President – Finance; Mr. Anupam Kumar, Deputy CFO; Ms. Deepa Dumbre, Deputy Head Treasury; Ms. Kavitha Pillai, AGM – Corporate Secretarial; Ms. Akansha Aggarwal, Deputy Head Taxation; Mr. M Gopichand, Deputy Group Head Taxation; Mr. Mayank Totla, AGM Finance; Ms. Mansi Dhiman, Director – M&A and Strategy; Mr. Vinit Bansal, Head – FP&A and Mr. Rohit Agarwal, Director – MAS ("**Authorised Persons**"), be and are hereby severally authorized to:

- (i) make the necessary updates to the Scheme and all relevant documents and papers with regard to the Scheme and / or the Company's application with the Hon'ble National Company Law Tribunal ("**Tribunal**");
- (ii) make appropriate disclosures in the notice convening meeting of shareholders / creditors, as may be applicable and to do all such acts, deeds, matters and things and sign and execute all such documents as may be necessary, desirable and expedient and as they may deem fit to give effect to the updated Scheme.

**RESOLVED FURTHER THAT** any of the Authorised Persons, be and are hereby severally authorized to do all such acts, deeds and things for the purpose of giving effect to the above resolution and take all such necessary steps as may be deemed necessary or incidental in this regard."

**Certified True Copy  
For Talwandi Sabo Power Limited**



**Shivangi Dhanuka  
Company Secretary  
Mem No. A70586**

**TALWANDI SABO POWER LIMITED**

**Site Office:** Village Banwala, Mansa - Talwandi Sabo Road, Mansa, Punjab, India, 151302

**Registered Office Address:** 1<sup>st</sup> Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai, Maharashtra, 400093

**Tel.** 91-1659-248000 | **Telefax:** 01659-248083 **website:** [www.tsplindia.co](http://www.tsplindia.co)

**CIN NO.** U40101MH2007PLC433557



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS OF MALCO ENERGY LIMITED ON MONDAY, 23<sup>rd</sup> DECEMBER, 2024**

Approval in relation to Non-implementation of Part V (Demerger and Vesting of Base Metals Undertaking) of Scheme of Arrangement between Vedanta Limited ("Vedanta") and Vedanta Aluminium Metal Limited ("Resulting Company 1") and Talwandi Sabo Power Limited ("Resulting Company 2") and Malco Energy Limited ("Resulting Company 3") and Vedanta Base Metals Limited ("Resulting Company 4") and Vedanta Iron and Steel Limited ("Resulting Company 5") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Original Scheme") and approval of the updated Scheme in this regard

**"RESOLVED THAT** pursuant to the decision of the Board of Directors of Vedanta Limited by way of circular resolution dated December 20, 2024, and pursuant to the provisions of paragraphs 44 and 51 of the Original Scheme, the consent of the Board of Directors of the Company ("**Board**"), be and is hereby accorded for not implementing Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme.

**RESOLVED FURTHER THAT** the updated draft of the Scheme in relation to non-implementation of Part V of (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme along with consequential and other factual updates, a copy of which was circulated to the Board for the purposes of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** all other clauses of the Original Scheme shall remain unaltered and unchanged.

**RESOLVED FURTHER THAT** any of the Directors of the Company; Mr. Ajay Agarwal, President – Finance; Mr. Anupam Kumar, Deputy CFO; Ms. Deepa Dumbre, Deputy Head Treasury; Ms. Kavitha Pillai, AGM – Corporate Secretarial; Ms. Akansha Aggarwal, Deputy Head Taxation; Mr. M Gopichand, Deputy Group Head Taxation; Mr. Mayank Totla, AGM Finance; Ms. Mansi Dhiman, Director – M&A and Strategy; Mr. Vinit Bansal, Head – FP&A; Mr. Rohit Agarwal, Director – MAS and Mr. Satyapriya, AVP-Legal Vedanta ("**Authorised Persons**"), be and are hereby severally authorized to:

- (i) make the necessary updates to the Scheme and all relevant documents and papers with regard to the Scheme and / or the Company's application with the Hon'ble National Company Law Tribunal ("**Tribunal**");
- (ii) make appropriate disclosures in the notice convening meeting of shareholders / creditors, as may be applicable and to do all such acts, deeds, matters and

**MALCO Energy Limited**

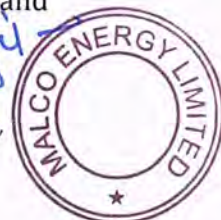
Registered Office: C-103, ATUL PROJECTS-CORPORATE AVENUE, NEW LINK ROAD, CHAKALA, ANDHERI, (E), Chakala Midc,

Mumbai, Mumbai, Maharashtra, India, 400093

CIN: U31300MH2001PLC428719

[www.vedantalimited.com](http://www.vedantalimited.com)

T-022 6643 4500

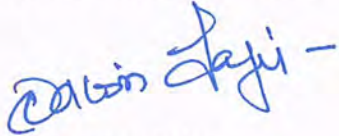




things and sign and execute all such documents as may be necessary, desirable and expedient and as they may deem fit to give effect to the updated Scheme.

**RESOLVED FURTHER THAT** any of the Authorised Persons, be and are hereby severally authorized to do all such acts, deeds and things for the purpose of giving effect to the above resolution and take all such necessary steps as may be deemed necessary or incidental in this regard."

**Certified True Copy  
For Malco Energy Limited**



**Navin Kumar Jaju  
Director  
DIN: 00669654**



**MALCO Energy Limited**

Registered Office: C-103, ATUL PROJECTS-CORPORATE AVENUE, NEW LINK ROAD, CHAKALA, ANDHERI, (E), Chakala Midc, Mumbai, Mumbai, Maharashtra, India, 400093

CIN: U31300MH2001PLC428719

[www.vedantalimited.com](http://www.vedantalimited.com)

T-022 6643 4500



## VEDANTA IRON AND STEEL LIMITED

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY CIRCULATION BY THE BOARD OF DIRECTORS OF VEDANTA IRON AND STEEL LIMITED ON MONDAY, DECEMBER 23, 2024**

---

Approval in relation to non-implementation of Part V (Demerger and Vesting of Base Metals Undertaking) of Scheme of Arrangement between Vedanta Limited ("Vedanta") and Vedanta Aluminium Metal Limited ("Resulting Company 1") and Talwandi Sabo Power Limited ("Resulting Company 2") and Malco Energy Limited ("Resulting Company 3") and Vedanta Base Metals Limited ("Resulting Company 4") and Vedanta Iron and Steel Limited ("Resulting Company 5") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Original Scheme") and approval of the updated Scheme in this regard

**"RESOLVED THAT** pursuant to the decision of the Board of Directors of Vedanta Limited by way of circular resolution dated December 20, 2024, and pursuant to the provisions of paragraphs 44 and 51 of the Original Scheme, the consent of the Board of Directors of the Company ("**Board**"), be and is hereby accorded for not implementing Part V (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme.

**RESOLVED FURTHER THAT** the updated draft of the Scheme in relation to non-implementation of Part V of (*Demerger and Vesting of the Base Metals Undertaking*) of the Original Scheme along with consequential and other factual updates, a copy of which was circulated to the Board for the purposes of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** all other clauses of the Original Scheme shall remain unaltered and unchanged.

**RESOLVED FURTHER THAT** any of the Directors of the Company; Mr. Ajay Agarwal, President – Finance; Mr. Anupam Kumar, Deputy CFO; Ms. Deepa Dumbre, Deputy Head Treasury; Ms. Kavitha Pillai, AGM – Corporate Secretarial; Ms. Akansha Aggarwal, Deputy Head Taxation; Mr. M Gopichand, Deputy Group Head Taxation; Mr. Mayank Totla, AGM Finance; Ms. Mansi Dhiman, Director – M&A and Strategy; Mr. Vinit Bansal, Head – FP&A and Mr. Rohit Agarwal, Director – MAS ("**Authorised Persons**"), be and are hereby severally authorized to:

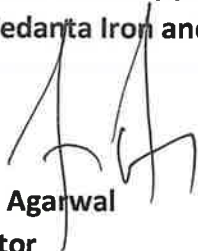
- (i) make the necessary updates to the Scheme and all relevant documents and papers with regard to the Scheme and / or the Company's application with the Hon'ble National Company Law Tribunal ("**Tribunal**");
- (ii) make appropriate disclosures in the notice convening meeting of shareholders / creditors, as may be applicable and to do all such acts, deeds, matters and things and sign and execute all such documents as may be necessary, desirable and expedient and as they may deem fit to give effect to the updated Scheme.

## VEDANTA IRON AND STEEL LIMITED

**RESOLVED FURTHER THAT** any of the Authorised Persons, be and are hereby severally authorized to do all such acts, deeds and things for the purpose of giving effect to the above resolution and take all such necessary steps as may be deemed necessary or incidental in this regard.”

**Certified True Copy**

**For Vedanta Iron and Steel Limited**



**Anup Agarwal**  
**Director**

**DIN: 08551388**

**Place: New Delhi**



VEDL/Sec./SE/24-25/235

December 20, 2024

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001  
**Scrip Code: 500295**

National Stock Exchange of India Limited  
“Exchange Plaza”, 5<sup>th</sup> Floor, Plot No. C/I, G Block  
Bandra-Kurla Complex, Bandra (East),  
Mumbai – 400 051  
**Scrip Code: VEDL**

Dear Sir/Madam,

**Sub: Scheme of Arrangement of between Vedanta Limited (“Company” or “VEDL”), Vedanta Aluminium Metal Limited (“VAML” or “Resulting Company-1”), Talwandi Sabo Power Limited (“TSPL” or “Resulting Company-2”), Malco Energy Limited (“MEL” or “Resulting Company-3”), Vedanta Base Metals Limited (“VBML” or “Resulting Company-4”), Vedanta Iron and Steel Limited (“VISL” or “Resulting Company-5”) and their respective shareholders and creditors (“Scheme”)**

**Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We refer to our previous intimations dated July 30, 2024 and November 22, 2024 with respect to the Scheme.

Pursuant to the Hon’ble National Company Law Tribunal (“NCLT”) order dated November 21, 2024, VEDL is in the process of issuing the notice to convene requisite meetings of its Equity Shareholders, Secured Creditors and Unsecured Creditors and is liaising with stakeholders concerned. During the course of management’s discussions and deliberations with stakeholders (including lenders) with respect to the Scheme, the following has emerged:

- (i) A demerger of the Vedanta Base Metals undertaking may be considered at a stage when the Base Metals business evolves and matures to realize the full value potential of such demerger for shareholders;
- (ii) Lenders believe the Scheme would be more favourable for unlocking value and overall optimal balancing of debt allocation across residual Vedanta and resulting companies if the **Vedanta Base Metals** undertaking is retained in residual Vedanta itself;
- (iii) Given Vedanta is exploring alternative avenues for restarting the copper business (at Thoothukudi, Tamil Nadu), which is an integral part of the Base Metals undertaking, Vedanta should proceed with the Scheme, without implementing Part V in relation to demerger of Vedanta Base Metals undertaking;
- (iv) The non-implementation of demerger of the Base Metals undertaking and retaining the same in Vedanta will not affect the overall value creation as envisioned. The shareholders will continue to enjoy value unlocking of the Vedanta Base Metals business as part of legacy residual Vedanta where they will remain shareholders in addition to receiving equivalent shares in other resulting companies which will mirror Vedanta shareholding. The shareholders’ beneficial interests in the overall value of Vedanta and resulting companies will remain unaffected.

Accordingly, we would like to update you that the Board has today at 08:20 p.m. IST, approved the decision to not implement Part V of the Scheme pertaining to Base Metals undertaking along with appropriate updates to the Scheme. The non-implementation of the Base Metals undertaking any other Parts of the

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, ‘C’ wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530  
Email: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in) | Website: [www.vedantalimited.com](http://www.vedantalimited.com)

CIN: L132O9MH1965PLC291394

Scheme in relation to demerger of (a) Aluminium Undertaking (*as defined under the Scheme*); (b) the Merchant Power Undertaking (*as defined under the Scheme*); (c) the Oil and Gas Undertaking (*as defined under the Scheme*); and (d) the Iron Ore Undertaking (*as defined under the Scheme*), in any manner. All key terms as originally envisaged under the Scheme including with respect to share entitlement ratio shall remain unaffected.

The updated draft of the Scheme shall be circulated along with the notice convening shareholders/creditors meeting in accordance with the order of the NCLT dated November 21, 2024.

This is for your information and record.

Thanking you,

Yours faithfully,

**For Vedanta Limited**

**Perna**

**Halwasiya**

**Perna Halwasiya**

**Company Secretary & Compliance Officer**

Digitally signed by Perna  
Halwasiya  
Date: 2024.12.20 20:35:34  
+05'30'

## **VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530  
Email: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in) | Website: [www.vedantalimited.com](http://www.vedantalimited.com)

CIN: L132O9MH1965PLC291394

## Annexure E

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

Chartered Accountants

12th Floor, The Ruby  
29 Senapati Bapat Marg  
Dadar (West)  
Mumbai - 400 028, India  
Tel : +91 22 6819 8000

### **Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
Vedanta Limited**

#### **Report on the audit of the Consolidated Financial Results**

##### **Opinion**

We have audited the accompanying statement of quarterly and year to date consolidated financial results of Vedanta Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, joint ventures and joint operations for the quarter ended March 31, 2024 and for the year ended March 31, 2024 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial information of the subsidiaries, associates, joint ventures and joint operations, the Statement:

- i. includes the results of the entities as mentioned in Annexure-I;
- ii. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit for the quarter and year ended March 31, 2024, other comprehensive loss for the quarter and year ended March 31, 2024, and other financial information of the Group for the quarter ended March 31, 2024 and for the year ended March 31, 2024.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group, its associates, joint ventures and joint operations in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

##### **Emphasis of Matter paragraph**

We draw attention to Note 4(a) of the consolidated financial results, with respect to accounting for an acquisition approved by the National Company Law Tribunal, Hyderabad Bench, overriding the applicable Ind-AS requirements. Further as stated in the aforesaid note, the comparative financial information for the year ended March 31, 2023 has also been restated to give effect to the terms of merger.

Our opinion is not modified in respect of this matter.

##### **Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive loss and other financial information of the Group





including its associates, joint ventures and joint operations in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operation, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are also responsible for overseeing the financial reporting process of their respective companies.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Group and its associates, joint ventures and joint operations 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 Statement 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 Group and its associates, joint ventures and joint operations to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates, joint ventures and joint operations of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are





responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors 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.

We also performed procedures in accordance with the Master Circular issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

#### **Other Matter**

The accompanying Statement includes the audited financial statements and other financial information, in respect of:

- 26 subsidiaries, whose financial statements include total assets of Rs 41,040 crore as at March 31, 2024, total revenues of Rs 3,953 and Rs 17,027, total net loss after tax of Rs. 1,483 crore and Rs. 3,093 crore, total comprehensive loss of Rs. 1,470 crore and Rs. 3,089 crore, for the quarter and year ended on that date respectively and net cash outflows of Rs. 72 crore for the year ended March 31, 2024, as considered in the Statement which have been audited by their respective independent auditors.
- 1 associate and 1 joint venture, whose financial statements include Group's share of net profit of Rs. 2 crore and Rs. 2 crore and Group's share of total comprehensive income of Rs. 2 crore and Rs. 2 crore for the quarter and for the year ended March 31, 2024 respectively, as considered in the Statement whose financial statements, other financial information have been audited by their respective independent auditors.

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

Certain of these subsidiaries, associate and joint venture are located outside India whose financial statements and other financial information have been prepared in accordance with the 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 Holding Company's management has converted the financial statements of such subsidiaries, associate and joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associate and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

The accompanying Statement includes unaudited financial statements and other unaudited financial information in respect of:

- 9 subsidiaries, whose financial statements and other financial information reflect total assets of Rs 2,141 crore as at March 31, 2024, and total revenues of Rs 50 crore and Rs 239 crore, total net loss after tax of Rs. 108 crore and Rs. 486 crore, total comprehensive loss of Rs. 108 crore and Rs. 481 crore, for the quarter and the year ended on that date respectively and net cash outflows of Rs. 12 crore for the year ended March 31, 2024, whose financial statements and other financial information have not been audited by any auditor(s).
- 1 associate and 3 joint ventures, whose financial statements includes the Group's share of net profit of Rs. Nil and of Rs Nil and Group's share of total comprehensive income of Rs. Nil and Rs. Nil for the quarter and for the year ended March 31, 2024 respectively;



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

Chartered Accountants

- 1 unincorporated joint operation not operated by the Group, whose financial statements includes the Group's share of total assets of Rs 200 Crore as at March 31, 2024, total revenues of Rs. 34 Crore and Rs. 111 Crore, total net profit after tax of Rs. 14 crore and Rs. 28 Crore, total comprehensive income of Rs. 14 Crore and Rs. 28 Crore for the quarter and for the year ended March 31, 2024, and net cash inflow of Rs. Nil for the year ended March 31, 2024

as considered in the Statement whose financial statements and other financial information have not been audited by any auditor(s).

These unaudited financial statements and other financial information have been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate, joint ventures and joint operation, is based solely on such unaudited financial statements and other financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Vikas Pansari

Partner

Membership No.: 093649



UDIN: 24093649BKGPPW1853

Place: Mumbai

Date: April 25, 2024



**Annexure-1 to our report dated April 25, 2024 on the Consolidated Financial Results of Vedanta Limited for quarter and year ended March 31, 2024**

List of subsidiaries/associates/ joint ventures/Joint operations

S. No.	Name
1	Bharat Aluminium Company Limited (BALCO)
2	Fujairah Gold FZE
3	Hindustan Zinc Limited (HZL)
4	Monte Cello BV (MCBV)
5	Sesa Resources Limited (SRL)
6	Sesa Mining Corporation Limited
7	Thalanga Copper Mines Pty Limited (TCM)
8	MALCO Energy Limited (MEL)
9	THL Zinc Ventures Limited
10	THL Zinc Limited
11	Talwandi Sabo Power Limited
12	THL Zinc Namibia Holdings (Pty) Limited (VNHL)
13	Skorpion Zinc (Pty) Limited (SZPL)
14	Namzinc (Pty) Limited (SZ)
15	Skorpion Mining Company (Pty) Limited (NZ)
16	Amica Guesthouse (Pty) Ltd
17	Black Mountain Mining (Pty) Ltd
18	THL Zinc Holding BV
19	Vedanta Lisheen Holdings Limited (VLHL)
20	Vedanta Lisheen Mining Limited (VLML)
21	Killoran Lisheen Mining Limited
22	Lisheen Milling Limited
23	Vizag General Cargo Berth Private Limited
24	Bloom Fountain Limited (BFL)
25	Western Cluster Limited
26	Cairn India Holdings Limited
27	Cairn Energy Hydrocarbons Ltd
28	Cairn Lanka Private Limited
29	Vedanta ESOS Trust
30	Avanstrate (Japan) Inc. (ASI)
31	Avanstrate (Korea) Inc.
32	Avanstrate (Taiwan) Inc.
33	ESL Steels Limited
34	Ferro Alloy Corporation Limited (FACOR)
35	Vedanta Zinc Football & Sports Foundation
36	Lisheen Mine Partnership
37	Desai Cement Company Private Limited (DCCPL)
38	Hindustan Zinc Alloys Private Limited (HZAPL)
39	Zinc India foundation
40	Hindustan Zinc fertilizer
41	Sesa Iron and Steel Limited
42	Vedanta Displays Limited
43	Vedanta Semiconductors Private Limited (Erstwhile Vedanta Foxconn Semiconductors Private Limited)



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S. No.	Name
44	Vedanta Aluminium Metal Limited
45	Vedanta Base Metals Limited
46	Vedanta Iron and Steel Limited
47	Meenakshi Energy Limited
48	Copper Mines of Tasmania (divested on November 17, 2023)*

\*Copper Mines of Tasmania (CMT), wholly owned subsidiary of Vedanta Limited through intermediate holding company Monte Cello B.V. (MCBV), has been divested on 17 November 2023. Profits upto the date of divestment are included in the consolidated financial statements of the Group.

The Mumbai NCLT and Chennai NCLT had passed orders dated 06 June 2022 and 22 March 2023, respectively sanctioning the scheme of amalgamation of Sterlite Ports Limited ("SPL"), Paradip Multi Cargo Berth Private Limited ("PMCB"), Maritime Ventures Private Limited ("MVPL"), Goa Sea Port Private Limited ("GSPL"), wholly owned subsidiaries/ step down subsidiaries of Sesa Resources Limited ("SRL"), with SMCL. MCA statutory filing has been completed on 18 January 2024 (Appointed date 01 October 2020). These entities are not included in the list above.

Athena Chhattisgarh Power Limited ("ACPL"), wholly owned subsidiary of Vedanta Limited, has now been merged with Vedanta Limited vide NCLT order dated 17 July 2023 (appointed date is 21 July 2022). Accordingly, the entity is not included in the above list.

## Associates

S. No.	Name
1	Roshkor Township (Proprietary) Limited
2	Gaurav Overseas Private Limited

## Joint Ventures

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

## Joint Operations

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





**STATEMENT OF AUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2024**

(₹ in Crore, except as stated)

S. No.	Particulars	Quarter ended			Year ended	Year ended
		31.03.2024 (Audited) (Refer note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)	31.03.2024 (Audited)	31.03.2023 (Audited)*
1	Revenue from operations (Refer note 3(a))	34,937	34,968	37,225	1,41,793	1,45,404
2	Other operating income	572	573	705	1,934	1,904
3	Other income	584	779	705	2,550	2,851
	<b>Total income</b>	<b>36,093</b>	<b>36,320</b>	<b>38,635</b>	<b>1,46,277</b>	<b>1,50,159</b>
4	<b>Expenses</b>					
a)	Cost of materials consumed	10,384	11,744	11,491	44,115	44,470
b)	Purchases of stock-in-trade	80	18	44	116	57
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	541	(506)	81	176	(377)
d)	Power and fuel charges	5,536	5,843	6,710	23,547	30,950
e)	Employee benefits expense	755	811	808	3,300	3,098
f)	Finance costs	2,415	2,417	1,805	9,465	6,225
g)	Depreciation, depletion and amortisation expense	2,743	2,788	2,765	10,723	10,555
h)	Other expenses	9,445	9,100	9,337	37,275	34,688
	<b>Total expenses</b>	<b>31,899</b>	<b>32,215</b>	<b>33,041</b>	<b>1,28,717</b>	<b>1,29,666</b>
5	<b>Profit before exceptional items and tax</b>	<b>4,194</b>	<b>4,105</b>	<b>5,594</b>	<b>17,560</b>	<b>20,493</b>
6	Net exceptional (loss)/ gain (Refer note 3)	(201)	-	(1,336)	2,803	(217)
7	<b>Profit before tax</b>	<b>3,993</b>	<b>4,105</b>	<b>4,258</b>	<b>20,363</b>	<b>20,276</b>
8	<b>Tax expense/ (benefit)</b>					
	<b>Other than exceptional items</b>					
a)	Net current tax expense	1,648	1,252	2,855	5,906	7,624
b)	Net deferred tax expense/ (benefit), net of tax credits (Refer note 5(b))	93	(15)	(1,146)	400	(1,580)
	<b>Exceptional items</b>					
c)	Net tax (benefit)/ expense on exceptional items (Refer note 3 and 4(a))	(21)	-	(583)	392	(274)
d)	Net tax expense on account of adoption of new tax rate (Refer note 5(a))	-	-	-	6,128	-
	<b>Net tax expense (a+b+c+d)</b>	<b>1,720</b>	<b>1,237</b>	<b>1,126</b>	<b>12,826</b>	<b>5,770</b>
9	<b>Profit after tax before share in profit/ (loss) of jointly controlled entities and associates</b>	<b>2,273</b>	<b>2,868</b>	<b>3,132</b>	<b>7,537</b>	<b>14,506</b>
10	Add: Share in profit/ (loss) of jointly controlled entities and associates	2	0	(0)	2	(3)
11	<b>Profit after share in profit/ (loss) of jointly controlled entities and associates (A)</b>	<b>2,275</b>	<b>2,868</b>	<b>3,132</b>	<b>7,539</b>	<b>14,503</b>



(₹ in Crore, except as stated)						
S. No.	Particulars	Quarter ended			Year ended	
		31.03.2024 (Audited) (Refer note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)	31.03.2024 (Audited)	31.03.2023 (Audited)*
12	<b>Other comprehensive (loss)/ income</b>					
i.	(a) Items that will not be reclassified to profit or loss	21	(13)	(37)	(25)	(48)
	(b) Tax (expense)/ benefit on items that will not be reclassified to profit or loss	(8)	3	13	7	11
ii.	(a) Items that will be reclassified to profit or loss	(12)	76	(541)	(1,916)	870
	(b) Tax (expense)/ benefit on items that will be reclassified to profit or loss	(5)	18	12	46	88
	<b>Total other comprehensive (loss)/ income (B)</b>	<b>(4)</b>	<b>84</b>	<b>(553)</b>	<b>(1,888)</b>	<b>921</b>
13	<b>Total comprehensive income (A+B)</b>	<b>2,271</b>	<b>2,952</b>	<b>2,579</b>	<b>5,651</b>	<b>15,424</b>
14	<b>Profit attributable to:</b>					
a)	Owners of Vedanta Limited	1,369	2,013	1,881	4,239	10,574
b)	Non-controlling interests	906	855	1,251	3,300	3,929
15	<b>Other comprehensive (loss)/ income attributable to:</b>					
a)	Owners of Vedanta Limited	(18)	75	(488)	(1,879)	987
b)	Non-controlling interests	14	9	(65)	(9)	(66)
16	<b>Total comprehensive income attributable to:</b>					
a)	Owners of Vedanta Limited	1,351	2,088	1,393	2,360	11,561
b)	Non-controlling interests	920	864	1,186	3,291	3,863
17	<b>Net profit after taxes, non-controlling interests and share in profit/ (loss) of jointly controlled entities and associates but before exceptional items</b>	<b>1,549</b>	<b>2,013</b>	<b>2,634</b>	<b>7,956</b>	<b>10,521</b>
18	Paid-up equity share capital (Face value of ₹ 1 each)	372	372	372	372	372
19	Reserves excluding revaluation reserves as per balance sheet				30,350	39,051
20	Earnings/ (Loss) per share (₹) (**not annualised)					
	- Basic	3.69 **	5.42 **	5.07 **	11.42	28.50
	- Diluted	3.66 **	5.38 **	5.04 **	11.33	28.32

\* Restated (refer note 4(a))





(₹ in Crore)						
S. No.	Segment information	Quarter ended			Year ended	
		31.03.2024 (Audited) (Refer note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)	31.03.2024 (Audited)	31.03.2023 (Audited)
1	<b>Segment revenue</b>					
a)	Zinc, Lead and Silver					
	(i) Zinc & Lead - India	5,901	5,632	7,037	22,557	28,732
	(ii) Silver - India	1,360	1,413	1,217	5,368	4,388
	<b>Total</b>	7,261	7,045	8,254	27,925	33,120
b)	Zinc - International	634	737	1,165	3,556	5,209
c)	Oil & Gas (Refer note 3(a))	3,368	3,383	3,276	17,837	15,038
d)	Aluminium <sup>#</sup>	12,393	12,122	12,586	48,371	52,662
e)	Copper	5,015	5,376	5,107	19,730	17,491
f)	Iron Ore	2,472	2,476	2,219	9,069	6,503
g)	Power <sup>#</sup>	1,420	1,530	1,704	6,153	6,724
h)	Others	2,547	2,659	3,017	10,080	9,245
	<b>Total</b>	35,110	35,328	37,328	1,42,721	1,45,992
Less:	Inter segment revenue <sup>#</sup>	173	360	103	928	588
	<b>Revenue from operations</b>	34,937	34,968	37,225	1,41,793	1,45,404
2	<b>Segment results (EBITDA) <sup>i</sup></b>					
a)	Zinc, Lead and Silver	3,626	3,549	4,327	13,562	17,474
b)	Zinc - International	59	62	444	693	1,934
c)	Oil & Gas	1,513	1,259	1,679	9,777	7,782
d)	Aluminium <sup>#</sup>	3,000	2,873	1,938	9,657	5,775
e)	Copper	(12)	7	50	(69)	(4)
f)	Iron Ore	558	634	358	1,676	988
g)	Power <sup>#</sup>	224	212	281	971	913
h)	Others	1	81	285	188	379
	<b>Total segment results (EBITDA)</b>	8,969	8,677	9,362	36,455	35,241
Less:	Depreciation, depletion and amortisation expense	2,743	2,788	2,765	10,723	10,555
Add:	Other income, net of expenses <sup>ii</sup>	(36)	(9)	34	(477)	(52)
Less:	Finance costs	2,415	2,417	1,805	9,465	6,225
Add:	Other unallocable income, net of expenses	419	642	768	1,770	2,084
	<b>Profit before exceptional items and tax</b>	4,194	4,105	5,594	17,560	20,493
Add:	Net exceptional (loss)/ gain (Refer note 3)	(201)	-	(1,336)	2,803	(217)
	<b>Profit before tax</b>	3,993	4,105	4,258	20,363	20,276
3	<b>Segment assets</b>					
a)	Zinc, Lead and Silver - India	22,594	22,760	22,848	22,594	22,848
b)	Zinc - International	7,957	7,587	6,846	7,957	6,846
c)	Oil & Gas	28,028	29,938	24,485	28,028	24,485
d)	Aluminium <sup>#</sup>	68,400	67,944	65,528	68,400	65,528
e)	Copper	3,439	5,850	5,104	3,439	5,104
f)	Iron Ore	5,716	5,901	5,375	5,716	5,375
g)	Power <sup>#</sup>	15,209	15,985	15,205	15,209	15,205
h)	Others	10,736	11,033	10,977	10,736	10,977
i)	Unallocated (Refer note 4(a))	28,728	27,915	39,009	28,728	39,009
	<b>Total</b>	1,90,807	1,94,913	1,95,377	1,90,807	1,95,377

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

ii) Includes cost of exploration wells written off in Oil & Gas segment of ₹ 112 Crore, ₹ 90 Crore, ₹ 39 Crore, ₹ 786 Crore and ₹ 327 Crore for the quarters ended 31 March 2024, 31 December 2023, 31 March 2023, and years ended 31 March 2024 and 31 March 2023, respectively and amortisation of duty benefits relating to assets recognised as government grant.



(₹ in Crore)						
S. No.	Segment information	Quarter ended			Year ended	
		31.03.2024 (Audited) (Refer note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)	31.03.2024 (Audited)	31.03.2023 (Audited)
4	<b>Segment liabilities</b>					
a)	Zinc, Lead and Silver - India	7,353	7,660	6,399	7,353	6,399
b)	Zinc - International	2,099	1,426	1,076	2,099	1,076
c)	Oil & Gas	14,671	16,250	14,985	14,671	14,985
d)	Aluminium #	25,322	22,008	26,706	25,322	26,706
e)	Copper	5,398	6,986	5,249	5,398	5,249
f)	Iron Ore	3,486	3,351	2,597	3,486	2,597
g)	Power #	837	2,217	2,069	837	2,069
h)	Others	3,805	3,996	3,694	3,805	3,694
i)	Unallocated (Refer note 4(a))	85,767	91,071	83,175	85,767	83,175
	<b>Total</b>	<b>1,48,738</b>	<b>1,54,965</b>	<b>1,45,950</b>	<b>1,48,738</b>	<b>1,45,950</b>

# Pursuant to conversion of one of the 300 MW Captive Power Plant ("CPP") unit to Independent Power Plant ("IPP") with effect from 01 April 2023, and considering the usability of units interchangeably as IPP or CPP based on the annual declaration to Chief Electricity Inspector and the annual consumption criteria as per the Electricity Act, 2003 and the Electricity Rules, 2005, the Chief Operating Decision Maker ("CODM") has decided to review the operating results of aluminium and power segments together in a combined manner for one of its subsidiaries, Bharat Aluminium Company Limited ("BALCO"). Consequently, with effect from 01 April 2023, these have been reported as a single Operating Segment, i.e., "Aluminium Segment". Corresponding segment information of earlier periods i.e., Segment revenue of ₹ 190 Crore (including inter-segment revenue of Nil) and Segment results of ₹ 77 Crore for the quarter ended 31 March 2023; Segment revenue of ₹ 477 Crore (including inter-segment revenue of ₹ 218 Crore) and Segment results of ₹ (62) Crore for the year ended 31 March 2023 and Segment assets of ₹ 1,290 Crore and Segment liabilities of ₹ 270 Crore as at 31 March 2023 have been restated in accordance with Ind AS 108 "Operating Segments".

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 3(b));
- (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, ferrous alloys and cement.

The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and liabilities, respectively.





Consolidated Balance Sheet		(₹ in Crore)	
Particulars	As at 31.03.2024 (Audited)	As at 31.03.2023 (Audited) *	
<b>A ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	96,715	93,768	
(b) Capital work-in-progress	20,331	17,273	
(c) Intangible assets	2,248	1,976	
(d) Exploration intangible assets under development	2,558	2,256	
(e) Financial assets			
(i) Investments	987	514	
(ii) Trade receivables	2,409	2,532	
(iii) Loans	5	10	
(iv) Derivatives	3	-	
(v) Others	2,670	3,784	
(f) Deferred tax assets (net)	2,689	7,074	
(g) Income tax assets (net)	3,796	2,077	
(h) Other non-current assets	4,472	3,606	
<b>Total non-current assets</b>	<b>1,38,883</b>	<b>1,34,870</b>	
<b>Current assets</b>			
(a) Inventories	13,001	15,012	
(b) Financial assets			
(i) Investments	10,882	12,636	
(ii) Trade receivables	3,607	4,014	
(iii) Cash and cash equivalents	2,812	6,926	
(iv) Other bank balances	1,515	2,328	
(v) Loans	3,364	3,760	
(vi) Derivatives	168	214	
(vii) Others	12,757	7,868	
(c) Income tax assets (net)	48	1,256	
(d) Other current assets	3,770	6,493	
<b>Total current assets</b>	<b>51,924</b>	<b>60,507</b>	
<b>Total Assets</b>	<b>1,90,807</b>	<b>1,95,377</b>	
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	372	372	
Other equity	30,350	39,051	
<b>Equity attributable to owners of Vedanta Limited</b>	<b>30,722</b>	<b>39,423</b>	
Non-controlling interests	11,347	10,004	
<b>Total Equity</b>	<b>42,069</b>	<b>49,427</b>	
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	50,633	43,476	
(ii) Lease liabilities	536	144	
(iii) Derivatives	-	20	
(iv) Other financial liabilities	493	1,606	
(b) Provisions	3,105	3,426	
(c) Deferred tax liabilities (net)	10,152	5,922	
(d) Other non-current liabilities	5,158	4,309	
<b>Total non-current liabilities</b>	<b>70,077</b>	<b>58,903</b>	
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	21,125	22,706	
(ii) Lease liabilities	477	302	
(iii) Operational buyers' credit / suppliers' credit	14,935	13,701	
(iv) Trade payables	10,095	11,043	
(v) Derivatives	144	193	
(vi) Other financial liabilities	17,569	24,861	
(b) Other current liabilities	11,477	13,238	
(c) Provisions	341	381	
(d) Income tax liabilities (net)	2,498	622	
<b>Total current liabilities</b>	<b>78,661</b>	<b>87,047</b>	
<b>Total Equity and Liabilities</b>	<b>1,90,807</b>	<b>1,95,377</b>	

\* Restated (refer note 4(a))

Vedanta Limited		
Consolidated Statement of Cash Flows		
	(₹ in Crore)	
	Year ended	
Particulars	31.03.2024 (Audited)	31.03.2023 (Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	20,363	20,276
<b>Adjustments for:</b>		
Depreciation, depletion and amortisation	10,744	10,597
Impairment charge/(reversal) on property, plant and equipment/ Capital work-in-progress (CWIP)/ Other assets written off (net)	(185)	(771)
Other exceptional items	(2,618)	-
Provision for doubtful advances/ expected credit loss/ bad debts written off	261	426
Exploration costs written off	786	327
Liabilities written back	(135)	(256)
Other non-cash items	-	(66)
Net gain on sale of long term investments in subsidiary	(178)	-
Fair value gain on financial assets held at fair value through profit or loss	(128)	(74)
Loss on sale/ discard of property, plant and equipment (net)	114	9
Foreign exchange loss (net)	263	492
Unwinding of discount on decommissioning liability	135	96
Transfer of CSR assets	-	117
Share based payment expense	70	77
Interest and dividend income	(1,727)	(2,283)
Interest expense	9,330	6,129
Deferred government grant	(308)	(273)
<b>Changes in working capital</b>		
Decrease in trade and other receivables	180	1,662
Decrease/ (Increase) in inventories	1,670	(728)
(Decrease)/ Increase in trade and other payables	(298)	3,665
<b>Cash generated from operations</b>	<b>38,339</b>	<b>39,422</b>
Income taxes paid (net)	(2,685)	(6,357)
<b>Net cash generated from operating activities</b>	<b>35,654</b>	<b>33,065</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment (including intangibles, CWIP, capital advances and creditors)	(16,752)	(13,787)
Proceeds from sale of property, plant and equipment	195	133
Loans repaid by related parties	267	2,408
Deposits made	(2,361)	(4,203)
Proceeds from redemption of deposits	1,768	9,238
Short term investments made	(53,764)	(1,11,039)
Proceeds from sale of short term investments	55,851	1,15,244
Interest received	1,678	1,674
Dividends received	40	18
Payment made to site restoration fund	(204)	(129)
Proceeds from sale of investment in subsidiary	84	-
Proceeds from sale of long term investments	8	-
Purchase of long term investments	(496)	(250)
<b>Net cash used in investing activities</b>	<b>(13,686)</b>	<b>(693)</b>



(₹ in Crore)		
Particulars	Year ended	
	31.03.2024 (Audited)	31.03.2023 (Audited)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of short-term borrowings (net)	(148)	(951)
Proceeds from current borrowings	10,770	23,846
Repayment of current borrowings	(18,770)	(18,319)
Proceeds from long-term borrowings	25,478	18,624
Repayment of long-term borrowings	(12,515)	(10,464)
Interest paid	(9,825)	(5,530)
Payment for acquiring non-controlling interest	-	(17)
Payment of dividends to equity holders of the Company, net of taxes	(18,572)	(29,959)
Payment of dividends to non-controlling interests	(1,928)	(11,190)
Payment of lease liabilities	(382)	(182)
Purchase of treasury shares for stock options	(200)	-
<b>Net cash used in financing activities</b>	<b>(26,092)</b>	<b>(34,142)</b>
Effect of exchange rate changes on cash and cash equivalents	10	25
<b>Net decrease in cash and cash equivalents</b>	<b>(4,114)</b>	<b>(1,745)</b>
Cash and cash equivalents at the beginning of the year	6,926	8,671
<b>Cash and cash equivalents at end of the year</b>	<b>2,812</b>	<b>6,926</b>
Notes:		
1. The figures in parentheses indicate outflow.		
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.		





**Notes:-**

- 1 The above consolidated results of Vedanta Limited ("the Company") and its subsidiaries ("the Group"), jointly controlled entities, and associates for the quarter and year ended 31 March 2024 have been reviewed by the Audit and Risk Management Committee at its meeting held on 24 April 2024 and approved by the Board of Directors at its meeting held on 25 April 2024. The statutory auditors have audited these results and issued an unmodified opinion.
- 2 These results have been prepared on the basis of the audited financial statements for the year ended 31 March 2024 and the interim financial results for the quarter and nine months ended 31 December 2023, which are prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The figures of the last quarter are the balancing figures between audited figures for the full financial year and unaudited year to date figures up to the third quarter of the respective financial year.
- 3 Net exceptional (loss)/ gain:

(₹ in Crore)

Particulars	Quarter ended			Year ended	
	31.03.2024 (Audited) (Refer note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)	31.03.2024 (Audited)	31.03.2023 (Audited)
Property, plant and equipment (PPE), exploration intangible assets under development, capital work-in-progress (CWIP) and other assets written back/ (written off) or (impaired)/ reversed:					
- Oil & Gas <sup>a</sup>	-	-	(1,218)	1,179	-
- Copper <sup>b</sup>	(746)	-	-	(746)	-
- Aluminium <sup>c</sup>	(131)	-	-	(131)	-
- Zinc International	(117)	-	-	(117)	-
- Iron Ore	-	-	-	-	644
- Others	-	-	-	-	109
- Unallocated					
Foreign currency translation reserve recycled to profit or loss on redemption of optionally convertible redeemable preference shares	-	-	-	1,825	-
Capital creditors written back in Power segment <sup>d</sup>	793	-	-	793	-
SAED on Oil and Gas segment <sup>e</sup>	-	-	(118)	-	(970)
<b>Net exceptional (loss)/ gain</b>	<b>(201)</b>	<b>-</b>	<b>(1,336)</b>	<b>2,803</b>	<b>(217)</b>
Current tax benefit/ (expense) on above	33	-	(40)	33	122
Net deferred tax (expense)/ benefit on above	(12)	-	623	(425)	152
<b>Net exceptional (loss)/ gain, net of tax</b>	<b>(180)</b>	<b>-</b>	<b>(753)</b>	<b>2,411</b>	<b>57</b>
Non-controlling interests on above	-	-	-	-	(4)
<b>Net exceptional (loss)/ gain, net of tax and non-controlling interests</b>	<b>(180)</b>	<b>-</b>	<b>(753)</b>	<b>2,411</b>	<b>53</b>

- a) The Government of India ("GoI"), acting through the Directorate General of Hydrocarbons ("DGH"), had raised demand up to 14 May 2020 for Government's additional share of Profit Oil, based on its computation of disallowance of cost incurred over retrospective re-allocation of certain common costs between Development Areas (DAs) of Rajasthan Block and certain other matters aggregating to ₹ 9,545 Crore (US\$ 1,162 million) and applicable interest thereon representing share of Vedanta Limited and its subsidiary.

The Group had disputed the aforesaid demand and invoked arbitration as per the provisions of the Production Sharing Contract. The Group had received the Final Partial Award dated 22 August 2023 from the Arbitration Tribunal ("the Tribunal") as amended by order dated 15 November 2023 and 08 December 2023 ("the Award"), dismissing the Government's contention of additional Profit Petroleum in relation to allocation of common development costs across Development Areas and certain other matters in accordance with terms of the Production Sharing Contract for Rajasthan Block, while disallowing some matters. Further, the Tribunal had decided that the Group was allowed to claim cost recovery of exploration cost for the purpose of computation of Profit Oil.

Pursuant to the Award, the Group had recognized a benefit of ₹ 4,761 Crore (US\$ 578 million) in revenue from operations and reversed previously recognized impairment on PPE of ₹ 1,179 Crore (US\$ 143 million) in the quarter ended 30 September 2023.





GoI had sought an additional award or interpretation/ clarification on certain matters decided by the Tribunal under the Indian Arbitration and Conciliation Act, 1996 ("the Act") ("GoI Application"). The Tribunal vide its orders dated 15 November 2023 and 08 December 2023 has dismissed GoI's interpretation and additional award applications in favour of the Group. The Group has adjusted the liability during the current year of ₹ 1,940 Crore (US\$ 233 million) against the aforesaid benefits recognized as per the Award.

GoI had filed interim relief application on 03 February 2024 stating that the Group has unilaterally enforced the award although the quantification of the same is pending.

The Group is of the view that it is bound to implement the award. Further, the application by GoI does not meet the strict criteria for grant of interim injunction. The matter was heard on 26 March 2024 and order of the Tribunal is awaited.

GoI also had filed an appeal on 07 March 2024 against the Award in Delhi High Court and the matter was heard on 14 March 2024. No stay was granted and petition was not admitted. Next date of hearing is 01 May 2024. The Group is of the view that there is no merit in the challenge filed by GoI, as the Court cannot re-appreciate the evidence in Section 34 appeal as the interpretation by the Tribunal is plausible.

- b) The Company owns a copper smelter plant ("the 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 and being aggrieved by the said order, the Company filed Special Leave Petition ("SLP") before the Supreme Court.

The Hon'ble Supreme Court, after hearing the Parties to the proceedings has dismissed the SLP filed by the Company vide judgment dated 29 February 2024. On 01 April 2024, the Company preferred a review petition before the Hon'ble Supreme Court.

The Company was also in the process of expanding its capacities at an adjacent site ("Expansion Project"). The Madras High Court, 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. The matter has been adjourned until further notice.

As per the Company's assessment, it is in compliance with the applicable regulations and hence preferred a review petition before the Hon'ble Supreme Court. Considering prolonged time of plant closure and uncertainties around opening of plant due to rejection of SLP by Hon'ble Supreme Court, the Company has carried out an impairment assessment, on Tuticorin plant assets having carrying value of ₹ 1,681 Crore (including PPE, CWIP and inventory) using Depreciated Replacement Cost / Scrap Value method for PPE and CWIP, and Net recoverable method for inventory. Accordingly, impairment on assets of ₹ 746 Crore (including PPE of ₹ 553 Crore, CWIP of ₹ 130 Crore and loss on inventory of ₹ 63 Crore) has been recorded during the quarter ended 31 March 2024.

- c) Represents certain items of CWIP, which have been written off during the quarter ended 31 March 2024 as they are no longer expected to be used.
- d) During the year, the Group has terminated its contract with one of its capital contractor due to its continuing failure in fulfilling contractual obligations impacting plant performance since inception and written back creditors amounting to ₹ 1,252 Crore pertaining to the contract, as amount is no longer payable. The management has assessed that the amount written back comprises ₹ 794 Crore toward loss of profit due to plant performance in the current and earlier years and therefore recognised the same as exceptional gain in the Statement of Profit and Loss and adjusted the balance amount towards the cost of spares and ancillaries capitalised in PPE in earlier years.
- e) GoI vide its notification dated 30 June 2022 levied Special Additional Excise Duty ("SAED") on production of crude oil, i.e., cess on windfall gain triggered by increase in crude oil prices which was effective from 01 July 2022. The consequential net impact of the said duty had on the results was presented as an exceptional item for the year ended 31 March 2023. SAED is continuing as levy like other duty of excise, that forms part of ordinary business of production of crude oil and hence, consequential impact of the said duty has been presented as an ordinary item in the quarter and year ended 31 March 2024.

#### 4 Acquisitions/ Restructuring:

- a) On 21 July 2022, the Company acquired Athena Chhattisgarh Power Limited ("ACPL"), an unrelated party, under the liquidation proceedings of the Insolvency and Bankruptcy Code, 2016, for a consideration of ₹ 565 Crore, subject to approval by the National Company Law Tribunal ("NCLT"). ACPL is building a 1,200 MW coal-based power plant located in Jhanjgir Champa district, Chhattisgarh.
- The Company filed a resolution application with the NCLT in July 2022 and further amended the application in November 2022 praying for merger of ACPL with the Company. The Company also sought various reliefs from certain legal and regulatory provisions as part of these applications. Pending receipt of NCLT approval, the Group had recorded the above transaction as an acquisition of property, plant and equipment at the purchase consideration paid during the year ended 31 March 2023.



The NCLT approved the Company's resolution application with an appointed date of 21 July 2022 ("appointed date"), in its July 2023 order ("NCLT Order"). In accordance with applicable Ind AS, the Company has restated its financial results as at and for the year ended 31 March 2023 to record this merger.

The Scheme of merger as approved by the NCLT inter alia prescribes the following accounting treatment in the standalone results of the Company: the difference between the fair value at the appointed date and the carrying value of the assets recorded pursuant to the amalgamation at their book value arrived at without considering any impairment/ write-off, would be written off by debit to the Statement of Profit and Loss of the Company and credited to the carrying value of the assets. This would be a permanent write-off of the carrying value of the assets and not a provision for diminution in the value of the assets. The charge on account of write-off of the assets, as mentioned above, as recorded by the Company will be transferred from its Retained Earnings to its Capital Reserve and accordingly, the Capital Reserve will stand diminished by the said amount.

Pursuant to the NCLT Order, the Company has merged ACPL by carrying forward the book values of ACPL's assets of ₹ 8,698 Crore (as appearing in ACPL's financial statements as at 31 March 2022, which were audited by ACPL's auditors) at the appointed date without considering any impairment, applying Appendix C of Ind AS 103 - Business Combinations, instead of recognising the assets at purchase consideration in accordance with Ind AS 16. The difference between the values of assets acquired and the consideration paid was credited to Other Equity (Capital Reserve). The Company had written off the consequent loss of ₹ 8,133 Crore in the Statement of Profit and Loss for the year ended 31 March 2023, representing the difference between the book value of assets and consideration paid. The assets written off of ₹ 8,133 Crore, excluding tax consequences thereof, was transferred from 'Retained Earnings' to 'Capital Reserve', in accordance with the Scheme. The above is in accordance with the NCLT Order, overriding the applicable Ind AS requirements.

Consequent to the implementation of the merger, the carrying values of deferred tax assets (MAT credit) in the consolidated balance sheet as at 31 March 2023 was lower by ₹ 1,421 Crore with a corresponding reduction in income tax liabilities by ₹ 979 Crore and an increase in income tax assets by ₹ 442 Crore, on account of the lower MAT charge. These restated balances of 31 March 2023 have been carried to FY 2023-24.

- b) Meenakshi Energy Limited ("Meenakshi") is a 1,000 MW coal-based power plant located at Nellore, Andhra Pradesh. NCLT vide its order dated 10 August 2023 had granted its approval for the Resolution Plan as submitted by the Company for acquisition of Meenakshi under Corporate Insolvency Resolution Process in accordance with the provisions of Insolvency and Bankruptcy Code (IBC), 2016 for a total consideration of ₹ 1,440 Crore. The acquisition shall enhance the Group's power portfolio.

Pursuant to the approval of Resolution Plan, the Company had made a payment of upfront consideration of ₹ 312 Crore and infused ₹ 1 Crore through equity for the implementation of approved Resolution Plan. On 16 October 2023, zero coupon, secured, unlisted non-convertible debentures ("NCDs") of aggregate face value of ₹ 1,128 Crore had been issued by Meenakshi to its financial creditors, redeemable in 5 equal annual instalments starting from 16 October 2025. Consequent to satisfaction of all conditions precedent of the Resolution Plan, the Company had acquired control of Meenakshi on 27 December 2023. The above acquisition meets the criterion of asset acquisition under Ind AS 103 - Business Combinations.

- c) The Board of Directors, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the Company. The Scheme entails demerger of the Company's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil & Gas (represented by the Oil and Gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) Undertakings, into 6 separate companies with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ('the Stock Exchanges'). During the quarter ended 31 December 2023, the Company had filed the Scheme with the Stock Exchanges. Upon receipt of necessary approvals from the Stock Exchanges, the Scheme will be filed with the NCLT. Pending regulatory and other approvals, no adjustments have been recorded in the financial results for the quarter and year ended 31 March 2024.

## 5 Income taxes:

- a) Pursuant to the introduction of Section 115BAA of the Income-tax Act, 1961 ("New Tax Regime"), the Company has an option to pay corporate income tax at a lower rate of 22% plus applicable surcharge and cess, as against the currently applicable rate of 30% plus surcharge and cess. Under the New Tax Regime, provisions of Section 115 JB-Minimum Alternate Tax (MAT) are no longer applicable.



In the quarter ended 30 September 2023, the Company had elected to adopt New Tax Regime from FY 2022-23 onwards due to expected corporate actions and other considerations and the first tax return under the New Tax Regime had been filed for FY 2022-23 on 29 November 2023. Upon adoption of New Tax Regime for FY 2022-23, the net tax charge was lower by ₹ 1,635 Crore (mainly on account of section 80M benefit not available under MAT). Further, the MAT credit balance of ₹ 7,763 Crore, for periods up to 31 March 2023, had been expensed. Consequently, the net impact of the above amounting to ₹ 6,128 Crore was accounted for as exceptional tax expense in the year ended 31 March 2024.

Accordingly, tax expense for the quarter and year ended 31 March 2024 is not comparable with the reported tax expense for the quarter and year ended 31 March 2023.

- b) During the quarter ended 31 March 2024, ESL has derecognised deferred tax asset of ₹ 309 Crore (31 March 2023: ₹ 100 Crore) on non-recoverable business losses basis the management's estimate of future outlook, financial projections and requirements of Ind AS 12. Based on revised projections, it is probable to realise the remaining deferred tax assets.





6 Additional disclosures as per Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:			
		Year ended	
Particulars		31.03.2024 (Audited)	31.03.2023 (Audited)*
a)	Debt-Equity Ratio (in times)	1.71	1.34
b)	Debt Service Coverage Ratio (in times)	1.59	2.20
c)	Interest Service Coverage Ratio (in times)	3.96	5.92
d)	Current Ratio (in times)	0.84	0.79
e)	Long term debt to working capital Ratio (in times)	**	**
f)	Bad debts to Account receivable Ratio (in times)	0.09	0.00
g)	Current liability Ratio (in times)	0.42	0.53
h)	Total debts to total assets Ratio (in times)	0.38	0.34
i)	Debtors Turnover Ratio (in times)	22.88	20.33
j)	Inventory Turnover Ratio (in times)	7.66	7.64
k)	Operating-Profit Margin (%)	17.90%	16.76%
l)	Net-Profit Margin (%)	7.83%	9.81%
m)	Capital Redemption Reserve (₹ in Crore)	3,110	3,110
n)	Net Worth (Total Equity) (₹ in Crore)	42,069	49,427
* Restated, refer note 4(a)			
** Net working capital is negative			
Formulae for computation of ratios are as follows:			
a)	Debt-Equity Ratio	Total Debt/ Total Equity	
b)	Debt Service Coverage Ratio	Income available for debt service/ (interest expense + repayments made during the period for long term loans), where income available for debt service = Profit before exceptional items and tax + Depreciation, depletion and amortization expense + Interest expense	
c)	Interest Service Coverage Ratio	Income available for debt service/ interest expense	
d)	Current Ratio	Current Assets/ Current Liabilities (excluding current maturities of long term borrowing)	
e)	Long term debt to working capital Ratio	Non-current borrowing (including current maturities of long term borrowing)/ Working capital (WC), where WC = Current Assets - Current Liabilities (excluding current maturities of long term borrowing)	
f)	Bad debts to Account receivable Ratio	Bad Debts written off/ Average Trade Receivables	
g)	Current liability Ratio	Current Liabilities (excluding current maturities of long term borrowing)/ Total Liabilities	
h)	Total debts to total assets Ratio	Total Debt/ Total Assets	
i)	Debtors Turnover Ratio	(Revenue from operations + Other operating income)/ Average Trade Receivables	
j)	Inventory Turnover Ratio	(Revenue from operations + Other operating income) less EBITDA/ Average Inventory	
k)	Operating-Profit Margin (%)	(EBITDA - Depreciation, depletion and amortization expense)/ (Revenue from operations + Other operating income)	
l)	Net-Profit Margin (%)	Net profit after tax before exceptional items (net of tax)/ (Revenue from operations + Other operating income)	
m)	Capital Redemption Reserve includes Preference Share Redemption Reserve created on redemption of preference shares.		
7 The Non-Convertible debentures ('NCDs') of the Group outstanding as on 31 March 2024 are ₹ 15,002 Crore at carrying amount, of which listed secured NCDs are ₹ 7,088 Crore. The listed secured NCDs are secured by way of first pari passu mortgage/ charge on certain movable fixed assets and freehold land of the Group. The Group has maintained asset cover of more than 125% and 100% for NCDs with face value of ₹ 6,089 Crore and ₹ 1,000 Crore respectively.			
		By Order of the Board	
			
		 Arun Misra Executive Director (Whole-Time Director)	
Place: Delhi			
Dated: 25 April 2024			

**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**  
**The Board of Directors of**  
**Vedanta Limited**

**Report on the audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of Vedanta Limited (the "Company") for the quarter and year ended March 31, 2024 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit other comprehensive income and other financial information of the Company for the quarter ended March 31, 2024 and for the year ended March 31, 2024.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter paragraph**

We draw attention to Note 3(b) of the standalone financial results, with respect to accounting for an acquisition approved by the National Company Law Tribunal, Hyderabad Bench, overriding the applicable Ind-AS requirements. Further as stated in the aforesaid note, the comparative financial information for the year ended March 31, 2023 has also been restated to give effect to the terms of merger.

Our opinion is not modified in respect of this matter.

**Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board Directors of the Company are responsible for the preparation and presentation of the Statement that



gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 Statement, including the disclosures, and whether the Statement represents 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.

#### **Other Matter**

The accompanying Statement of quarterly and year to date standalone financial results include unaudited annual financial information in respect of an unincorporated joint operation not operated by the Company, whose annual financial results reflect total assets of Rs. 200 Crore as at March 31, 2024, and total revenues of Rs. 34 Crore and Rs. 111 Crore, total net profit after tax of Rs. 14 Crore and Rs. 28 Crore and total comprehensive income of Rs. 14 Crore and Rs. 28. Crore for the quarter and year ended on that date respectively, and net cash inflows of Rs. Nil for the year ended March 31, 2024.

These unaudited annual financial results and other financial information of the said unincorporated joint operation have been approved and furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management, these annual financial results and other financial information of unincorporated joint operation, are not material to the Company. Our opinion on the Statement is not modified in respect of this matter.

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Vikas Pansari

Partner

Membership No.: 093649



UDIN: 24093649BKGPPV4716

Place: Mumbai

Date: April 25, 2024

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

**STATEMENT OF AUDITED STANDALONE RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2024**

(₹ in Crore, except as stated)

S.No.	Particulars	Quarter ended			Year ended	
		31.03.2024 (Audited) (Refer Note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)	31.03.2024 (Audited)	31.03.2023 (Audited)*
1	Revenue from operations (Refer note 3(a))	17,461	17,526	16,944	69,663	67,193
2	Other operating income	320	307	393	1,094	887
3	Other income (Refer note 8)	185	2,366	10,806	5,551	21,262
	<b>Total Income</b>	<b>17,966</b>	<b>20,199</b>	<b>28,143</b>	<b>76,308</b>	<b>89,342</b>
4	<b>Expenses</b>					
a)	Cost of materials consumed	6,769	8,024	7,199	29,300	27,619
b)	Purchases of stock-in-trade	202	293	91	791	173
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	593	(425)	442	308	581
d)	Power and fuel charges	3,155	3,104	3,564	12,372	17,019
e)	Employee benefits expense	213	286	242	1,080	926
f)	Finance costs	1,530	1,409	1,272	5,679	4,384
g)	Depreciation, depletion and amortisation expense	937	996	816	3,789	3,661
h)	Other expenses	3,526	3,372	3,065	14,327	12,322
	<b>Total expenses</b>	<b>16,925</b>	<b>17,059</b>	<b>16,691</b>	<b>67,646</b>	<b>66,685</b>
5	<b>Profit before exceptional items and tax</b>	<b>1,041</b>	<b>3,140</b>	<b>11,452</b>	<b>8,662</b>	<b>22,657</b>
6	Net exceptional (loss)/ gain (Refer note 3)	(877)	204	3,382	5,073	(3,780)
7	<b>Profit before tax</b>	<b>164</b>	<b>3,344</b>	<b>14,834</b>	<b>13,735</b>	<b>18,877</b>
8	<b>Tax expense/ (benefit)</b>					
	<b>Other than exceptional items</b>					
a)	Net current tax expense	312	324	1,899	1,175	3,790
b)	Net deferred tax benefit, including tax credits	(36)	(64)	(1,652)	(108)	(4,033)
	<b>Exceptional items:</b>					
c)	Net tax benefit on exceptional items (Refer note 3)	(221)	-	(285)	(83)	(2,139)
d)	Net tax expense on account of adoption of new tax rate (Refer note 5)	-	-	-	6,128	-
	<b>Net tax expense/ (benefit) (a+b+c+d)</b>	<b>55</b>	<b>260</b>	<b>(38)</b>	<b>7,112</b>	<b>(2,382)</b>
9	<b>Net profit after tax (A)</b>	<b>109</b>	<b>3,084</b>	<b>14,872</b>	<b>6,623</b>	<b>21,259</b>
10	<b>Net profit after tax before exceptional items (net of tax)</b>	<b>765</b>	<b>2,880</b>	<b>11,205</b>	<b>7,595</b>	<b>22,900</b>
11	<b>Other comprehensive income/ (loss)</b>					
a)	(i) Items that will not be reclassified to profit or loss	(5)	(10)	(36)	(31)	(52)
	(ii) Tax (expense)/ benefit on items that will not be reclassified to profit or loss	(2)	3	7	7	6
b)	(i) Items that will be reclassified to profit or loss	49	(26)	(106)	7	382
	(ii) Tax benefit/ (expense) on items that will be reclassified to profit or loss	2	(6)	11	28	83
	<b>Total other comprehensive income/ (loss) (B)</b>	<b>44</b>	<b>(39)</b>	<b>(124)</b>	<b>11</b>	<b>419</b>
12	<b>Total comprehensive income (A+B)</b>	<b>153</b>	<b>3,045</b>	<b>14,748</b>	<b>6,634</b>	<b>21,678</b>
13	Paid-up equity share capital (Face value of ₹ 1 each)	372	372	372	372	372
14	Reserves excluding revaluation reserves as per balance sheet				65,164	69,476
15	Earnings per share (₹) (**not annualised)					
	- Basic and diluted	0.29 **	8.29 **	39.98 **	17.80	57.15

\* Restated, refer note 3(b)





(₹ in Crore)

S. No.	Segment information	Quarter ended			Year ended	
		31.03.2024 (Audited) (Refer Note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)*	31.03.2024 (Audited)	31.03.2023 (Audited)*
1	<b>Segment revenue</b>					
a)	Oil and Gas (Refer note 3(a))	1,926	1,836	1,780	9,554	8,137
b)	Aluminium	9,143	8,967	9,308	35,743	39,950
c)	Copper	3,826	4,119	3,566	14,988	12,351
d)	Iron Ore	2,327	2,418	2,068	8,648	5,928
e)	Power	239	186	222	730	827
	<b>Revenue from operations</b>	<b>17,461</b>	<b>17,526</b>	<b>16,944</b>	<b>69,663</b>	<b>67,193</b>
2	<b>Segment results (EBITDA) <sup>i</sup></b>					
a)	Oil and Gas	923	690	933	5,161	4,221
b)	Aluminium	2,117	2,049	1,479	7,006	5,160
c)	Copper	(6)	10	42	(72)	(9)
d)	Iron Ore	529	622	382	1,656	930
e)	Power	(74)	(53)	(107)	(234)	(297)
	<b>Total segment results (EBITDA)</b>	<b>3,489</b>	<b>3,318</b>	<b>2,729</b>	<b>13,517</b>	<b>10,005</b>
Less:	Depreciation, depletion and amortisation expense	937	996	816	3,789	3,661
Add:	Other income, net of expenses <sup>ii</sup>	(91)	(69)	(20)	(702)	(234)
Less:	Finance costs	1,530	1,409	1,272	5,679	4,384
Add:	Other unallocable income, net of expenses (Refer note 8)	110	2,296	10,831	5,315	20,931
	<b>Profit before exceptional items and tax</b>	<b>1,041</b>	<b>3,140</b>	<b>11,452</b>	<b>8,662</b>	<b>22,657</b>
Add:	Net exceptional (loss)/ gain (Refer note 3)	(877)	204	3,382	5,073	(3,780)
	<b>Profit before tax</b>	<b>164</b>	<b>3,344</b>	<b>14,834</b>	<b>13,735</b>	<b>18,877</b>
3	<b>Segment assets</b>					
a)	Oil and Gas	18,326	19,290	16,785	18,326	16,785
b)	Aluminium	51,043	51,317	50,312	51,043	50,312
c)	Copper	2,942	5,394	4,500	2,942	4,500
d)	Iron Ore	4,866	4,500	3,998	4,866	3,998
e)	Power	3,090	3,163	3,212	3,090	3,212
f)	Unallocated	70,246	69,842	81,033	70,246	81,033
	<b>Total</b>	<b>1,50,513</b>	<b>1,53,506</b>	<b>1,59,840</b>	<b>1,50,513</b>	<b>1,59,840</b>
4	<b>Segment liabilities</b>					
a)	Oil and Gas	10,694	11,459	10,645	10,694	10,645
b)	Aluminium	20,448	17,314	21,579	20,448	21,579
c)	Copper	5,078	6,761	4,753	5,078	4,753
d)	Iron Ore	2,927	2,878	2,064	2,927	2,064
e)	Power	277	406	241	277	241
f)	Unallocated	45,553	49,317	50,710	45,553	50,710
	<b>Total</b>	<b>84,977</b>	<b>88,135</b>	<b>89,992</b>	<b>84,977</b>	<b>89,992</b>

\* Restated, refer note 3(b)

i) Earnings before interest, tax, depreciation and amortisation ("EBITDA") is a non-GAAP measure.

ii) Includes cost of exploration wells written off in Oil and Gas segment of ₹ 112 Crore, ₹ 90 Crore, ₹ 41 Crore, ₹ 786 crore and ₹ 315 Crore for the quarters ended 31 March 2024, 31 December 2023, 31 March 2023, years ended 31 March 2024 and 31 March 2023, respectively and amortisation of duty benefits relating to assets recognised as government grant.

The main business segments are:

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

(b) Aluminium, which consists 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 4);

(d) Iron ore, which consists of mining of ore and manufacturing of pig iron and metallurgical coke; and

(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.





<b>Balance Sheet</b> <b>Vedanta Limited</b> <b>CIN: L13209MH1965PLC291394</b>			(₹ in Crore)
Particulars	As at 31.03.2024 (Audited)	As at 31.03.2023 (Audited)*	
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	43,642	40,649	
(b) Capital work-in-progress	8,835	10,494	
(c) Intangible assets	1,176	834	
(d) Exploration intangible assets under development	2,298	2,094	
(e) Financial assets			
(i) Investments	59,902	59,872	
(ii) Trade receivables	673	847	
(iii) Loans	517	126	
(iv) Derivatives	3	-	
(v) Others	1,693	2,114	
(f) Deferred tax assets (net)	-	5,910	
(g) Income tax assets (net)	3,496	1,753	
(h) Other non-current assets	2,691	2,046	
<b>Total non-current assets</b>	<b>1,24,926</b>	<b>1,26,739</b>	
<b>2 Current assets</b>			
(a) Inventories	6,946	8,217	
(b) Financial assets			
(i) Investments	256	4,973	
(ii) Trade receivables	1,864	1,694	
(iii) Cash and cash equivalents	1,488	5,147	
(iv) Other bank balances	654	318	
(v) Loans	1,227	507	
(vi) Derivatives	131	98	
(vii) Others	9,656	7,240	
(c) Income tax assets (net)	-	190	
(d) Other current assets	3,365	4,717	
<b>Total current assets</b>	<b>25,587</b>	<b>33,101</b>	
<b>Total assets</b>	<b>1,50,513</b>	<b>1,59,840</b>	
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity Share Capital	372	372	
Other Equity	65,164	69,476	
<b>Total Equity</b>	<b>65,536</b>	<b>69,848</b>	
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	28,320	32,606	
(ii) Lease liabilities	212	51	
(iii) Derivatives	-	20	
(b) Provisions	1,313	1,373	
(c) Deferred tax liabilities (net)	1,889	-	
(d) Other non-current liabilities	3,129	2,364	
<b>Total Non-current liabilities</b>	<b>34,863</b>	<b>36,414</b>	
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13,912	9,417	
(ii) Lease liabilities	131	46	
(iii) Operational buyers' credit / suppliers' credit	12,072	10,485	
(iv) Trade payables			
(1) Total outstanding dues of micro and small enterprises	152	218	
(2) Total outstanding dues of creditors other than micro and small enterprises	4,878	5,436	
(v) Derivatives	73	151	
(vi) Other financial liabilities	11,211	18,425	
(b) Other current liabilities	6,942	9,225	
(c) Provisions	137	129	
(d) Income tax liabilities (net)	606	46	
<b>Total current liabilities</b>	<b>50,114</b>	<b>53,578</b>	
<b>Total Equity and Liabilities</b>	<b>1,50,513</b>	<b>1,59,840</b>	

\* Restated, refer note 3(h)

Statement of Cash Flows		
	(₹ in Crore)	
Particulars	Year ended 31.03.2024 (Audited)	Year ended 31.03.2023 (Audited)*
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	13,735	18,877
<b>Adjustments for:</b>		
Depreciation, depletion and amortisation	3,810	3,703
Impairment charge/(reversal) on property, plant and equipment/ Capital work-in-progress (CWIP)/ Other assets written off (net)	328	8,115
Reversal of impairment on investments	(2,146)	(4,694)
Net exceptional loss/ (gain) on sale of long term investments in subsidiary	33	(183)
Other exceptional items	(3,287)	-
Provision for doubtful advances/ expected credit loss/ bad debts written off	206	436
Liabilities written back	(71)	(62)
Exploration costs written off	786	315
Fair value gain on financial assets held at fair value through profit or loss	(13)	(44)
Loss on sale/ discard of property, plant and equipment	52	21
Foreign exchange loss (net)	80	251
Unwinding of discount on decommissioning liability	51	30
Share based payment expense	41	48
Interest income	(414)	(348)
Dividend income	(4,966)	(20,711)
Interest expense	5,628	4,354
Deferred government grant	(84)	(81)
<b>Changes in Working capital</b>		
(Increase)/decrease in trade and other receivables	(809)	204
Decrease in inventories	1,167	377
(Decrease)/ increase in trade and other payables	(355)	4,911
<b>Cash generated from operations</b>	<b>13,772</b>	<b>15,519</b>
Income taxes paid (net)	(237)	(3,028)
<b>Net cash generated from operating activities</b>	<b>13,535</b>	<b>12,491</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment made in subsidiaries	(76)	-
Purchases of property, plant and equipment (including intangibles, CWIP, capital advances and capital creditors)	(6,377)	(6,645)
Proceeds from sale of property, plant and equipment	74	41
Loans given to related parties	(2,090)	(543)
Loans repaid by related parties	778	475
Deposits made	(1,015)	(889)
Proceeds from redemption of deposits	558	1,439
Short term investments made	(16,164)	(50,153)
Proceeds from sale of short-term investments	17,702	48,995
Interest received	411	346
Dividends received	4,966	20,711
Payment made to site restoration fund	(110)	(60)
Purchase of long term investments	(101)	(70)
Proceeds from sale of long term investments	8	-
Redemption of OCRPS/Buy back of shares by subsidiary	7,609	2,665
<b>Net cash generated from investing activities</b>	<b>6,173</b>	<b>16,312</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment from short-term borrowings (net)	(220)	(900)
Proceeds from current borrowings	2,947	9,583
Repayment of current borrowings	(4,238)	(12,247)
Proceeds from long-term borrowings	9,269	15,333
Repayment of long-term borrowings	(6,469)	(6,593)
Interest paid	(6,022)	(4,369)
Payment of dividends to equity holders of the Company, net of taxes	(18,572)	(29,959)
Payment of lease liabilities	(62)	(22)
<b>Net cash used in financing activities</b>	<b>(23,367)</b>	<b>(29,174)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,659)</b>	<b>(371)</b>
Cash and cash equivalents at the beginning of the year	5,147	5,518
<b>Cash and cash equivalents at the end of the year</b>	<b>1,488</b>	<b>5,147</b>

\* Restated, refer note 3(h)

**Notes:**

- The figures in parentheses indicate outflow.
- The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.





**Notes:-**

- The above results of Vedanta Limited ("the Company"), for the quarter and year ended 31 March 2024 have been reviewed by the Audit and Risk Management Committee at its meeting held on 24 April 2024 and approved by the Board of Directors at its meeting held on 25 April 2024. The statutory auditors have audited these results and issued an unmodified opinion.
- These results have been prepared on the basis of the audited financial statements for the year ended 31 March 2024 and the interim financial results for the quarter and nine months ended 31 December 2023, which are prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The figures of the last quarter are the balancing figures between audited figures for the full financial year and unaudited year to date figures up to the third quarter of the respective financial year.
- Net exceptional (loss)/ gain:

Particulars	Quarter ended			Year ended	
	31.03.2024 (Audited) (Refer Note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)	31.03.2024 (Audited)	31.03.2023 (Audited)*
Property, plant and equipment ("PPE"), exploration intangible assets under development, capital work-in-progress ("CWIP"), investments and other assets (impaired)/ reversal or (written off)/ written back in:					
- Oil and Gas					
a) Reversal of previously recorded impairment/ net (loss)/ gain on buy back <sup># a</sup>	-	-	253	1,599	910
- Power					
a) CWIP written off <sup>b</sup>	-	-	-	-	(8,133)
- Copper (Refer Note 4)	(746)	-	-	(746)	-
- Aluminium <sup>c</sup>	(131)	-	-	(131)	-
- Unallocated					
a) Gain on redemption of OCRPS	-	-	-	3,287	-
b) Reversal of previously recorded impairment	-	204	3,187	1,064	3,967
SAED on Oil and Gas sector <sup>d</sup>	-	-	(58)	-	(524)
<b>Net exceptional (loss)/ gain</b>	<b>(877)</b>	<b>204</b>	<b>3,382</b>	<b>5,073</b>	<b>(3,780)</b>
Current tax benefit/ (expense) on above	33	-	(67)	33	1,471
Net deferred tax benefit on above	188	-	352	50	668
<b>Net exceptional (loss)/ gain (net of tax)</b>	<b>(656)</b>	<b>204</b>	<b>3,667</b>	<b>5,156</b>	<b>(1,641)</b>

\* Restated, refer note 3(b)

# Include net loss on buy back of shares by Cairn India Holdings Limited, a wholly owned subsidiary, of ₹ 33 Crore during the quarter ended 30 June 2023.

- The Government of India ("GoI"), acting through the Directorate General of Hydrocarbons ("DGH"), had raised a demand up to 14 May 2020 for Government's additional share of Profit Oil based on its computation of disallowance of cost incurred over retrospective re-allocation of certain common costs between Development Areas (DAs) of Rajasthan Block and certain other matters aggregating to ₹ 9,545 Crore (US\$ 1,162 million) and applicable interest thereon representing share of Vedanta Limited and its subsidiary.

The Company had disputed the aforesaid demand and invoked arbitration as per the provisions of the Production Sharing Contract. The Company had received the Final Partial Award dated 22 August 2023 from the Arbitration Tribunal ("the Tribunal") as amended by order dated 15 November 2023 and 08 December 2023 ("the Award"), dismissing the Government's contention of additional Profit Petroleum in relation to allocation of common development costs across Development Areas and certain other matters in accordance with terms of the Production Sharing Contract for Rajasthan Block, while disallowing some matters. Further, the Tribunal had decided that the Company was allowed to claim cost recovery of exploration cost for the purpose of computation of Profit Oil.

Pursuant to the Award, the Company had recognized a benefit of ₹ 2,381 Crore (US\$ 289 million) in revenue from operations and reversed previously recognized impairment on PPE of ₹ 550 Crore (US\$ 67 million) in the quarter ended 30 September 2023. Further, the Company had reversed previously recognized impairment on investments in wholly owned subsidiary, Cairn India Holding Limited ("CIHL") of ₹ 1,082 Crore (US\$ 131 million) on account of increase in valuation of CIHL pursuant to the award in the quarter ended 30 September 2023.

GoI had sought an additional award or interpretation/ clarification on certain matters decided by the Tribunal under the Indian Arbitration and Conciliation Act, 1996 ("the Act") ("GoI Application"). The Tribunal vide its orders dated 15 November 2023 and 08 December 2023 had dismissed GoI's interpretation and additional award applications in favour of the Company. The Company has adjusted the liability during the current year of ₹ 970 Crore (US\$ 116 million) against the aforesaid benefits recognized as per the Award.

GoI has filed interim relief application on 03 February 2024 stating that the Company has unilaterally enforced the award although the quantification of the same is pending.

The Company is of the view that it is bound to implement the award. Further, the application by GoI does not meet the strict criteria for grant of interim injunction. The matter was heard on 26 March 2024 and order of the Tribunal is awaited.

GoI also has filed an appeal on 07 March 2024 against the Award in Delhi High Court and the matter was heard on 14 March 2024. No stay was granted and petition was not admitted. Next date of hearing is 01 May 2024. The Company is of the view that there is no merit in the challenge filed by GoI, as the Court cannot re-appreciate the evidence in Section 34 appeal as the interpretation by the Tribunal is plausible.





- b) On 21 July 2022, the Company acquired Athena Chhattisgarh Power Limited ("ACPL"), an unrelated party, under the liquidation proceedings of the Insolvency and Bankruptcy Code, 2016, for a consideration of ₹ 565 Crore, subject to approval by the National Company Law Tribunal ("NCLT"). ACPL is building a 1,200 MW coal-based power plant located in Jhanjgir Champa district, Chhattisgarh. The Company filed a resolution application with the NCLT in July 2022 and further amended the application in November 2022 praying for merger of ACPL with the Company. The Company also sought various reliefs from certain legal and regulatory provisions as part of these applications. Pending receipt of NCLT approval, the Company had recorded the above transaction as an advance in its financial statements for the year ended 31 March 2023.

The NCLT approved the Company's resolution application with an appointed date of 21 July 2022 ("appointed date"), in its July 2023 order ("NCLT Order"). In accordance with applicable Ind AS, the Company has restated its financial results as at and for the year 31 March 2023 to record this merger.

The Scheme of merger as approved by the NCLT inter alia prescribes the following accounting treatment in the standalone results of the Company; the difference between the fair value at the appointed date and the carrying value of the assets recorded pursuant to the amalgamation at their book value arrived at without considering any impairment/ write-off, would be written off by debit to the Statement of Profit and Loss of the Company and credited to the carrying value of the assets. This would be a permanent write-off of the carrying value of the assets and not a provision for diminution in the value of the assets. The charge on account of write-off of the assets, as mentioned above, as recorded by the Company will be transferred from its Retained Earnings to its Capital Reserve and accordingly, the Capital Reserve will stand diminished by the said amount.

Pursuant to the NCLT Order, the Company has merged ACPL by carrying forward the book values of ACPL's assets of ₹ 8,698 Crore (as appearing in ACPL's financial statements as at 31 March 2022, which were audited by ACPL's auditors) at the appointed date without considering any impairment, applying Appendix C of Ind AS 103 - Business Combinations, instead of recognising the assets at purchase consideration in accordance with Ind AS 16. The difference between the values of assets acquired and the consideration paid was credited to Other Equity (Capital Reserve). The Company has written off the consequent loss of ₹ 8,133 Crore in the Statement of Profit and Loss for the year ended 31 March 2023, representing the difference between the book value of assets and consideration paid. The assets written off of ₹ 8,133 Crore, excluding tax consequences thereof, has been transferred from 'Retained Earnings' to 'Capital Reserve', in accordance with the Scheme. The above is in accordance with the NCLT Order, overriding the applicable Ind AS requirements.

Consequent to the implementation of the merger, a deferred tax credit of ₹ 2,036 Crore was recognized in the Statement of Profit and Loss with a corresponding increase in carrying value of deferred tax assets in the comparative balance sheet as at 31 March 2023 due to difference between carrying value of assets as per books (book base) and tax base of the asset (original cost of acquisition by Athena), and the carrying values of deferred tax assets (MAT credit) was lower by ₹ 1,421 Crore with a corresponding reduction in income tax liabilities by ₹ 979 Crore and an increase in income tax assets by ₹ 442 Crore as at 31 March 2023, on account of the lower MAT charge. These restated balances of 31 March 2023 have been carried to FY 2023-24.

As a result of the above, the profit before tax was lower by ₹ 8,133 Crore and profit after tax was lower by ₹ 6,097 Crore for the year ended 31 March 2023. Consequently, the earnings per share (EPS) was lower by ₹ 16.39 per share for the year ended 31 March 2023.

- c) Represents certain items of CWIP, which have been written off during the quarter ended 31 March 2024 as they are no longer expected to be used.
- d) The GoI vide its notification dated 30 June 2022 levied Special Additional Excise Duty ("SAED") on production of crude oil, i.e., cess on windfall gain triggered by increase in crude oil prices which was effective from 01 July 2022. The consequential net impact of the said duty had on the results was presented as an exceptional item for the year ended 31 March 2023. SAED is continuing as levy like other duty of excise, that forms part of ordinary business of production of crude oil and hence, consequential impact of the said duty has been presented as an ordinary item in the quarter and year ended 31 March 2024.
- 4 The Company owns a copper smelter plant ("the 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 and being aggrieved by the said order, the Company filed Special Leave Petition ("SLP") before the Supreme Court.

The Hon'ble Supreme Court, after hearing the Parties to the proceedings has dismissed the SLP filed by the Company vide judgment dated 29 February 2024. On 01 April 2024, the Company preferred a review petition before the Hon'ble Supreme Court

The Company was also in the process of expanding its capacities at an adjacent site ("Expansion Project"). The Madras High Court, 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 ("SIPCO") 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. The matter has been adjourned until further notice.

As per the Company's assessment, it is in compliance with the applicable regulations and hence preferred a review petition before the Hon'ble Supreme Court. Considering prolonged time of plant closure and uncertainties around opening of plant due to rejection of SLP by Hon'ble Supreme Court, the Company has carried out an impairment assessment, on Tuticorin plant assets having carrying value of ₹ 1,681 Crore (including PPE, CWIP and inventory) using Depreciated Replacement Cost / Scrap Value method for PPE and CWIP, and Net recoverable method for inventory. Accordingly, impairment on assets of ₹ 746 Crore (including PPE of ₹ 553 Crore, CWIP of ₹ 130 Crore and loss on inventory of ₹ 63 Crore) has been recorded during the quarter ended 31 March 2024.





5 Pursuant to the introduction of Section 115BAA of the Income-tax Act, 1961 ("New Tax Regime"), the Company has an option to pay corporate income tax at a lower rate of 22% plus applicable surcharge and cess as against the currently applicable rate of 30% plus surcharge and cess. Under the New Tax Regime, provisions of Section 115 JB-Minimum Alternate Tax (MAT) are no longer applicable.

In the quarter ended 30 September 2023, the Company had elected to adopt New Tax Regime from FY 2022-23 onwards due to expected corporate actions and other considerations and the first tax return under the New Tax Regime had been filed for FY 2022-23 on 29 November 2023. Upon adoption of New Tax Regime for FY 2022-23, the net tax charge was lower by ₹ 1,635 Crore (mainly on account of section 80M benefit not available under MAT). Further, the MAT credit balance of ₹ 7,763 Crore, for periods up to 31 March 2023, had been expensed. Consequently, the net impact of the above amounting to ₹ 6,128 Crore was accounted for as exceptional tax expense in the year ended 31 March 2024.

Accordingly, tax expense for quarter and year ended 31 March 2024 is not comparable with the reported tax expense for the quarter and year ended 31 March 2023.

6 The Board of Directors, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the Company. The Scheme entails demerger of the Company's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil and Gas (represented by the Oil and Gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) Undertakings into 6 separate companies with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ("the Stock Exchanges"). During the quarter ended 31 December 2023, the Company had filed the Scheme with the Stock Exchanges. Upon receipt of necessary approvals from the Stock Exchanges, the Scheme will be filed with the NCLT. Pending regulatory and other approvals, no adjustments have been recorded in the financial results for the quarter and year ended 31 March 2024.

7 Meenakshi Energy Limited ("Meenakshi") is a 1,000 MW coal-based power plant located at Nellore, Andhra Pradesh. NCLT vide its order dated 10 August 2023 had granted its approval for the Resolution Plan as submitted by the Company for acquisition of Meenakshi under Corporate Insolvency Resolution Process in accordance with the provisions of Insolvency and Bankruptcy Code (IBC), 2016 for a total consideration of ₹ 1,440 Crore. The acquisition shall enhance the Group's power portfolio.

Pursuant to the approval of Resolution Plan, the Company had made a payment of upfront consideration of ₹ 312 Crore and and infused ₹ 1 Crore through equity for the implementation of approved Resolution Plan. On 16 October 2023, zero coupon, secured, unlisted non-convertible debentures ("NCDs") of aggregate face value of ₹ 1,128 Crore had been issued by Meenakshi to its financial creditors, redeemable in 5 equal annual instalments starting from 16 October 2025. Consequent to satisfaction of all conditions precedent of the Resolution Plan, the Company had acquired control of Meenakshi on 27 December 2023. The above acquisition meets the criterion of asset acquisition under Ind AS 103 - Business Combinations.

8 Other income includes dividend income from subsidiaries of ₹ NIL Crore, ₹ 2,236 Crore, ₹ 10,698 Crore, ₹ 4,965 Crore, ₹ 20,711 Crore for the quarters ended 31 March 2024, 31 December 2023, 31 March 2023, years ended 31 March 2024 and 31 March 2023, respectively.

9 Additional disclosures as per Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Quarter ended			Year ended	
	31.03.2024 (Audited) (Refer Note 2)	31.12.2023 (Unaudited)	31.03.2023 (Audited) (Refer note 2)*	31.03.2024 (Audited)	31.03.2023 (Audited)*
a) Debt-Equity Ratio (in times)**	0.64	0.68	0.60	0.64	0.60
b) Debt Service Coverage Ratio (in times)**	0.68	2.21	4.95	1.29	2.76
c) Interest Service Coverage Ratio (in times)**	2.19	3.80	10.67	3.12	6.90
d) Current Ratio (in times)**	0.67	0.76	0.70	0.67	0.70
e) Long term debt to working capital Ratio (in times)**	***	***	***	***	***
f) Bad debts to Account receivable Ratio (in times)**	0.23	0.00	0.00	0.21	0.00
g) Current liability Ratio (in times)**	0.45	0.44	0.53	0.45	0.53
h) Total debts to total assets Ratio (in times)**	0.28	0.29	0.26	0.28	0.26
i) Debtors Turnover Ratio (in times)**	7.47	7.54	6.06	27.87	22.90
j) Inventory Turnover Ratio (in times)**	1.85	1.77	1.76	7.55	6.92
k) Operating-Profit Margin (%)**	14%	13%	11%	14%	9%
l) Net-Profit Margin (%)**	4%	16%	65%	11%	34%
m) Capital Redemption Reserve (₹ in Crore)	3,125	3,125	3,125	3,125	3,125
n) Net Worth (Total Equity) (₹ in Crore)	65,536	65,371	69,848	65,536	69,848

\* Restated, refer note 3(b)

\*\*Not annualised, except for the years ended 31 March 2024 and 31 March 2023

\*\*\*Net working capital is negative



Formulae for computation of ratios are as follows:

a)	Debt-Equity Ratio	Total Debt/ Total Equity
b)	Debt Service Coverage Ratio	Income available for debt service/ (interest expense + repayments made during the period for long term loans), where income available for debt service = Profit before exceptional items and tax + Depreciation, depletion and amortisation expense + Interest expense
c)	Interest Service Coverage Ratio	Income available for debt service/ interest expense
d)	Current Ratio	Current Assets/ Current Liabilities (excluding current maturities of long term borrowing)
e)	Long term debt to working capital Ratio	Non-current borrowing (including current maturities of long term borrowing)/ Working capital (WC), where WC = Current Assets - Current Liabilities (excluding current maturities of long term borrowing)
f)	Bad debts to Account receivable Ratio	Bad Debts written off/ Average Trade Receivables
g)	Current liability Ratio	Current Liabilities (excluding current maturities of long term borrowing)/ Total Liabilities
h)	Total debts to total assets Ratio	Total Debt/ Total Assets
i)	Debtors Turnover Ratio	(Revenue from operations + Other operating income)/ Average Trade Receivables
j)	Inventory Turnover Ratio	(Revenue from operations + Other operating income) less EBITDA/ Average Inventory
k)	Operating-Profit Margin (%)	(EBITDA - Depreciation, depletion and amortisation expense)/ (Revenue from operations + Other operating income)
l)	Net-Profit Margin (%)	Net profit after tax before exceptional items (net of tax)/ (Revenue from operations + Other operating income)
m)	Capital Redemption Reserve includes Preference Share Redemption Reserve created on redemption of preference shares.	

- 10 The NCDs of the Company outstanding as on 31 March 2024 are ₹ 12,626 Crore at carrying amount, of which, listed secured NCDs are ₹ 7,088 Crore. The listed secured NCDs are secured by way of first Pari Passu mortgage/ charge on certain movable fixed assets and freehold land of the Company. The Company has maintained asset cover of more than 125% and 100% for NCDs with face value of ₹ 6,089 Crore and ₹ 1,000 Crore respectively.
- 11 The Company is in compliance with the requirements of SEBI circular dated 10 August 2021 (as amended from time to time) applicable to large corporate borrowers.

By Order of Board



*Arun Misra*

Arun Misra  
Executive Director  
(Whole-Time Director)

Place : Delhi

Date : 25 April 2024



**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 "Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures and joint operations for the quarter ended September 30, 2024 and year to date from April 01, 2024 to September 30, 2024 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for 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 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. 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 6 and 8 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.





**Other matters**

6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:
- 20 subsidiaries, whose unaudited interim financial results and other financial information reflect total assets of Rs. 43,394 Crore as at September 30, 2024, and total revenues of Rs. 2,937 Crore and Rs. 5,791 Crore, total net loss after tax of Rs. 876 Crore and Rs. 1,447 Crore, total comprehensive loss of Rs. 1,010 Crore and Rs. 1,569 Crore, for the quarter ended September 30, 2024 and for year to date from April 01, 2024 to September 30, 2024 respectively and net cash inflows of Rs. 392 Crore from April 01, 2024 to September 30, 2024, 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 September 30, 2024 and for year to date from April 01, 2024 to September 30, 2024 respectively, as considered in the Statement whose interim financial results and 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.

7. Certain of these subsidiaries, associate and joint venture 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 Holding Company's management has converted the financial results of such subsidiaries, associate and joint venture 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 Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries, associate and joint venture located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.
8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of:
- 16 subsidiaries, whose interim financial results and other financial information reflect total assets of Rs. 4,279 Crore as at September 30, 2024, and total revenues of Rs 47 Crore and Rs 163 Crore, total net loss after tax of Rs. 16 Crore and Rs. 9 Crore, total comprehensive loss of Rs. 16 Crore and Rs. 9 Crore, for the quarter ended September 30, 2024 and for year to date from April 01, 2024 to September 30, 2024 respectively and net cash outflow of Rs. 24 Crore from April 01, 2024 to September 30, 2024.
  - 1 unincorporated joint operation, whose interim financial results and other financial information reflect total assets of Rs. 176 Crore as at September 30, 2024, total revenues of Rs 40 Crore and Rs 75 Crore, total net profit after tax of Rs. 7 Crore and Rs 13 Crore and total comprehensive income of Rs. 7 Crore and Rs 13 Crore for the quarter ended September 30, 2024 and for year to date from April 01, 2024 to September 30, 2024 respectively and net cash inflows of Rs. Nil for year to date from April 01, 2024 to September 30, 2024.
  - 1 associate and 3 joint ventures, whose interim financial results include 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 September 30, 2024, and for year to date ended on that date respectively.





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

Chartered Accountants


The unaudited interim financial information/ financial results and other unaudited financial information of the these subsidiaries, joint ventures and associate have not been reviewed by their auditor(s) and 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 and joint operations 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 6, 7 and 8 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



**per Vikas Pansari**

Partner

Membership No.: 093649



UDIN: 24093649BK6PQX6942

Place: Mumbai

Date: November 8, 2024

**Annexure 1 to our report dated November 8, 2024 on the consolidated financial results of Vedanta Limited for quarter and half year ended September 30, 2024**

List of subsidiaries/ associates/ joint ventures/Joint operations

S. No.	Name
1	Bharat Aluminium Company Limited (BALCO)
2	Fujairah Gold FZE
3	Hindustan Zinc Limited (HZL)
4	Monte Cello BV (MCBV)
5	Sesa Resources Limited (SRL)
6	Sesa Mining Corporation Limited
7	Thalanga Copper Mines Pty Limited (TCM)
8	MALCO Energy Limited (MEL)
9	THL Zinc Ventures Limited
10	THL Zinc Limited
11	Talwandi Sabo Power Limited
12	THL Zinc Namibia Holdings (Pty) Limited (VNHL)
13	Skorpion Zinc (Pty) Limited (SZPL)
14	Namzinc (Pty) Limited (SZ)
15	Skorpion Mining Company (Pty) Limited (NZ)
16	Amica Guesthouse (Pty) Ltd
17	Black Mountain Mining (Pty) Ltd
18	THL Zinc Holding BV
19	Vedanta Lisheen Holdings Limited (VLHL)
20	Vedanta Lisheen Mining Limited (VLML)
21	Killoran Lisheen Mining Limited
22	Lisheen Milling Limited
23	Vizag General Cargo Berth Private Limited
24	Bloom Fountain Limited (BFL)
25	Western Cluster Limited
26	Cairn India Holdings Limited
27	Cairn Energy Hydrocarbons Ltd
28	Cairn Lanka Private Limited
29	Vedanta ESOS Trust
30	Avanstrate (Japan) Inc. (ASI)
31	Avanstrate (Korea) Inc.
32	Avanstrate (Taiwan) Inc.
33	ESL Steels Limited
34	Ferro Alloy Corporation Limited (FACOR)
35	Vedanta Zinc Football & Sports Foundation
36	Lisheen Mine Partnership
37	Desai Cement Company Private Limited (DCCPL)
38	Hindustan Zinc Alloys Private Limited (HZAPL)
39	Zinc India foundation
40	Hindustan Zinc fertilizer
41	Sesa Iron and Steel Limited
42	Vedanta Displays Limited
43	Vedanta Semiconductors Private Limited (Erstwhile Vedanta Foxconn Semiconductors Private Limited)
44	Vedanta Aluminium Metal Limited
45	Vedanta Base Metals Limited



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

Chartered Accountants

S. No.	Name
46	Vedanta Iron and Steel Limited
47	Meenakshi Energy Limited
48	Vedanta Copper International VCI Company Limited
49	Hindmetal Exploration Services Private Limited

## **Associates**

S. No.	Name
1	Roshkor Township (Proprietary) Limited
2	Gaurav Overseas Private Limited

## **Joint Ventures**

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

## **Joint Operations**

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





**STATEMENT OF UNAUDITED CONSOLIDATED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2024**

(₹ in Crore, except as stated)

S. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1	Revenue from operations (Refer note 4)	37,171	35,239	38,546	72,410	71,888	141,793
2	Other operating income	463	525	399	988	790	1,934
3	Other income	1,300	934	640	2,234	1,186	2,550
	<b>Total income</b>	<b>38,934</b>	<b>36,698</b>	<b>39,585</b>	<b>75,632</b>	<b>73,864</b>	<b>146,277</b>
4	<b>Expenses</b>						
a)	Cost of materials consumed	12,634	11,166	10,897	23,800	21,987	44,115
b)	Purchases of stock-in-trade	(15)	14	4	(1)	17	116
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(4)	(1,390)	227	(1,394)	141	176
d)	Power and fuel charges	5,870	5,872	5,987	11,742	12,168	23,547
e)	Employee benefits expense	861	901	882	1,762	1,735	3,300
f)	Finance costs	2,667	2,222	2,523	4,889	4,633	9,465
g)	Depreciation, depletion and amortisation expense	2,696	2,731	2,642	5,427	5,192	10,723
h)	Other expenses	8,460	9,256	9,469	17,716	18,731	37,275
	<b>Total expenses</b>	<b>33,169</b>	<b>30,772</b>	<b>32,631</b>	<b>63,941</b>	<b>64,604</b>	<b>128,717</b>
5	<b>Profit before share in profit of jointly controlled entities and associates, exceptional items and tax</b>	<b>5,765</b>	<b>5,926</b>	<b>6,954</b>	<b>11,691</b>	<b>9,260</b>	<b>17,560</b>
6	Add: Share in profit of jointly controlled entities and associates	0	0	0	0	0	2
7	<b>Profit before exceptional items and tax</b>	<b>5,765</b>	<b>5,926</b>	<b>6,954</b>	<b>11,691</b>	<b>9,260</b>	<b>17,562</b>
8	Net exceptional gain (Refer note 3)	1,868	-	1,223	1,868	3,003	2,803
9	<b>Profit before tax</b>	<b>7,633</b>	<b>5,926</b>	<b>8,177</b>	<b>13,559</b>	<b>12,263</b>	<b>20,365</b>
10	<b>Tax expense/ (benefit)</b>						
	<b>Other than exceptional items</b>						
a)	Net current tax (benefit)/expense	(134)	1,566	2,328	1,432	3,007	5,906
b)	Net deferred tax expense/(benefit), net of tax credits (Refer note 6)	1,432	(735)	223	697	322	400
	<b>Exceptional items</b>						
c)	Net tax expense/(benefit) on exceptional items	732	-	413	732	413	392
d)	Net tax expense on account of adoption of new tax rate	-	-	6,128	-	6,128	6,128
	<b>Net tax expense (a+b+c+d)</b>	<b>2,030</b>	<b>831</b>	<b>9,092</b>	<b>2,861</b>	<b>9,870</b>	<b>12,826</b>
11	<b>Profit/(loss) after tax (A)</b>	<b>5,603</b>	<b>5,095</b>	<b>(915)</b>	<b>10,698</b>	<b>2,393</b>	<b>7,539</b>





(₹ in Crore, except as stated)							
S. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
12	<b>Other comprehensive income / (loss)</b>						
i.	(a) Items that will not be reclassified to profit or loss	(47)	23	(35)	(24)	(33)	(25)
	(b) Tax benefit/ (expense) on items that will not be reclassified to profit or loss	8	1	11	9	12	7
ii.	(a) Items that will be reclassified to profit or loss	27	349	(175)	376	(1,981)	(1,916)
	(b) Tax benefit/ (expense) on items that will be reclassified to profit or loss	82	(38)	80	44	33	46
	<b>Total other comprehensive income/(loss) (B)</b>	<b>70</b>	<b>335</b>	<b>(119)</b>	<b>405</b>	<b>(1,969)</b>	<b>(1,888)</b>
13	<b>Total comprehensive income/(loss) (A+B)</b>	<b>5,673</b>	<b>5,430</b>	<b>(1,034)</b>	<b>11,103</b>	<b>424</b>	<b>5,651</b>
14	<b>Profit/(loss) attributable to:</b>						
a)	Owners of Vedanta Limited	4,352	3,606	(1,783)	7,958	857	4,239
b)	Non-controlling interests	1,251	1,489	868	2,740	1,536	3,300
15	<b>Other comprehensive income/(loss) attributable to:</b>						
a)	Owners of Vedanta Limited	68	272	(83)	340	(1,936)	(1,879)
b)	Non-controlling interests	2	63	(36)	65	(33)	(9)
16	<b>Total comprehensive income/(loss) attributable to:</b>						
a)	Owners of Vedanta Limited	4,420	3,878	(1,866)	8,298	(1,079)	2,360
b)	Non-controlling interests	1,253	1,552	832	2,805	1,503	3,291
17	<b>Net profit after taxes, non-controlling interests and share in profit/ (loss) of jointly controlled entities and associates but before exceptional items</b>	<b>3,192</b>	<b>3,606</b>	<b>3,535</b>	<b>6,798</b>	<b>4,395</b>	<b>7,956</b>
18	Paid-up equity share capital (Face value of ₹ 1 each)	391	372	372	391	372	372
19	Reserves excluding revaluation reserves as per balance sheet						30,350
20	Earnings per share (₹) (*not annualised)						
	- Basic	11.26 *	9.72 *	(4.80) *	20.98 *	2.31 *	11.42
	- Diluted **	11.18 *	9.64 *	(4.80) *	20.82 *	2.30 *	11.33

\*\* Restricted to basic earnings per share, in case of anti-dilution.



(₹ in Crore)							
S. No.	Segment information	Quarter ended			Half year ended		Year ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1	<b>Segment revenue</b>						
a)	Zinc, Lead and Silver						
	(i) Zinc & Lead - India	6,403	6,421	5,259	12,824	11,023	22,557
	(ii) Silver - India	1,550	1,427	1,297	2,977	2,595	5,368
	<b>Total</b>	7,953	7,848	6,556	15,801	13,618	27,925
b)	Zinc - International	1,012	753	1,081	1,765	2,184	3,556
c)	Oil & Gas (Refer note 4)	2,825	2,925	8,229	5,750	11,086	17,837
d)	Aluminium	13,734	13,515	11,952	27,249	23,857	48,371
e)	Copper	6,376	4,734	4,606	11,110	9,339	19,730
f)	Iron Ore	1,374	1,320	2,083	2,694	4,121	9,069
g)	Power	1,773	1,689	1,615	3,462	3,203	6,153
h)	Others	2,326	2,574	2,634	4,900	4,874	10,080
	<b>Total</b>	37,373	35,358	38,756	72,731	72,282	142,721
Less:	Inter segment revenue	202	119	210	321	394	928
	<b>Revenue from operations</b>	37,171	35,239	38,546	72,410	71,888	141,793
2	<b>Segment results (EBITDA) <sup>i</sup></b>						
a)	Zinc, Lead and Silver	4,119	3,903	3,073	8,022	6,387	13,562
b)	Zinc - International	378	185	289	563	571	693
c)	Oil & Gas	1,170	1,081	5,860	2,251	7,005	9,777
d)	Aluminium	4,159	4,441	1,967	8,600	3,784	9,657
e)	Copper	(10)	(57)	(62)	(67)	(64)	(69)
f)	Iron Ore	137	183	320	320	484	1,676
g)	Power	193	282	248	475	535	971
h)	Others	218	257	139	475	107	188
	<b>Total segment results (EBITDA)</b>	10,364	10,275	11,834	20,639	18,809	36,455
Less:	Depreciation, depletion and amortisation expense	2,696	2,731	2,642	5,427	5,192	10,723
Add:	Other income, net of expenses <sup>ii</sup>	29	(23)	(196)	6	(432)	(477)
Less:	Finance costs	2,667	2,222	2,523	4,889	4,633	9,465
Add:	Other unallocable income, net of expenses	735	627	481	1,362	708	1,770
Add:	Share in profit/ (loss) of jointly controlled entities and associates	0	0	0	0	0	2
	<b>Profit before exceptional items and tax</b>	5,765	5,926	6,954	11,691	9,260	17,562
Add:	Net exceptional gain (Refer note 3)	1,868	-	1,223	1,868	3,003	2,803
	<b>Profit before tax</b>	7,633	5,926	8,177	13,559	12,263	20,365
3	<b>Segment assets</b>						
a)	Zinc, Lead and Silver - India	23,613	23,402	22,717	23,613	22,717	22,594
b)	Zinc - International	9,807	8,791	7,029	9,807	7,029	7,957
c)	Oil & Gas	27,745	28,686	29,675	27,745	29,675	28,028
d)	Aluminium	70,793	71,035	66,750	70,793	66,750	68,400
e)	Copper	5,115	4,439	5,851	5,115	5,851	3,439
f)	Iron Ore	6,489	6,321	5,331	6,489	5,331	5,716
g)	Power	15,761	15,685	15,108	15,761	15,108	15,209
h)	Others	10,205	11,108	10,917	10,205	10,917	10,736
i)	Unallocated	35,647	31,813	30,194	35,647	30,194	28,728
	<b>Total</b>	205,175	201,280	193,572	205,175	193,572	190,807

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

ii) Includes cost of exploration wells written off in Oil & Gas segment of ₹ 43 Crore, ₹ 97 Crore, ₹ 272 Crore, ₹ 140 Crore, ₹ 584 Crore and ₹ 786 Crore for the quarters ended 30 September 2024, 30 June 2024, 30 September 2023, half years ended 30 September 2024, 30 September 2023 and year ended 31 March 2024, respectively and amortisation of duty benefits relating to assets recognised as government grant.





(₹ in Crore)							
S. No.	Segment information	Quarter ended			Half year ended		Year ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
4	<b>Segment liabilities</b>						
a)	Zinc, Lead and Silver - India	8,050	7,983	7,144	8,050	7,144	7,353
b)	Zinc - International	2,589	2,460	1,222	2,589	1,222	2,099
c)	Oil & Gas	13,591	15,771	14,783	13,591	14,783	14,671
d)	Aluminium	23,593	25,631	23,963	23,593	23,963	25,322
e)	Copper	6,815	5,812	7,165	6,815	7,165	5,398
f)	Iron Ore	3,543	3,369	2,644	3,543	2,644	3,486
g)	Power	1,149	897	2,193	1,149	2,193	837
h)	Others	4,508	4,382	4,010	4,508	4,010	3,805
i)	Unallocated	94,141	92,995	88,462	94,141	88,462	85,767
	<b>Total</b>	<b>157,979</b>	<b>159,300</b>	<b>151,586</b>	<b>157,979</b>	<b>151,586</b>	<b>148,738</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 blister, and manufacturing of precious metal from anode slime, sulphuric acid and phosphoric acid;

(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.



Consolidated Balance Sheet		(₹ in Crore)	
Particulars	As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)	
<b>A ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	95,638	96,715	
(b) Capital work-in-progress	27,719	20,331	
(c) Intangible assets	2,152	2,248	
(d) Exploration intangible assets under development	2,909	2,558	
(e) Financial assets			
(i) Investments	1,426	987	
(ii) Trade receivables	2,497	2,409	
(iii) Loans	3	5	
(iv) Derivatives	1	3	
(v) Others	2,830	2,670	
(f) Deferred tax assets (net)	3,472	2,689	
(g) Income tax assets (net)	1,692	3,796	
(h) Other non-current assets	4,220	4,472	
<b>Total non-current assets</b>	<b>144,559</b>	<b>138,883</b>	
<b>Current assets</b>			
(a) Inventories	14,056	13,001	
(b) Financial assets			
(i) Investments	11,397	10,882	
(ii) Trade receivables	4,176	3,607	
(iii) Cash and cash equivalents	7,669	2,812	
(iv) Other bank balances	3,327	1,515	
(v) Loans	3,722	3,364	
(vi) Derivatives	540	168	
(vii) Others	9,863	12,757	
(c) Income tax assets (net)	177	48	
(d) Other current assets	5,689	3,770	
<b>Total current assets</b>	<b>60,616</b>	<b>51,924</b>	
<b>Total Assets</b>	<b>205,175</b>	<b>190,807</b>	
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	391	372	
Other equity	37,097	30,350	
<b>Equity attributable to owners of Vedanta Limited</b>	<b>37,488</b>	<b>30,722</b>	
Non-controlling interests	9,708	11,347	
<b>Total Equity</b>	<b>47,196</b>	<b>42,069</b>	
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	50,400	50,633	
(ii) Lease liabilities	592	536	
(iii) Derivatives	59	-	
(iv) Other financial liabilities	557	493	
(b) Provisions	3,278	3,105	
(c) Deferred tax liabilities (net)	12,483	10,152	
(d) Other non-current liabilities	5,011	5,158	
<b>Total non-current liabilities</b>	<b>72,380</b>	<b>70,077</b>	
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	28,253	21,125	
(ii) Lease liabilities	504	477	
(iii) Operational buyers' credit / suppliers' credit	16,260	14,935	
(iv) Trade payables	10,134	10,095	
(v) Derivatives	527	144	
(vi) Other financial liabilities	16,245	17,569	
(b) Other current liabilities	11,938	11,477	
(c) Provisions	435	341	
(d) Income tax liabilities (net)	1,303	2,498	
<b>Total current liabilities</b>	<b>85,599</b>	<b>78,661</b>	
<b>Total Equity and Liabilities</b>	<b>205,175</b>	<b>190,807</b>	





Vedanta Limited		
Consolidated Statement of Cash Flows		
	(₹ in Crore)	
	Half year ended	
Particulars	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	13,559	12,263
<b>Adjustments for:</b>		
Depreciation, depletion and amortisation	5,454	5,202
Impairment (reversal)/ charge on property, plant and equipment/ Capital work-in-progress (CWIP)/	(2,090)	(1,179)
Other assets written off (net)		
Other exceptional items	222	(1,824)
Provision for doubtful advances/ expected credit loss/ bad debts written off	146	233
Exploration costs written off	140	584
Liabilities written back	(320)	(77)
Net gain on sale of short-term investments	(59)	-
Fair value gain on financial assets held at fair value through profit or loss	(102)	(35)
(Gain)/ Loss on sale/ discard of property, plant and equipment (net)	(323)	16
Foreign exchange (gain)/ loss (net)	(45)	214
Unwinding of discount on decommissioning liability	69	62
Share based payment expense	53	62
Interest and dividend income	(1,157)	(887)
Interest expense	4,821	4,571
Deferred government grant	(146)	(150)
<b>Changes in working capital</b>		
Decrease/ (Increase) in trade and other receivables	150	(4,538)
(Increase)/ Decrease in inventories	(1,192)	716
Decrease in trade and other payables	(284)	(730)
<b>Cash generated from operations</b>	<b>18,896</b>	<b>14,503</b>
Income taxes paid (net)	(542)	(331)
<b>Net cash generated from operating activities</b>	<b>18,354</b>	<b>14,172</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment (including intangibles, CWIP, capital advances and creditors)	(7,601)	(7,810)
Proceeds from sale of property, plant and equipment	80	45
Loans repaid by related parties	-	266
Deposits made	(13,463)	(1,488)
Proceeds from redemption of deposits	12,094	1,653
Short term investments made	(64,270)	(27,486)
Proceeds from sale of short term investments	64,059	28,164
Interest received	1,143	993
Dividends received	12	25
Payment made to site restoration fund	(42)	-
Purchase of long term investments	(400)	(188)
Proceeds from sale of investment in subsidiary	3,134	-
<b>Net cash used in investing activities</b>	<b>(5,254)</b>	<b>(5,826)</b>



Vedanta Limited		
Consolidated Statement of Cash Flows		
	(₹ in Crore)	
	Half year ended	
Particulars	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of ordinary shares, net of issue expenses	8,434	-
(Repayment)/Proceeds from short-term borrowings (net)	(26)	36
Proceeds from current borrowings	7,848	10,072
Repayment of current borrowings	(4,852)	(14,517)
Proceeds from long-term borrowings	11,581	19,749
Repayment of long-term borrowings	(8,098)	(7,058)
Interest paid	(5,081)	(4,549)
Payment of dividends to equity holders of the Company	(13,452)	(14,485)
Payment of dividends to non-controlling interests	(4,482)	(1,038)
Principal payment of lease liabilities	(136)	(82)
Interest payment of lease liabilities	(38)	(11)
<b>Net cash used in financing activities</b>	<b>(8,302)</b>	<b>(11,883)</b>
Effect of exchange rate changes on cash and cash equivalents	59	0
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>4,857</b>	<b>(3,537)</b>
Cash and cash equivalents at the beginning of the year	2,812	6,926
<b>Cash and cash equivalents at end of the period</b>	<b>7,669</b>	<b>3,389</b>
Notes:		
1. The figures in parentheses indicate outflow.		
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.		





**Notes:-**

- The above consolidated results of Vedanta Limited ("the Company") and its subsidiaries ("the Group"), jointly controlled entities, and associates for the quarter ended 30 September 2024 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors at their respective meetings held on 08 November 2024. The statutory auditors have carried out a limited review on these results and issued an unmodified conclusion.
- During the quarter ended 30 September 2024, the Board of Directors of the Company at its meeting held on 26 July 2024, approved the second interim dividend of ₹ 4/- per equity share on face value of ₹ 1/- per equity share for FY 2024-25. Additionally, the Board of Directors of the Company at its meeting held on 02 September 2024, approved the third interim dividend of ₹ 20/- per equity share on face value of ₹ 1/- per equity share for FY 2024-25. With this, the total dividend declared for FY 2024-25 currently stands at ₹ 35/- per equity share on face value of ₹ 1/- per equity share.
- Net exceptional gain/(loss) :

(₹ in Crore)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
Property, plant and equipment ("PPE"), exploration intangible assets under development, capital work-in-progress ("CWIP") and other assets written back/ (written off) or (impaired)/ reversed:						
- Oil & Gas <sup>a</sup>	2,358	-	1,179	2,358	1,179	1,179
- Copper	-	-	-	-	-	(746)
- Aluminium	-	-	-	-	-	(131)
- Zinc International	-	-	-	-	-	(117)
- Others <sup>b</sup>	(268)	-	-	(268)	-	-
Impact of state levies:						
- Zinc <sup>c,d</sup>	(83)	-	-	(83)	-	-
- Iron Ore <sup>d</sup>	(139)	-	-	(139)	-	-
Foreign currency translation reserve recycled to profit or loss on redemption of optionally convertible redeemable preference shares	-	-	44	-	1,824	1,825
Capital creditors written back in Power segment	-	-	-	-	-	793
<b>Net exceptional gain/(loss)</b>	<b>1,868</b>	<b>-</b>	<b>1,223</b>	<b>1,868</b>	<b>3,003</b>	<b>2,803</b>
Current tax benefit on above	50	-	-	50	-	33
Net deferred tax expense on above	(782)	-	(413)	(782)	(413)	(425)
<b>Net exceptional gain/(loss), net of tax</b>	<b>1,136</b>	<b>-</b>	<b>810</b>	<b>1,136</b>	<b>2,590</b>	<b>2,411</b>
Non-controlling interests on above	(24)	-	-	(24)	-	-
<b>Net exceptional gain/(loss), net of tax and non-controlling interests</b>	<b>1,160</b>	<b>-</b>	<b>810</b>	<b>1,160</b>	<b>2,590</b>	<b>2,411</b>

- During the quarter ended 30 September 2024, the Oil & Gas segment of the Group has commenced injection of Alkaline Surfactant Polymer (ASP) flooding in selective well pads of the Mangala field. In order to extend the injection across the field, the Group has identified cluster based development approach. The execution of cluster based approach has commenced with the award of surface facilities and on ground mobilization. As a result of the above, the Group is planning for the development of remaining clusters. Accordingly, the Group evaluated the fair value of the Oil & Gas business and updated other key assumptions such as brent price, discount rate, tax rate etc., in line with market participant approach. Consequently, the Group has recognized an impairment reversal of Rs. 2,358 Crore on its assets in the Rajasthan oil and gas block ("CGU").
- During the quarter ended 30 September 2024, for certain projects under CWIP at AvanStrate Inc ("ASI"), a subsidiary of the Company, a provision for impairment have been recorded as they are no longer expected to be viable.
- Zinc - Land tax:**  
During the quarter ended 30 September 2024, the Group has opted to settle matters pertaining to land tax for the period till February 2024, by availing the Amnesty Scheme 2024 as launched by State of Rajasthan. Pursuant to which the Group has recorded a provision of ₹ 27 Crore. Furthermore, the State of Rajasthan vide the same notification has exempted land tax payable on all classes of land with effect from 08 February 2024.
- The Supreme Court of India vide its order dated 25 July 2024 (the "Supreme Court Order") opined that the state governments have powers to levy additional taxes/cess on mineral bearing land and mining rights thereof and also held that royalty is not a tax. The Supreme Court vide its further order dated 14 August 2024, clarified that the state governments can levy or renew demands of tax/cess on the existing cases initiated on or after 01 April 2005 which will be payable in 12 annual installments commencing from 01 April 2026.

**Zinc - Environment and Health Cess:**

The State of Rajasthan had levied Environment and Health Cess through a notification in year 2008 on major minerals including lead and zinc which later got rescinded in 2017. As per management's assessment on account of the Supreme Court Order, the Group has recorded a provision of ₹ 56 Crore. However, the Group has not received any demand notice post Supreme Court Order till date.

**Iron ore - Transport Cess:**

The Group and other miners had challenged the cess imposition under Goa Rural Improvement and Welfare Cess Act, 2000 (the "Act") in the High Court of Bombay, which upheld the Act's validity in September 2018. The Group's appeal is currently pending before the Supreme Court. As per management's assessment on account of the Supreme Court Order, the Group has recorded a provision of ₹ 139 Crore.





- 4 The Government of India ("GoI"), acting through the Directorate General of Hydrocarbons ("DGH"), had raised demand up to 14 May 2020 for Government's additional share of Profit Oil, based on its computation of disallowance of cost incurred over retrospective re-allocation of certain common costs between Development Areas (DAs) of Rajasthan Block and certain other matters aggregating to ₹ 9,545 Crore (US\$ 1,162 million) and applicable interest thereon representing share of Vedanta Limited and its subsidiary.

The Group had disputed the aforesaid demand and invoked arbitration as per the provisions of the Production Sharing Contract. The Group had received the Final Partial Award dated 22 August 2023 from the Arbitration Tribunal ('the Tribunal') as amended by order dated 15 November 2023 and 08 December 2023 ("the Award"), dismissing the Government's contention of additional Profit Petroleum in relation to allocation of common development costs across Development Areas and certain other matters in accordance with terms of the Production Sharing Contract for Rajasthan Block, while allowing some aspects of the objections. Further, the Tribunal had decided that the Group was allowed to claim cost recovery of exploration cost as per terms of the Production Sharing Contract.

Pursuant to the Award, the Group had recognized a benefit of ₹ 4,761 Crore (US\$ 578 million) in revenue from operations in financial year ended 31 March 2024. The Group has been adjusting the profit petroleum liability against the aforesaid benefit.

(A) GoI had filed interim relief application on 03 February 2024 stating that the Group has unilaterally enforced the award although the quantification of the same is pending. The matter was heard on 26 March 2024 and the Tribunal vide its order dated 29 April 2024 has denied GoI's interim relief application in favour of the Group. GoI has filed an appeal before the Delhi High Court ("Section 37 Appeal"). Next date of hearing is 25 November 2024. In the interim, vide letter dated 06 May 2024, GoI has submitted its calculation of the quantum, basis the Award. GoI has claimed a sum of US\$ 224 million from the Group. The Group is of the view that the GoI computation is prima-facie contrary to the Award including clarifications issued by the Tribunal. The Tribunal has allowed these costs for cost recovery but this was not considered by GoI in their calculation of the quantum. The Group has responded to the GoI with its detailed analysis and is awaiting a response.

(B) GoI had also filed a challenge against the Award on 07 March 2024 in Delhi High Court and the matter was first heard on 14 March 2024. Notice has been issued on 01 August 2024 in Section 34 and granted liberty to the Group to file its response. Further, no stay has been granted to GoI against the adjustment of liability by the Group. Next date of hearing is 25 November 2024.

The Group believes that the Court may not re-appreciate the evidence in Section 34 appeal as the interpretation by the Tribunal is plausible.

- 5 The Board of Directors, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the Company. The Scheme entails demerger of the Company's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil & Gas (represented by the Oil and Gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) Undertakings, resulting in 6 separate companies (including Vedanta Limited, being the demerged Company), with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ('the Stock Exchanges'). The Stock Exchanges have given their no-objection to the Scheme.

A joint company scheme application was filed by demerged company (i.e., Vedanta Limited) and four resulting companies (i.e., Vedanta Aluminium Metal Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited) before the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT'). The Hon'ble NCLT at the first motion hearing held on 16 October 2024, heard the matter and has reserved its order for formal pronouncement.

Further, on 30 September 2024, Talwandi Sabo Power Limited ('TSPL'), one of the resulting companies, has received an order of the Regional Director, Northern Region, approving the shifting of its registered office from Mansa (Punjab) to Mumbai (Maharashtra). Post shifting of its registered office to Mumbai, a separate company scheme application has been filed by TSPL with the NCLT on 22 October 2024 for demerger of Merchant Power Undertaking of the Company and the matter is pending for listing.

Pending regulatory and other substantive approvals, no adjustments have been recorded in the financial results for the quarter ended 30 September 2024.

- 6 During the quarter ended 30 September 2024, AvanStrate Inc. Japan ("ASI"), Hoya Corporation, Japan ("HOYA") and Cairn India Holdings Limited ("CIHL") a wholly owned subsidiary of the Company, executed a comprehensive settlement agreement dated 5 August 2024 to settle all liabilities and provide an exit to HOYA (the "Settlement agreement"). On account of the said agreement, the Group acquired its stake of ~46% in ASI. The outstanding obligation of HOYA, as determined by the Settlement Agreement, has been fully paid on 26 August 2024 and HOYA's shareholding has been transferred to CIHL on 29 August 2024. Post HOYA's exit, the Group holds ~98.2% in ASI.

In order to strengthen the ASI operations, the Group expects to re-organise the capital structure of ASI and its subsidiaries ("ASI Group") and is evaluating multiple options. The said reorganization is expected to result in utilization of brought forward losses at the ASI Group. Hence, net deferred tax asset of ₹ 662 Crore pertaining to such unutilized tax losses have been recorded during the previous quarter, in accordance with principles of Ind AS-12 - Income taxes. Accordingly tax expense for the quarter ended June 30, 2024 is not comparable to the reported tax expense for current and other periods presented.

- 7 During the quarter ended 30 September 2024, the Company has allotted 19,31,81,818 equity shares on 20 July 2024 to eligible Qualified Institutions Buyers (QIB) at a price of ₹ 440 per equity share (including a premium of ₹ 439 per equity share) aggregating to ₹ 8,500 Crore pursuant to Qualified Institutions Placement (QIP), in accordance with provisions of SEBI ICDR Regulations.

By Order of the Board

*Arun Misra*

Arun Misra  
Executive Director  
(Whole-Time Director)



Place: Jaipur

Dated: 08 November 2024



**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 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 standalone financial results of Vedanta Limited (the "Company") for the quarter ended September 30, 2024 and year to date from April 01, 2024 to September 30, 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Company's Management is responsible for 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 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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.
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 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.

**Other matters**

5. We did not audit the financial results and other financial information in respect of an unincorporated joint operation not operated by the Company, whose interim financial results reflect total assets Rs 176 Crore as at September 30, 2024, total revenues of Rs 40 Crore and Rs. 75 Crore, total net profit after tax of Rs. 7 Crore and Rs 13 Crore and total comprehensive



income of Rs. 7 Crore and Rs 13 Crore for the quarter ended September 30, 2024 and for year to date from April 01, 2024 to September 30, 2024 respectively and net cash inflows of Rs. Nil for year to date from April 01, 2024 to September 30, 2024.

The interim financial results and other financial information of the said unincorporated joint operation not operated by the Company have not been reviewed and such unaudited interim financial results and other unaudited financial information have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the said unincorporated joint operation, is based solely on such unaudited information furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management, these interim financial results and other financial information of said unincorporated joint operation is not material to the Company. Our conclusion on the Statement of the Company is not modified in respect of this matter.

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

Chartered Accountants

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



**per Vikas Pansari**

Partner

Membership No.: 093649



UDIN: 24093649BKGPQY6211

Place: Mumbai

Date: November 8, 2024





Vedanta Limited  
CIN: 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 30 SEPTEMBER 2024

(₹ in Crore, except as stated)

S.No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1	Revenue from operations (Refer note 4)	18,003	16,387	19,011	34,390	34,676	69,663
2	Other operating income	285	328	225	613	467	1,094
3	Other income (Refer note 6)	6,963	3,418	2,893	10,381	3,000	5,551
	<b>Total Income</b>	<b>25,251</b>	<b>20,133</b>	<b>22,129</b>	<b>45,384</b>	<b>38,143</b>	<b>76,308</b>
4	<b>Expenses</b>						
a)	Cost of materials consumed	8,567	7,352	7,418	15,919	14,507	29,300
b)	Purchases of stock-in-trade	107	2	170	109	296	791
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(375)	(1,018)	56	(1,393)	140	308
d)	Power and fuel charges	2,880	3,009	3,074	5,889	6,113	12,372
e)	Employee benefits expense	308	312	292	620	581	1,080
f)	Finance costs	1,622	1,584	1,405	3,206	2,740	5,679
g)	Depreciation, depletion and amortisation expense	1,051	1,026	975	2,077	1,856	3,789
h)	Other expenses	3,077	3,294	3,949	6,371	7,429	14,327
	<b>Total expenses</b>	<b>17,237</b>	<b>15,561</b>	<b>17,339</b>	<b>32,798</b>	<b>33,662</b>	<b>67,646</b>
5	<b>Profit before exceptional items and tax</b>	<b>8,014</b>	<b>4,572</b>	<b>4,790</b>	<b>12,586</b>	<b>4,481</b>	<b>8,662</b>
6	Net exceptional gain (Refer note 3)	3,122	-	2,037	3,122	5,746	5,073
7	<b>Profit before tax</b>	<b>11,136</b>	<b>4,572</b>	<b>6,827</b>	<b>15,708</b>	<b>10,227</b>	<b>13,735</b>
8	<b>Tax expense/ (benefit)</b>						
	<b>Other than exceptional items</b>						
a)	Net current tax (benefit)/ expense	(335)	402	586	67	539	1,175
b)	Net deferred tax expense/ (benefit), including tax credits	714	(13)	(47)	701	(8)	(108)
	<b>Exceptional items:</b>						
c)	Net tax expense/ (benefit) on exceptional items (Refer note 3)	204	-	138	204	138	(83)
d)	Net tax expense on account of adoption of new tax rate	-	-	6,128	-	6,128	6,128
	<b>Net tax expense (a+b+c+d)</b>	<b>583</b>	<b>389</b>	<b>6,805</b>	<b>972</b>	<b>6,797</b>	<b>7,112</b>
9	<b>Net profit after tax (A)</b>	<b>10,553</b>	<b>4,183</b>	<b>22</b>	<b>14,736</b>	<b>3,430</b>	<b>6,623</b>
10	<b>Net profit after tax before exceptional items (net of tax)</b>	<b>7,635</b>	<b>4,183</b>	<b>4,251</b>	<b>11,818</b>	<b>3,950</b>	<b>7,595</b>
11	<b>Other comprehensive (expense)/ income</b>						
a)	(i) Items that will not be reclassified to profit or loss	(22)	10	(16)	(12)	(16)	(31)
	(ii) Tax benefit on items that will not be reclassified to profit or loss	2	1	6	3	6	7
b)	(i) Items that will be reclassified to profit or loss	(49)	130	(93)	81	(16)	7
	(ii) Tax benefit/ (expense) on items that will be reclassified to profit or loss	26	(32)	61	(6)	32	28
	<b>Total other comprehensive (expense)/ income (B)</b>	<b>(43)</b>	<b>109</b>	<b>(42)</b>	<b>66</b>	<b>6</b>	<b>11</b>
12	<b>Total comprehensive income/ (expense) (A+B)</b>	<b>10,510</b>	<b>4,292</b>	<b>(20)</b>	<b>14,802</b>	<b>3,436</b>	<b>6,634</b>
13	Paid-up equity share capital (Face value of ₹ 1 each)	391	372	372	391	372	372
14	Reserves excluding revaluation reserves as per balance sheet						65,164
15	Earnings per share (₹) (**not annualised)						
	- Basic and diluted	27.26 **	11.24 **	0.06 **	38.82 **	9.22 **	17.80



(₹ in Crore)

S. No.	Segment information	Quarter ended			Half year ended		Year ended
		30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
1	<b>Segment revenue</b>						
a)	Oil and Gas (Refer note 4)	1,592	1,626	4,246	3,218	5,792	9,554
b)	Aluminium	10,254	10,054	8,881	20,308	17,633	35,743
c)	Copper	4,615	3,312	3,726	7,927	7,043	14,988
d)	Iron Ore	1,269	1,177	2,014	2,446	3,903	8,648
e)	Power	273	218	144	491	305	730
	<b>Revenue from operations</b>	<b>18,003</b>	<b>16,387</b>	<b>19,011</b>	<b>34,390</b>	<b>34,676</b>	<b>69,663</b>
2	<b>Segment results (EBITDA) <sup>i</sup></b>						
a)	Oil and Gas	685	608	2,942	1,293	3,548	5,161
b)	Aluminium	3,023	3,174	1,463	6,197	2,840	7,006
c)	Copper	(18)	(52)	(63)	(70)	(76)	(72)
d)	Iron Ore	140	164	320	304	505	1,656
e)	Power	(74)	(12)	(92)	(86)	(107)	(234)
	<b>Total segment results (EBITDA)</b>	<b>3,756</b>	<b>3,882</b>	<b>4,570</b>	<b>7,638</b>	<b>6,710</b>	<b>13,517</b>
Less:	Depreciation, depletion and amortisation expense	1,051	1,026	975	2,077	1,856	3,789
Add:	Other income, net of expenses <sup>ii</sup>	(23)	(76)	(249)	(99)	(542)	(702)
Less:	Finance costs	1,622	1,584	1,405	3,206	2,740	5,679
Add:	Other unallocable income, net of expenses (Refer note 6)	6,954	3,376	2,849	10,330	2,909	5,315
	<b>Profit before exceptional items and tax</b>	<b>8,014</b>	<b>4,572</b>	<b>4,790</b>	<b>12,586</b>	<b>4,481</b>	<b>8,662</b>
Add:	Net exceptional gain (Refer note 3)	3,122	-	2,037	3,122	5,746	5,073
	<b>Profit before tax</b>	<b>11,136</b>	<b>4,572</b>	<b>6,827</b>	<b>15,708</b>	<b>10,227</b>	<b>13,735</b>
3	<b>Segment assets</b>						
a)	Oil and Gas	17,389	18,762	19,166	17,389	19,166	18,326
b)	Aluminium	52,188	52,860	51,045	52,188	51,045	51,043
c)	Copper	4,629	3,925	5,357	4,629	5,357	2,942
d)	Iron Ore	5,434	5,121	4,009	5,434	4,009	4,866
e)	Power	3,343	3,194	3,124	3,343	3,124	3,090
f)	Unallocated	76,572	72,123	68,621	76,572	68,621	70,246
	<b>Total</b>	<b>1,59,555</b>	<b>1,55,985</b>	<b>1,51,322</b>	<b>1,59,555</b>	<b>1,51,322</b>	<b>1,50,513</b>
4	<b>Segment liabilities</b>						
a)	Oil and Gas	10,141	11,642	10,591	10,141	10,591	10,694
b)	Aluminium	19,134	20,534	19,012	19,134	19,012	20,448
c)	Copper	6,505	5,483	6,848	6,505	6,848	5,078
d)	Iron Ore	2,808	2,722	2,206	2,808	2,206	2,927
e)	Power	423	295	363	423	363	277
f)	Unallocated	45,203	49,553	45,859	45,203	45,859	45,553
	<b>Total</b>	<b>84,214</b>	<b>90,229</b>	<b>84,879</b>	<b>84,214</b>	<b>84,879</b>	<b>84,977</b>

i) Earnings before interest, tax, depreciation and amortisation ("EBITDA") is a non-GAAP measure.

ii) Includes cost of exploration wells written off in Oil and Gas segment of ₹ 43 Crore, ₹ 97 Crore, ₹ 272 Crore, ₹ 140 Crore, ₹ 584 Crore and ₹ 786 Crore for the quarters ended 30 September 2024, 30 June 2024, 30 September 2023, half years ended 30 September 2024, 30 September 2023 and year ended 31 March 2024, respectively and amortisation of duty benefits relating to assets recognised as government grant

The main business segments are:

- (a) Oil and Gas, which consists of exploration, development and production of oil and gas;
- (b) Aluminium, which consists 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 blister and manufacturing of sulphuric acid, phosphoric acid;
- (d) Iron ore, which consists of mining of ore and manufacturing of pig iron and metallurgical coke; and
- (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.





<b>Balance Sheet</b> <b>Vedanta Limited</b> <b>CIN: L13209MH1965PLC291394</b>			(₹ in Crore)
Particulars	As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)	
<b>A ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	43,067	43,642	
(b) Capital work-in-progress	10,842	8,835	
(c) Intangible assets	1,151	1,176	
(d) Exploration intangible assets under development	2,534	2,298	
(e) Financial assets			
(i) Investments	59,141	59,902	
(ii) Trade receivables	680	673	
(iii) Loans	1,527	517	
(iv) Derivatives	1	3	
(v) Others	1,873	1,693	
(f) Deferred tax assets (net)	-	-	
(g) Income tax assets (net)	1,443	3,496	
(h) Other non-current assets	2,659	2,691	
<b>Total non-current assets</b>	<b>1,24,918</b>	<b>1,24,926</b>	
<b>2 Current assets</b>			
(a) Inventories	8,122	6,946	
(b) Financial assets			
(i) Investments	1,955	256	
(ii) Trade receivables	2,125	1,864	
(iii) Cash and cash equivalents	6,215	1,488	
(iv) Other bank balances	2,028	654	
(v) Loans	1,116	1,227	
(vi) Derivatives	300	131	
(vii) Others	7,898	9,656	
(c) Income tax assets (net)	146	-	
(d) Other current assets	4,732	3,365	
<b>Total current assets</b>	<b>34,637</b>	<b>25,587</b>	
<b>Total Assets</b>	<b>1,59,555</b>	<b>1,50,513</b>	
<b>B EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
Equity Share Capital	391	372	
Other Equity	74,950	65,164	
<b>Total Equity</b>	<b>75,341</b>	<b>65,536</b>	
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	26,042	28,320	
(ii) Lease liabilities	220	212	
(iii) Others	2	-	
(b) Provisions	1,361	1,313	
(c) Deferred tax liabilities (net)	2,830	1,889	
(d) Other non-current liabilities	3,047	3,129	
<b>Total Non-current liabilities</b>	<b>33,502</b>	<b>34,863</b>	
<b>3 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14,619	13,912	
(ii) Lease liabilities	137	131	
(iii) Operational buyers' credit / suppliers' credit	13,335	12,072	
(iv) Trade payables			
(1) Total outstanding dues of micro and small enterprises	214	152	
(2) Total outstanding dues of creditors other than micro and small enterprises	4,413	4,878	
(v) Derivatives	166	73	
(vi) Other financial liabilities	10,747	11,211	
(b) Other current liabilities	6,877	6,942	
(c) Provisions	169	137	
(d) Income tax liabilities (net)	35	606	
<b>Total current liabilities</b>	<b>50,712</b>	<b>50,114</b>	
<b>Total Equity and Liabilities</b>	<b>1,59,555</b>	<b>1,50,513</b>	



Statement of Cash Flows		(₹ in Crore)
Particulars	Half year ended	
	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	15,708	10,227
<b>Adjustments for:</b>		
Depreciation, depletion and amortisation	2,103	1,867
Impairment (reversal)/ charge on property, plant and equipment/ Capital work-in-progress (CWIP)/Other assets written off (net)	(913)	(550)
Reversal of impairment on investments	(200)	(1,942)
Net gain on sale of short-term investments	(59)	-
Other exceptional items	97	(3,287)
Provision for doubtful advances/ expected credit loss/ bad debts written off	127	170
Liabilities written back	(14)	(12)
Exploration costs written off	140	584
Fair value gain on financial assets held at fair value through profit or loss	(30)	(6)
Net (gain)/ loss on sale of long term investment in subsidiary	(2,106)	33
Loss on sale/ discard of property, plant and equipment	36	28
Foreign exchange (gain)/ loss (net)	(4)	33
Unwinding of discount on decommissioning liability	27	25
Share based payment expense	33	33
Interest income	(572)	(207)
Dividend income	(9,666)	(2,730)
Interest expense	3,179	2,715
Deferred government grant	(41)	(42)
<b>Changes in Working capital</b>		
Decrease/ (increase) in trade and other receivables	51	(3,232)
Increase/ (decrease) in inventories	(1,204)	325
Decrease in trade and other payables	(227)	(493)
<b>Cash generated from operations</b>	<b>6,465</b>	<b>3,539</b>
Income taxes refund / (paid) (net)	1,333	(210)
<b>Net cash generated from operating activities</b>	<b>7,798</b>	<b>3,329</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment made in subsidiaries	-	(23)
Purchases of property, plant and equipment (including intangibles, CWIP, capital advances and capital creditors)	(2,870)	(3,129)
Proceeds from sale of property, plant and equipment	53	1
Loans given to related parties	(1,376)	(559)
Loans repaid by related parties	504	354
Deposits made	(11,339)	(477)
Proceeds from redemption of deposits	10,382	363
Short term investments made	(37,965)	(8,124)
Proceeds from sale of short-term investments	36,340	9,648
Interest received	570	172
Dividends received	9,666	2,730
Payment made to site restoration fund	(24)	-
Purchase of long term investments	(60)	(20)
Proceeds from sale of long term investments in subsidiary	3,134	7,606
<b>Net cash generated from investing activities</b>	<b>7,015</b>	<b>8,542</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of ordinary shares, net of issue expenses	8,434	-
Repayment of short-term borrowings (net)	(10)	(25)
Proceeds from current borrowings	35	4,524
Repayment of current borrowings	(46)	(6,304)
Proceeds from long-term borrowings	3,035	5,869
Repayment of long-term borrowings	(5,479)	(2,538)
Interest paid	(3,269)	(2,874)
Loans from related parties	2,321	-
Loans repaid to related parties	(1,600)	-
Payment of dividends to equity holders of the Company	(13,452)	(14,485)
Principal payment of lease liabilities	(38)	(4)
Interest payment of lease liabilities	(17)	(3)
<b>Net cash used in financing activities</b>	<b>(10,086)</b>	<b>(15,840)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>4,727</b>	<b>(3,969)</b>
Cash and cash equivalents at the beginning of the period	1,488	5,147
<b>Cash and cash equivalents at the end of the period</b>	<b>6,215</b>	<b>1,178</b>
<b>Notes:</b>		
1. The figures in parentheses indicate outflow.		
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.		





**Notes:-**

- 1 The above results of Vedanta Limited ("the Company"), for the quarter and half year ended 30 September 2024 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on 08 November 2024. The statutory auditors have carried out a limited review on these results and issued an unmodified conclusion.
- 2 During the quarter ended 30 September 2024, the Board of Directors of Vedanta Limited (the "Company") at its meeting held on 26 July 2024, approved the second interim dividend of ₹ 4/- per equity share on face value of ₹ 1/- per equity share for FY 2024-25. Additionally, the Board of Directors of the Company at its meeting held on 02 September 2024, approved the third interim dividend of ₹ 20/- per equity share on face value of ₹ 1/- per equity share for FY 2024-25. With this, the total dividend declared for FY 2024-25 currently stands at ₹ 35/- per equity share on face value of ₹ 1/- per equity share.

- 3 Net exceptional gain/ (loss)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Property, plant and equipment ("PPE"), exploration intangible assets under development, capital work-in-progress ("CWIP"), investments and other assets (impaired)/ reversal or (written off)/ written back in:						
- Oil and Gas <sup>a</sup>	1,113	-	1,632	1,113	1,599	1,599
- Copper	-	-	-	-	-	(746)
- Aluminium	-	-	-	-	-	(131)
- Unallocated						
a) Gain on redemption of OCRPS	-	-	179	-	3,287	3,287
b) Reversal of previously recorded impairment	-	-	226	-	860	1,064
Profit on stake sale of subsidiary <sup>b</sup>	2,106	-	-	2,106	-	-
Transport cess in Iron ore segment <sup>c</sup>	(97)	-	-	(97)	-	-
<b>Net exceptional gain</b>	<b>3,122</b>	<b>-</b>	<b>2,037</b>	<b>3,122</b>	<b>5,746</b>	<b>5,073</b>
Current tax benefit on above	25	-	541	25	-	33
Net deferred tax (expense)/ benefit on above	(229)	-	(679)	(229)	(138)	50
<b>Net exceptional gain (net of tax)</b>	<b>2,918</b>	<b>-</b>	<b>1,899</b>	<b>2,918</b>	<b>5,608</b>	<b>5,156</b>

- a) During the quarter ended 30 September 2024, the Oil & Gas segment of the Company has commenced injection of Alkaline Surfactant Polymer (ASP) flooding in selective well pads of Mangala field. In order to extend the injection across the field, the Company has identified cluster based development approach. The execution of cluster based approach has commenced with the award of surface facilities and on ground mobilization. As a result of the above, the Company is planning for the development of remaining clusters. Accordingly, the Company evaluated the fair value of the Oil & Gas business and updated other key assumptions such as Brent price, discount rate, tax rate etc., in line with market participant approach. Consequently, the Company has recognized an impairment reversal of ₹ 913 Crore on its tangible assets in the Rajasthan oil and gas block ("CGU") and ₹ 200 Crore on its investment in its wholly subsidiary, Cairn India Holdings Limited ("CIHL").
- b) During the quarter ended 30 September 2024, the Company has reduced its shareholding in its subsidiary, Hindustan Zinc Limited ("HZL") from 2,74,31,54,310 shares to 2,67,95,48,419 equity shares by way of an offer for sale through stock exchange mechanism, for a net consideration of ₹ 3,134 Crore, resulting in net gain of ₹ 2,106 Crore. Consequent to the aforesaid sale, the Company's overall stake has decreased from 64.92% to 63.42% of the total paid-up share capital of HZL.
- c) The Supreme Court of India vide its order dated 25 July 2024 (the "Supreme Court Order") opined that the state governments have powers to levy additional taxes/cess on mineral bearing land and mining rights thereof and also held that royalty is not a tax. The Supreme Court vide its further order dated 14 August 2024, clarified that the state governments can levy or renew demands of tax/cess on the existing cases initiated on or after 01 April 2005 which will be payable in 12 annual installments commencing from 01 April 2026. The Company and other miners had challenged the cess imposition under Goa Rural Improvement and Welfare Cess Act, 2000 (the "Act") in the High Court of Bombay, which upheld the Act's validity in September 2018. The Company's appeal is currently pending before the Supreme Court. As per management's assessment on account of the Supreme Court Order, the Company has recorded a provision of ₹ 97 Crore.

- 4 The Government of India ("GoI"), acting through the Directorate General of Hydrocarbons ("DGH"), had raised a demand up to 14 May 2020 for Government's additional share of Profit Oil based on its computation of disallowance of cost incurred over retrospective re-allocation of certain common costs between Development Areas (DAs) of Rajasthan Block and certain other matters aggregating to ₹ 9,545 Crore (US\$ 1,162 million) and applicable interest thereon representing share of Vedanta Limited and its subsidiary.

The Company had disputed the aforesaid demand and invoked arbitration as per the provisions of the Production Sharing Contract. The Company had received the Final Partial Award dated 22 August 2023 from the Arbitration Tribunal ('the Tribunal') as amended by order dated 15 November 2023 and 08 December 2023 ("the Award"), dismissing the Government's contention of additional Profit Petroleum in relation to allocation of common development costs across Development Areas and certain other matters in accordance with terms of the Production Sharing Contract for Rajasthan Block, while allowing some aspects of the objections. Further, the Tribunal had decided that the Company was allowed to claim cost recovery of exploration cost as per terms of the Production Sharing Contract.

Pursuant to the Award, the Company had recognized a benefit of ₹ 2,381 Crore (US\$ 289 million) in revenue from operations in financial year ended 31 March 2024. The Company has been adjusting the profit petroleum liability against the aforesaid benefit.





(A) GoI had filed interim relief application on 03 February 2024 stating that the Company has unilaterally enforced the award although the quantification of the same is pending. The matter was heard on 26 March 2024 and the Tribunal vide its order dated 29 April 2024 has denied GoI's interim relief application in favour of the Company. GoI has filed an appeal before the Delhi High Court ("Section 37 Appeal"). Next date of hearing is 25 November 2024. In the interim, vide letter dated 06 May 2024, GoI has submitted its calculation of the quantum basis the Award. GoI has claimed a sum of US\$ 224 million from the Company. The Company is of the view that the GoI computation is prima-facie contrary to the Award including clarifications issued by the Tribunal. The Tribunal has allowed these costs for cost recovery but this was not considered by GoI in their calculation of the quantum. The Company has responded to the GoI with its detailed analysis and is awaiting a response.

(B) GoI had also filed a challenge against the Award on 07 March 2024 in Delhi High Court and the matter was first heard on 14 March 2024. Notice has been issued on 01 August 2024 in Section 34 and granted liberty to the Company to file its response. Further, no stay has been granted to GoI against adjustment of liability by the Company. Next date of hearing is 25 November 2024.

The Company believes that the Court may not re-appreciate the evidence in Section 34 appeal as the interpretation by the Tribunal is plausible.

- 5 The Board of Directors, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the Company. The Scheme entails demerger of the Company's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil & Gas (represented by the Oil and Gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) Undertakings, resulting in 6 separate companies (including Vedanta Limited, being the demerged Company), with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ('the Stock Exchanges'). The Stock Exchanges have given their no-objection to the Scheme.

A joint company scheme application was filed by demerged company (i.e., Vedanta Limited) and four resulting companies (i.e., Vedanta Aluminium Metal Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited) before the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT'). The Hon'ble NCLT at the first motion hearing held on 16 October 2024, heard the matter and has reserved its order for formal pronouncement.

Further, on 30 September 2024, Talwandi Sabo Power Limited ('TSPL'), one of the resulting companies, has received an order of the Regional Director, Northern Region, approving the shifting of its registered office from Mansa (Punjab) to Mumbai (Maharashtra). Post shifting of its registered office to Mumbai, a separate company scheme application has been filed by TSPL with the NCLT on 22 October 2024 for demerger of Merchant Power Undertaking of the Company and the matter is pending for listing. Pending regulatory and other substantive approvals, no adjustments have been recorded in the financial results for the quarter ended 30 September 2024.

- 6 Other income includes dividend income from subsidiaries of ₹ 6,606 Crore, ₹ 3,060 Crore, ₹ 2,729 Crore, ₹ 9,666 Crore, ₹ 2,729 Crore and ₹ 4,965 Crore for the quarters ended 30 September 2024, 30 June 2024, 30 September 2023, half years ended 30 September 2024, 30 September 2023 and year ended 31 March 2024, respectively.
- 7 During the quarter ended 30 September 2024, the Company has allotted 19,31,81,818 equity shares on 20 July 2024 to eligible Qualified Institutions Buyers (QIB) at a price of ₹ 440 per equity share (including a premium of ₹ 439 per equity share) aggregating to ₹ 8,500 Crore pursuant to Qualified Institutions Placement (QIP), in accordance with provisions of SEBI ICDR Regulations.
- 8 Additional disclosures as per Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2024 (Unaudited)	30.06.2024 (Unaudited)	30.09.2023 (Unaudited)	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
a) Debt-Equity Ratio (in times)**	0.54	0.69	0.64	0.54	0.64	0.64
b) Debt Service Coverage Ratio (in times)**	1.41	2.49	2.38	1.71	1.39	1.29
c) Interest Service Coverage Ratio (in times)**	6.93	4.49	5.19	5.69	3.27	3.12
d) Current Ratio (in times)**	0.95	0.71	0.75	0.95	0.75	0.67
e) Long term debt to working capital Ratio (in times)**	***	***	***	***	***	***
f) Bad debts to Account receivable Ratio (in times)**	0.00	0.00	0.00	0.00	0.00	0.21
g) Current liability Ratio (in times)**	0.43	0.45	0.45	0.43	0.45	0.45
h) Total debts to total assets Ratio (in times)**	0.25	0.29	0.28	0.25	0.28	0.28
i) Debtors Turnover Ratio (in times)**	6.67	6.41	8.12	13.11	13.92	27.87
j) Inventory Turnover Ratio (in times)**	1.77	1.69	1.84	3.63	3.54	7.55
k) Operating-Profit Margin (%)**	15%	17%	19%	16%	14%	14%
l) Net-Profit Margin (%)**	42%	25%	22%	34%	11%	11%
m) Capital Redemption Reserve (₹ in Crore)	3,125	3,125	3,125	3,125	3,125	3,125
n) Net Worth (Total Equity) (₹ in Crore)	75,341	65,756	66,443	75,341	66,443	65,536

\*\*Not annualised, except for the year ended 31 March 2024

\*\*\*Net working capital is negative





Formulae for computation of ratios are as follows:

a)	Debt-Equity Ratio	Total Debt/ Total Equity
b)	Debt Service Coverage Ratio	Income available for debt service/ (interest expense + repayments made during the period for long term loans), where income available for debt service = Profit before exceptional items and tax + Depreciation, depletion and amortisation expense + Interest expense
c)	Interest Service Coverage Ratio	Income available for debt service/ interest expense
d)	Current Ratio	Current Assets/ Current Liabilities (excluding current maturities of long term borrowing)
e)	Long term debt to working capital Ratio	Non-current borrowing (including current maturities of long term borrowing)/ Working capital (WC), where WC = Current Assets - Current Liabilities (excluding current maturities of long term borrowing)
f)	Bad debts to Account receivable Ratio	Bad Debts written off/ Average Trade Receivables
g)	Current liability Ratio	Current Liabilities (excluding current maturities of long term borrowing)/ Total Liabilities
h)	Total debts to total assets Ratio	Total Debt/ Total Assets
i)	Debtors Turnover Ratio	(Revenue from operations + Other operating income)/ Average Trade Receivables
j)	Inventory Turnover Ratio	(Revenue from operations + Other operating income) less EBITDA/ Average Inventory
k)	Operating-Profit Margin (%)	(EBITDA - Depreciation, depletion and amortisation expense)/ (Revenue from operations + Other operating income)
l)	Net-Profit Margin (%)	Net profit after tax before exceptional items (net of tax)/ (Revenue from operations + Other operating income)
m)	Capital Redemption Reserve includes Preference Share Redemption Reserve created on redemption of preference shares.	

- 9 The NCDs of the Company outstanding as on 30 September 2024 are ₹ 13,744 Crore at carrying amount, of which, listed secured NCDs are ₹ 8,089 Crore. The listed secured NCDs are secured by way of first Pari Passu mortgage/ charge on certain movable fixed assets and freehold land of the Company. The Company has maintained asset cover of more than 110%, 125% and 100% for NCDs with face value of ₹ 1,000 Crore, ₹ 6,089 Crore and ₹ 1,000 Crore respectively.

Place : Jaipur

Date : 08 November 2024



By Order of Board

*Arun Misra*

Arun Misra

Executive Director  
(Whole-Time Director)

## INDEPENDENT AUDITOR'S REPORT

To the Members of Vedanta Aluminium Metal Limited  
Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of Vedanta Aluminium Metal Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from October 06, 2023 to March 31, 2024, and notes to the Ind AS financial statements including summary of material accounting policy information and other explanatory information (hereinafter referred to as Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2024, its loss (including other comprehensive income), its changes in equity and its cash flows for the period 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 Ind AS 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 Ind AS 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 Ind AS 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 Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the





Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS 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, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 matter 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, no remuneration is paid/provided by the Company to its directors during the period and hence reporting related to the managerial remuneration 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;

(iv) (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;

(iv) (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;

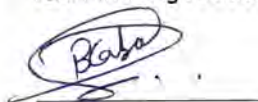
(v) The Company has not declared nor paid any dividend during the period. Hence, reporting the compliance with section 123 of the Act is not applicable;

(vi) Based on our examination, the Company has not used an accounting software for maintaining its books of account. Hence, reporting related to audit trail is not applicable.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



Deepak Kabra

Partner

Membership No. 133472

UDIN: 24133472BKFQNK9747



Place: Mumbai

Date: April 17, 2024



**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 **Vedanta Aluminium Metal Limited** ("the Company") on the Ind AS financial statements for the period ended March 31, 2024]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS 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 clause (i) of paragraph 3 of the Order is not applicable.
- (ii) (a) The Company 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 period, from banks and/or financial institutions. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- (iii) During the period, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.
- (iv) The provisions of Sections 185 and 186 of the Act are not applicable to the Company as the Company has not granted any loans or made any investment or provided any guarantee or security during the period. Accordingly, reporting under clause (iv) of the 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 Company is not required to maintain cost records under sub-section (1) of section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), income-tax, duty of customs, cess and any other material statutory dues applicable to it, in all cases during the period. Since, the Company does not have any employees, statutory dues in form of provident fund and employees' state insurance are not applicable to the Company.  
  
No undisputed amounts payable in respect of income tax, GST, customs duty, 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 income tax, GST, customs duty and cess, which have not been deposited on account of any dispute. Since, the Company does not have any employees, there are no dues in the form of provident fund and employees' state insurance.
- (viii) This being the first financial year since incorporation, reporting of previously not recorded transactions in the books of account of the Company does not arise and accordingly, reporting under clause (viii) of paragraph 3 of the Order is not applicable.





- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, reporting under clause (ix)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not taken loans from any bank or financial institution or government or any government authority during the period. Hence, question of the Company being declared wilful defaulter does not arise.
- (c) The Company did not obtain any money by way of term loans during the period. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.
- (d) No funds are raised on short-term basis during the period. Accordingly, reporting under clause (ix)(d) of paragraph 3 of the Order is not applicable.
- (e) The Company does not have any subsidiaries, associates, jointly controlled entities or joint operations, as defined under the Act and hence reporting under clause (ix)(e) of paragraph 3 of the order is not applicable.
- (f) The Company does not have any subsidiaries, associates, jointly controlled entities or joint operations, as defined under the Act and hence reporting under clause (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 period. 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 period. 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 period, 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 period or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the period and upto 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 section 188 of the Act and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Since the Company is not required to constitute an Audit Committee, the provisions of section 177 of the Act are not applicable to the Company.
- (xiv) (a) In our opinion, the Company does not have an internal audit system and 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.



- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the period 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.
- (b) 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) of paragraph 3 of the Order are not applicable.
- (c) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) The Company has incurred cash losses for the current financial period amounting to Rs. 1.90 lakhs. This being the first financial year since incorporation, reporting of cash losses in the immediately preceding financial year is not applicable.
- (xviii) There has been no resignation of the statutory auditors during the period 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 Ind AS 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) of paragraph 3 of the Order is not applicable.

For Haribhakti & Co. LLP.,

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



**Deepak Kabra**

Partner

Membership No. 133472

UDIN: 24133472BKFQNK9747



Place: Mumbai

Date: April 17, 2024



**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 Vedanta Aluminium Metal Limited on the Ind AS financial statements for the period ended March 31, 2024]

**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 Vedanta Aluminium Metal Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management 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.

**Auditors' 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 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, 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, 2024, 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



**Deepak Kabra**

Partner

Membership No. 133472

UDIN: 24133472BKFQNK9747



Place: Mumbai

Date: April 17, 2024

**Vedanta Aluminium Metal Limited**  
**Balance Sheet as at 31 March 2024**

(All amounts in ₹ Lakhs)

Particulars	Note	As at 31 March 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment		-
Other non-current assets		-
<b>Total non-current assets</b>		-
<b>Current assets</b>		
Inventories		-
Financial assets		-
- Cash and cash Equivalents	3	1.00
Current tax assets (net)		-
Other current assets	4	0.18
<b>Total current assets</b>		1.18
<b>Total Assets</b>		1.18
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	5	1.00
Other Equity		(1.90)
<b>Total Equity</b>		(0.90)
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Other non-current liabilities		-
<b>Total non-current liabilities</b>		-
<b>Current Liabilities</b>		
Financial liabilities		-
- Trade payables		-
(a) Total outstanding dues of micro and small enterprises		-
(b) Total outstanding dues of creditors other than micro and small enterprises	6	0.81
- Other financial liabilities	7	0.85
Provisions		-
Income tax liabilities (net)		-
Other current liabilities	8	0.42
<b>Total current liabilities</b>		2.08
<b>Total Equity and Liabilities</b>		1.18

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048

**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



For and on behalf of the board of directors of Vedanta  
**Aluminium Metal Limited**

**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024

**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi

Date: 17th April 2024

Vedanta Aluminium Metal Limited

Statement of Profit and Loss for the period 06 October 2023 to 31 March 2024

(All amounts in ₹ Lakhs unless stated otherwise)

Particulars	Note	For the period 06 October 2023 to 31 March 2024
Revenue from operations		-
<b>Total Income</b>		-
<b>Expenses:</b>		
Other expenses	9	1.90
<b>Total expenses</b>		1.90
<b>Loss before tax</b>		(1.90)
Tax Expense		-
<b>Net Loss after tax (A)</b>		(1.90)
<b>Other Comprehensive income</b>		
Items that will not be reclassified to profit or loss		-
Items that will be reclassified to profit or loss		-
<b>Total Other Comprehensive Income for the period (B)</b>		-
<b>Total Comprehensive Income for the period (A+B)</b>		(1.90)
Earnings per share (in ₹)		
- Basic and Diluted	10	(1.90)

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048



**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



For and on behalf of the board of directors of Vedanta Aluminium Metal Limited



**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024



**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi

Date: 17th April 2024



**Vedanta Aluminium Metal Limited**

**Cash Flow Statement For The Period 06 October 2023 To 31 March 2024**

(All amounts in ₹ Lakhs)

Particulars	For the period 06 October 2023 to 31 March 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Loss before taxation	(1.90)
<b>Adjustments for:</b>	
Depreciation, depletion and amortisation	-
Provision for doubtful debts/ advance/ bad debts written off	-
Interest income	-
Interest expense	-
<b>Changes in assets and liabilities</b>	
Decrease/ (Increase) in trade and other receivables	(0.18)
Decrease/ (Increase) in inventories	-
(Decrease)/ Increase in trade and other payable	2.08
<b>Cash generated from operations</b>	<b>(0.00)</b>
Income taxes paid (net)	-
<b>Net cash generated from operating activities</b>	<b>(0.00)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of property, plant and equipment (including intangibles)	-
Proceeds from sale of property, plant and equipment	-
Interest received	-
Dividends received	-
<b>Net cash generated from investing activities</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from short-term borrowings (net)	-
Proceeds from current borrowings	-
Proceeds from issue of share capital	1.00
Repayment of current borrowings	-
<b>Net cash used in financing activities</b>	<b>1.00</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>1.00</b>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period (Refer note 3)</b>	<b>1.00</b>

**Notes :**

1. The figures in parentheses indicate outflow.

2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows

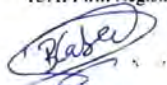
The accompanying notes are an integral part of the financial statements.

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048



**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



**For and on behalf of the board of directors of Vedanta  
Aluminium Metal Limited**



**Sunil Gupta**

Director

DIN: 08558177



**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi

Date: 17th April 2024

Place: Delhi

Date: 17th April 2024

Vedanta Aluminium Metal Limited

Statement of Changes in Equity for the period 06 October 2023 to 31 March 2024

(All amounts in ₹ Lakhs)

A. Equity Share Capital (Refer Note No. 5)

Equity shares of ₹ 1/- each issued, subscribed and fully paid up	Number of shares (in lakhs)	Amount
As at 31 March 2024	1.00	1.00

B. Other Equity

	Reserves and Surplus	
Particulars	Retained earnings	Total other equity
Loss for the period	(1.90)	(1.90)
Other comprehensive income for the period, net of tax	-	-
<b>Total Comprehensive Income for the period</b>	<b>(1.90)</b>	<b>(1.90)</b>
<b>Balance as at 31 March 2024</b>	<b>(1.90)</b>	<b>(1.90)</b>

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

As per our attached report of even date

Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 103523W/W100048

Deepak Kabra

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



For and on behalf of the board of directors of Vedanta Aluminium Metal Limited

Sunil Gupta

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024

Anup Agarwal

Director

DIN: 08551388

Place: Delhi

Date: 17th April 2024

## NOTE 1. CORPORATE INFORMATION

Vedanta Aluminium Metal Limited (the Company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act"). The Company was incorporated on 06 October 2023 for carrying out the business activities in the metal and mining sector.

## NOTE 2.1 BASIS OF PREPARATION AND BASIS OF MEASUREMENT OF FINANCIAL STATEMENTS

### (a) Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act (as amended from time to time). These financial statements have been prepared in accordance with the accounting policies, set out below.

All financial information presented in Indian Rupee has been rounded off to the nearest Lakhs except when indicated otherwise.

These are the first Financial Statements after incorporation of the Company, hence comparative figures are not given.

These financials statements are approved for issue by the Board of Directors on 17 April 2024. The revision to these financials statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

### (b) Basis of Measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting.





## NOTE 2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Use of estimates

The preparation of financial statements in conformity with the Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### (b) 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.

### (c) Provisions

The assessments undertaken in recognising provisions have been made in accordance with the applicable Ind AS. 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 the 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.



**(d) Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non current only.

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have a maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes 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.

**(f) Standards notified but not yet effective**

No new standards have been notified during the year ended 31 March 2024.



**3 Current financial assets - Cash and cash equivalents**

Particulars	As at 31 March 2024
Balances with banks	1.00
<b>Total</b>	<b>1.00</b>

**4 Other Current Assets**

Particulars	As at 31 March 2024
Input GST	0.18
<b>Total</b>	<b>0.18</b>

**5 Share capital**

Particulars	As at 31 March 2024
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**A. Authorised Equity Share Capital**

1 lakh equity shares of ₹1/- each	<b>1.00</b>
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**B. Issued, subscribed and fully paid-up Equity Share Capital**

1 lakh equity shares of ₹1/- each, issued during the year	1.00
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<b>Total issued, subscribed and fully paid up share capital</b>	<b>1.00</b>
---	-------------

**C. Shares held by the Holding Company and its subsidiaries\***

Particulars	As at 31 March 2024	
	Number of Shares held	% of holding
Vedanta Limited and their nominees	1,00,000	100%
<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

\* The % of holding has been calculated on the issued and subscribed share capital as at the balance sheet date.





**Vedanta Aluminium Metal Limited****Notes forming part of the financial statements as at 31 March 2024***(All amounts in ₹ Lakhs unless stated otherwise)***D. Details of shareholders holding more than 5% shares in the Company \***

Particulars	As at 31 March 2024	
	Number of Shares held	% of holding
Vedanta Limited and their nominees	1,00,000	100%
<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

\* The % of holding has been calculated on the issued and subscribed share capital as at the balance sheet date.

**E. Disclosure of Shareholding of Promoters and Promoter Group**

Particulars	As at 31 March 2024	
	Number of Shares held	% of holding
Vedanta Limited	99,994	99.99%
Mr. Anup Agarwal	1	0.00%
Mr. Pankaj Jha	1	0.00%
Mr. Sunil Gupta	1	0.00%
Ms. Mansi Dhiman	1	0.00%
Mr. Jagdeep Singh	1	0.00%
Mr. Mayank Totla	1	0.00%
<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

**F. Reconciliation of shares:**

Particulars	No of Shares
Shares issued during the reporting period	1,00,000
<b>Shares outstanding at the end of the reporting period</b>	<b>1,00,000</b>

**G. Terms/rights attached to equity shares:**

The Company has only one class of equity shares having par value of ₹1 per share. (31 March 2024: ₹1 per share). Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees in accordance with the provisions of the Act. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**H.** There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

**I.** There are no unpaid calls from any Directors and officers.



**Vedanta Aluminium Metal Limited**

Notes forming part of the financial statements as at 31 March 2024

(All amounts in ₹ Lakhs unless stated otherwise)

**6 Financial liabilities - Trade payables**

Particulars	As at 31 March 2024
<b>Undisputed dues – Micro and Small Enterprises</b>	
Unbilled dues	-
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	-
<b>Undisputed dues - Others</b>	
Unbilled dues	0.81
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	0.81
<b>Disputed dues - Micro and Small Enterprises</b>	
Unbilled dues	-
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	-
<b>Disputed dues - Others</b>	
Unbilled dues	-
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	-
<b>Total</b>	<b>0.81</b>

**7 Other Financial Liabilities**

Particulars	As at 31 March 2024
-Brand Fees Payable (Refer Note 14)	0.85
<b>Total</b>	<b>0.85</b>

**8 Other Current Liabilities**

Particulars	As at 31 March 2024
-TDS Payable	0.24
-GST Payable	0.18
<b>Total</b>	<b>0.42</b>



**Vedanta Aluminium Metal Limited**

**Notes forming part of the financial statements for the period 06 October 2023 to 31 March 2024**

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

**9 Other Expenses**

<b>Particulars</b>	<b>For the period 06 October 2023 to 31 March 2024</b>
Bank Charges	0.00
Brand License and Strategic Service Fees (Refer Note 14)	1.00
Remuneration to auditors	
- For Statutory Audit	0.90
<b>Total</b>	<b>1.90</b>

**10 Earnings per equity share (EPS)**

<b>Particulars</b>	<b>For the period 06 October 2023 to 31 March 2024</b>
Profit / (Loss) after tax for the period attributable to equity share holders for Basic and Diluted EPS	(1.90)
Weighted Average No. of equity shares outstanding during the period for Basic and Dilutive EPS	<u>1,00,000</u>
Basic and Diluted Earnings per share (in ₹)*	(1.90)
Nominal value per share (in ₹)	<u>1.00</u>

*\*for the period 06 October 2023 to 31 March 2024, not annualised.*

*Since the Company does not have any potential dilutive equity shares, both Basic Earning per share and Diluted Earning per share will be same.*





**Vedanta Aluminium Metal Limited**

**Notes forming part of the financial statements for the period 06 October 2023 to 31 March 2024**

**11 Key Financial Ratios**

	Ratio Analysis	Numerator (₹ in Lakhs)	Denominator (₹ in Lakhs)	31 March 2024
1	Current Ratio	1.18	2.08	0.57
2	Debt Equity Ratio	-	(0.90)	NA*
3	Debt Service Coverage Ratio	(1.90)	-	NA*
4	Return on Equity Ratio**	(1.90)	(0.90)	(2.11)
5	Inventory Turnover Ratio	(1.90)	-	NA*
6	Trade Receivables Turnover Ratio	-	-	NA*
7	Trade Payables Turnover Ratio***	-	-	NA*
8	Net Capital Turnover Ratio	-	(0.90)	NA*
9	Net Profit Ratio	(1.90)	-	NA*
10	Return on Capital employed****	(1.90)	(0.90)	(2.11)
11	Return on Investment	-	-	NA*

**Note:** Variances % is not applicable since these are the first financial statements after incorporation of the Company.

\*Not Applicable due to Company has no Revenue, Debt, Inventory, Trade receivables, Investment during the period ended 31 March 2024

\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing Trade Payables and not on Average Trade Payables

\*\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing equity and not on Average equity.

\*\*\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing capital employed and not on Average capital employed.

**Formulae for computation of ratios is as follows:**

Ratio	Formula
1 Current Ratio (in times)	Current Assets/ Current Liabilities (excluding current maturities of long-term borrowing)
2 Debt-Equity Ratio (in times)	Gross Debt/ Total Equity
3 Debt Service Coverage Ratio (in times)	Income available for debt service/ (interest expense and principal payments of long term loans), where income available for debt service = Profit before exceptional items and tax + Depreciation, depletion and amortization expense + Interest expense
4 Return on Equity Ratio (%)	Net Profit after tax before exceptional items (net of tax)/ Average Equity
5 Inventory turnover Ratio (in times)	Revenue from operations less EBITDA/ Average Inventory
6 Trade Receivables turnover Ratio (in times)	Revenue from operations/ Average Trade Receivables
7 Trade payables turnover Ratio (in times)	Total Purchases/ Average Trade Payables
8 Net capital turnover Ratio (in times)	Revenue from operations/ Working capital (WC), where WC = Current Assets - Current Liabilities (excluding current maturities of long-term borrowing)
9 Net profit Ratio (%)	Net Profit after tax before exceptional items (net of tax)/ Revenue from operations
10 Return on Capital employed (in times)	Earnings before interest and tax/ Average Capital Employed, where capital employed = Net Debt + Total Equity
11 Return on investment (%)	Income from investments carried at FVTPL/ Average current investments

**Vedanta Aluminium Metal Limited****Notes forming part of the financial statements as at 31 March 2024****12 Capital Management**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. 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 met through a mixture of equity, internal fund generation and borrowings. The Company believes that it will be able to meet all its current liabilities on timely manner. Since the Company is yet to initiate any project and no external borrowings have been obtained, capital gearing ratio is not presented for the period ended 31st March 2024.

**13 Contingent Liabilities & Commitments:**

Based on the information available with the Company, there are no Contingent liabilities and commitments as at the period ended 31st March 2024.

**14 Related Party Disclosures:**

List of related parties and relationships:

**- Entities controlling the Company**

Vedanta Incorporated (Ultimate Holding Company)

Vedanta Resources Limited (Intermediate Holding Company)

Vedanta Limited (Holding Company)

**- Fellow Subsidiaries:**

Vedanta Resources Investments Limited

Related party transactions/balances	For the period ended 31st March 2024
<b><u>Transactions for the period</u></b>	
<b>Vedanta Resources Investments Limited :</b>	
Brand License and Strategic Service Fees *	1.00
<b>Vedanta Limited :</b>	
Investments received during the period as Share Capital	1.00
<b><u>Balances at the year end</u></b>	
Vedanta Resources Investments Limited	0.85

\* The Company has a Brand license and strategic service fee agreement ("the Agreement") with Vedanta Resources Limited, Vedanta Resources Investments Limited ("VRIL") for the use of brand 'Vedanta' and providing strategic services which envisaged payment to VRIL at the rate of 3% of turnover of the Company or ₹ 1 Lakh whichever is higher.

The Company has recorded an expense of ₹ 1 Lakh for the period ended 31 March 2024.



**15 Subsequent events:**

There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

**16 Financial instruments**

Fair values

(a) The carrying amounts of other receivables, cash at bank, borrowings and other payables approximate their fair values.

Categories of financial instruments:

Particulars	As at 31st March 2024
<b>Financial assets</b>	
Loan and receivables (including cash and cash equivalents)	1.00
<b>Financial liabilities</b>	
Loans and payables	1.66

**(b) Market Risk Management**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**(c) Interest Rate Risk Management**

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. All financial instruments are non interest bearing.

**(d) Currency Risk Management**

The Company is not exposed to the risk that may change in a manner which has material effect on the reported values of the Company's assets which are denominated in other foreign currencies at reporting period.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

Particulars	Financial Assets  As at 31 March 2024	Financial Liabilities  As at 31 March 2024
INR	1.00	1.66

As at 31 March 2024 the Company does not have any material exposure to foreign currencies and consequently the sensitivity relative to foreign currencies has not been disclosed.





#### (e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below illustrates the aged analysis of the Company's financial liabilities.

Particulars	As at 31st March 2024	
	Up to 1 Year	Total
Other payables	1.66	1.66
Borrowings	-	-
Total	1.66	1.66

#### (f) Capital risk management

For the purpose of the capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

The capital structure of the Company consists of stated capital, retained earnings and net debt.

### 17 Scheme of Arrangement

The Board of Directors of Holding company, i.e., Vedanta Limited in its meeting held on 29 September 2023, has approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the Holding Company. The Board of Directors of the Company in the meeting held on 13 October 2023, has also approved the Scheme. The Scheme entails demerger of the Holding Company's Aluminium business (represented by the Aluminium segment), into the Company with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ("the Stock Exchanges").

The Holding Company has filed the Scheme with the Stock Exchanges. Upon receipt of necessary approvals from the Stock Exchanges, the Scheme will be filed with the NCLT. Pending regulatory and other approvals, no adjustments have been recorded in the financial statements of the Company for the period ended 31 March 2024.



**Vedanta Aluminium Metal Limited**

**Notes forming part of the financial statements for the period 06 October 2023 to 31 March 2024**

**Additional Regulatory Information**

- 1 The Company does not own any immovable property during the period.
- 2 The Company does not have any Capital Work in progress or Intangible assets under development during the period.
- 3 The Company does not have Property, Plant or Equipment and hence no revaluation has been done accordingly during the period.
- 4 The Company has not granted any loans or advances to promoters, directors, key managerial personnel (KMPs) and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:  
(a) Repayable on demand or  
(b) Without specifying any terms or period of repayment
- 5 The Company has not availed any borrowings from banks or financial institutions based on the security of current assets of other companies / entities within the same Group as the reporting entity.
- 6 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 7 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).
- 8 The Company has not traded or invested in any crypto or virtual currency.
- 9 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities.  
The Company has not received any fund from any person(s) or entity(ies), including foreign entities.
- 10 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- 11 The Company does not have any borrowings during the period and hence registration of charges or satisfaction not required.
- 12 The Company does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 during the period.

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048



**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



**For and on behalf of the board of directors of Vedanta Aluminium Metal Limited**

  
**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi  
Date: 17th April 2024

  
**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi  
Date: 17th April 2024

## INDEPENDENT AUDITOR'S REPORT

To the Members of Talwandi Sabo Power Limited

### Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of Talwandi Sabo Power Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the 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 audit opinion on the Ind AS 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 Annual report but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

#### Responsibility of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind As 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 these Ind As 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 Ind As 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 Ind As financial statements, including the disclosures, and whether the Ind As 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 sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind As financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;



- (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph h(vi) below on reporting under Rule 11(g):
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind As financial statements - Refer Note 33 to the Ind AS financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- 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, other than as disclosed in the note 15 to the Ind As financial statements, 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, other than as disclosed in the note 15 to the Ind As financial statements, 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; and
- c) Based on such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.
- iv. No dividend has been declared or paid during the year by the Company.





- vi. Based on our examination which included test checks, the Company has used accounting software(s) 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 except that, audit trail feature is not enabled for direct changes to data in certain tables when using system administrator access rights, as described in note 51 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software(s).

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

  
per Ajay Bansal  
Partner

Membership Number: 502243  
UDIN: 24502243BKCEWN7312  
Place of Signature: Gurugram  
Date: April 19, 2024



**ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

Re: Talwandi Sabo Power Limited ('the Company')

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- I)
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - b) The Company has maintained proper records showing full particulars of intangibles assets.
  - c) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
  - d) Title deeds in respect of freehold land having gross and net book value of Rs. 390 crores. and building having gross book value of Rs. 265 crores and net book value of Rs. 130 crores included in plant, property and equipment are in the name of the company but are not physically available with the Company. Same has been pledged with Vistra ITCL (India) Limited.
  - e) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
  - f) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- II)
  - a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. There was no inventory lying with third parties.
  - b) As disclosed in Note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- III)
  - a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
  - b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.



c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company

d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

IV) There are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

V) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

VI) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the generation of power, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

VII) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in crore)	Financial year to which it relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	0.91	Assessment year 2012-2013	Income tax Appellate Tribunal
Income tax Act, 1961	Income tax	0.68	Assessment year 2012-2013	Commissioner of Income Tax (Appeals)





Income tax Act, 1961	Income tax	1.65	Assessment year 2014-2015	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	0.04	Assessment year 2017-2018	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	0.00	Assessment year 2015-2016	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	0.01	Assessment year 2018-2019	Commissioner of Income Tax (Appeals)
Goods and Services Act	Indirect tax	3.63	Assessment Year 17-18, Assessment Year 18-19	N.A.

During the previous years, the Company has deposited Rs 1.84 Crore under protest in connection with a dispute with Income tax authorities for the assessment year 2012-13, 2014-15 and 2017-18, 2019-20.

- VIII) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- IX) a) The Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) Term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- X) a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.



- XI) a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- XII) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- XIII) Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in note number 37, in notes to the financial statements, as required by the applicable accounting standards.
- XIV) a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- XV) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- XVI) a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- d) There are no Core Investment Companies as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- XVII) The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.
- XVIII) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- XIX) On the basis of the financial ratios disclosed in Note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the

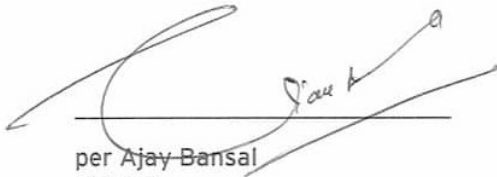


- XX) assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from 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 the 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.
- XXI) a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 32 to the financial statements.
- b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 32 to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Ajay Bansal  
Partner

Membership Number: 502243

UDIN: 24502243BKCEWN7312

Place of Signature: Gurugram Date: April 19, 2024





**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TALWANDI SABO POWER LIMITED****Report on the Internal Financial Controls 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 Talwandi Sabo Power Limited ("the Company") as of March 31, 2024, 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 Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 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 the 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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these 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 these 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 these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control 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 these financial statements.

**Meaning of Internal Financial Controls with Reference to these Financial Statements**

A company's internal financial controls with reference to these 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 controls 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 company are being

made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 these Financial Statements**

Because of the inherent limitations of internal financial controls with reference to these 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 these financial statements to future periods are subject to the risk that the internal financial control with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

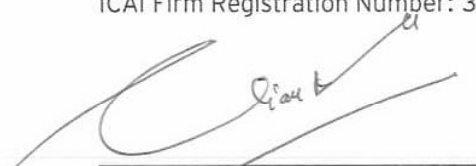
#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Ajay Bansal  
Partner

Membership Number: 502243  
UDIN: 24502243BKCEWN7312



Place of Signature: Gurugram  
Date: April 19, 2024

Balance Sheet as at March 31, 2024

(₹ in Crore)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>I ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and Equipment	3	7,489.23	8,383.37
(b) Capital work-in-progress	3	3.05	1.62
(c) Intangible assets	3	2.76	0.50
(d) Financial assets			
(i) Trade receivables	4	1,619.79	1,476.43
(ii) Other financial assets	5	7.59	45.86
(e) Deferred tax assets (Net)	43	106.57	260.30
(f) Other non-current assets	6	1.77	2.40
(g) Income tax assets		2.45	1.48
<b>Total non-current assets</b>		<b>9,233.21</b>	<b>10,171.96</b>
<b>2 Current assets</b>			
(a) Inventories	7	292.49	224.69
(b) Financial Assets			
(i) Trade receivables	8	547.10	812.02
(ii) Cash and cash equivalents	9	168.01	39.90
(iii) Bank balances	10	38.27	0.01
(iv) Other financial assets	11	0.65	0.36
(c) Other current assets	12	15.41	37.00
(d) Income tax assets		5.03	22.44
<b>Total current assets</b>		<b>1,066.96</b>	<b>1,136.42</b>
<b>Total Assets</b>		<b>10,300.17</b>	<b>11,308.38</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>A Equity</b>			
(a) Equity share capital	13	3,206.61	3,206.61
(b) Other equity	14	416.15	(186.27)
<b>Total Equity</b>		<b>3,622.76</b>	<b>3,020.34</b>
<b>B LIABILITIES</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	4,871.57	5,496.12
(ii) Other financial liabilities	16	2.14	1,245.18
(b) Provisions	17	1.06	1.26
<b>Total non-current liabilities</b>		<b>4,874.77</b>	<b>6,742.56</b>
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	1,178.75	881.99
(ii) Trade finance	19	375.13	411.26
(iii) Trade payables	20	1.56	3.99
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises			
(b) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		39.83	47.33
(iv) Other financial liabilities	21	201.02	193.89
(b) Other current liabilities	22	6.14	6.91
(c) Provisions	23	0.11	0.11
<b>Total current liabilities</b>		<b>1,802.64</b>	<b>1,545.48</b>
<b>Total Liabilities</b>		<b>6,677.41</b>	<b>8,288.04</b>
<b>Total Equity and Liabilities</b>		<b>10,300.17</b>	<b>11,308.38</b>

See accompanying notes forming part of financial statements

In terms of our report attached  
For S. R. Batliboi & Co. LLP  
ICAI Firm Registration No. : 301003E/E300005  
Chartered Accountants

per Ajay Bansal  
Partner  
Membership No.: 502243

Place : Gurugram  
Date : April 19, 2024



For and on behalf of Board of Directors

Agnivish Agarwal  
Chairman  
DIN : 00039950  
Place : Fuzairah

Nitesh Malani  
Chief Financial Officer  
Place : Mansa  
Date : April 19, 2024

Vibhav Agarwal  
Chief Executive Officer  
Place : New Delhi

Shivangi  
Shivangi Dhanuka  
Company Secretary  
ICSI Mem No. A70586  
Place : Mansa



Statement of Profit and Loss for the period ended March 31, 2024

(₹ in Crore)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
I Revenue from operations	24	5,266.93	5,745.69
II Other Operating Income	25	36.81	54.92
III Other income	26	16.14	6.00
IV Total Income (I+II+III)		5,319.88	5,806.61
V Expenses:			
Power and fuel charges		3,886.16	4,374.07
Employee benefits expense	27	25.51	25.71
Finance costs	28	667.70	711.94
Depreciation and amortisation expense	29	456.46	460.32
Other expenses	30	322.52	327.72
Total expenses		5,358.35	5,899.76
VI Profit/(loss) before tax		(38.47)	(93.15)
VII Exceptional items	50	794.26	-
VIII Profit/(loss) before tax (VI+VII)		755.79	(93.15)
IX Tax expense/(benefit):			
On other than exceptional items			
Deferred tax	43	(46.26)	(22.87)
On Exceptional items			
Deferred tax	43	199.90	-
Net Tax expense/(benefit):		153.64	(22.87)
X Net Profit/(Loss) for the year (VIII-IX)		602.15	(70.28)
XI Other Comprehensive Income/(Loss) (net of taxes)			
(i) Items that will not be reclassified to profit or loss -			
Re-measurement gain/(loss) on defined benefit obligation (net of taxes)		0.27	(0.49)
XII Total Comprehensive Income/(Loss) for the period (X+XI)		602.42	(70.77)
XIII Earnings/(Loss) per equity share (in ₹):	35		
- Basic and Diluted		1.88	(0.22)

See accompanying notes forming part of financial statements

In terms of our report attached  
For S. R. Batliboi & Co. LLP  
ICAI Firm Registration No. : 301003E/E300005  
Chartered Accountants

per Ajay Bansal  
Partner  
Membership No.: 502243

Place : Gurugram  
Date : April 19, 2024

For and on behalf of Board of Directors

Agnivesh Agarwal  
Chairman  
DIN : 00038950  
Place : Fujairah

Vibhav Agarwal  
Chief Executive Officer  
Place : New Delhi

Nitesh Malani  
Chief Financial Officer  
Place : Mansa  
Date: April 19, 2024

Shivangi Dhanuwa  
Company Secretary  
ICSI Mem No. A70586  
Place : Mansa



Cash Flow Statement for the year ended March 31, 2024

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>A Cash flows from operating activities</b>		
Net Profit / (Loss) before tax	755.79	(93.15)
Adjusted for :		
Unrealised exchange (gain) / loss	4.38	8.63
Depreciation and amortisation expense	456.46	460.32
Interest Expenses	667.70	711.94
Exceptional (Gain)/ Loss	(794.26)	-
Income on lease modification	(0.81)	-
Interest and Dividend Income	(3.02)	(3.66)
Exceptional interest income (Refer Note 26)	(0.25)	(0.35)
(Profit)/ Loss on sale of property, plant and equipment	0.00	(0.02)
Other provisions	-	(33.71)
Sundry Balances written back	(0.84)	(1.38)
Operating profit before working capital changes	1,085.15	1,048.62
Adjustments for change in assets and liabilities		
(Increase) / Decrease in inventories	(67.80)	(62.78)
(Increase) / Decrease in trade receivables	121.56	51.98
(Increase) / Decrease in other financial and other assets	21.93	183.26
Increase / (Decrease) in payables and provisions	(56.76)	167.85
Cash generated from operations	1,104.08	1,388.93
Income taxes (net)	16.79	(1.30)
Net cash from operating activities (i)	1,120.87	1,387.63
<b>B Cash flows from investing activities</b>		
Purchases of property, plant and equipment (including intangibles)	(22.87)	(19.63)
Sale of property, plant and equipment (including intangibles)	0.05	0.07
Proceeds from maturity / redemption of short term deposits	0.02	153.95
Purchases of short term deposits	(0.01)	(152.93)
Purchase of short term investment (Mutual Funds)	(515.97)	(357.98)
Proceeds from sale of short term investments (Mutual Funds)	516.23	358.33
Interest received	2.67	1.75
Net cash used in investing activities (ii)	(19.88)	(16.44)
<b>C Cash flows from financing activities</b>		
Net (Repayment) / Proceeds from short term loan	224.00	(306.18)
Repayment of current borrowings	-	(75.00)
Proceeds from Long Term borrowings	1,498.91	-
Repayment of Long Term borrowings	(2,059.25)	(326.22)
Repayment of lease liability	(0.10)	(4.12)
Interest Paid	(636.44)	(670.33)
Net cash used in financing activities (iii)	(972.88)	(1,381.85)
Net (decrease) / increase in cash and cash equivalents (i+ii+iii)	128.11	(10.66)
Cash and cash equivalents at beginning of the year	99.90	50.56
Cash and cash equivalents at close of the year	168.01	39.90

**Notes:**

- The figures in bracket indicates outflows.
- The above cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

See accompanying notes forming part of the financial statements

In terms of our report attached  
For S. R. Batliboi & Co. LLP  
ICAI Firm Registration No. : 301003E/100005  
Chartered Accountants

per Ajay Bansal  
Partner  
Membership No : 502243

Place : Gurugram  
Date : April 19, 2024

For and on behalf of Board of Directors

Agnivesh Agarwal  
Chairman  
DIN : 00038950  
Place : Fuzelrah

Vibhav Agarwal  
Chief Executive Officer  
Place : New Delhi

Nitesh Malani  
Chief Financial Officer  
Place : Mansa  
Date: April 19, 2024

Shivangi Dhamuka  
Company Secretary  
ICSI Mem No. A70586  
Place : Mansa





Statement of Changes in Equity for the year ended March 31, 2024

a. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of Shares	Amount (₹ in Crore)
As at March 31, 2024 and March 31, 2023	3,206,609,692	3,206.61

Note: There has been no change in the equity share capital either during the year or previous year.

b. Other equity

Particulars	Reserves and Surplus		Total
	Retained earnings	Debt Redemption Reserve	
Opening balance	(186.27)	-	(186.27)
Profit/(Loss) for the year	602.15	-	602.15
Other Comprehensive Income	0.27	-	0.27
Closing balance	416.15	-	416.15

See accompanying notes forming part of the financial statements

In terms of our report attached

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No. : 301003E/E300005

Chartered Accountants

per Ajay Bansal  
Partner  
Membership No.: 502243



Place : Gurugram  
Date : April 19, 2024



For and on behalf of Board of Directors

Agnivesh Agarwal  
Chairman  
DIN : 00038950  
Place : Fujairah

Vibhav Agarwal  
Chief Executive Officer  
Place : New Delhi

Nitesh Malani  
Chief Financial Officer  
Place : Mansa  
Date: April 19, 2024

Shivangi  
Shivangi Dhanuka  
Company Secretary  
ICSI Mem No. A70586  
Place : Mansa



## Talwandi Sabo Power Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

### 1 Company's Overview :

Talwandi Sabo Power Limited (herein after referred as "TSPL") was incorporated as a Special Purpose Vehicle by Punjab State Power Corporation Limited (herein after referred as "PSPCL") [formerly known as Punjab State Electricity Board (PSEB)] to construct a 3\*660 MW coal based thermal power plant (The Plant) on Build, Own and Operate (BOO) basis. TSPL became a wholly owned subsidiary of Vedanta Limited (herein after referred as "VL") [formerly known as Sesa Sterlite Limited (SSL)] pursuant to the selection of VL as the successful bidder after going through a tariff based International Competitive Bidding (ICB) process. The Share Purchase Agreement (SPA), Power Purchase Agreement (herein after referred as "PPA") for sale of power from the Plant to PSEB for a period of 25 years and other necessary documents were signed between VL, TSPL and PSPCL on September 01, 2008. The address of the registered office and principal place of business is in village Banawala, Mansa - Talwandi Sabo Road, Mansa, Punjab - 151302.

The Financial Statements were approved for issuance by the Board of Directors on April 19, 2024.

### 2 Basis of Preparation and Material Accounting Policies :

#### 2.A. BASIS OF PREPARATION

##### (a) Basis of Preparation and Compliance with Ind AS

- (i) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act, 2013 (the Act).
- (ii) Accounting policies have been consistently applied 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.
- (iii) Certain Comparative figures appearing in these consolidated Financial statements have been regrouped and/ or reclassified to better reflect the nature of those items.

##### (b) Basis of Measurement

- (i) The financial statements have been prepared on a going concern basis using historical cost convention, except for certain financial assets and liabilities which are measured at fair value/amortised cost (Refer note 2.B.(g)).

#### 2.B. MATERIAL ACCOUNTING POLICIES

The Company has applied the following Accounting policies to all periods presented in the Financial Statements:

##### (a) Functional and presentation Currency

The Financial Statements are prepared in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in Indian Rupee has been rounded to the nearest Crore with two decimals.

##### (b) Revenue from Contract with Customer

Ind AS 115 outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of the standard is for companies to recognize revenue when the control of the goods and services is transferred to the customer as against the transfer of risk and rewards. The amount of revenue recognised reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreement with its sole customer i.e. PSPCL. Late Payment Surcharge Cess ("LPSC") if any received by the company from PSPCL as per the contract is recorded as revenue from sale of power. Revenues from sale of by-products are included in revenue.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company transfers goods or services to a customer even before the customer pays consideration or payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Company's future performance.

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 result, the Company does not adjust any of the transaction prices for the time value of money.

**Lease Income**

Where the Company is a lessor, lease income from operating leases (excluding amount for services on maintenance, etc. and contingent rentals) is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases and another systematic basis is more representative of the time pattern in which user's benefit derived from the leased asset is diminished. Contingent rent is recognised in the period when earned. The respective leased assets are included in the balance sheet according to the nature of the asset.

**Interest Income**

Interest income from financial instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts throughout the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**(c) Property, Plant and Equipment**

**(i) Property, Plant and Equipment**

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Machinery spare parts are capitalised when they meet the definition of property, plant and equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

**Subsequent costs and disposal:**

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing property, plant and equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/other expenses in Statement of Profit and Loss.

**(ii) Capital Work in Progress**

Assets during construction are capitalised in capital work in progress account. All costs attributable to construction of project or incurred in relation to the project under construction, net of incidental income during the construction/pre-production period, are aggregated under 'Expenditure during Construction Period' to be allocated to individual identified assets on completion. At the point when an asset is capable of operating in the manner intended by the management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.





(iii) Depreciation

Assets during development or construction and freehold land are not depreciated. Property plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated over the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line method over its expected useful life.

The estimated useful lives of assets are as follows:

• Buildings	3-25 years
• Roads	5-10 years
• Plant and machinery	5-25 years
• Furniture and fixtures	5-10 years
• Vehicles*	4-8 years
• Railway siding	15 years
• Office equipment	5 years
• Computers and data processing units	3-6 years
• Laboratory equipment	10 years

Depreciation methods, useful lives and residual values of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

\*useful life of vehicles is taken as per the tenure of finance lease

(d) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over their estimated useful life on a straight-line basis. Software is amortised over the estimated useful life of software of 3-5 years. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

(e) Lease

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises Right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (j) Impairment of non-financial assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.





(iii) **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption of low-value assets to leases of office equipment that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a Lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(f) **Current and Non Current Classification**

The Company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current only.

(g) **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**

**Initial recognition and measurement**

All financial assets are recognised 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 that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

(i) **Debt Instruments at amortised cost**

A 'Debt Instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.



**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

**(ii) Debt instruments at fair value through other comprehensive income (FVOCI)**

A 'debt instrument' is classified as FVOCI 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.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the interest income, impairment losses & reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

**(iii) Debt instruments at fair value through profit and Loss (FVTPL)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

**Financial assets – derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

**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 following financial assets:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables;
- Financial assets that are debt instruments and are measured as at FVOCI;
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115;

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines that 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 entity reverts to recognising 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.





**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

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) recognised during the period is recognised as income or expense in the Statement of Profit and Loss under the head 'Other Expenses'.

The balance sheet presentation for financial instruments is described below:

- **Financial assets measured at amortised 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.

- **Debt instruments measured at FVOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments based on 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**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised 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, loans and borrowings including bank overdrafts and derivative financial instruments.

**Subsequent measurement**

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

- **Financial liabilities at amortised cost (Loans & Borrowings)**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include 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. This category also includes derivative financial instruments entered by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on financial liabilities are recognised in 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 recognised in OCI. These gains/losses are not subsequently transferred to profit or loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.





#### Financial Liabilities- Derecognition

A financial liability is derecognised 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 recognised in the statement of profit and loss.

#### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of any entity after deducting all its liabilities. Equity Instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

#### 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 off-set the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### (h) Derivative Financial Instruments

##### Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange risks, the Company enters into forward contracts for hedging of exposures of foreign currencies borrowings and capital vendors. The Company does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

##### Fair Value Measurement

The Company measures financial instruments, such as, derivatives 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 economic best interest.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For fair value disclosures, the Company has determined classes of assets and liabilities on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.



(i) Borrowing Costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use i.e. when they are capable of commercial production. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such short-term investments is deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying asset is suspended.

All other borrowing costs are recognised in the Statement of Profit and Loss in the year in which they are incurred.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options).

(j) Impairment of Non-Financial Assets

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment tests are carried out annually for all assets when there is an indication of impairment. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

If any such indication exists then an impairment review is undertaken, the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use. Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount.

An impairment loss is recognised in the Statement of Profit and Loss. Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. Company has done the impairment assessment as at March 31, 2024 and concluded that no impairment indicators exist for the current year reporting.

(k) Inventories

Inventories comprising fuel, stores and spares, consumables, supplies and loose tools are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses. Cost includes all charges in bringing the goods to the present location and condition, and other levies, transit insurance and receiving charges and is determined on a weighted average basis.

Net realisable value is determined based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.





(l) Taxation

Tax expense represents the sum of current tax and deferred tax. Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Subject to exceptions below, 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 and on carry forward of unutilised tax credits.

- deferred income tax is not recognised on 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
- deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or equity).

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

(m) Retirement Benefit Schemes

The Company operates or participates in a number of defined benefits and defined contribution schemes, the assets of which (where funded) are held in separately administered funds. For defined benefit pension schemes, the cost of providing benefits under the plans is determined by actuarial valuation separately for each plan using the projected unit credit method by independent qualified actuaries as at the year end.

Re-measurements including, effects of asset ceiling and return on plan assets (excluding amounts included in interest on the net defined benefit liability) and actuarial gains and losses arising in the year are recognised in full in other comprehensive income and are not recycled to the profit or loss. For defined contribution schemes, the amount charged to the Statement of Profit and Loss in respect of provident fund, pension costs and other post-retirement benefits are the contributions payable in the year, recognised as and when the employee renders related services and the Company has no further obligations other than the contributions made.

Past service costs are recognised in statement of profit or loss in the earlier of:

- The date of the planned amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements;
- Net interest expense or income

(n) Provision for liabilities and charges, contingent liabilities and contingent assets

Provisions represent liabilities of the Company for which the amount or timing is uncertain. Provisions are recognised 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 recognised in the 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 recognise a contingent liability but discloses its existence in the financial statements. (Refer Note 33)  
Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.





**(o) Foreign Currency Translation**

The functional currency for the Company is determined as the currency of the primary economic environment in which it operates. The functional currency is the local currency of the country in which it operates which is Indian Rupee (₹).

Transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the Statement of Profit and Loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognised in the other comprehensive income.

The Company had applied paragraph 46A of AS 11 as prescribed under the accounting standards notified pursuant to section 133 of the Act read together with Rule 7 of the Companies (Accounts) Rules 2014. On transition to Ind AS, the Company had elected the option, whereby a first time adopter could continue its accounting policy for exchange differences arising from translation of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. Hence, foreign exchange gain/loss on long-term foreign currency monetary liabilities recognised upto March 31, 2016 which were obtained for acquisition of property, plant and equipment, have been adjusted to the cost of PPE.

Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful life of the assets.

From accounting periods commencing on or after April 01, 2016, exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post April 01, 2016, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss.

The insertion of Appendix B of Ind AS 21 provides clarification on recording foreign currency transactions when consideration is paid or received in advance. The Appendix B would apply when a Company:

- Pays or receives consideration denominated or priced in a foreign currency, and
- Recognises a non-monetary prepayment asset or deferred income liability.

The date of the transaction for the purpose of determining the exchange rate to use on initial Ind AS 21 recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

If there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

**(p) 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.

**(q) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and demand deposits with banks 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 changes in value.

**(r) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/(loss) for the year before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past and future cash receipts of payments. The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information.

Cash comprises cash at bank and in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



(s) Segment Reporting

The Company operates only in one segment namely power generation and there are no reportable segments. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker i.e., Board of Directors.

(t) Share-based payments

The Company does not have any outstanding share-based payments. Vedanta Limited ("VL"), the immediate holding company offers certain share-based incentives under the Long-Term Incentive Plan ("LTIP") to employees and directors of the Company and its subsidiaries. VL recovers the proportionate cost (calculated based on the grant date fair value of the options granted) from the respective group companies, which is charged to the statement of profit and loss.

**2.C. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statement in conformity with Ind AS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following accounting policies and/or notes:

Critical estimates and judgements in applying accounting policies

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

Critical estimates:

- Useful life of property, plant and equipment

Useful life of depreciable/ amortisable assets (tangible and intangible) - Management reviews its estimate of the useful lives and consumption pattern of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. The reassessment may lead to a change in depreciation and amortisation charge. Accordingly, the Company had revised the useful life of its property, plant, and equipment from 40 years to 25 years during earlier years.

Critical judgements:

- Determining whether an arrangement contains a lease and fixed rentals therein

Significant judgement is required to apply lease accounting rules under Ind AS 116. Determining whether an arrangement contains a lease. In assessing the applicability to arrangements entered by the Company, management has exercised judgement to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria under Ind AS 116.

The Company has ascertained that the Power Purchase Agreement (PPA) entered between the Company and Punjab State Power Corporation Limited (PSPCL) qualify as operating lease as per Ind AS 116 Leases. Accordingly, the consideration receivable under the PPA relating to recovery of capacity charges have been recognised as operating lease rentals and in respect of energy charges is considered as revenue from sale of products.

The Company has assessed the nature of operating lease payments received as a lessor. Management has assessed that the entire lease payments are contingent in nature as the payments are based on the number of units of electricity made available by the Company. This is subject to variation on account of various factors like availability of coal, water, etc. of the plant.





• Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation, and other claims against the Company. A tax provision is recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to confirm their decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. The liabilities which are assessed as possible and hence are not recognised in these financial statements are disclosed in Note 33.

• Revenue Recognition of disputed dues:

The Company has evaluated the provisions of Ind-AS 115, which states that revenue should be recorded if it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. Management has assessed the recognition of revenue and recoverability of disputed dues with PSPCL as disclosed in Note 47 as highly probable due to the following reasons:

- The Company has favorable legal opinions from senior advocates.
- PSPCL being a government owned company, credit risk is low.

Climate Related Matters:

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

- Useful life of property, plant and equipment: When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.
- Impairment of non-financial assets: The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Company's products. The Company has concluded that no climate-related assumption will have impact on FY 2023-24 test of impairment.

Application of New and amended standards:

The Company has adopted, with effect from 01 April 2023, the following new and revised standards and interpretations. Their adoption has not had any significant impact on the amounts reported in the financial statements.

- (i) Ind AS 1 Presentation of financial statements: The amendment requires disclosure of material accounting policies rather than significant accounting policies.
- (ii) Ind AS 12 Income Taxes: The amendment clarifies application of initial recognition exemption to transactions such as leases and decommissioning obligations.
- (iii) Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors: The amendment replaces definition of 'change in accounting estimates' with the definition of 'accounting estimates'

Standards notified but not yet effective :

No new standards have been notified during the year ended 31 March 2024.





## Note 3 Property Plant and Equipment

For the year ended March 31, 2024

Particulars	Gross Block				Accumulated depreciation and amortisation			Net Block	
	Balance as at March 31, 2023	Additions	Disposals/ Adjustments	Foreign exchange difference	Balance as at March 31, 2024	Balance as at March 31, 2023	Deductions	Balance as at March 31, 2024	Balance as at March 31, 2024
<b>a) Tangible Assets</b>									
Freehold Land	390.60	-	-	-	390.60	-	-	-	390.60
ROU Land (Refer note 2.6(e))	12.00	0.54	11.68	-	0.86	4.00	0.18	-	0.68
Buildings	265.34	0.08	-	-	265.42	121.85	13.51	135.35	130.06
Plant and Machinery*	10,956.91	20.58	452.41	-	10,565.08	3,469.73	415.11	3,784.84	6,780.24
Furniture and Fixings	2.82	0.03	-	-	2.84	1.97	0.19	2.15	0.69
Motor Vehicles	1.11	-	-	-	1.11	0.20	0.21	0.41	0.70
Railway Siding and Locomotives	418.16	-	-	-	418.16	214.07	23.78	237.85	180.31
Office and Equipment	8.56	0.08	-	-	8.61	7.40	0.24	7.63	0.98
Computers and Data Processing	7.37	0.58	-	-	7.90	5.87	0.03	6.35	1.55
Laboratory Equipment	28.29	-	-	-	28.29	22.70	2.17	24.87	3.42
<b>Total</b>	<b>12,131.17</b>	<b>21.87</b>	<b>464.16</b>	-	<b>11,668.07</b>	<b>3,747.79</b>	<b>455.90</b>	<b>4,199.64</b>	<b>7,468.23</b>
*Refer Note 50									
<b>b) Intangible Assets</b>									
Computer software	3.79	0.09	-	-	3.88	3.29	0.20	3.49	0.39
SAP Basis NOJ	-	2.73	-	-	2.73	-	0.36	0.36	2.37
<b>Total</b>	<b>3.79</b>	<b>2.82</b>	<b>-</b>	<b>-</b>	<b>6.61</b>	<b>3.29</b>	<b>0.56</b>	<b>3.85</b>	<b>2.76</b>

## Previous year ended March 31, 2023

Particulars	Gross Block				Accumulated depreciation and amortisation			Net Block	
	Balance as at March 31, 2022	Additions	Disposals/ Adjustments	Foreign exchange difference	Balance as at March 31, 2023	Balance as at March 31, 2022	Deductions	Balance as at March 31, 2023	Balance as at March 31, 2023
<b>a) Tangible Assets</b>									
Freehold Land	390.60	-	-	-	390.60	-	-	-	390.60
ROU Land (Refer note 2.6(e))	10.18	12.00	10.18	-	12.00	9.91	4.27	4.00	8.00
Buildings	265.01	0.33	-	-	265.34	107.86	13.99	121.85	143.49
Plant and Machinery	10,950.01	22.16	-	34.74	10,996.91	2,954.94	414.79	3,369.73	7,627.18
Furniture and Fixings	2.83	-	0.01	-	2.82	1.77	0.20	1.97	0.85
Motor Vehicles	0.66	0.56	0.11	-	1.11	0.13	0.16	0.20	0.91
Railway Siding and Locomotives	418.16	-	-	-	418.16	190.29	23.78	214.07	204.09
Office and Equipment	8.28	0.33	-	-	8.56	5.98	0.41	7.40	1.16
Computers and Data Processing	7.00	0.42	-	-	7.57	5.53	0.36	5.87	1.50
Laboratory Equipment	28.29	-	0.05	-	28.29	20.53	2.17	22.70	5.59
<b>Total</b>	<b>12,170.98</b>	<b>35.40</b>	<b>10.16</b>	<b>34.74</b>	<b>12,191.17</b>	<b>3,297.95</b>	<b>460.15</b>	<b>3,757.79</b>	<b>8,393.37</b>
<b>b) Intangible Assets</b>									
Computer software	3.79	-	-	-	3.79	3.12	0.17	3.29	0.50
<b>Total</b>	<b>3.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.79</b>	<b>3.12</b>	<b>0.17</b>	<b>3.29</b>	<b>0.50</b>

Note: i) Certain property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in Note 15 on "Borrowings".

ii) Details in respect of Freehold Land having Gross and net book value of Rs. 390.60 Crores and building having gross book value of Rs. 265.41 Crores and net book value of Rs. 130.06 Crores included in plant, property and equipment are in the name of the company but are not physically available with the company. Since has been held with Vistra ITCI (India) Limited working as trustee appointed by Bank/ Financial Institutions against charge created on borrowing taken from Bank and Financial Institutions. Although, there is no such property wherein there is an issue with the title.

## (B) Aging of Capital-Work-in Progress (CWIP)

Year ended March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3.05	-	-	-	3.05
Projects temporarily suspended	-	-	-	-	-

## Previous year ended March 31, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.46	1.16	-	-	1.62
Projects temporarily suspended	-	-	-	-	-



**Talwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(₹ in Crore)

**Note 4**

**Trade receivables - Non-current**

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured (Refer Note 42)	1,619.79	1,476.43
Trade Receivables - Credit impaired	0.05	0.05
Less: Provision for Trade Receivables - Credit impaired (Refer Note 40)	(0.05)	(0.05)
<b>Total</b>	<b>1,619.79</b>	<b>1,476.43</b>

**Note 5**

**Other financial assets - Non-current**

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Deposits with remaining maturity of more than 12 months (including interest accrued thereon) (Refer note below)	-	38.27
Security deposits (Unsecured, considered good)	7.59	7.59
<b>Total</b>	<b>7.59</b>	<b>45.86</b>

Note: Bank deposits are kept as margin money and earns interest at fixed rate based on respective deposit rate.

**Note 6**

**Other non-current assets**

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	1.77	2.40
<b>Total</b>	<b>1.77</b>	<b>2.40</b>

**Note 7**

**Inventories**

Particulars	As at March 31, 2024	As at March 31, 2023
Fuel Stock	149.92	115.81
Goods-in transit	71.97	52.16
Stores and Spares	70.45	56.54
Goods-in transit	0.15	0.18
<b>Total</b>	<b>292.49</b>	<b>224.69</b>

Note: For method of valuation of inventories, refer note 2.B(k)

**Note 8**

**Trade receivables - Current**

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured (Refer note 42)	547.10	812.02
<b>Total</b>	<b>547.10</b>	<b>812.02</b>

Note: The Company offers a credit period of 0-30 days to its customers.





Talwandi Sabo Power Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(₹ in Crore)

**Note 9**

Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- on cash credit account	168.01	39.90
<b>Total</b>	<b>168.01</b>	<b>39.90</b>

**Note 10**

Financial Assets- Current : Other Bank Balances

Particulars	As at March 31, 2024	As at March 31, 2023
Bank deposits with original maturity for more than 3 months but less than 12 months (including interest accrued thereon)	-	0.01
Bank deposits with original maturity for more than 12 months but remaining maturity of less than 12 months (including interest accrued thereon)	38.27	-
<b>Total</b>	<b>38.27</b>	<b>0.01</b>

Note: Bank deposits are kept as margin money and earns interest at fixed rate based on respective deposit rate.

**Note 11**

Other financial assets - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Receivables from related parties (Refer note 37)	0.14	0.35
Claims and other receivables	0.51	0.01
<b>Total</b>	<b>0.65</b>	<b>0.36</b>

**Note 12**

Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to suppliers	0.47	17.87
Prepaid expenses	14.94	19.13
<b>Total</b>	<b>15.41</b>	<b>37.00</b>





**Talwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

**Note 13**

**Equity Share Capital :**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount (₹ in Crore)	Number of shares	Amount (₹ in Crore)
<b>Authorised Equity Share Capital</b>				
Equity Shares of ₹ 10 each, with voting rights	400,00,00,000	4,000.00	400,00,00,000	4,000.00
<b>Issued, Subscribed and Fully Paid up</b>				
Equity Shares of ₹ 10 each, with voting rights	320,66,09,692	3,206.61	320,66,09,692	3,206.61
<b>Total</b>	<b>320,66,09,692</b>	<b>3,206.61</b>	<b>320,66,09,692</b>	<b>3,206.61</b>

**(i) Reconciliation of the number of shares and the amount outstanding as at beginning and at the end of the reporting year :**

Particulars	Equity Shares as at March 31, 2024		Equity Shares as at March 31, 2023	
	Number of shares	Amount (₹ in Crore)	Number of shares	Amount (₹ in Crore)
Shares outstanding at the beginning of the year	320,66,09,692	3,206.61	320,66,09,692	3,206.61
Movement during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>320,66,09,692</b>	<b>3,206.61</b>	<b>320,66,09,692</b>	<b>3,206.61</b>

**(ii) Details of shares held by the holding Company, the ultimate holding Company, their subsidiaries and associates :**

320,66,09,692 (previous year: 320,66,09,692) Equity Shares i.e. 100% of the equity shares are held by the Holding Company, Vedanta Limited and its nominees.

**(iii) Details of shares held by each shareholder holding more than 5% shares :**

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of Holding	Number of shares held	% of Holding
<b>Vedanta Limited and its nominees</b>	<b>320,66,09,692</b>	<b>100</b>	<b>320,66,09,692</b>	<b>100</b>

**Other disclosures :**

- (iv) The Company has one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. Dividend proposed (if any) by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.



**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 14**

**Other equity (Refer Statement of changes in Equity)**

**(₹ in Crore)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Retained earnings</b>		
Balance at the beginning of the year	(184.92)	(114.64)
Add: Profit/ (Loss) for the period	602.15	(70.28)
Transfer from debenture redemption reserve	-	-
Less: Transfer to Re-measurement Reserve	-	-
<b>Closing Balance</b>	<b>417.23</b>	<b>(184.92)</b>
<b>Other Comprehensive Income</b>		
<b>Remeasurement Reserve</b>		
Balance at the beginning of the year	(1.35)	(0.86)
Add: Remeasurement gain/(loss) on defined benefit obligation	0.27	(0.49)
<b>Closing Balance</b>	<b>(1.08)</b>	<b>(1.35)</b>
<b>Total other equity</b>	<b>416.15</b>	<b>(186.27)</b>



**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 15**

**Non current financial liabilities - Borrowings**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured : At amortised cost</b>		
(a) Term Loan		
(i) From banks:		
Indian currency loans	-	2,438.17
(ii) From Other than Banks (Indian currency loan) (Refer note (iii) below)	5,616.32	3,730.17
<b>Total Borrowings</b>	<b>5,616.32</b>	<b>6,168.34</b>
Less : Current maturities of long-term borrowings (Refer note 18)	(744.75)	(672.22)
<b>Total</b>	<b>4,871.57</b>	<b>5,496.12</b>

**Notes:**

- (i) The Company has not defaulted in the repayment of loans and interest as at balance sheet date.
- (ii) Loans availed by the Company are subject to certain covenants relating to debt service coverage ratio and debt equity ratio. The Company has complied with the covenants as per the terms of the loan agreement.
- (iii) During the year, the company has entered into a loan refinancing arrangement with Power Finance Corporation Limited under which loan amount of all other existing lenders have been fully repaid and entire loan refinanced with Power Finance Corporation Limited. The refinanced loan carries an interest rate of 9.45%.

**Note:** 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;

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.





**Talwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2023

**(iii) Summary of Term Loan (Carrying Value):**

				₹ in Crore)	
Particulars	Issued on	Security	As at March 31, 2024	As at March 31, 2023	
<b>(a) From Banks:</b>					
<b>Indian currency loans</b>					
State Bank of India	December 2015	Secured by first pari passu charge on fixed assets and second pari passu charge on current assets of the company, both present and future, with an unconditional and irrevocable corporate guarantee by Vedanta Limited.	-	1,520.94	
Canara Bank	September 2017	Secured by first pari passu charge on fixed assets and second pari passu charge on current assets of the company, both present and future, with an unconditional and Irrevocable corporate guarantee by Vedanta Limited.	-	228.95	
ICICI Bank Limited	March 2019	Secured by first pari passu charge on fixed assets and second pari passu charge on current assets of the company, both present and future, with an unconditional and Irrevocable corporate guarantee by Vedanta Limited.	-	461.33	
ICICI Bank Limited	September 2017	Secured by first pari passu charge on fixed assets and second pari passu charge on current assets of the company, both present and future, with an unconditional and Irrevocable corporate guarantee by Vedanta Limited.	-	220.01	
ICICI Bank Limited	May 2020	Secured by first pari passu charge on fixed assets and second pari passu charge on current assets of the company, both present and future, with an unconditional and Irrevocable corporate guarantee by Vedanta Limited.	-	6.94	
<b>Total</b>			-	<b>2,438.17</b>	
<b>(b) From other than banks:</b>					
Power Finance Corporation Limited	June 2020	Secured by first pari passu charge on fixed assets and second pari passu charge on current assets of the company, both present and future, with an unconditional and Irrevocable corporate guarantee by Vedanta Limited.	3,250.82	3,730.17	
Power Finance Corporation Limited (Refin.)	September 2023	Secured by first pari passu charge on fixed assets and second pari passu charge on current assets of the company, both present and future, with an unconditional and Irrevocable corporate guarantee by Vedanta Limited.	2,365.50	-	
<b>Total</b>			<b>5,616.32</b>	<b>3,730.17</b>	
<b>Total Term Loan</b>			<b>5,616.32</b>	<b>6,168.34</b>	

Repayment terms of Term loan outstanding as on March 31, 2024:

Particulars	Weighted Average Interest Rate	Total Carrying Value	<1 year	1-3 years	3-5 years	>5 years	Unamortised cost/MTM
Indian Rupee term loan	9.45%	5,616.32	744.75	1,076.52	694.12	3,122.01	(21.08)
<b>Total</b>		<b>5,616.32</b>	<b>744.75</b>	<b>1,076.52</b>	<b>694.12</b>	<b>3,122.01</b>	<b>(21.08)</b>

Note:

(a) The maturity amount as mentioned above is based on the total principal outstanding.

**(iv) Movement of borrowings during the year:**

Particulars	Borrowings due within one year	Borrowings due after one year	Total
As at March 31, 2023	672.22	5,496.12	6,168.34
Cash flow	(560.34)	-	(560.34)
Other non cash changes	632.87	(624.55)	8.32
As at March 31, 2024	<b>744.75</b>	<b>4,871.57</b>	<b>5,616.32</b>

Other non-cash changes comprises of amortisation of borrowing costs and reclassification between borrowings due within one year and borrowings due after one year.



**Talwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(₹ in Crore)

**Note 16**

**Other financial liabilities - Non current**

Particulars	As at March 31, 2024	As at March 31, 2023
Liability for capital expenditure (Refer note 50)	-	1,240.90
Lease liability (Refer note below)	2.14	4.28
<b>Total</b>	<b>2.14</b>	<b>1,245.18</b>

(i) **Note:**

The movement in lease liabilities is as follows:

Opening balance	8.69
Additions	3.42
Reversal	(8.68)
Repayments	(0.10)
Interest	0.17
Closing balance	3.50

Lease liabilities carry an average interest rate at 9.52% p.a.

During the year, the company has modified its lease with Northern Railways basis the revised land rates as per confirmation received from Northern Railways vide letter dated 08.03.2024. Therefore, the company has modified its lease liability considering annual charges of Rs. 0.18 Cr. instead of Rs. 4.41 Cr. considered earlier (subject to an annual increment of 7%). The said modification has resulted in reversal of lease liability to the extent of Rs. 8.68 Cr.

**Note 17**

**Provisions - Non-current**

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
- Gratuity (Refer Note 36)	0.15	0.46
- Compensated absences	0.91	0.80
<b>Total</b>	<b>1.06</b>	<b>1.26</b>

**Note 18**

**Borrowings - Current**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
<b>Secured</b>		
- Short-term loan (Refer note (i) below)	434.00	110.00
- Current maturities of long-term borrowings (Refer note 15)	744.75	672.22
<b>Unsecured</b>		
Short Term Borrowings	-	99.77
<b>Total</b>	<b>1,178.75</b>	<b>881.99</b>

**Notes:**

(i) **Loan from banks**

The Company meets its working capital requirement through loans from banks. These loans are secured by a first pari passu charge on all present and future inventories, book debts and all other current assets & second pari passu charge on fixed assets of the company.

The Company has been sanctioned working capital limits from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

The above outstanding short term loan carry interest rate of 9.05% p.a. (previous year 8.68% p.a.).

**Note 19**

**Trade Finance**

Particulars	As at March 31, 2024	As at March 31, 2023
Trade finance with banks - Secured (Refer note below)	375.13	411.26
<b>Total</b>	<b>375.13</b>	<b>411.26</b>

**Note:** Trade finance represents bills discounted by vendors under bill discounting facility availed by the Company from the bank settled within 120 days and is secured by first pari passu charge on current assets and second pari passu charge on fixed assets of the Company, both present and future.





Talwandi Sabo Power Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(₹ in Crore)

Note 20

Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer note (b) below)	1.56	3.99
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	39.93	47.33
<b>Total</b>	<b>41.49</b>	<b>51.32</b>

Notes:

(a) Trade payables are non-interest bearing and are normally settled upto 180 days terms.

(b) Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act 2006:

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1.56	3.99
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 21

Other financial liabilities - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	34.17	35.63
Lease liability (Refer note 16)	1.36	4.41
Other Payables	-	-
Project creditors	-	1.72
Retention money	8.81	20.78
Due to related parties (Refer note 37)	146.25	121.88
Earnest money deposit	10.43	9.44
Other Liabilities	-	0.03
<b>Total</b>	<b>201.02</b>	<b>193.89</b>

Note 22

Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers*	1.72	1.54
Other Payables:	-	-
Statutory liabilities	3.55	4.61
Other liabilities	0.87	0.76
<b>Total</b>	<b>6.14</b>	<b>6.91</b>

\* These are contract liabilities. Additional disclosures have not been furnished as the same are not material

Note 23

Provisions - Current

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits	-	-
- Compensated absences	0.11	0.11
<b>Total</b>	<b>0.11</b>	<b>0.11</b>





**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

(₹ in Crore)

**Note 24**

**Revenue from operations**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations		
Energy Sales (Refer note below)	5,266.93	5,745.69
<b>Total</b>	<b>5,266.93</b>	<b>5,745.69</b>

Note: Energy sales includes contingent rentals of ₹ 1,423.27 Crore (previous year ₹ 1,542.63 Crore). The balance revenue of ₹ 3,843.66 Crore (previous year ₹ 4,203.06 Crore) relates to sale of power w.r.t. contract with customer and is recorded at a point in time. Also, refer note 2.B(b).

**Note 25**

**Other Operating Revenue**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Scrap Sales	1.65	2.56
Sale of fly ash	26.35	17.91
Miscellaneous income	8.81	34.45
<b>Total</b>	<b>36.81</b>	<b>54.92</b>

**Note 26**

**Other income**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income from financial assets at amortised cost		
- Bank Deposits	2.47	1.30
- Others	0.20	0.35
Realised Gains from investments measured at FVTPL	0.25	0.35
Interest on outstanding income tax refunds	0.35	2.01
Miscellaneous income	12.87	1.99
<b>Total</b>	<b>16.14</b>	<b>6.00</b>

**Note 27**

**Employee benefits expense**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and Bonus	23.69	24.23
Contribution to provident fund	0.70	0.62
Staff welfare expenses	0.35	0.17
Gratuity expenses (Refer note 36)	0.20	0.19
Contribution to super annuation	0.57	0.50
<b>Total</b>	<b>25.51</b>	<b>25.71</b>

**Note 28**

**Finance cost**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest expenses	635.34	682.84
Other finance costs	32.36	29.10
<b>Total</b>	<b>667.70</b>	<b>711.94</b>



Sensitivity: Internal (C3)



**Taiwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

(₹ in Crore)

**Note 29**

**Depreciation and amortisation expense**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of tangible assets (Refer note 3)	455.90	460.15
Amortisation of intangible assets (Refer note 3)	0.56	0.17
<b>Total</b>	<b>456.46</b>	<b>460.32</b>

**Note 30**

**Other expenses**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spare parts	56.76	45.02
Plant running and maintenance expenses	170.29	159.74
CSR expenses (Refer note 32)	1.45	2.31
Legal and professional fees (Refer note 34)	10.91	9.78
Electronic data processing expenses	2.97	2.08
Insurance	20.78	32.31
Rates and taxes	1.10	1.18
Security expenses	0.16	0.08
Travelling	2.84	2.83
Books and periodicals	0.13	0.13
Director sitting fees (Refer note 37)	0.66	0.58
Net loss on foreign currency transactions and translation	4.42	17.76
Loss on Asset Written off	0.00	-
Brand Fees (Refer note 37)	46.94	51.04
Miscellaneous expenses	3.11	2.88
<b>Total</b>	<b>322.52</b>	<b>327.72</b>

**Note 31**

**Commitments**

**(i) Commitments:**

Estimated amounts of contracts remaining to be executed on capital account not provided for (net of advances) amount to ₹ 0.38 Crore (previous year ₹ 0.94 Crore).

**(ii) Other Commitments:**

The Company entered into Power Purchase Agreement ("PPA") with Punjab State Power Corporation Limited ("PSPCL") for twenty five year PPA which has been identified as arrangement containing lease as per Ind AS 116. The arrangement has been classified as operating lease as per the policy of the Company. The contingent rent recognized as income during the year is ₹ 1,423.27 Crore (previous year ₹ 1,542.63 Crore).

**(iii) Guarantees:**

a) The Company has advanced bank guarantees to regulators of India amounting to ₹ 0.01 Crore (previous year ₹ 0.01 Crore) relating to payment of state taxes (VAT & CST).

b) The Company has given bank guarantee amounting to ₹ 38.23 Crore (previous year ₹ 38.23 Crore) to 'Punjab State Power Corporation Limited' (PSPCL) against pending litigation at supreme court.

c) Other bank guarantee amounting to ₹ NIL (previous year ₹ 0.20 Crore) given to 'National Stock Exchange of India' against any possible occurrence of any default in any of the listed debt securities and other obligations as per SEBI Circular.

Sensitivity: Internal





**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 32**

(₹ in Crore)

**Corporate Social responsibility**

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Payment made in- Cash	Payment yet to be Paid in Cash	Payment made in- Cash	Payment yet to be Paid in Cash
Amount of expenditure incurred by the company during the year on:				
i) Capital work-in-progress	0.25	0.09	0.08	0.60
ii) General expenses (Refer table below)	0.84	0.21	0.73	0.43
iii) Salaries and wages	0.06	0.00	0.04	0.01
<b>Total Amount of expenditure incurred</b>	<b>1.15</b>	<b>0.30</b>	<b>0.85</b>	<b>1.04</b>

As per the provisions of Companies Act, 2013, the Company is required to spend an amount of ₹ NIL (previous year ₹ 0.47 Crore) towards CSR expenditure. However company has voluntarily spent ₹ 1.45 Crores (previous year ₹ 1.41 Crores) towards CSR expenditure and will be carrying forward the same to subsequent years for adjustment.

**Balance of CSR provision/CSR expenses not yet paid in cash**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening Balance	1.04	1.13
Provision made during the year	1.45	1.89
Payments made during the year	2.19	1.98
<b>Closing Balance</b>	<b>0.30</b>	<b>1.04</b>

Closing balance of ₹ 0.30 Crore with respect to additional expenses incurred during the year over and above the statutory limit for FY 23-24 which will be paid during FY 24-25.

**Nature of amount - General Expenses**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Health care	0.30	0.34
Agriculture & Animal Husbandry	0.31	0.36
Children's Wellbeing & Education	0.02	0.17
Women Empowerment	0.28	0.29
Rural Development	0.14	-
Others	0.00	-
<b>Total</b>	<b>1.05</b>	<b>1.16</b>





**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 33**

**Contingent Liabilities**

**Claims against the Company not acknowledged as debt**

- (i) As per the Punjab State Grid Code, if a power generating station fails to demonstrate its declared capacity for any time block mentioned in the demonstration notice from Punjab State Load Dispatch Centre ("PSLDC"), it amounts to a mis-declaration. During the month of January 2017, Punjab State Power Corporation Limited ("PSPCL") imposed a penalty on the Company on account of alleged mis-declaration and deducted a penalty of ₹ 77.86 Crore (previous year ₹ 77.86 Crore) from the monthly bill setting aside the clarifications submitted by TSPL.

In November 2017, TSPL filed a petition before Punjab State Electricity Regulatory Commission ("PSERC"). In February 2018, PSERC unfavourably disposed the petition and directed calculation of the penalty for four instances in January 2017 at normative availability of 80% amounting to ₹ 127.32 Crore (previous year ₹ 127.32 crore). In February 2018, TSPL filed an appeal before Appellate Tribunal for Electricity ("APTEL"). Pleadings are complete in the matter. The matter is in the "List of Finals" and would be taken up on its turn. The next date of hearing is yet to be notified.

The Company has also filed a Writ Petition before the Punjab and Haryana High Court challenging the validity of the regulation on grounds of being arbitrary and disproportionate which is yet to be listed. On the basis of merits of the case and backed by the legal opinion, no provision has been considered necessary at this stage.

(₹ in Crore)

**Note 34**

**Auditors' Remuneration Included under Legal & Professional Services**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Audit Fees	0.25	0.23
Limited Review	0.16	0.14
Reporting for Parent Company consolidation	0.08	0.07
Other Services	0.04	0.02
Out of Pocket Expenses	0.03	0.01
<b>Total</b>	<b>0.56</b>	<b>0.47</b>

**Note 35**

**Earnings/(Loss) Per Share (EPS)**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit/(loss) after tax attributable to equity shareholders for basic and diluted EPS (₹ in Crore)	602.15	(70.28)
Weighted average number of Equity shares for Basic and Diluted EPS	3,206,609,692	3,206,609,692
<b>Basic and Diluted Earnings/(Loss) Per Share (₹)</b>	<b>1.88</b>	<b>(0.22)</b>
<b>Nominal Value Per share (₹)</b>	<b>10.00</b>	<b>10.00</b>

**Note 36**

**Employee Benefits**

**a) Defined contribution plan**

The Company contributed a total of ₹ 1.27 Crore for the year ended March 31, 2024 (previous year ₹ 1.12 Crore) to the following defined contribution plans:

**Central provident fund**

In accordance with the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 employees are entitled to receive benefits under the provident fund. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (12% for fiscal year 2024 and 2023) of an employee's basic salary. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GOI) or to independently managed and approved funds. The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period they are incurred. Where the contributions are made to independently managed and approved funds, shortfall in actual return, if any, from the return guaranteed by the State are made by the employer, these are accounted for as defined benefit plans. The benefits are paid to employees on their retirement or resignation from the Company.

**Superannuation**

Superannuation, another pension scheme applicable in India, is applicable only to senior executives. The Company holds a policy with Life Insurance Corporation of India ("LIC"), to which it contributes a fixed amount relating to superannuation and the pension annuity is met by LIC as required, taking into consideration the contributions made. The Company has no further obligations under the scheme beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period they are incurred.

**b) Defined Benefit Plan:**

In accordance with the Payment of Gratuity Act of 1972, the Company operates a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. The Gratuity plan is a funded plan and the Company makes contribution to recognised funds in India. Based on actuarial valuations conducted as at year end on the basis of Projected Unit Credit (PUC) method, a provision is recognised in full for the benefit obligation over and above the funds held in the Gratuity Plan.

The disclosure as required under Ind AS-19 "Employee Benefits" regarding the company's gratuity plan (funded) are as follows:



**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

(₹ in Crore)

**Note 36**

**Employee Benefits (Contd.)**

**Actuarial assumptions**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salary growth (p.a.)	5.50%	5.50%
Expected rate of Return on Plan Assets (p.a.)	7.38%	7.14%
Discount rate (p.a.)	7.39%	7.39%
Mortality rate	100% IALM(2012-14)	100% IALM(2012-14)

The rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

**Expenditure recognized during the period**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	0.20	0.19
Interest cost	0.03	0.00
<b>Total</b>	<b>0.23</b>	<b>0.19</b>

**Amount recognized in Other Comprehensive Income during the period**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Remeasurement of the net defined benefit obligation:-		
Actuarial losses / (gains) arising from changes in financial assumptions	0.05	(0.05)
Actuarial losses / (gains) arising from experience adjustments	(0.41)	0.71
Actuarial losses / (gains) on assets	-	-
<b>Total</b>	<b>(0.36)</b>	<b>0.66</b>

**Movement in present value of defined benefit obligation**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Obligation at the beginning of the year	1.86	1.67
Current service cost	0.20	0.17
Interest cost	0.13	0.12
Actuarial (gains)/losses	(0.36)	0.66
Benefits paid	(0.06)	(0.76)
<b>Obligation at the end of the year</b>	<b>1.77</b>	<b>1.86</b>

**Movement in present value of plan assets**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Fair value at the beginning of the year	1.40	1.65
Actual return on plan assets	0.10	0.12
Contribution	0.18	0.39
Benefits paid	(0.06)	(0.76)
<b>Fair value at the end of the year*</b>	<b>1.62</b>	<b>1.40</b>

\*The entire amount has been invested with Life Insurance Corporation of India.

**Amount Recognized in the Balance Sheet**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of obligation at the end of the year	1.77	1.86
Less: Fair value of plan assets at the end of the year	(1.62)	(1.40)
<b>Net liability recognized in the Balance Sheet</b>	<b>0.15</b>	<b>0.46</b>

The contribution expected to be made by the Company during the financial year 2024-25 as ascertained by the management is ₹ 0.24 Crore (previous Year ₹ 0.26 Crore).

Sensitivity analysis	March 31, 2024	March 31, 2023
Increase / (Decrease) in defined benefit obligation		
Discount rate		
Increase by 0.50%	(0.09)	(0.09)
Decrease by 0.50%	0.10	0.10
Expected rate of increase in compensation level of covered employees		
Increase by 0.50%	0.10	0.10
Decrease by 0.50%	(0.10)	(0.09)





**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

{₹ in Crore}

**Note 36**

**Employee Benefits (Contd.)**

**Maturity profile of defined benefit obligation**

Year	March 31, 2024	March 31, 2023
0-1 Years	0.03	0.04
1-2 Years	0.03	0.03
2-3 Years	0.30	0.03
3-4 Years	0.03	0.26
4-5 Years	0.02	0.03
5-6 Years	0.02	0.10
More than 6 years	1.34	1.36
<b>Total</b>	<b>1.77</b>	<b>1.85</b>

**Risk analysis**

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans, and management's estimation of the impact of these risks are as follows:

**Interest risk**

A decrease in the interest rate on plan assets will increase the plan liability.

**Longevity risk/ Life expectancy**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

**Salary growth risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

**Investment risk**

The Gratuity plan is funded with Life Insurance Corporation of India ("LIC"). The Company does not have any liberty to manage the fund provided to LIC. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

**Note 37**

**Related Party Disclosures**

**List of related parties and relationships**

**(a) Entities controlling the company (Holding Companies):**

Immediate:	Vedanta Limited
Intermediate:	Vedanta Resources Limited (formerly Vedanta Resources Plc.)
Ultimate:	Volcan Investments Limited *

**(b) Fellow subsidiaries with whom transactions have taken place:**

<b>Fellow Subsidiaries:</b>	Bharat Aluminium Company Limited
	Electrosteel Steels Limited
	Hindustan Zinc Limited
	Sterlite Power Grid Ventures Limited/
	Sterlite Power Transmissions Limited (Post Merger)
	Runaya Refining LLP
	STL Digital Limited
	Vedanta Foundation

**(c) Key Managerial Personnel:**

Mr. Vibhav Agarwal	: Chief Executive Officer & Whole Time Director (WTD till close of business hours of 18th August 2023)
Mr. Swapnesh Bansal	: Chief Financial Officer (till close of business hours of 20th July 2023)
Mr. Nitesh Malani	: Chief Financial Officer (w.e.f. 21st July 2023)
Mr. Agnivesh Agarwal	: Chairman, Non Executive Director
Mr. Partha Kumar Sharma	: Additional Director (w.e.f 19th August 2023)
Ms. Sonal Chaitani	: Non-Executive Director
Mr. Baldev Krishan Sharma	: Non-Executive Director
Mr. Mahendra Singh Mehta	: Independent Director
Mr. R. Kannan	: Independent Director (till close of business hours of 18th August 2023)
Ms. Shivangi Dhanuka	: Company Secretary

\* No transaction with parties during the year.





**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 37**

**Related Party Disclosures (Contd.)**

**Terms and conditions of transactions with related parties:**

The Company enters into transactions in the normal course of business with its related parties, including its parent Vedanta Limited. A summary of all related party transactions for the year ended March 31, 2024 and 2023 are noted below.

**a. Details of transactions during the year with related parties :**

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>1) Net Recovery from / (Reimbursement) of employee cost and other expenses</b>		
(i) Vedanta Limited	(9.84)	(9.65)
(ii) Hindustan Zinc Limited	0.25	0.34
(iii) Bharat Aluminium Company Limited	0.19	0.12
(iv) Sterlite Power Grid Ventures Limited/ Sterlite Power Transmissions Limited (Post Merger)	0.01	0.02
(v) Electrosteel Steels Limited	0.01	0.17
(vi) Runsa Refining LLP	0.05	-
(vii) STL Digital Limited	(0.78)	-
(viii) Vedanta Foundation	(0.01)	-
<b>2) Net Sale / (Purchase) of Consumables and Capex items</b>		
(i) Vedanta Limited	(0.05)	0.18
(ii) Bharat Aluminium Company Limited	-	0.09
(iii) Hindustan Zinc Limited	0.05	0.01
<b>3) Management and Brand Fees paid (excluding GST)</b>		
(i) Vedanta Resources Limited	(39.76)	(43.25)
<b>4) Interest and Guarantee Commission</b>		
(i) Vedanta Limited	(23.95)	(24.76)
<b>5) Loans repaid during the year</b>		
(i) Vedanta Limited	-	75.00

**b. Details of balances with related parties :**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>1) Balance Receivable as at the end of the year</b>		
(i) Sterlite Power Grid Ventures Limited/Sterlite Power Transmissions Limited (Post Merger)	0.01	-
<b>2) Balance Payable as at the end of the year</b>		
(i) Vedanta Limited	140.77	116.95
(ii) Hindustan Zinc Limited	0.00	-
(iii) Bharat Aluminium Company Limited	-	0.01
(iv) Vedanta Resources Limited	5.34	4.57
<b>3) Bank Guarantees/Corporate Guarantee Issued on our behalf and outstanding as at the end of the year</b>		
(i) Vedanta Limited	5,637.41	6,293.44

**c. Remuneration of key management personnel (KMP)**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Short-term employee benefits	4.85	4.37
Post employment benefits	0.37	0.27
Share based payments	0.41	1.59
<b>Total</b>	<b>5.64</b>	<b>6.17</b>

**Note:**

a. The company has paid ₹ 0.14 Crore (previous year ₹ 0.20 Crore ) as sitting fees & has also accrued ₹ 0.51 Crore (previous year ₹ 0.38 Crore) as commission to its directors.

b. Post employment benefits does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.



**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 38**

**Capital management**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating 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 year.

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 met through a mixture of equity, internal fund generation and borrowings from banks and financial institutions. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises all the components including other comprehensive income.

The following table summarizes the capital of the Company:

(₹ in Crore)		
Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Equity Share Capital	3,206.61	3,206.61
Other Equity	416.15	(186.27)
<b>Total Equity (a)</b>	<b>3,622.76</b>	<b>3,020.34</b>
Cash and cash equivalents	168.01	39.90
Other Bank Balances	-	0.01
Current investments	38.27	38.27
<b>Total cash (b)</b>	<b>206.28</b>	<b>78.18</b>
Short-term borrowings (including current maturities)	1,178.75	881.99
Long-term borrowings	4,871.57	5,496.12
<b>Total debt (c)</b>	<b>6,050.32</b>	<b>6,378.11</b>
<b>Net debt (d=(c-b))</b>	<b>5,844.04</b>	<b>6,299.93</b>
<b>Net debt to equity ratio (d/a)</b>	<b>1.61</b>	<b>2.09</b>



Non-Public Internal (NPI)



**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 39**

**Financial instruments**

**Financial assets and liabilities:**

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

March 31, 2024 (₹ in Crore)				
Financial assets	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Trade receivables - Current	-	547.10	547.10	547.10
Trade receivables - Non Current	-	1,619.79	1,619.79	1,619.79
Other non-current financial assets	-	7.59	7.59	7.59
Other current financial assets	-	0.65	0.65	0.65
Cash and cash equivalents	-	168.01	168.01	168.01
Other bank balances	-	38.27	38.27	38.27
<b>Total</b>	-	<b>2,381.41</b>	<b>2,381.41</b>	<b>2,381.41</b>

March 31, 2023 (₹ in Crore)				
Financial assets	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Trade receivables - Current	-	812.02	812.02	812.02
Trade receivables - Non Current	-	1,476.43	1,476.43	1,476.43
Other non-current financial assets	-	45.86	45.86	45.86
Other current financial assets	-	0.36	0.36	0.36
Cash and cash equivalents	-	39.90	39.90	39.90
Other bank balances	-	0.01	0.01	0.01
<b>Total</b>	-	<b>2,374.58</b>	<b>2,374.58</b>	<b>2,374.58</b>

March 31, 2024				
Financial liabilities	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Long-term borrowings	-	4,871.57	4,871.57	4,871.57
Short-term borrowings	-	1,178.75	1,178.75	1,178.75
Trade finance	-	375.13	375.13	375.13
Trade payables	-	41.49	41.49	41.49
Other non-current financial liabilities	-	2.14	2.14	2.14
Derivative liability	-	-	-	-
Other current financial liabilities	-	201.02	201.02	201.02
<b>Total</b>	-	<b>6,670.10</b>	<b>6,670.10</b>	<b>6,670.10</b>

March 31, 2023				
Financial liabilities	Fair value through profit or loss	Amortised cost	Total carrying value	Total fair value
Long-term borrowings	-	5,496.12	5,496.12	5,496.12
Short-term borrowings	-	881.99	881.99	881.99
Trade finance	-	411.26	411.26	411.26
Trade payables	-	51.32	51.32	51.32
Other non-current financial liabilities	-	1,245.18	1,245.18	1,245.18
Derivative liability	-	-	-	-
Other current financial liabilities	-	193.89	193.89	193.89
<b>Total</b>	-	<b>8,279.76</b>	<b>8,279.76</b>	<b>8,279.76</b>



Security Internal (12)



**Taiwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

**Note 39**

**Financial Instruments (Contd.)**

- Short-term marketable securities traded in active markets are determined by reference to quotes from the financial institutions; for example: Net Asset Value (NAV) for investments in mutual funds declared by mutual fund house. Other short term marketable securities are valued on the basis of market trades, poll and primary issuances for securities issued by the same or similar issuer and for similar maturities or based on the applicable spread movement for the security derived based on the aforementioned factor(s).

- Long-term fixed-rate and variable-rate borrowings (including their current maturities): Fair value has been determined by the Company using level 2 technique, based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. For all other long-term fixed-rate and variable-rate borrowings, either the carrying amount approximates the fair value, or fair value have been estimated by discounting the expected future cash flows using a discount rate equivalent to the risk free rate of return adjusted for the appropriate credit spread. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and the value of other financial instruments recognised at fair value.

- The fair value of current trade receivables, cash and bank balances, loans and other financial assets, current borrowings, trade and other payables and other current financial liabilities is likely to approximate their carrying values due to short term maturities of these instruments.

- Non-current trade receivables: Fair value has been determined by the company based on interest rates and recoverability of dues from the customer. Also, refer note 42.



**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 40**

**Risk management**

The Company's business are subject to several risks and uncertainties including financial risks. The 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, 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 management. The Company has risk in place management processes which are in line with the policy of the parent Company, Vedanta Limited. Each significant risk has a designated 'owner' within the 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 centralised Management Assurance function and is regularly reviewed by the Company's Audit Committee. The Audit Committee is aided by the Risk Management Committee of the Company comprising of senior management, 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 Board of Directors. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

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**

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk), credit risk and liquidity risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Finance Standing Committee. A monthly reporting system exists to inform senior management of investments, debt and currency. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies. The internal control measures are effectively supplemented by regular internal audits.

The investment portfolio of the Company is maintained as per approved monthly policies duly approved by holding Company treasury team.



**Talwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

**Note 40**

**Risk management (Contd.)**

**Additional Information to the Financial Statements :**

**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 but seeks to manage risk and optimize foreign exchange impact through proven financial instruments.

**Liquidity Risk:**

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening its balance sheet. 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.

(₹ in Crore)

Financial liabilities	As on March 31, 2024				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Borrowings	1,178.75	1,076.52	694.12	3,122.01	6,071.40
Interest on borrowings	500.68	827.51	660.71	978.16	2,967.06
Trade finance	375.13	-	-	-	375.13
Trade payables	41.49	-	-	-	41.49
Other financial liabilities	199.66	-	-	-	199.66
Lease Liability	1.36	1.17	0.69	0.28	3.50

Financial liabilities	As on March 31, 2023				
	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Borrowings	881.99	1,450.96	1,020.46	3,042.82	6,396.23
Interest on borrowings	571.02	914.97	689.30	996.40	3,171.69
Trade finance	411.26	-	-	-	411.26
Trade payables	51.32	-	-	-	51.32
Other financial liabilities	189.48	1,240.90	-	-	1,430.38
Lease Liability	4.41	4.28	-	-	8.69





Talwandi Sabo Power Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

Note 40

Risk management (Contd.)

Interest rate risk:

The Company is exposed to interest rate risk on short-term and long-term floating rate instrument. Borrowings of the Company are principally denominated in Indian Rupees with mix of fixed and floating rates of interest. The Indian Rupee debt is mix of fixed interest rates and floating interest rates. These exposures are reviewed by appropriate levels of management on a monthly basis. The Company invests cash and liquid investments in short-term deposits and liquid mutual funds.

As at March 31, 2024				
Particulars	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Financial assets-non current				
Trade Receivables*	-	-	1,619.79	1,619.79
Other financial assets	4.72	-	2.87	7.59
Total financial assets-non current	4.72	-	1,622.66	1,627.38
Financial assets-current				
Trade receivables*	-	-	547.10	547.10
Cash and cash equivalents	-	-	168.01	168.01
Bank Balances	-	38.27	-	38.27
Other financial assets	-	-	0.65	0.65
Total financial assets-current	-	38.27	715.76	754.03
Total financial assets	4.72	38.27	2,338.42	2,381.41

As at March 31, 2023				
Particulars	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Financial assets-non current				
Trade Receivables*	-	-	1,476.43	1,476.43
Other financial assets	4.72	38.27	2.87	45.86
Financial Instruments-Derivatives	-	-	-	-
Total financial assets-non current	4.72	38.27	1,479.30	1,522.29
Financial assets-current				
Trade receivables*	-	-	812.02	812.02
Cash and cash equivalents	-	-	39.90	39.90
Bank Balances	-	0.01	-	0.01
Other financial assets	-	-	0.36	0.36
Total financial assets-current	-	0.01	852.28	852.29
Total financial assets	4.72	38.28	2,331.58	2,374.58

\*The Company is entitled to interest @ 2% in excess of the applicable State Bank Lending Rate (SBLR) per annum beyond normal credit. The weighted average interest rate on the fixed rate financial assets is 6.46% p.a. (previous year 3.41% p.a.) and the weighted average period for which the rate is fixed is 0.48 years (previous year 1.48 years).



Talwandi Sabo Power Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

Note 40

Risk management (Contd.)

(₹ in Crore)

As at March 31, 2024				
Particulars	Floating rate financial liabilities	Fixed rate financial liabilities	Non interest bearing financial liabilities	Total financial liabilities
<b>Financial liabilities-non current</b>				
Borrowings	4,871.57	-	-	4,871.57
Other Financial liabilities	-	2.14	-	2.14
<b>Total financial liabilities-non current</b>	<b>4,871.57</b>	<b>2.14</b>	<b>-</b>	<b>4,873.71</b>
<b>Financial liabilities-current</b>				
Borrowings	1,178.75	-	-	1,178.75
Trade finance	-	375.13	-	375.13
Trade payables	-	-	41.49	41.49
Other financial liabilities	-	1.36	199.66	201.02
<b>Total financial liabilities-current</b>	<b>1,178.75</b>	<b>376.49</b>	<b>241.15</b>	<b>1,796.39</b>
<b>Total financial liabilities</b>	<b>6,050.32</b>	<b>378.63</b>	<b>241.15</b>	<b>6,670.10</b>

The weighted average interest rate on the fixed rate financial liabilities is 7.63% p.a. and the weighted average period for which the rate is fixed is 0.19 years.

As at March 31, 2023				
Particulars	Floating rate financial liabilities	Fixed rate financial liabilities	Non interest bearing financial liabilities	Total financial liabilities
<b>Financial liabilities-non current</b>				
Borrowings	5,496.12	-	-	5,496.12
Other Financial liabilities	-	4.28	1,240.90	1,245.18
<b>Total financial liabilities-non current</b>	<b>5,496.12</b>	<b>4.28</b>	<b>1,240.90</b>	<b>6,741.30</b>
<b>Financial liabilities-current</b>				
Borrowings	881.99	-	-	881.99
Trade finance	-	411.26	-	411.26
Trade payables	-	-	51.32	51.32
Other financial liabilities	-	4.41	189.48	193.89
<b>Total financial liabilities-current</b>	<b>881.99</b>	<b>415.67</b>	<b>240.80</b>	<b>1,538.46</b>
<b>Total financial liabilities</b>	<b>6,378.11</b>	<b>419.95</b>	<b>1,481.70</b>	<b>8,279.76</b>

The weighted average interest rate on the fixed rate financial liabilities is 7.27% p.a. and the weighted average period for which the rate is fixed is 0.17 years.

The table below illustrates the impact of a 0.5% to 2.0% movement in interest rates on interest expense on loans and borrowings for the year ended March 31, 2024. The risk estimate provided assumes that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Movement in interest rates	Effect on profit before tax	
	FY 2023-24	FY 2022-23
0.50%	30.25	31.89
1.00%	60.50	63.78
2.00%	121.01	127.56





**Taiwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 40**

**Risk management (Contd.)**

**Credit Risk:**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company is exposed to credit risk for receivables, cash and cash equivalents and short-term investments.

Given the nature of PPA, trade receivables are from a single customer Punjab State Power Corporation Limited (PSPCL), with significant concentration of credit risk. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty.

The carrying value of the financial assets other than cash and current investments represents the maximum credit exposure. The Company's maximum exposure to credit risk at March 31, 2024 is ₹ 2,175.13 Crore (previous year ₹ 2,296.40 Crore) of which ₹ 2,166.89 Crore (previous year ₹ 2,288.45 Crore) was from a single trade receivable.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade and other receivables, and other non-current assets, there were no indications as at March 31, 2024, that defaults in payment obligations will occur.

Receivables are deemed to be past due or impaired with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions of the agreement with the customer. The Company based on past experiences does not expect any material loss on its receivables. The credit quality of the Company's customer is monitored on an ongoing basis. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

(₹ in Crore)

Movement in allowances for Trade receivables (Current & Non-Current) is as follows:

Particulars	Trade Receivables Current	Trade Receivables Non Current	Total
As at March 31, 2023	-	0.05	0.05
Allowances made during the year	-	-	-
Reversal/Write off during the year	-	-	-
As at March 31, 2024	-	0.05	0.05

As on March 31, 2024					
Particulars	Not past due	Due less than 1 month	Due between 1-3 months	Due between 3-12 months	Due greater than 12 months
Trade receivables - Non Current*	23.69	12.46	24.35	113.79	1,445.50
Trade receivables - Current*	547.10	-	-	-	-
Other Financial Asset - Non Current	7.59	-	-	-	-
Other Financial Asset - Current	0.14	-	-	0.51	-
<b>Total</b>	<b>578.52</b>	<b>12.46</b>	<b>24.35</b>	<b>114.30</b>	<b>1,445.50</b>

\*Refer Note 5

As on March 31, 2023					
Particulars	Not past due	Due less than 1 month	Due between 1-3 months	Due between 3-12 months	Due greater than 12 months
Trade receivables - Non Current*	29.05	14.14	55.55	94.55	1,283.15
Trade receivables - Current*	812.02	-	-	-	-
Other Financial Asset - Non Current	7.59	-	-	-	38.27
Other Financial Asset - Current	0.35	-	-	0.01	-
<b>Total</b>	<b>849.02</b>	<b>14.14</b>	<b>55.55</b>	<b>94.56</b>	<b>1,321.42</b>

\*Refer Note 42





Talwandi Sabo Power Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

Note 40

Risk management (Contd.)

**Foreign exchange risk**

Fluctuations in foreign currency exchange rates may have an impact on the financial statements where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. Exposures on foreign currency loans are managed through the Company wide hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed.

The Company uses forward exchange contract to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies as well as financing transactions and loans denominated in foreign currencies. The policy of the Company is to determine on a regular basis what portion of the foreign exchange risk on financing transactions and loans are to be hedged through forward exchange contracts and other instruments. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns. However all new long-term borrowing exposures are being hedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed. The following analysis is based on the gross exposure as at the reporting date which could affect the statements of profit or loss and statements of comprehensive income.

TSPL had entered in a contract with SEPCO for set up of power plant for 1990 MW. During the current year, the company has terminated the contract with the project vendor and consequently adjusted the entire liability including the forex liability of USD 137.24 Mn against the claim for damages. Since, the company do not have any foreign currency exposure on the Balance sheet date i.e. 31st March 2024 and therefore, no impact due to fluctuation in foreign exchange rates will arise against the project vendor.

**Financial liabilities**

	As at March 31, 2024	As at March 31, 2023
USD	-	1,127.59

The Company's exposure to foreign currency arises where a Company entity holds monetary assets and liabilities denominated in a currency different to the functional currency of that entity, with US dollar being the major non-functional currency. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rate, liquidity and other market changes.

The results of Company's operations may be affected largely by fluctuations in the exchange rates between the Indian Rupee against the US dollar. The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 10% against the functional currency of the Company.

During the current year, the company has terminated its contract with its capital contractor and adjusted the standing amount against both onshore and offshore contracts. Accordingly, there is no foreign exchange exposure as on 31st March 2024.

A 10% appreciation/depreciation of the respective foreign currencies with respect to the functional currency of the Company would result in net decrease/increase in the Company's profit or loss and equity for the year ended March 31, 2024 by ₹ NIL (previous year ₹ 112.76 crore).

**Note 41**

As per revised Ministry of Environment norms, company had to implement FGD technology by December 31, 2019. In May 2020, CPCB imposed environmental compensation penalty of ₹ 0.18 Crore per month per non-compliant unit w.e.f. January 01, 2020 and added that the compliance status shall be reviewed periodically. Subsequently company received a notice on October 16, 2020 and a corrigendum on November 04, 2020 wherein CPCB extended the timeline for installing the FGD to February 28, 2021 for Unit 1, December 31, 2020 for Unit 2 and October 31, 2020 for Unit 3 & further on September 05, 2022 Ministry of Environment, Forest and Climate Change via notification extended the above mentioned timelines till December 31, 2026.



Talwandi Sabo Power Limited  
Notes forming part of the financial statements as at and for the year ended March 31, 2024

(₹ in Crore)

Note 42

(i) Trade Receivables ageing schedule  
For the year ended March 31, 2024

Particulars	Not due	Outstanding for following periods from due date of payment as on March 31, 2024					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
<b>Non-current</b>							
(i) Disputed Trade Receivables-considered good	23.69	73.50	77.09	164.23	227.18	1,054.10	1,619.79
(ii) Disputed Trade Receivables - credit impaired	-	-	-	0.05	-	-	0.05
<b>Sub-Total</b>	<b>23.69</b>	<b>73.50</b>	<b>77.09</b>	<b>164.28</b>	<b>227.18</b>	<b>1,054.10</b>	<b>1,619.84</b>
<b>Current</b>							
(i) Un Disputed Trade Receivables-considered good	547.10	-	-	-	-	-	547.10
<b>Sub-Total</b>	<b>547.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>547.10</b>
<b>Total</b>	<b>570.79</b>	<b>73.50</b>	<b>77.09</b>	<b>164.28</b>	<b>227.18</b>	<b>1,054.10</b>	<b>2,166.94</b>

For the year ended March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment as on March 31, 2023					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
<b>Non-current</b>							
(i) Disputed Trade Receivables-considered good	29.05	71.21	93.02	227.18	236.00	819.97	1,476.43
(ii) Disputed Trade Receivables - credit impaired	-	-	0.05	-	-	-	0.05
<b>Sub-Total</b>	<b>29.05</b>	<b>71.21</b>	<b>93.07</b>	<b>227.18</b>	<b>236.00</b>	<b>819.97</b>	<b>1,476.48</b>
<b>Current</b>							
(i) Un Disputed Trade Receivables-considered good	812.02	-	-	-	-	-	812.02
<b>Sub-Total</b>	<b>812.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>812.02</b>
<b>Total</b>	<b>841.07</b>	<b>71.21</b>	<b>93.07</b>	<b>227.18</b>	<b>236.00</b>	<b>819.97</b>	<b>2,288.49</b>





Talwandi Sabo Power Limited

Notes forming part of the financial statements as at and for the year ended March 31, 2024

(₹ In Crore)

Note 43

Income tax expenses

(a) Tax charge/(credit) recognised in Statement of Profit and Loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current tax on profit for the year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences- other than exceptional items	(46.26)	(22.87)
Charge in respect of exceptional item	199.90	-
Total deferred tax	153.64	(22.87)
Net tax benefit	153.64	(22.87)
Profit/(Loss) before tax	755.79	(93.15)
Effective income tax rate (%)	20.33%	24.55%

(b) Reconciliation of income tax expense/credit applicable to accounting profit/(loss) before tax at the statutory income tax rate to tax expense for the year:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Accounting profit / (loss) before tax	755.79	(93.15)
Statutory income tax rate	25.17%	25.17%
Tax at Indian statutory income tax rate	190.22	(23.45)
Tax rate difference		
Business losses on which Deferred tax assets not made in previous years	(54.85)	-
Forex loss adjusted u/s 43A	17.90	-
CSR Expenditure Disallowed	0.37	0.58
Total	153.64	(22.87)

Note: The company during the year has recognised a Deferred tax liability on exceptional gain for ₹ 199.90 Crore (Previous Year ₹ NIL). Also, as per the Company's projections, there is a convincing evidence that there would be sufficient profits in the future years and hence, Deferred tax asset is recognised for ₹ 46.26 Crore ( Previous Year ₹ 22.87 Crore ) only to the extent that it is probable that taxable profits will be available to utilize the same.

(c) Deferred tax assets/liabilities

The deferred tax liability represents accelerated tax relief for the depreciation of property, plant and equipment and the amortisation of intangible assets, net of losses carried forward by the Company. Significant components of deferred tax (assets) & liabilities in the balance sheet are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Property, plant and equipment and intangible assets:		
Opening balance	743.02	646.54
Charged to statement of profit and loss	106.87	96.48
Closing balance	849.89	743.02
Unabsorbed depreciation		
Opening balance	(989.71)	(866.47)
Credited to statement of profit and loss	33.93	(123.24)
Charged/(credited) to other comprehensive income (OCI)	-	-
Closing balance	(955.78)	(989.71)
Other temporary differences		
Opening balance	(13.61)	(17.34)
Credited to statement of profit and loss	12.84	3.90
Charged/(credited) to other comprehensive income (OCI)	0.09	(0.17)
Closing balance	(0.68)	(13.61)
Net deferred tax liabilities/(assets)	(106.57)	(260.30)





**Talwandi Sabo Power Limited**

**Notes forming part of the financial statements as at and for the year ended March 31, 2024**

**Note 44**

**Trade Payables ageing schedule**

(₹ in Crore)

**For the year ended March 31, 2024**

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	1.56	-	-	-	-	1.56
(ii) Others	21.76	16.73	1.16	0.27	0.01	39.93
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>23.32</b>	<b>16.73</b>	<b>1.16</b>	<b>0.27</b>	<b>0.01</b>	<b>41.49</b>

**For the year ended March 31, 2023**

Particulars	Not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	3.99	-	-	-	-	3.99
(ii) Others	40.78	5.59	0.96	-	-	47.33
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>44.77</b>	<b>5.59</b>	<b>0.96</b>	<b>-</b>	<b>-</b>	<b>51.32</b>

**Note 45**

**Ratios**

Particulars	As at March 31, 2024	As at March 31, 2023	% Variance	Remarks (for variances more than 25%)
(a) Current Ratio	0.59	0.74	-20%	
(b) Debt-Equity Ratio	1.55	2.04	-24%	
(c) Debt Service Coverage Ratio	1.34	1.33	1%	
(d) Return on Equity Ratio	0.17	(0.02)	-814%	Due to increase in profits due to exceptional gain incurred during the year
(e) Inventory turnover ratio	20.37	29.72	-31%	Due to increase in profits due to exceptional gain incurred during the year
(f) Trade Receivables turnover ratio	7.75	8.25	-6%	
(g) Trade payables turnover ratio	8.84	11.44	-23%	
(h) Net capital turnover ratio	(9.20)	(9.85)	-7%	
(i) Net profit ratio	0.11	(0.01)	-1035%	Due to increase in profits due to exceptional gain incurred during the year
(j) Return on Capital employed	0.15	0.07	124%	Due to increase in profits due to exceptional gain incurred during the year
(k) Return on Investment	0.06	0.04	52%	Due to increase in average rate of interest on fixed deposits



**Talwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

**Note 46**

**Transactions with Struck off companies**

The company has not entered in any transaction with Struck off companies during the current year or during the previous year.

**Note 47**

**Disputed Trade Receivables**

Punjab State Power Corporation Limited ("PSPCL"), which is the Company's sole customer has withheld payments aggregating to ₹ 1,619.79 Crore (previous year ₹ 1,476.43 Crore) which are on account of various disputes including tax benefits at the time of initial plant setup, procurement of alternate coal and basis of computation of plant availability amongst others. Pursuant to the reservation of order of the Hon'ble High Court dated January 30, 2023, the Company received ₹ 343 Crore from PSPCL against Force Majeure matter on 16th February 2023 including Late payment surcharge of ₹ 98.51 Cr. The balance Late payment surcharge of Rs. 4.65 Cr is received during May 23. The balance matters are under litigation and the Company has obtained Independent legal advice which supports its claims and is thus not expecting any material losses on these balances and believes that it is highly probable that the Company claims would be upheld. Based on the expected timing of realisation of these balances, which is in turn dependent on the settlement of legal disputes, the Company has bifurcated the receivables into current and non-current. The management has assessed the recoverability of the outstanding balances and does not believe that any material adjustment is required to the same.

**Note 48**

**Segment Information**

The Company's activities during the year revolved around operating 3\*660 MW Thermal Power Plant at Mansa, Punjab. Considering the nature of Company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Ind AS 108 - Operating Segments. All the Company's revenues, trade receivables and non-current operating assets are in India. The company's revenue aggregating to ₹ 5,266.93 Crore (previous year ₹ 5,745.69 Crore) is from a single customer.

**Note 49**

**Share based compensation plans**

The Company offers equity-based award plans to its employees and officers through its parent (Vedanta Limited), Employee Share Ownership Plan ("ESOP").

During the year, share-based incentives under ESOP of Vedanta Limited (introduced w.e.f. September 2017) are provided to the defined management group. The maximum value of shares that can be awarded to members of the defined management group is calculated by reference to the individual fixed salary and share-based remuneration consistent with local market practice. The scheme is both tenure and performance based share schemes. The awards are indexed to and settled by Parent shares. The awards have a fixed exercise price denominated in Parent's functional currency (₹ 1 in case of Vedanta Limited), the performance period of each award is three years and is exercisable within a period of six months from the date of vesting beyond which the option will lapse.

Further, in accordance with the terms of the agreement between the Parent and the Company, the cost recognized towards the scheme is recovered by the parent from the Company.

Amount recovered by the parent and recognised by the company in the statement of profit and loss for the financial year ended March 31, 2024 is ₹ 1.33 Crore (previous year ₹ 0.91 Crore). The Company considers these amounts as not material and accordingly has not provided further disclosures.

**Note 50**

**Exceptional Gain**

During the year, the Company has terminated its contracts with one of its capital contractor due to its continuing failure in fulfilling the contractual obligations impacting plant performance since inception and has written back liability amounting to Rs. 1252 Crores pertaining to the contract, as the amount is no longer payable. The management has assessed that the amount written back comprises Rs. 794 Crore towards loss of profit due to plant performance in the current and earlier years and therefore recognised the same as Exceptional gain in the Statement of Profit & Loss and adjusted the balance amount towards the cost of spares and ancillaries capitalised in PPE in earlier years.





**Talwandi Sabo Power Limited**

Notes forming part of the financial statements as at and for the year ended March 31, 2024

**Note 51**

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 except that audit trail feature is not enabled in the SAP application for direct changes to data in certain database tables, which is restricted to certain ID's with system administrator user access in order to optimise system performance. However, these system administrator rights have been disabled subsequent to the year end. Further, no instance of audit trail feature being tampered with was noted in respect of software.

**Note 52**

**Previous year's figures**

Figures of the previous year are reclassified/regrouped wherever necessary, to confirm to those of the current year presentation.

In terms of our report attached

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No.: 301003E/E300005

Chartered Accountants

per Ajay Bansal

Partner

Membership No.: 502243

Place : Gurugram

Date : April 19, 2024



For and on behalf of Board of Directors

Agnivish Agarwal  
Chairman

DIN : 00038950

Place : Fujairah

Vibhav Agarwal

Chief Executive Officer

Place : New Delhi

Nitesh Malani

Chief Financial Officer

Place : Mansa

Date: April 19, 2024

Shivangi

Shivangi Dhanuka

Company Secretary

ICSI Mem No. A70586

Place : Mansa



**INDEPENDENT AUDITOR'S REPORT**

To the Members of MALCO Energy Limited

**Report on the Audit of the IND AS Financial Statements**
**Opinion**

We have audited the accompanying IND AS financial statements of MALCO Energy Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the IND AS financial statements, including summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the IND AS 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 IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.





MALCO Energy Limited

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**Responsibility of Management for the IND AS 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 IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, specified under section 133 of the Act. 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 the 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 IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the IND AS financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities for the Audit of the IND AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the IND AS 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 these IND AS 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 IND AS 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





MALCO Energy Limited

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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 IND AS financial statements, including the disclosures, and whether the IND AS 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 sub-section (11) of section 143 of the Act we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 except for the matters stated in the paragraph 2 (i) (vi) below on reporting under Rule 11(g);
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2 (i) (vi) below on reporting under Rule 11(g).
  - (g) With respect to the adequacy of the internal financial controls with reference to these IND AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;





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- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statement - Refer note 42 to the Ind-AS financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - 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 or entity, 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 or entity, 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; and
  - c) Based on such audit procedures performed that have been 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.



MALCO Energy Limited


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- vi. Based on our examination which included test checks, 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 except that, audit trail feature is not enabled for direct changes to data in certain tables when using system administrator access rights, as described in note 48 (x) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For S R B C &amp; CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

  
per Anant Acharya

Partner

Membership Number: 124790

UDIN: 24124790BKFUFQ2409

Place of Signature: Mumbai

Date: April 16, 2024





MALCO Energy Limited

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**Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date:**

(i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment including Right of use assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and no discrepancies were noticed. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

(b) As disclosed in note 23 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), (d), (e), (f) of the Order is not applicable to the Company.





MALCO Energy Limited

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- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to generation and supply of power, met coke, nickel sulphate, nickel metal and cobalt and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, custom duty, employees' state insurance corporation and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of custom duty and service-tax which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Period to which the amount relates	Amount in INR Crores *	Forum where the dispute is pending
Customs Act, 1962	Custom Duty	2011-12, 2012-13 and 2014-15	22.62	Customs Excise and Service Tax Appellate Tribunal
The Finance Act, 1994	Service tax	2014	0.79	CESTAT Chennai

\*Net of amount paid under protest

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



MALCO Energy Limited

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- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis in the form of related party loans aggregating to Rs. 32.25 crores for long-term purposes representing acquisition of property plant and equipment.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Further, the Company does not have any associate or joint venture.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the note 43 to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.





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- (xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses amounting to Rs. 85.64 Crores in the current year. The Company has incurred cash loss of Rs. 244.06 crores in immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 51 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by INR 480.33 Crores, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that 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, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the 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.





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- (xx) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

  
per Anant Acharya  
Partner  
Membership Number: 124790  
UDIN: 24124790BKFUFQ2409  
Place of Signature: Mumbai  
Date: April 16, 2024



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**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE INDAS FINANCIAL STATEMENTS OF MALCO Energy Limited LIMITED****Report on the Internal Financial Controls 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 IND AS financial statements of MALCO Energy Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 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 the 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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these IND AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these IND AS 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 these IND AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to IND AS financial statements included obtaining an understanding of internal financial controls with reference to these IND AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control 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 these IND AS financial statements.





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**Meaning of Internal Financial Controls with Reference to these IND AS Financial Statements**

A company's internal financial controls with reference to IND AS 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 controls with reference to IND AS 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 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 IND AS Financial Statements**

Because of the inherent limitations of internal financial controls with reference to IND AS 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 IND AS financial statements to future periods are subject to the risk that the internal financial control with reference to IND AS 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, the Company has, in all material respects, adequate internal financial controls with reference to IND AS financial statements and such internal financial controls with reference to IND AS financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Anant Acharya**

Partner

Membership Number: 124790

UDIN: 24124790BKFUFQ2409

Place of Signature: Mumbai

Date: April 16, 2024





Particulars	Notes	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	321.14	318.51
(b) Intangible assets	4	0.15	0.40
(c) Capital Work in Progress	5	11.08	23.01
(d) Right-of-use Asset	6	29.17	21.64
(e) Financial assets			
(i) Investments	7	-	-
(ii) Other financial assets	8	0.12	0.12
(f) Income tax assets (net)	9	7.96	7.09
(g) Other non-current assets	10	19.67	16.32
<b>Total non-current assets</b>		<b>389.29</b>	<b>387.09</b>
<b>Current assets</b>			
(a) Inventories	11	182.72	438.63
(b) Financial assets			
(i) Investments	7	36.86	15.84
(ii) Trade receivables	12	27.51	6.15
(iii) Cash and cash equivalents	13	26.05	24.85
(iv) Other bank balances	14	6.49	6.10
(v) Loans	15	0.10	0.01
(vi) Derivatives	16	2.30	31.21
(vii) Other financial assets	17	12.19	34.84
(c) Other current assets	18	118.27	108.23
<b>Total current assets</b>		<b>412.49</b>	<b>665.86</b>
<b>Total assets</b>		<b>801.78</b>	<b>1,052.95</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	19	4.67	4.67
(b) Other equity	20	(98.68)	15.02
<b>Total equity</b>		<b>(94.01)</b>	<b>19.69</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Lease liabilities	21	2.97	0.19
<b>Total non-current liabilities</b>		<b>2.97</b>	<b>0.19</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	23	361.97	477.37
(ii) Lease Liabilities	24	6.06	0.06
(iii) Operational buyers' credit / suppliers' credit	22	124.56	141.20
(iv) Trade payables	25		
- Total outstanding dues of micro and small enterprises		5.90	22.12
- Total outstanding dues of creditors other than micro and small enterprises		262.56	279.30
(v) Derivatives		0.10	0.10
(vi) Other financial liabilities	26	72.17	41.29
(b) Other current liabilities	27	58.91	70.64
(c) Provisions	28	0.59	0.99
<b>Total current liabilities</b>		<b>892.82</b>	<b>1,033.07</b>
<b>Total equity and liabilities</b>		<b>801.78</b>	<b>1,052.95</b>

Summary of Material Accounting Policies

2B

The accompanying notes are forming part of the financial statements.

As per our report of even date

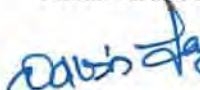
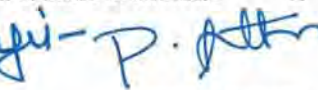
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

  
per Anant Acharya  
Partner  
Membership No. - 124790



Place : Mumbai  
Date : 16 April 2024

For and on behalf of Board of Directors

Navin Kumar Jaju  
Director  
DIN 00669654

Poovannan Sumathi  
Director  
DIN 07147100

Place : Goa  
Date : 16 April 2024

Place : Tuticorin  
Date : 16 April 2024



Particulars	Notes	For the year ended 31 March 2024 Rs. Crores	For the year ended 31 March 2023 Rs. Crores
<b>I</b> Revenue from operations	29	615.75	533.72
<b>II</b> Other Operating income	30	31.18	4.39
<b>III</b> Other income	31	21.61	5.05
<b>IV Total income (I+II+III)</b>		<b>668.54</b>	<b>543.16</b>
<b>V Expenses:</b>			
Cost of materials consumed	32	428.78	790.72
Purchases of traded goods		4.63	17.26
Changes in inventories of finished goods	33	121.86	(177.74)
Power & fuel	35	17.85	7.84
Employee benefits expense	34	21.22	14.61
Finance costs	36	50.90	34.05
Depreciation and amortization expense	37	31.78	22.81
Other expenses	38	108.94	100.48
<b>Total expenses</b>		<b>785.96</b>	<b>810.03</b>
<b>VI Profit/(Loss) before tax (IV-V)</b>		<b>(117.42)</b>	<b>(266.87)</b>
<b>VII Tax expense</b>	39	-	-
<b>VIII Profit/(Loss) for the year (VI-VII)</b>		<b>(117.42)</b>	<b>(266.87)</b>
<b>Other Comprehensive income</b>			
Items not to be reclassified to profit and loss			
- Remeasurement gains/(losses) on defined benefit plans		0.02	0.22
- Income tax effect		-	-
Items to be reclassified to profit and loss			
- Effective portion of gains on hedging instrument in cash flow hedges		3.70	(4.46)
<b>IX Other comprehensive income for the year</b>		<b>3.72</b>	<b>(4.24)</b>
<b>X Total comprehensive income for the year (VIII+IX)</b>		<b>(113.70)</b>	<b>(271.11)</b>
<b>XI Earnings per equity share of Rs.2 each</b>			
- Basic & Diluted (Note 46)		(50.25)	(114.21)
Summary of Material Accounting Policies	2B		

The accompanying notes are forming part of the financial statements.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

per Anant Acharya  
Partner  
Membership No. - 124790



Place : Mumbai  
Date : 16 April 2024

For and on behalf of Board of Directors

Navin Kumar Jaju  
Director  
DIN 00669654

P. Sumathi  
Poovannan Sumathi  
Director  
DIN 07147100

Place : Goa  
Date : 16 April 2024

Place : Tuticorin  
Date : 16 April 2024





**MALCO Energy Limited**  
**Statement of Cash Flow for the year ended 31 March 2024**

Particulars	For the year ended 31 March 2024 Rs. Crores	For the year ended 31 March 2023 Rs. Crores
<b>Cash flows from operating activities</b>		
Profit before tax	(117.42)	(266.87)
<b>Adjustments to reconcile profit before tax to net cash flow:</b>		
Depreciation and amortization expenses	31.78	22.81
Gain on sale/fair valuation of current investment measured at FVTPL	(0.53)	(0.37)
Interest income	(17.49)	(1.54)
Loss on disposal of property, plant and equipment	1.36	-
Liabilities written back	(4.69)	-
Interest Expenses	50.90	34.05
	<b>(56.09)</b>	<b>(211.92)</b>
<b>Movement in working capital</b>		
(Increase)/Decrease in inventories	255.91	(380.99)
(Increase)/Decrease in trade and other receivables	11.77	(93.95)
Increase/(Decrease) in trade and other payable	(39.30)	389.58
<b>Cash generation from operation</b>	<b>172.29</b>	<b>(297.28)</b>
Income tax paid (net)	(0.87)	(0.67)
<b>Net cash from operating activities</b>	<b>(A) 171.42</b>	<b>(297.95)</b>
<b>Cash flows from investing activities</b>		
(Increase)/decrease in other bank balances (net)	-	(5.87)
Purchase of Property Plant and Equipment	(32.25)	(33.20)
Proceeds from sale of property, plant and equipment	0.79	-
Purchase of current investments	(215.80)	(140.90)
Proceeds from sale of current investments	195.31	135.17
Interest / investment income received	17.07	1.53
<b>Net cash from/(used in) investing activities</b>	<b>(B) (34.88)</b>	<b>(43.27)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(18.49)	(12.37)
Proceeds from short term borrowings	488.42	404.34
Repayment of short term borrowings	(603.82)	(74.14)
Payment of lease liability	(1.45)	-
<b>Net cash from/(used in) financing activities</b>	<b>(C) (135.34)</b>	<b>317.83</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C) 1.20</b>	<b>(23.39)</b>
Cash and cash equivalents at the beginning of the year	24.85	48.24
<b>Cash and cash equivalents at the end of the year</b>	<b>26.05</b>	<b>24.85</b>
<b>Cash and cash equivalents at the end of the year consist of (Refer note 13)</b>		
Balances with banks	25.00	23.85
Bank deposits with original maturity of less than 3 months	1.05	1.00
<b>Total</b>	<b>26.05</b>	<b>24.85</b>
<b>Non-cash Investing and financing transactions</b>		
-Net gain arising on Financial assets measured at FVTPL	0.04	0.01
	<b>0.04</b>	<b>0.01</b>

Summary of Material Accounting Policies

2B

The accompanying notes are forming part of the financial statements.

As per our report of even date

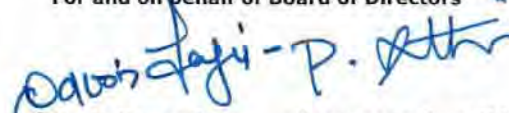
For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

  
per Anant Acharya  
Partner  
Membership No. - 124790



Place : Mumbai  
Date : 16 April 2024

For and on behalf of Board of Directors

  
Navin Kumar Jaju  
Director  
DIN 00669654

Poovannan Sumathi  
Director  
DIN 07147100

Place : Goa  
Date : 16 April 2024

Place : Tuticorin  
Date : 16 April 2024





**MALCO Energy Limited**  
Statement of changes in equity for the year ended 31 March 2024

Particulars	Equity Share Capital	Other equity					Total equity	Rs. Crores	
		Instruments entirely equity in nature - compulsorily convertible debentures	Reserves and surplus		Items of Other comprehensive income				Total other equity
			Securities premium	Retained earnings	Remeasurement - Defined Benefit Obligation	Hedging Reserve			
As at 31 March 2022	4.67	6,135.45	99.92	(5,948.90)	(0.34)	-	286.13	290.81	
Profit/(Loss) for the year	-	-	-	(266.87)	-	-	(266.87)	(266.87)	
Other comprehensive income	-	-	-	-	0.22	(4.46)	(4.24)	(4.24)	
Total comprehensive income	-	-	-	(266.87)	0.22	(4.46)	(271.11)	(271.11)	
As at 31 March 2023	4.67	6,135.45	99.92	(6,215.78)	(0.12)	(4.46)	15.02	19.69	
Profit/(Loss) for the year	-	-	-	(117.42)	-	-	(117.42)	(117.42)	
Other comprehensive income	-	-	-	-	0.02	3.70	3.72	3.72	
Total comprehensive income	-	-	-	(117.42)	0.02	3.70	(113.70)	(113.70)	
As at 31 March 2024	4.67	6,135.45	99.92	(6,333.20)	(0.10)	(0.76)	(98.68)	(94.01)	

Rs. Crores

The accompanying notes are forming part of the financial statements.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

per Anant Acharya  
Partner  
Membership No. - 124790  
Place : Mumbai  
Date : 16 April 2024



For and on behalf of Board of Directors

Navin Kumar Jaju  
Director  
DIN 00669654

Place : Goa  
Date : 16 April 2024

P. P. K.

Poovannan Sumathi  
Director  
DIN 07147100

Place : Tuticorin  
Date : 16 April 2024



## **1. Company overview:**

MALCO Energy Limited ('the Company') is a public limited Company domiciled in India and is incorporated under the provisions of Companies Act, 1956. The Company is engaged in the business of generation and supply of power, production of low ash Metallurgical coke, Nickel sulphate, Cobalt and Nickel Cathode.

During financial year 2021-22 MALCO Energy Limited has acquired assets of Gujarat NRE Coke Limited and Nicomet Industries Limited. The detailed note is as below:

The Company had acquired assets of Bhachau and Khambalia blocks of Gujarat NRE Coke Limited, Company under liquidation as per the Insolvency and Bankruptcy Code 2016 for the time being in force for a cash consideration of Rs 165.99 Crores. Stamp Duty paid on the acquisition was Rs. 9.7 Crores. Assets acquired mainly includes Plant and equipment, Freehold Land and Buildings. Acquisition of Gujarat coke assets will enable the company to become one of the largest merchant met coke manufactures in India. Met coke is a vital raw material for steel plant operating through blast furnace route and are also used in Chemical and Zinc plants.

The Company had acquired assets of Nicomet Industries Limited which was under liquidation process as per the Insolvency and Bankruptcy code, 2016 (including all amendments for the time being in force) for a cash consideration of Rs 51.50 Crores and subsequent stamp duty and registration fee of Rs 3.3 Crores. The assets acquired mainly include leasehold land, building and Plant & Machinery of similar value as the cash consideration. Nickel unit is the first and the only Company engaged in manufacturing Nickel and Cobalt through processing of Concentrates in India, which is a vital raw material for manufacturing of EV batteries, High quality steel products and super alloys.

## **2A. Basis of preparation and basis of measurement of financial statements**

### **(a) Basis of preparation:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

Basis the projections prepared by the Company, the management believes that the net current liabilities of Rs. 480.33 crores will be bridged mainly through additional funding by the holding company and internal accruals. Further, Vedanta Limited, the parent Company has through letter of support, agreed to continue to provide financial support to the Company for its continued operations at least for next eighteen months, if the Company is unable to meet its funding requirements.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policy of fair value measurement and financial instruments below. The accounting policies adopted for preparation and presentation of financial statement have been consistently applied. The financial statements are presented in INR and all values are rounded to the nearest Crores, except when otherwise indicated.

### **(b) Use of estimates and judgments**

The preparation of 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 amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 2B.





## **2B. Material accounting policies:**

### **(a) Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

### **Sale of Power:**

Revenue from sale of power is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery and measured based on rates as per contractual agreements with buyers.

### **Sale of Coke & Nickel:**

Revenue from the sale of coke & Nickel is recognized at the point of time when control of assets is transferred to the customer, measured at the rates as per contractual agreement with the customer. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by products are included in revenue.

Certain sales contracts of the Company provide for provisional pricing based on the price on the London Metal Exchange (LME) as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 Revenue from contracts with customers and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments, i.e. the consideration adjusted post transfer of control are included in total revenue from operations on the face of the statement of profit and loss and disclosed by way of note to the financial statements. Final settlement of the price is based on the applicable price for a specified future period. The Company's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

### **Dividend Income:**

Dividend income is recognised when the right to receive payment is established.

### **Interest income:**

Interest income from a financial assets is recognised using the Effective Interest Rate (EIR).

### **(b) Fair Value Measurement**

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:

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

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 economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.





All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(c) Foreign Currency:**

The Company's financial statements are presented in INR, which is also the Company's functional currency. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit or Loss.

Non-monetary items denominated in a foreign currency are measured at historical cost and translated at exchange rate prevalent at the date of transaction.

**(d) Income Tax:**

Current Tax:

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the tax are those that are enacted at the reporting date. In financial year 21-22 Company has adopted Section 115BAA of Income Tax Act, 1961 with Statutory rate of 22% plus surcharge of 10% and cess of 4%. Current income tax relating to items recognised outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred Tax:

Deferred Tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised 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 utilised.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off





Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

**(e) Property, Plant and Equipment:**

Property, plant and equipment is stated at cost net of accumulated depreciation and accumulated impairment loss, if any. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit or Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improve the economic benefits expected to arise from the asset.

Assets in the course of construction are stated at cost less impairment loss, if any. Such assets are classified to the appropriate category of property, plant and equipment when completed and ready for intended use.

Gain or loss arising on de-recognition of the asset is included in the Statement of Profit & Loss when the asset is derecognised.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	05-50 years
Plant and equipment	03-40 years
Furniture and fixtures	05-10 years
Vehicles	05-10 years
Office equipment	03-10 years

The management has estimated the above useful life and the same is supported by technical expert.

Major overhaul costs are depreciated over the estimated life of the economic benefit to be derived from the overhaul.

**(f) Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised over their estimated useful lives. The estimated useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets representing cost of software capitalised is amortised over its useful life which is estimated to be a period of three years.

**(g) Right-of-Use Asset:**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as described below

Leasehold Land : 60-80 years





Leasehold plant & equipment : 5 years

Leasehold Vehicle : 1-2 years

**(h) Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on following basis :

Purchased concentrate is recorded at cost on a first-in, first-out ("FIFO") basis; all other materials including stores and spares are valued on a weighted average basis;

finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a weighted average basis (except in Nickle business where FIFO basis is followed); and

By-products and scrap are valued at net realisable value.

Net realisable value is determined based on estimated selling price, less further costs expected to be incurred for completion and disposal.

**(i) Borrowing costs:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**(j) Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**(k) Contingent liabilities and contingent assets**

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 recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

**(l) Retirement and other employee benefits:**

**i) Defined contribution plans**

Retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognizes contribution payable to the provident fund and superannuation scheme as an expense, when an employee renders the related service.





**ii) Defined benefit plans**

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of Balance Sheet.

Remeasurements, comprising actuarial gains and losses and the return on plan assets (excluding net interest), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit or Loss in subsequent periods.

**iii) Short term and other long term employee benefits**

Benefits accruing to employees in respect of wages, salaries and compensated absences and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit expected to be paid in exchange of related service. Where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method at the present value of the estimated future cash flow expected to be made by the Company in respect of services provided by employees up to the reporting date. The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**(m) 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.

**(i) Financial assets:**

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset

**- Financial assets at amortised cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and 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 amortised cost using the Effective Interest Rate (EIR) method. Amortised 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 amortisation is included in other income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

**- Financial assets at fair value through other comprehensive income:**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flow represents SPPI.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement





of Profit and Loss.

**- Financial assets at fair value through profit & loss (FVTPL):**

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Derecognition:

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

**(ii) Investment in subsidiary:**

Investment in subsidiary is measured at cost less Impairment, if any, as per Ind AS- 27 'Separate Financial Statement'.

**(iii) Financial Liabilities:**

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement:

**- Financial liabilities at fair value through profit & loss:**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

**- Financial liabilities at amortised cost:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognised 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 recognised in the Statement of Profit or Loss.

**(iv) 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 realise the assets and settle the liabilities simultaneously.





## (n) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

### - Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the statement of profit and loss. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

### - Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria





for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**(o) Impairment**

**(i) Financial assets**

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing and future market conditions.

For all financial assets other than trade receivables, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables and contract assets. Impairment of Investment in subsidiary, if any, is determined based on value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment.

**(ii) Non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

**(p) Share Based payments:**

Vedanta Resources Plc ("VRPLC"), the ultimate holding Company, offers certain share based incentives under the Long-Term Incentive Plan ("LTIP") to employees and directors of the Company. VRPLC recovers the proportionate cost (calculated based on the grant date fair value of the options granted) from the Company, which is charged to the Statement of Profit or Loss.

**(q) Cash and cash equivalents:**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.





**(r) Lease:**

The Company assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee:**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities towards future lease payments and right-of-use assets representing the right to use the underlying assets.

**(i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as described in Note 2(i)

**(ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Financial Liabilities.

**(iii) Short term leases and leases of low value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.





**(s) Buyers' Credit/ Suppliers' Credit and vendor financing:**

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty-six months (for project materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit and disclosed on the face of the balance sheet. Where these arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as an operating cash outflow reflecting the substance of the payment.

**(t) Events after Reporting Period:**

There are no significant events which have occurred after the end of reporting period requiring adjustment of disclosure in Financial Statements.

**2C. Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. The Company considers the following areas as the key sources of estimation uncertainty:

**(i) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company has Rs. 1,744.59 Crores (31 March 2023: Rs. 1,675.39 Crores) of unabsorbed depreciation and Rs. 335.38 Crores (31 March 2023: Rs 253.04 Crores) of business losses carried forward. The Company neither have any major taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has recognised the deferred tax assets only to the extent of deferred tax liabilities on the taxable temporary differences. Further details on taxes are disclosed in Note 39.

**(iii) Defined benefit plans**

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 44 to the financial statements.





**(iv) Contingencies and commitments:**

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. While considering the possible, probable and remote analysis of taxation, legal and other claims, there is always a certain degree of judgement involved pertaining to the application of the legislation which in certain cases is supported by views of tax experts and/or earlier precedents in similar matters. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in Note 42 to the financial statements.

**2D. Standards notified but not yet effective**

There are no standards that are notified and not yet effective as on the date.



3 Property, plant and equipment								(Rs. Crores)	
Particulars	Plant and equipment	Freehold Land	Buildings	Furniture and fixtures	Vehicles	Office equipment	Roads	Total	
<b>Cost</b>									
At 31 March 2022	246.37	77.58	25.09	0.43	2.54	1.48	-	353.49	
Additions	40.45	-	14.83	0.20	-	2.16	0.02	57.66	
Disposals	-	-	-	-	-	-	-	-	
At 31 March 2023	286.82	77.58	39.92	0.63	2.54	3.64	0.02	411.15	
Additions	25.36	-	8.10	0.29	-	0.47	-	34.22	
Disposals	2.54	-	-	0.00	-	0.00	-	2.54	
At 31 March 2024	309.64	77.58	48.02	0.92	2.54	4.11	0.02	442.83	
<b>Depreciation</b>									
At 31 March 2022	68.49	-	0.45	0.27	0.23	0.93	-	70.37	
Depreciation charge for the year	20.53	-	1.42	0.07	-	0.25	0.00	22.27	
Disposals	-	-	-	-	-	-	-	-	
At 31 March 2023	89.02	-	1.87	0.34	0.23	1.18	0.00	92.64	
Depreciation charge for the year	25.94	-	2.83	0.04	-	0.48	0.00	29.29	
Disposals	0.24	-	-	0.00	-	0.00	-	0.24	
At 31 March 2024	114.72	-	4.70	0.38	0.23	1.66	0.00	121.69	
<b>Net book value</b>									
At 31 March 2023	197.80	77.58	38.05	0.29	2.31	2.46	0.02	318.51	
At 31 March 2024	194.92	77.58	43.32	0.54	2.31	2.45	0.02	321.14	

## 4 Intangible assets

(Rs. Crores)		
Particulars	Computer Software	Total

<b>Cost</b>		
At 31 March 2022	1.13	1.13
Additions	-	-
Disposals	-	-
At 31 March 2023	1.13	1.13
Additions	-	-
Disposals	-	-
At 31 March 2024	1.13	1.13
<b>Amortisation</b>		
At 31 March 2022	0.49	0.49
Amortisation	0.24	0.24
At 31 March 2023	0.73	0.73
Amortisation	0.25	0.25
At 31 March 2024	0.98	0.98
<b>Net book value</b>		
At 31 March 2023	0.40	0.40
At 31 March 2024	0.15	0.15



### 5 Capital Work In Progress

	(Rs. Crores)	
	Amount	Total
<b>At 31 March 2022</b>		
Additions	45.88	45.88
Transferred to Property Plant and Equipment	34.82	34.82
Disposals	57.69	57.69
<b>At 31 March 2023</b>		
Additions	23.01	23.01
Transferred to Property Plant and Equipment	33.47	33.47
Disposals	45.40	45.40
<b>At 31 March 2024</b>		
	11.08	11.08

### Capital Work In Progress (CWIP) ageing schedule

Particulars	(Rs. Crores)			
	As at 31 March 2024		As at 31 March 2023	
	Projects in Progress	Projects temporarily Suspended	Projects in Progress	Projects temporarily Suspended
Less than 1 year	3.26	1.20	4.46	3.90
1-2 year	-	4.11	4.11	-
2-3 year	-	2.51	2.51	-
More than 3 year	-	-	-	-
<b>Total</b>	<b>3.26</b>	<b>7.82</b>	<b>11.08</b>	<b>3.90</b>
			<b>19.11</b>	<b>23.01</b>

### Notes:

(i) Completion of Capital work in progress is not overdue and the cost of the same has not exceeded the budget, hence disclosure relating to the timelines and budgets has not been given.

### 6 Right-of-use Asset

	(Rs. Crores)	
	Leasehold Land	Leasehold Plant and equipment
		Leasehold vehicle
		Total

<b>Cost</b>			
<b>At 31 March 2022</b>			
Additions	22.02	-	22.02
Disposals	-	-	-
<b>At 31 March 2023</b>			
Additions	22.02	-	22.02
Disposals	-	1.10	9.77
<b>At 31 March 2024</b>			
	22.02	1.10	31.79
<b>Depreciation</b>			
<b>At 31 March 2022</b>			
Depreciation charge for the year	0.07	-	0.07
Disposals	0.31	-	0.31
<b>At 31 March 2023</b>			
Depreciation charge for the year	0.38	-	0.38
Disposals	0.31	0.10	2.24
<b>At 31 March 2024</b>			
	0.69	0.10	2.62

### Net book value

<b>At 31 March 2023</b>	21.64	-	21.64
<b>At 31 March 2024</b>	21.33	1.00	29.17





		As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
<b>7 Investments</b>			
<b>Non - current</b>			
<b>Unquoted equity shares</b>			
Investments in subsidiaries (At cost less impairment, if any)			
33,590,300 (31 March 2023: 33,590,300) equity shares of Fujairah Gold FZC		6,136.60	6,136.60
Less : Provision for impairment of investments		(6,136.60)	(6,136.60)
<b>Total</b>		-	-
<b>Current</b>			
<b>Investment carried at fair value through Profit and Loss</b>			
<b>Unquoted</b>			
Investment in mutual funds		36.86	15.84
<b>Total</b>		<b>36.86</b>	<b>15.84</b>
Aggregate value of unquoted investments		36.86	15.84
Aggregate amount of impairment in value of investment		6,136.60	6,136.60
<b>8 Others financial assets - non current (at amortized cost)</b>			
		As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Security deposits		0.38	0.38
Less : Impairment allowance		(0.26)	(0.26)
<b>Security deposits (net)</b>		<b>0.12</b>	<b>0.12</b>
<b>Break-up for security details:</b>			
Unsecured considered good		0.12	0.12
Security deposits- credit impaired		0.26	0.26
<b>Total</b>		<b>0.38</b>	<b>0.38</b>
Less : Impairment allowance		(0.26)	(0.26)
<b>Total</b>		<b>0.12</b>	<b>0.12</b>
<b>9 Income tax assets (net)</b>			
		As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Tax with Government Authorities		7.96	7.09
<b>Total</b>		<b>7.96</b>	<b>7.09</b>
<b>10 Other non-current assets</b>			
		As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
<b>Unsecured Considered Good</b>			
Balance with government authorities		15.97	15.72
Capital Advances		3.70	0.60
<b>Total</b>		<b>19.67</b>	<b>16.32</b>
<b>11 Inventories (At lower of cost and net realisable value)</b>			
		As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Raw Materials		70.07	214.09
Goods-in transit		-	-
Work-in-progress		40.63	24.84
Goods-in transit		-	-
Finished goods		49.83	187.48
Goods-in transit		-	-
Fuel Stock		0.02	-
Goods-in transit		-	-
Stores and spares		22.17	12.22
Goods-in transit		-	-
<b>Total</b>		<b>182.72</b>	<b>438.63</b>



12 Trade receivables

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Trade receivables	27.51	6.15
Less: Impairment allowance	-	-
<b>Trade receivables (net)</b>	<b>27.51</b>	<b>6.15</b>
<b>Break-up of Trade Receivable:</b>		
Secured, considered good	22.95	0.30
Unsecured, considered good	4.56	5.85
Trade receivables- credit impaired	-	0.00
<b>Total</b>	<b>27.51</b>	<b>6.15</b>
Less: Impairment allowance	-	-
<b>Total</b>	<b>27.51</b>	<b>6.15</b>
<b>Movement in impairment allowance on trade receivables:</b>		
Balance at the beginning of the year	-	(5.91)
(Allowances)/write back during the year	-	-
Written off against past provision	-	5.91
Balance at the end of the year	-	-
<b>Aging Schedule of Trade Receivables</b>		
Undisputed Considered good	-	-
Secured Less than 6 months	22.95	0.26
Unsecured less than 6 months	4.53	0.12
Unsecured 6 months - 1 year	-	-
Unsecured 1 - 2 years	0.03	5.77
Unsecured and not due	-	-
	<b>27.51</b>	<b>6.15</b>

**Note :**

- a) The credit period given to customers is upto 30 days.  
b) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.  
c) Refer Note No. 23 for details of receivables pledged as security for borrowing taken from banks.

13 Cash and cash equivalents

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Balances with banks	25.00	23.85
Bank deposits with original maturity of less than 3 months (including interest accrued thereon)	1.05	1.00
<b>Total</b>	<b>26.05</b>	<b>24.85</b>

**Changes in liabilities arising from financing activities:**

Particulars	31 March 2023	Cash Flow	Accruals of Interest	Initial Recognition	Written-Back	31 March 2024
Borrowings	477.37	(115.40)	-	-	-	361.97
Interest on Loan	24.50	-	30.29	-	-	54.79
Lease Liability	0.25	(1.70)	0.46	9.77	0.25	9.03
	<b>502.12</b>	<b>(117.10)</b>	<b>30.75</b>	<b>9.77</b>	<b>0.25</b>	<b>425.79</b>

**Changes in liabilities arising from financing activities:**

Particulars	31 March 2022	Cash Flow	Accruals of Interest	Initial Recognition	Written-Back	31 March 2023
Borrowings	147.17	330.20	-	-	-	477.37
Interest on Loan	4.43	-	20.07	-	-	24.50
Lease Liability	0.23	-	0.02	-	-	0.25
	<b>151.83</b>	<b>330.20</b>	<b>20.09</b>	<b>-</b>	<b>-</b>	<b>502.12</b>

14 Other bank balances

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Bank deposits with original maturity for > 3 months but < 12 months *	6.49	6.10
<b>Total</b>	<b>6.49</b>	<b>6.10</b>

\*Fixed deposit is against bank guarantee given to government authorities.



**MALCO Energy Limited**  
**Notes to the Financial Statements for the year ended 31 March 2024**

15	<b>Financial assets - Loans</b>	As at	As at
		31 March 2024	31 March 2023
		Rs. Crores	Rs. Crores
	<b>Unsecured considered good</b>		
	Advance to employees	0.10	0.01
		<b>0.10</b>	<b>0.01</b>
16	<b>Financial assets - Derivatives</b>	As at	As at
		31 March 2024	31 March 2023
		Rs. Crores	Rs. Crores
	Fair value Derivative Hedging Receivable	2.30	31.21
		<b>2.30</b>	<b>31.21</b>
17	<b>Other financial assets - Current</b>	As at	As at
		31 March 2024	31 March 2023
		Rs. Crores	Rs. Crores
	<b>Unsecured, considered good</b>		
	Advances to related parties	-	0.20
	Security Deposits	4.72	32.17
	Interest accrued on investments	0.13	-
	Others	7.34	2.47
	<b>Total</b>	<b>12.19</b>	<b>34.84</b>
18	<b>Other current assets</b>	As at	As at
		31 March 2024	31 March 2023
		Rs. Crores	Rs. Crores
	Unsecured, considered good		
	Balance with government authorities	108.69	85.54
	Gratuity fund (Refer note 44)	0.24	0.33
	Leave encashment fund	0.46	0.47
	Prepaid expenses	1.58	0.24
	Export Incentive Receivable	0.55	-
	Advances to suppliers	3.92	20.39
	Advances for related party suppliers (Refer note 43)	2.81	-
	Others	0.02	1.26
	<b>Total</b>	<b>118.27</b>	<b>108.23</b>





19 Share capital

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
(a) <b>Authorised shares</b>		
880,000,000	176.00	176.00
(March 31, 2023:		
1,250,000 (March 31, 2023: 1,250,000) preference shares of Rs. 1000 each	125.00	125.00
(b) <b>Issued, subscribed and fully paid up shares :</b>		
23,366,406 (March 31, 2023: 23,366,406) equity shares of Rs. 2 each	4.67	4.67
Preference shares	-	-
	<b>4.67</b>	<b>4.67</b>

(c) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

	31 March 2024		31 March 2023	
	No. of shares	Amount Rs. Crores	No. of shares	Amount Rs. Crores
Balance as at the beginning of the year	23,366,406	4.67	23,366,406	4.67
<b>Balance as at the end of the year</b>	<b>23,366,406</b>	<b>4.67</b>	<b>23,366,406</b>	<b>4.67</b>

(d) **Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the company, shares held by its holding company is as follows:

	31 March 2024		31 March 2023	
	No. of shares	Amount Rs. Crores	No. of shares	Amount Rs. Crores
Vedanta Limited, the holding company	23,366,406	4.67	23,366,406	4.67

(e) **Shareholders holding more than 5% shares in the company**

	As at 31 March 2024 Rs. Crores		As at 31 March 2023 Rs. Crores	
	No. of shares	% of holding	No. of shares	% of holding
Vedanta Limited, the holding company	23,366,406	100%	23,366,406	100%

(f) **Terms/ rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is entitled for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

20 Other equity

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
(a) <b>Securities premium account</b>		
Balance as at the beginning of the year	99.92	99.92
<b>Balance as at the end of the year</b>	<b>99.92</b>	<b>99.92</b>

Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares. The Company can use this reserve for issue of bonus shares and for buy back of shares.

(b) **Retained earning**

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Balance as at the beginning of the year	(6,220.35)	(5,949.24)
Add: Profit/(Loss) for the year	(117.42)	(266.87)
Other Comprehensive Income/(Loss) for the year	3.72	(4.24)
<b>Balance as at the end of the year</b>	<b>(6,334.05)</b>	<b>(6,220.35)</b>

The balance in the retained earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves. The Company can use this reserve for payment of dividend and issue of bonus shares.

(c) **Instruments entirely equity in nature - compulsorily convertible debentures (refer note below)**

	6,135.45	6,135.45
As at beginning of the year		
Issued during the year	-	-
<b>Balance as at the end of the year</b>	<b>6,135.45</b>	<b>6,135.45</b>

The Company had issued 61,354,483 unsecured compulsory convertible debentures (CCDs) at Rs. 1000 each (including premium of Rs. 900 each). The CCDs carries coupon rate of 0 % and are convertible at the price of Rs. 466/- per share at the end of 10 years from the date of issue of CCDs or at such dates as may be mutually agreed between the parties. Accordingly, CCDs have been classified as equity.

<b>Total Other Equity (a+b+c)</b>	<b>(98.68)</b>	<b>15.02</b>
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**MALCO Energy Limited**  
**Notes to the Financial Statements for the year ended 31 March 2024**

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
<b>21 Lease Liability - Non Current</b>		
Lease Liability	2.97	0.19
	<b>2.97</b>	<b>0.19</b>
<b>22 Operational buyers' credit / suppliers' credit</b>		
	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Buyers' credit/suppliers' credit - Secured	124.56	141.20
Buyers' credit/suppliers' credit - Unsecured	-	-
	<b>124.56</b>	<b>141.20</b>

a) Operational Buyers'/Suppliers' Credit is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate of 6.64% per annum (31 March 2023 : 5.83% per annum) and in rupee from domestic banks at interest rate of 8.12% (31 March 2023 : 7.6% per annum). These trade credits are largely repayable between 90 to 180 days from the date of draw down.

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
<b>23 Borrowings</b>		
<b>Secured (Refer note (b))</b>		
Loans from Banks		
- Cash Credit	20.61	-
- Working Capital Loan	-	28.90
<b>Unsecured</b>		
Related Party Loans (Refer note (a))	341.36	448.47
	<b>361.97</b>	<b>477.37</b>

a) Malco Energy has borrowed 341.36 crores from related party in different tranches and the same shall be repayable before expiry of 12 months from the date of execution of loan agreement or may be extended with mutual consent of both the parties.

Particulars	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Loan from Vedanta Limited 10.3% (31 March 2023: 8.91% to 10.15%)	341.36	448.47
	<b>341.36</b>	<b>448.47</b>

b) Loan from banks and Working Capital Loans of Rs. 20.61 Crores (31 March 2023 : INR 28.90 Crores) is secured by first *pari passu* charge on the current assets and additionally secured by way of Corporate guarantee from Vedanta Limited

c) The quarterly working capital statements filed by the Company with banks are in agreement with the books of accounts

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
<b>24 Lease Liabilities - Current</b>		
Lease Liability	6.06	0.06
<b>Total</b>	<b>6.06</b>	<b>0.06</b>





**25 Trade payables**

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Trade payables		
(i) Total outstanding dues of micro and small enterprises (Refer note 49)	5.90	22.12
(ii) Total outstanding dues of creditors other than micro and small enterprises	262.56	279.30
<b>Total</b>	<b>268.46</b>	<b>301.42</b>
<b>Aging</b>		
<b>Undisputed dues of MSME</b>		
Not Due	-	15.53
Less than 1 year	5.89	6.59
1-2 year	0.01	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>5.90</b>	<b>22.12</b>
<b>Undisputed dues of Creditors other than MSME</b>		
Unbilled	8.27	9.70
Not Due	4.28	-
Less than 1 year	43.52	268.60
1-2 year	206.18	0.66
2-3 years	0.01	-
More than 3 years	0.30	0.34
<b>Total</b>	<b>262.56</b>	<b>279.30</b>

**26 Other financial liabilities - Current**

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Liability for capital expenditure	0.97	8.54
Employee payables	1.94	-
Interest accrued but not due on borrowings	0.59	0.07
Due to Related Parties (Refer note 43)	67.41	31.17
Deposits from Vendors and others	1.26	1.38
Other Liabilities	-	0.13
<b>Total</b>	<b>72.17</b>	<b>41.29</b>

**27 Other current liabilities**

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Claims and other payables	51.58	55.11
Statutory liabilities	1.60	7.52
Amount payable to employee provident fund	0.03	0.04
Advance from customers	5.07	6.64
Advance from related party (Refer Note 43)	0.63	0.46
Other liabilities	-	0.87
<b>Total</b>	<b>58.91</b>	<b>70.64</b>

**28 Provisions**

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Provision for Gratuity (Refer Note 44)	0.01	0.74
Provision for Leave encashment	0.58	0.25
<b>Total</b>	<b>0.59</b>	<b>0.99</b>





**29 Revenue from operations**

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
Revenue from contract with customers	615.75	533.72
<b>Total</b>	<b>615.75</b>	<b>533.72</b>

- a) Revenue from contract with customers for the year ended 31 March 2024 includes revenue from contracts with customers of Rs. 619.11 Crores (FY 2022-23: Rs. 520.13 Crores) and a net gain/(loss) on mark-to-market of Rs. (3.35) Crores (FY 2022-23: Rs. 13.59 Crores) on account of gains/(losses) relating to sales that were provisionally priced as at the beginning of the year with the final price settled in the current year, gains/(losses) relating to sales fully priced during the year, and marked to market gains/ (losses) relating to sales that were provisionally priced as at the end of the year.

**30 Other Operating income**

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
Scrap Sales	5.17	4.39
Export Incentives	0.55	-
Refund of Electricity charges (Refer Note (a))	20.71	-
Sundry Balances written back	4.69	-
Miscellaneous income	0.06	-
	<b>31.18</b>	<b>4.39</b>

- a) During the year, Power division has received refund of INR 36.26 Crores (including Interest amounting to Rs. 16.91 Crores forming part of other income) from Tamil Nadu electricity Regulatory Commission (TNERC) basis favourable order of Supreme Court dated July 06 2023, in relation to refund of differential electricity charges paid during the period June 2002 to July 2004 for 13,000 KVA in excess to its request of maximum sanctioned demand of 10,000 KVA (i.e., 23,000 - 10,000 = 13,000 KVA). As the same was paid in earlier years as part of operations of the Company, refund of it is disclosed as other operating income and interest received on refund is disclosed under other income.

**31 Other income**

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
Gain on sale/fair valuation of current investment measured at FVTPL	0.53	0.37
Income from Interest		
- on bank deposits	0.43	1.54
- from customer	0.15	-
- on refund of electricity charges (Refer Note 30(a))	16.91	-
Other non operating income	2.17	3.14
Net gain on foreign currency transactions and translation	1.42	-
<b>Total</b>	<b>21.61</b>	<b>5.05</b>

**32 Cost of Material Consumed**

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
Cost of Material Consumed	428.78	790.72
	<b>428.78</b>	<b>790.72</b>

**33 Changes in inventories of finished goods**

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
<b>Inventory at the beginning of the year</b>		
-Finished Goods	187.48	34.58
-Work in Progress	24.84	-
<b>Inventory at the end of the year</b>		
-Finished Goods	49.83	187.48
-Work in Progress	40.63	24.84
<b>Changes in inventories of finished goods</b>	<b>121.86</b>	<b>(177.74)</b>



**MALCO Energy Limited****Notes to the Financial Statements for the year ended 31 March 2024****34 Employee benefits expense**

Salaries, wages and bonus  
Contributions to provident and other funds  
Staff welfare expenses

**Total**

**Year ended  
31 March 2024  
Rs. Crores**

**Year ended  
31 March 2023  
Rs. Crores**

18.64

1.06

1.52

**21.22**

13.47

0.49

0.65

**14.61**

**MALCO Energy Limited**
**Notes to the Financial Statements for the year ended 31 March 2024**

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
<b>35 Power and Fuel</b>		
Power and fuel charges	17.85	7.84
<b>Total</b>	<b>17.85</b>	<b>7.84</b>
<b>36 Finance costs</b>		
Interest expense on financial liabilities at amortised cost (refer note a)	47.97	31.63
Net interest on defined benefit arrangement	-	0.05
Other finance costs	2.93	2.37
<b>Total</b>	<b>50.90</b>	<b>34.05</b>

a) Includes interest expense on lease liabilities for the year ended 31 March 2024 is Rs. 0.46 Crore (31 March 2023 : Rs. 0.02 Crore)

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
<b>37 Depreciation and amortization expense</b>		
Depreciation on tangible assets	29.29	22.27
Depreciation on Right-of-use assets	2.24	0.31
Amortization on intangible assets	0.25	0.23
<b>Total</b>	<b>31.78</b>	<b>22.81</b>
<b>38 Other expenses</b>		
Consumption of stores and spares	36.14	20.21
Contract Manpower Expenses	30.01	36.97
Repairs and maintenance	4.78	3.82
Rates And taxes	0.02	0.43
Insurance	1.98	2.14
Director Sitting fees	0.02	-
Travelling and conveyance	2.26	1.60
Payment to auditors (refer details below)	0.32	0.21
Security service charges	4.18	1.42
Legal and professional fees	2.42	1.25
Net loss on foreign currency transactions and translation	-	0.13
Mine expenses	1.54	-
Loss on sale/discard of PPE	1.36	-
Carriage outward	4.76	12.86
Business promotion expenses	0.04	0.11
IT Expenses	2.13	0.85
Lease rent	0.68	1.02
Miscellaneous expenses	16.30	17.46
<b>Total</b>	<b>108.94</b>	<b>100.48</b>

**Payment to auditors (exclusive of applicable taxes)**

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
For statutory audit fee	0.30	0.20
Other services - certification fees	0.02	0.01
<b>Total</b>	<b>0.32</b>	<b>0.21</b>

**Details of CSR expenditure**

The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company.





## 39 Tax expenses

## (a) Tax charge/(credit) recognised in profit or loss

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of profit or loss	-	-

(b) A reconciliation of income tax expense applicable to accounting profits before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

	Year ended 31 March 2024 Rs. Crores	Year ended 31 March 2023 Rs. Crores
Accounting profit before tax	(117.42)	(266.87)
Statutory income tax rate*	25.17%	25.17%
Tax at statutory income tax rate	(29.55)	(67.17)
Deferred tax assets not recognised in the absence of virtual certainty	29.55	67.17
<b>Income tax charge for the year</b>	<b>-</b>	<b>-</b>

\*As per section 115BAA of the Income Tax Act, 1961 a company can claim concessional tax rate of 22% plus surcharge and Cess. The company has opted for the same during the year ended March 31, 2022.

## (c) Deferred tax assets/(liabilities):

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
<b>Deferred tax liability</b>		
Right of Use assets (net of Lease liabilities)	(5.07)	-
Other	(0.01)	(0.00)
<b>Deferred tax assets</b>		
Property, Plant & Equipment and Intangibles	5.08	0.00
<b>Deferred tax assets/(liabilities)</b>	<b>5.07</b>	<b>-</b>

Deferred tax assets has been recognised to the extent of deferred tax liabilities on taxable temporary differences available in the absence of reasonable certainty of future taxable income against which such deferred tax asset can be realised.

## (d) Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Business losses	335.38	253.04
Unabsorbed depreciation	1,744.59	1,675.39
Deductible temporary differences	152.75	209.32

Deferred tax assets on carry forward unused tax losses have been recognised to the extent of deferred tax liabilities on taxable temporary differences available in the absence of reasonable certainty of future taxable profits against which the carry forward unused tax losses can be utilised.

Unused tax losses for which no deferred tax asset is recognized along with its expiry are as detailed below:

					Rs. Crores
Year ended	Nature of unrecognised deferred tax assets	Within one year	Greater than one year, upto eight years	No expiry date	Total
March 31, 2024	Business Loss	-	335.38	-	335.38
March 31, 2024	Unabsorbed depreciation	-	-	1,744.59	1,744.59
March 31, 2023	Business Loss	-	253.04	-	253.04
March 31, 2023	Unabsorbed depreciation	-	-	1,675.39	1,675.39



#### 40 Financial instruments

##### A. Financial instruments by category

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

As at 31 March 2024	Carrying amount			(Rs. Crores)	
	FVTPL <sup>§</sup>	FVTOCI <sup>§§</sup>	Amortised cost	Total carrying value	Total fair value
<b>Financial assets*</b>					
Investments - current	36.86	-	-	36.86	36.86
Trade receivables	19.86	-	7.65	27.51	27.51
Cash and cash equivalents	-	-	26.05	26.05	26.05
Other bank balances	-	-	6.49	6.49	6.49
Loans - Current	-	-	0.10	0.10	0.10
Derivatives	-	2.30	-	2.30	2.30
Other financial asset - current	-	-	12.19	12.19	12.19
Other financial asset - non current	-	-	0.12	0.12	0.12
<b>Total</b>	<b>56.72</b>	<b>2.30</b>	<b>52.60</b>	<b>111.62</b>	<b>111.62</b>

<b>Financial liabilities</b>					
Borrowings	-	-	361.97	361.97	361.97
Lease Liabilities	-	-	9.03	9.03	9.03
Operational buyers' credit/suppliers' credit	-	-	124.56	124.56	124.56
Trade payables	11.15	-	257.32	268.46	268.46
Derivatives	-	0.10	-	0.10	0.10
Other financial liabilities - current	-	-	72.17	72.17	72.17
<b>Total</b>	<b>11.15</b>	<b>0.10</b>	<b>825.05</b>	<b>836.29</b>	<b>836.29</b>

As at 31 March 2023	Carrying amount			(Rs. Crores)	
	FVTPL <sup>§</sup>	FVTOCI <sup>§§</sup>	Amortised cost	Total carrying value	Total fair value
<b>Financial assets*</b>					
Investments - current	15.84	-	-	15.84	15.84
Trade receivables	0.12	-	6.03	6.15	6.15
Cash and cash equivalents	-	-	24.85	24.85	24.85
Other bank balances	-	-	6.10	6.10	6.10
Loans - Current	-	-	0.01	0.01	0.01
Derivatives	-	31.21	-	31.21	31.21
Other financial asset - current	31.31	-	3.53	34.84	34.84
Other financial asset - non current	-	-	0.12	0.12	0.12
<b>Total</b>	<b>47.27</b>	<b>31.21</b>	<b>40.64</b>	<b>119.12</b>	<b>119.12</b>

<b>Financial liabilities</b>					
Borrowings	-	-	477.37	477.37	477.37
Lease Liabilities	-	-	0.25	0.25	0.25
Operational buyers' credit/suppliers' credit	-	-	141.20	141.20	141.20
Trade payables	29.23	-	272.19	301.42	301.42
Derivatives	-	0.10	-	0.10	0.10
Other financial liabilities - current	-	-	41.29	41.29	41.29
<b>Total</b>	<b>29.23</b>	<b>0.10</b>	<b>932.30</b>	<b>961.63</b>	<b>961.63</b>

§ - Fair value through profit and loss

§§ - Fair value through other comprehensive income

\*Other than investment in subsidiary accounted for in accordance with Ind AS 27 - 'Separate Financial Statements'

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payable and other financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments

##### B. Fair value hierarchy

The company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: Fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There were no transfers between Level 1 and Level 2 during the year.

As at 31 March 2024	Fair value			(Rs. Crores)
	Level 1	Level 2	Level 3	Total
<b>Financial assets*</b>				
Investments - current	36.86	-	-	36.86
Trade receivables	-	19.86	-	19.86
Derivatives	-	2.30	-	2.30
<b>Total</b>	<b>36.86</b>	<b>22.16</b>	<b>-</b>	<b>59.02</b>

<b>Financial liabilities</b>				
Derivatives	-	0.10	-	0.10
Trade payables	-	11.15	-	11.15
<b>Total</b>	<b>-</b>	<b>11.25</b>	<b>-</b>	<b>11.25</b>

As at 31 March 2023	Fair value			(Rs. Crores)
	Level 1	Level 2	Level 3	Total
<b>Financial assets*</b>				
Investments - current	15.84	-	-	15.84
Trade receivables	-	0.12	6.03	6.15
Derivatives	-	31.21	-	31.21
<b>Total</b>	<b>15.84</b>	<b>31.33</b>	<b>6.03</b>	<b>53.20</b>

<b>Financial liabilities</b>				
Derivatives	-	0.10	-	0.10
Trade payables	-	29.23	272.19	301.42
<b>Total</b>	<b>-</b>	<b>29.33</b>	<b>272.19</b>	<b>301.52</b>

\* Other than investment in subsidiary accounted for in accordance with Ind AS 27 - 'Separate Financial Statements'





**C. Financial risk management**

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty credit risk. The company does not engage in speculative treasury activity but seeks to manage risk and optimize interest and foreign currency through proven financial instruments.

**(a) Liquidity**

The company requires funds for short-term operational needs. The table below summaries the maturity profile of the company's financial liabilities based on contractual undiscounted cash obligations.

The company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. 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.

As at 31 March 2024					
	(Rs. Crores)				
Financial liabilities	<1 year	1-3 Years	3-5 Years	> 5 Years	Total
Trade payables	268.46	-	-	-	268.46
Derivative liabilities	0.10	-	-	-	0.10
Borrowings	361.97	-	-	-	361.97
Lease Liability	6.06	2.50	0.33	0.14	9.03
Operational buyers credit/suppliers credit	124.56	-	-	-	124.56
Other financial liabilities - Current	72.17	-	-	-	72.17
<b>Total</b>	<b>833.32</b>	<b>2.50</b>	<b>0.33</b>	<b>0.14</b>	<b>836.29</b>

As at 31 March 2023					
	(Rs. Crores)				
Financial liabilities	<1 year	1-2 Years	2-5 Years	> 5 Years	Total
Trade payables	301.42	-	-	-	301.42
Derivative liabilities	0.10	-	-	-	0.10
Borrowings	477.37	-	-	-	477.37
Lease Liability	0.03	0.05	0.02	0.15	0.25
Operational buyers credit/suppliers credit	141.20	-	-	-	141.20
Other financial liabilities - Current	41.29	-	-	-	41.29
<b>Total</b>	<b>961.41</b>	<b>0.05</b>	<b>0.02</b>	<b>0.15</b>	<b>961.63</b>

The Company had access to following funding facilities:

As at 31 March 2024			
	(Rs. Crores)		
Funding facilities	Total Facility	Drawn	Undrawn
Fund/non-fund based	480.00	279.13	200.87

**Collateral**

The Company has pledged its current assets at carrying value as per the requirements specified in various financial facilities in place.

**(b) Interest rate risk**

The company is exposed to interest rate risk on financial assets and liabilities. Floating rate financial assets are mutual fund investments which have debt securities as underlying assets. The return from the financial assets are linked to market interest rate movement; However the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of company's financial assets and financial liabilities to interest rate risk as follows:

As at 31 March 2024				
	(Rs. Crores)			
	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Other financial assets	-	-	0.12	0.12
<b>Total financial assets - non current</b>	<b>-</b>	<b>-</b>	<b>0.12</b>	<b>0.12</b>
Investments - current*	36.86	-	-	36.86
Trade and other receivables	-	-	39.79	39.79
Cash and cash equivalents	-	1.00	25.05	26.05
Other bank balances	-	6.49	-	6.49
Derivatives	-	-	2.30	2.30
<b>Total financial assets - current</b>	<b>36.86</b>	<b>7.49</b>	<b>67.14</b>	<b>111.49</b>

	(Rs. Crores)			
	Floating rate financial liabilities	Fixed rate financial liabilities	Non interest bearing financial liabilities	Total financial liabilities
Lease liabilities - Non Current	-	2.97	-	2.97
<b>Total financial Liabilities - non current</b>	<b>-</b>	<b>2.97</b>	<b>-</b>	<b>2.97</b>
Trade and other payables	-	-	340.64	340.64
Borrowings	-	361.97	-	361.97
Lease Liability	-	6.06	-	6.06
Operational buyers' credit/suppliers' credit	-	124.56	-	124.56
Derivatives	-	-	0.10	0.10
<b>Total financial liabilities - current</b>	<b>-</b>	<b>492.59</b>	<b>340.73</b>	<b>833.33</b>





As at 31 March 2023

	(Rs. Crores)			
	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Other financial assets - non current	-	-	0.12	0.12
<b>Total financial assets - non current</b>	<b>-</b>	<b>-</b>	<b>0.12</b>	<b>0.12</b>
Investments - current*	15.84	-	-	15.84
Trade and other receivables	31.31	0.01	9.67	40.99
Cash and cash equivalents	-	1.00	23.85	24.85
Other bank balances	-	6.10	-	6.10
Financial assets - Current - Loans	-	-	0.01	0.01
Derivatives	-	-	31.21	31.21
<b>Total financial assets - current</b>	<b>47.15</b>	<b>7.11</b>	<b>64.74</b>	<b>119.00</b>

	(Rs. Crores)			
	Floating rate financial liabilities	Fixed rate financial liabilities	Non interest bearing financial liabilities	Total financial liabilities
Lease liabilities - Non Current	-	0.19	-	0.19
<b>Total financial Liabilities - non current</b>	<b>-</b>	<b>0.19</b>	<b>-</b>	<b>0.19</b>
Trade and other payables	-	-	342.71	342.71
Borrowings	-	477.37	-	477.37
Lease Liability	-	0.06	-	0.06
Operational buyers' credit/suppliers' credit	-	141.20	-	141.20
Derivatives	-	-	0.10	0.10
<b>Total financial liabilities - current</b>	<b>-</b>	<b>618.63</b>	<b>342.81</b>	<b>961.44</b>

\*Other than investment in subsidiary company

The table below illustrates the impact of a 0.5% to 2.0% increase in interest rates on interest on financial assets assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

	(Rs. Crores)	
Increase in interest rates	Effect on pre-tax profit/(loss) during the year ended 31 March 2024	Effect on pre-tax profit/(loss) during the year ended 31 March 2023
0.50%	0.18	0.24
1.00%	0.37	0.47
2.00%	0.74	0.94

#### (c) Counterparty credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The company is exposed to credit risk from trade receivables and other financial instruments.

None of the company's cash or cash equivalents and other bank balances are past due or impaired. Regarding other financial assets (both current and non current), there were no indications as at March 31, 2024 that defaults in payment obligation will occur except as described in Note 9 & Note 13 for other financial assets - non current & trade receivables respectively.

Below mentioned other financial assets and Trade receivables are not considered impaired as at 31 March 2024 and 31 March 2023;

	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
Not past due	4.68	34.62
Due less than 1 month	27.55	6.12
Due between 1-3 months	7.54	0.00
Due between 3-12 months	-	0.25
More than 12 months	0.15	-
<b>Total</b>	<b>39.92</b>	<b>40.99</b>

#### (d) Foreign currency risk

Fluctuations in foreign currency exchange rates may have an impact on the statement of profit and loss, the statement of changes in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The carrying amount of the company's financial assets and liabilities in different currencies are as follows:



Financial Assets	As at 31 March 2024		
	INR	USD	Total
Trade and other receivable	17.57	22.23	39.79
Other non current financial assets	0.12	-	0.12
Other bank balances	6.49	-	6.49
Investments	36.86	-	36.86
Cash and Cash Equivalent	26.05	-	26.05
Derivatives	0.23	2.07	2.30
	<b>87.32</b>	<b>24.29</b>	<b>111.61</b>
Financial Liabilities	As at 31 March 2024		
	INR	USD	Total
Trade and other payables	329.49	11.15	340.64
Lease liability	9.03	-	9.03
Buyers Credit	22.05	102.51	124.56
Borrowings	361.97	-	361.97
Derivatives	0.10	-	0.10
<b>Total</b>	<b>722.64</b>	<b>113.66</b>	<b>836.30</b>
Financial Assets	As at 31 March 2023		
	INR	USD	Total
Trade and other receivable	9.68	31.31	40.99
Other non current financial assets	0.12	-	0.12
Other bank balances	6.10	-	6.10
Investments	15.84	-	15.84
Cash and Cash Equivalent	24.85	-	24.85
Derivatives	-	31.21	31.21
	<b>56.59</b>	<b>62.52</b>	<b>119.11</b>
Financial Liabilities	As at 31 March 2023		
	INR	USD	Total
Trade and other payables	312.22	30.49	342.71
Lease liability	0.25	-	0.25
Buyers Credit	73.32	67.88	141.20
Borrowings	477.37	-	477.37
Derivatives	0.10	-	0.10
<b>Total</b>	<b>863.26</b>	<b>98.37</b>	<b>961.63</b>

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Change in USD Rate	Effect on profit before tax	Effect on pre-tax equity
31 March 2024	10%	8.94	8.94
31 March 2023	10%	3.58	3.58

#### (e) Commodity price risk

On 31 March 2024, the value of net financial liabilities linked to commodities (excluding derivatives) accounted for on provisional prices was Rs. 20.28 Crores (31 March 2023: 53.22 Crores). These instruments are subject to price movements at the time of final settlement.



**D. Derivative financial instruments**

The company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates and commodity prices. The company does not acquire or issue derivative financial instruments for trading or speculative purposes. The company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the company guidelines and policies.

**Cash flow hedge**

The Company enters into forward exchange and commodity price contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognised in equity through OCI until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to profit or loss. These hedges have been effective for the year ended 31 March 2024.

**Fair value hedge**

The fair value hedges relate to foreign currency forward contracts taken to hedge currency exposure on purchase of raw materials. The fair value of company's derivative positions recorded under derivatives - financial assets and derivatives - financial liabilities are as follows:

Derivative Financial Instrument	As at 31 March 2024		As at 31 March 2023	
	Assets	Liabilities	Assets	Liabilities
- Commodity contracts	2.07	-	31.16	-
- Forward foreign currency contracts	0.23	0.10	0.05	0.10
<b>Total</b>	<b>2.30</b>	<b>0.10</b>	<b>31.21</b>	<b>0.10</b>

**E. Derivative contracts executed by the Company and outstanding as at Balance Sheet date**

- (i) To hedge currency risks and interest related risks, the Company has executed various derivatives contracts. The category wise break up of amount outstanding as at Balance Sheet date is given below :

Particulars	(Rs. In Crores)	
	As at 31 March 2024	As at 31 March 2023
Forex forward cover (buy)	48.44	19.89
Forex forward cover (sell)	108.95	230.17
	<b>157.39</b>	<b>250.06</b>

- (ii) For hedging commodity related risk :- Category-wise break up is given below

Particulars	As at 31 March 2024		As at 31 March 2023	
	Purchases	Sales	Purchases	Sales
Nickel (MT)	96.00	474.00	24.00	1,230.00
	<b>96.00</b>	<b>474.00</b>	<b>24.00</b>	<b>1,230.00</b>





**41 Capital management**

The Company's objectives when managing capital is to safeguard continuity and maintain a healthy capital ratios in order to support its business and provide adequate return to shareholders through continuous growth. The Company sets the amount of capital required on the basis of annual business. The funding requirements are met through a mixture of equity, borrowings and internal accruals.

The Company monitors capital using gearing ratio; being the ratio of net debt as a percentage of total capital employed. The Company is not subject to any externally imposed capital requirements.

Net debt are short term debts as reduced by cash and cash equivalents, other bank balances and short term investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

	(Rs. Crores)	
Particulars	31 March 2024	31 March 2023
Cash and cash equivalents	26.05	24.85
Other bank balances	6.49	6.10
Short term investments	36.86	15.84
<b>Total cash (a)</b>	<b>69.40</b>	<b>46.79</b>
Short-term borrowings	361.97	477.37
Lease Liability	9.03	0.25
<b>Total debt (b)</b>	<b>371.00</b>	<b>477.62</b>
<b>Equity</b>	<b>(94.01)</b>	<b>19.69</b>
<b>Net debt (c= b-a)</b>	<b>301.60</b>	<b>430.83</b>
<b>Debt Equity Ratio</b>	<b>(3.96)</b>	<b>24.25</b>

**42 Contingent liabilities and Commitments**

**(a) Contingent Liabilities**

	(Rs. Crores)	
(I) Claims not acknowledged by the company	31 March 2024	31 March 2023
(i) Electricity tax on self generated power (refer note 1 below)	93.51	93.51
(ii) Electricity duty, tax and additional duty on the surplus power wheeled (refer note 2 below)	8.76	8.76
(iii) Electricity tax on sale of electricity to TNEB (refer note 3 below)	28.80	28.80
(iv) Remitting the excess claim for the period from Oct,2014 to May, 2015 for the excess units (refer note 4 below)	8.58	8.58
(v) Water charges (refer note 5 below)	11.09	11.09
(vi) Railway land license fees demand (refer note 6 below)	4.27	4.27
(vii) Customs duty	8.75	8.75
	<b>163.76</b>	<b>163.76</b>

**Note :**

- In an earlier year, Tamil Nadu Electricity Board ('TNEB') issued a demand of Rs. 93.51 Crores towards electricity tax on consumption of self-generated power for the period May 1999 to June 2003. The Company had filed a writ petition in Honourable High Court of Madras stating that the Industry in which the Company operates should also be considered, being power intensive industry, for exemption from payment of electricity tax as other power intensive industries were considered for exemption and a stay was granted by Honourable High Court in this matter in April 2013. Based on the direction of Honourable High Court, fresh representation is made before Energy Department and an order is awaited from the Government.
- TNEB has also demanded Rs 8.76 Crores towards electricity duty, tax and additional duty on the surplus power wheeled to an associate company (now holding Company), which is being contested by the company. The Company's representation to the Tamil Nadu Government that no duty, tax or additional duty is leviable as the Company is not a licensee has been denied. Aggrieved by the same, the Company filed a writ petition and a stay has been obtained from Honourable High Court, Madras. Based on the direction of Honourable High Court, representation is made before Energy Department. Based on the direction of Honourable High Court, fresh representation is made before Energy Department and an order is awaited from the Government.
- The office of Electrical Inspectorate, Salem, Government of Tamil Nadu, raised a demand towards electricity tax of Rs. 28.80 Crores on sale of electricity to TNEB through Power Trading Corporation ('PTC') during June 2009 and May 2011 on the ground that the company has sold the power to PTC and not to TNEB. The company had filed a writ petition in the Honourable High Court of Madras and Honourable High Court of Madras vide Order Dated 9th July 2021 granted liberty to appeal within 6 weeks from the receipt of order before Secretary Govt of Tamil Nadu, Energy Dept. Appeal has been filed on 17th Aug 2021. Accordingly, an appeal has been filed and the appeal is yet to heard by the Secretary to Government, Energy Department. Based on the advice of external counsel, the Company believes that it has good grounds for success.
- The company has received a demand from Tamilnadu Generation and Distribution Corporation Limited ('TANGDECO') for Rs. 8.58 Crores towards excess amount paid by it in respect of electricity units supplied by the company in excess of the requirements of TANGDECO. The company has filed a writ petition before Honourable High Court of Madras and stay was granted in this matter. The case was heard on 10th Oct 22 and the Hon'ble Court while taking note of the fact that the TNERC has no quorum as on date of passing the Order, directed MALCO to approach the TNERC within one month of receipt of the order copy, since a Legal Member will be appointed shortly. Accordingly, a petition has been filed before the Hon'ble TNERC. Based on the advice of external counsel, the Company believes that it has good grounds for success.
- Tamilnadu Govt passed a GO Ms.No.890 PWD on 09.05.91 raising the water charges from Rs.60 to Rs.500 per 1000 cubic metres. The PWD demanded charges for the contracted quantity of 87,60,000 cubic metre per annum with retrospective effect from May 1991. Malco filed WP 9333/1991 which was disposed of giving opportunity to represent to Govt. Revised Demand of Rs.300/1000 cubic metre from 09.05.91 to 31.03.02 received from PWD for Rs.1.48 Cr. Even after representations, Govt again revised the water charges @ Rs.500/1000 cubic metres. Malco filed WP No.1298/02 in which Stay was obtained with a direction to pay Rs.300 /1000 cubic metres. On 28.02.06 High Court dismissed all WP and directed the petitioners to pay water charges @ Rs.500/1000 cubic metres as per GO 474/13.11.01. WA 516/2008 yet to be listed. All surrounding industries viz., Chemplast have paid rate increase impact with a request to PWD for interest waiver. PWD has issued notice of dis-connection dt 24.10.2008 for non payment of revised charges amounting to Rs.3.31 Crs along with penal interest of Rs.6.49 Crs. Malco filed a fresh WP in Madras High Court WP No.No.6220/2008 and 6229/2008, WA 516/2008 both are pending for further hearing and disposal. We have made payment of Rs.3.31 Crs in view of the disconnection notice from PWD in installments and have requested for waiver of penal interest portion. Since PWD refused to waive the interest we had filed WP 2528/2011 against which an interim stay was granted by the Hon'ble High Court of Madras vide order dated 04.02.2011.
- The issues arising out of licensing of Railway land pertaining to the Railway siding. MEL had entered into a Memorandum of Understanding ('MoU') with the Divisional Railway Manager, Palghat dated 10 Dec 1999, to invest in the Mettur Dam Railway Station (MTDM), towards creation of infrastructural facilities for reception of coal rakes and unloading coal for transfer into MALCO's plant through conveyors. The dispute between MEL and the Southern Railway, Salem Division is with respect to a) period for which the lease land was in possession of MALCO; b) extent of lease land and c) the base value to be adopted for the lease rent. Statement of Claims and Defense statement to Counter Affidavit was filed on 19 March 2024.



**MALCO Energy Limited**  
**Notes to the Financial Statements for the year ended 31 March 2024**

**(b) Commitments**

Estimated amounts of contracts net of advances, remaining to be executed on capital account and not provided for is Rs.66.41 Crores (31 March 2023: Rs.30.05 Crores).

**(c) Bank guarantees**

The Company has given guarantees in the normal course of business as stated below:

	(Rs. Crores)	
	31 March 2024	31 March 2023
Bank guarantees	8.44	9.19
	<b>8.44</b>	<b>9.19</b>

**43 Related party disclosures**

**(a) Details of related parties**

Description of relationship	Name of the related parties
<b>(i) Where control exists</b>	
Holding Company	Vedanta Limited
Intermediate Holding Company	Volcan Investments Limited
	Vedanta Resources Holdings Limited
Ultimate Holding Company	Vedanta Resources Limited
Subsidiary Company	Fujairah Gold FZC
Fellow Subsidiary	Hindustan Zinc Limited
	Electrosteel Limited
	Vizag General Cargo Berth Private Limited
	Sesa Mining Corporation Limited
	STL Digital Limited
<b>(ii) Other related parties</b>	
Key management personnel	Mr. Anand Soni - Director (upto October 29, 2022)
	Ms. A Sumathi - Director
	Mr. Navin Kumar Jaju - Director
	Mr. A R Narayanaswamy - Independent Director
	(w.e.f Oct 29, 2022)

**(b) Transactions with related parties during the year**

(Rs. Crores)

Particulars	31 March 2024	31 March 2023
<b>Vedanta Limited</b>		
Sale of Finished goods	7.51	61.22
Purchase of Goods/Service	20.22	237.76
Reimbursement of expenses	5.06	13.99
Corporate expenses	2.29	2.71
Recovery of expenses	5.59	20.85
Interest Expense	37.11	25.48
Other Expenses	0.02	-
Borrowings received	335.93	369.45
Borrowings repaid	443.06	68.14
<b>Vizag General Cargo Berth Private Limited</b>		
Reimbursement of expenses	0.00	0.03
Recovery of expenses	-	0.01
<b>Hindustan Zinc Limited</b>		
Sale of Finished goods	85.78	242.44
Purchase of Goods/Service	0.05	-
Reimbursement of expenses	0.00	-
<b>Electrosteel Limited</b>		
Sale of Finished goods	-	62.53
Reimbursement of expenses	0.17	0.48
Recovery of expenses	-	0.57
<b>Sesa Mining Corporation Limited</b>		
Purchase of Goods/Service	5.20	-
<b>STL Digital Limited</b>		
Purchase of Goods/Service	0.33	-

**(c) Transactions with Key Managerial Personnel during the year**

(Rs. Crores)

Particulars	31 March 2024	31 March 2023
Director Sitting Fee		
- Mr. A R Narayanaswamy	0.02	0.01

**(d) Outstanding balances at period end**

Particulars	31 March 2024	31 March 2023
<b>Vedanta Limited</b>		
Financial assets and Liabilities		
- Borrowings	341.36	448.48
- Other receivables	-	0.20
- Other payables	12.60	7.33
- Interest payables	54.79	24.50
- Trade payables	226.21	224.93
<b>Total</b>	<b>634.96</b>	<b>705.43</b>
<b>Hindustan Zinc Limited</b>		
- Trade receivables	2.96	5.85
- Other receivables	0.09	-
<b>Electrosteel Limited</b>		
- Other payables	0.63	0.46
<b>STL Digital Limited</b>		
- Trade payables	0.01	-
<b>Sesa Mining Corporation Limited</b>		
- Other receivables	2.72	-





#### 44 Employee benefit

##### i. Defined contribution plan

The Company contributed a total of Rs. 1.06 Crore for the year ended March 31, 2024 and Rs. 0.34 Crores for the year ended March 31, 2023 to the following defined contribution plans:

##### a. Provident fund

In accordance with The Employees Provident Funds Act, 1952 employees are entitled to receive benefits under the provident fund. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (12% for fiscal year 2024 and 2023) of an employee's salary. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GOI). The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

##### b. Superannuation

Superannuation, another pension scheme applicable in India, is applicable only to senior executives. The Company holds a policy with Life Insurance Corporation of India ("LIC"), to which it contributes a fixed amount relating to superannuation and the pension annuity is met by LIC as required, taking into consideration the contributions made. The Company has no further obligations under the scheme beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period they are incurred.

##### ii. Defined benefit plan

The Company has defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years of more services are eligible for gratuity. The level of benefit provided depends on the member's length of service and salary at retirement date. The Plan is funded with Life Insurance Corporation of India (LIC) in the form of a qualifying insurance policy.

The following tables summaries the component of net benefit expenses recognised in the Statement of Profit and Loss, other comprehensive income, the funded status and the amount recognised in the balance sheet for the gratuity plan:

##### Changes in the defined benefit obligation and fair value of plan assets:

	Funded			Unfunded
	Defined benefit obligations	Fair value of plan assets	Net Status	Defined benefit obligations
<b>At 31 March 2022</b>	<b>(0.41)</b>	<b>0.62</b>	<b>0.21</b>	<b>(0.75)</b>
Current service cost	(0.02)	-	(0.02)	(0.04)
Past service cost including curtailment gains/losses	-	-	-	-
Net interest expense	(0.03)	0.04	0.01	(0.05)
<b>Included in Statement of Profit and Loss</b>	<b>(0.05)</b>	<b>0.04</b>	<b>(0.01)</b>	<b>(0.09)</b>
Actual Return on plan assets (excluding amounts included in net interest expense)	-	(0.00)	(0.00)	-
Actuarial changes arising from changes in demographic assumptions	-	-	-	0.03
Actuarial changes arising from changes in financial assumptions	0.00	-	0.00	(0.08)
Actuarial changes arising from changes in experience adjustments	0.12	-	0.12	0.14
<b>Included in OCI</b>	<b>0.12</b>	<b>(0.00)</b>	<b>0.12</b>	<b>0.10</b>
Benefits paid	-	-	-	-
Contribution by employer	-	0.00	-	-
<b>At 31 March 2023</b>	<b>(0.33)</b>	<b>0.66</b>	<b>0.33</b>	<b>(0.74)</b>
Current service cost	(0.10)	-	(0.10)	(0.06)
Past service cost including curtailment gains/losses	-	-	-	-
Net interest expense	(0.02)	0.05	0.03	(0.05)
<b>Included in Statement of Profit and Loss</b>	<b>(0.12)</b>	<b>0.05</b>	<b>(0.07)</b>	<b>(0.11)</b>
Return on plan assets (excluding amounts included in net interest expense)	-	0.01	0.01	-
Actuarial changes arising from changes in demographic assumptions	-	-	-	(0.04)
Actuarial changes arising from changes in financial assumptions	(0.01)	-	(0.01)	(0.02)
Actuarial changes arising from changes in experience adjustments	(0.10)	-	(0.10)	0.19
<b>Included in OCI</b>	<b>(0.11)</b>	<b>0.01</b>	<b>(0.10)</b>	<b>0.13</b>
Benefits paid	0.11	(0.11)	-	0.74
Contribution by employer	-	0.08	0.08	-
<b>At 31 March 2024</b>	<b>(0.45)</b>	<b>0.69</b>	<b>0.24</b>	<b>(0.01)</b>

The principal assumptions used in determining gratuity obligation for the Company plans are shown below:

	31 March 2024	31 March 2023
Discount rate	7.10%	7.39%
Future salary increase	5.5%-10%	5.5%-9%
Withdrawal rate		
Ages: up to 30 years	3%-14%	3%-28%
from 31 to 44 years	2%-14%	2%-28%
above 44 years	1%-14%	1%-28%
Retirement age	58	58
Mortality rate	IALM (2012 - 14)	IALM (2012 - 14)





A quantitative sensitivity analysis for significant assumption is as shown below:

	(Rs. Crores)	
Assumptions	31 March 2024	31 March 2023
Sensitivity level		
0.5% Increase in discount rate	(0.03)	(0.02)
0.5% Decrease in discount rate	0.03	0.02
0.5% Increase in future salary increase	0.03	0.02
0.5% Decrease in future salary increase	(0.03)	(0.02)

The above sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The expected maturity analysis of undiscounted defined benefit obligation (Funded and Unfunded) is as follows:

Year	31 March 2024	31 March 2023
Within 1 Year	0.08	0.23
Between 1 and 2 years	0.31	0.14
Between 2 and 3 years	0.06	0.27
Between 3 and 4 years	0.05	0.04
Between 4 and 5 years	0.17	0.03
Beyond 5 years	0.50	0.29

The contribution expected to be made by the Company during the financial year 2024-25 is Rs. 0.20 crores

The average duration of the defined benefit obligation is ranging from 6.23 to 16.80 years and 2.88 to 6.33 years as on March 31, 2024 and March 31, 2023 respectively.

#### 45 Share based compensation plans

The Company offered equity based and cash based option plans to its employees, officers and directors through the Company's stock option plan introduced in 2016, Cairn India's stock option plan now administered by the Company pursuant to merger with the Company and Vedanta Resources Limited (earlier known as Vedanta Resources Plc) plans [Vedanta Resources Long-Term Incentive Plan ("LTIP"), Employee Share Ownership Plan ("ESOP"), Performance Share Plan ("PSP") and Deferred Share Bonus Plan ("DSBP")] collectively referred as 'VRL ESOP' scheme.

The Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based, sustained individual performance based and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The performance conditions attached to the option is measured by comparing Company's performance in terms of Total Shareholder Return ("TSR") over the performance period with the performance of two group of comparator companies (i.e. Indian and global comparator companies) defined in the scheme. The extent to which an option vests will depend on the Company's TSR rank against a group or groups of peer companies at the end of the performance period and as moderated by the Remuneration Committee.

Options granted during the period ended March 31, 2024 includes business performance based, sustained individual performance based and market performance based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA or a combination of these for the respective business/ SBU entities.

Amount recovered by the Parent and recognized by the company in the statement of profit and loss account for the period ended Crores March 31, 2024 was Rs 1.08 Crores (Year ended March 31, 2023 was Rs. 0.06 Crores). The Company considers these amounts as not material and accordingly has not provided further disclosures.

#### 46 Earnings per share

	(Rs. Crores)	
Particulars	31 March 2024	31 March 2023
Profit attributable to the equity shareholders for Basic EPS	(117.42)	(266.87)
Add: Adjustment for Diluted Instrument	-	-
<b>Profit attributable to equity holders adjusted for Diluted EPS</b>	<b>(117.42)</b>	<b>(266.87)</b>
Weighted average number of Equity Shares for basic EPS	2,33,66,406	2,33,66,406
Effect of Dilution of Convertible debentures	13,16,61,981	13,16,61,981
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	<b>15,50,28,387</b>	<b>15,50,28,387</b>
<b>Earning per share - Basic &amp; Dilutive (Rs.) *</b>	<b>(50.25)</b>	<b>(114.21)</b>

\* Effect of potential dilutive ordinary shares related to compulsory convertible debentures (CCDs) is anti-dilutive and hence not considered in determining diluted earnings per share.





**48 Other Statutory Information**

- (i) The Company do not have any Benami Property, where any proceeding has been initiated or pending against the company for holding any Benami Property
- (ii) The Company do not have any transactions with struck off Companies
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the Financial year
- (v) The Company is not having any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income tax Act, 1961)
- (vi) The company during the year have not advanced or loaned or invested funds to any other persons or entities, 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 during the year have not received any fund from any persons or entities, 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) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (viii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017
- (ix) The Company is maintaining its books of accounts in electronic mode and these books of accounts are accessible in India at all the times and the back up of books of accounts has been kept in servers physically located in India on a daily basis from the applicability date of the accounts rules i.e., 5 August, 2022 onwards
- (x) 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 except that audit trail feature is not enabled in the SAP application for direct changes to data in certain database tables, which is restricted to certain ID's with system administrator user access in order to optimise system performance. However, these system administrator rights have been disabled subsequent to the year end. Further no instance of audit trail feature being tampered with was noted in respect of software.

**49 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at 31 March 2024 Rs. Crores	As at 31 March 2023 Rs. Crores
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	5.90	22.12
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are	-	-

**50 Segment Information**  
**Acquisition (Refer Note 1)**  
**Gujarat NRE**

In FY 21-22, the company acquired Bachau and Khambalia blocks of Gujarat NRE Coke Limited which was under liquidation as per the Insolvency and Bankruptcy Code 2016 for the time being in force for a cash consideration of Rs 165.99 crores and subsequent stamp duty for the transactions for Rs 9.7 crores. The assets acquired mainly included Land, Building and Plant & Machinery of similar value as the cash consideration. Gujarat NRE Coke Limited (GNRE), has two Met Coke plants in Bhachau and Khambalia for a total operating capacity of 400 KTPA and 265 KTPA respectively.

**Nicomet Industries**

In FY 21-22, the Company acquired the assets of Nicomet Industries Limited which was under liquidation process as per the Insolvency and Bankruptcy code, 2016 (including all amendments for the time being in force) for a cash consideration of Rs 51.55 crores and subsequent stamp duty and registration fee of Rs 3.3 crores. The assets acquired mainly include land, building and Plant & Machinery of similar value as the cash consideration. Nickel unit is the first and the only company engaged in manufacturing Nickel and Cobalt through processing of Concentrates in India, which is a vital raw material for manufacturing of EV batteries, High quality steel products and super alloys.

The Company acquired assets of Gujarat NRE on 20th May 2021 and Nicomet Industries on 6th Jan 2022. As Malco Energy Limited has no present obligations, the acquisition shall serve to kick start and boost operations. Potential future synergies through vertical integration.

The Company primarily engaged in the business of generation and sale of electricity, production of low ash Metallurgical coke and Nickel and Cobalt sulphate and Nickel Cathode in India. As per the view of Chief Operating Decision maker (CODM), there are three operating segments (a) Generation of electricity (b) Production of coke (c) Production of Nickel sulphate crystal, Nickel Cathode and Cobalt sulphate crystal. Each of the reportable segments has an ability to derive revenue and hence have been identified as reportable segments by the Chief Operating Decision Maker.

Segment Revenue, Results, Assets and Liabilities include respective amount identifiable to each segments. Tax, Depreciation and Amortization and EBITDA are evaluated regularly by the CODM, in deciding how to allocate resources and in assessing performance. The operating segments reported are the segments of the company for which separate financial information is available. The Company's Income taxes are reviewed on an overall basis and are not allocated to operating segments.

The power plant of the company has been put under care and maintenance w.e.f. May 26, 2017 due to prevailing business conditions.





50 Segment Information (Continued)

The following table presents revenue and profit information and certain assets and liabilities information regarding the Company's operating segments as at and for the year ended 31 March 2024. Since the Power Plant is under care and maintenance, there is no Revenue from operations from this segment.

For the Year ended 31 March 2024					(Rs. Crores)
Particulars	Operating Segments				Total
	Coke	Nickel	Power	Elimination	
<b>Revenue</b>					
External Revenue	160.86	454.89	-	-	615.75
Inter Segment Revenue	-	-	-	-	-
<b>Segment Revenue</b>	<b>160.86</b>	<b>454.89</b>	<b>-</b>	<b>-</b>	<b>615.75</b>
<b>Results</b>					
Segment Results (EBITDA)*	(42.32)	(35.09)	19.89	1.15	(56.36)
Less: Depreciation and Amortisation	(19.48)	(8.07)	(4.23)	-	(31.78)
Add: Other Income	9.87	3.20	38.12	(29.58)	21.61
Less: Finance cost	-	-	-	-	(50.90)
<b>Net Profit before tax</b>					<b>(117.43)</b>
<b>Segment Assets</b>					
Segment Assets	293.65	349.44	136.33	(48.60)	730.82
Financial Asset (Investments)	-	-	-	-	36.86
Financial Asset (Loans)	-	-	-	-	0.10
Income tax Asset	-	-	-	-	7.96
Cash & Cash Equivalents (including other bank balance & bank deposits)	-	-	-	-	26.04
<b>Total Assets</b>					<b>801.78</b>
<b>Segment Liabilities</b>					
Segment Liabilities	22.17	88.19	378.05	(48.60)	439.81
Borrowings	-	-	-	-	361.97
<b>Total Liabilities</b>					<b>801.78</b>
<b>Capital Expenditure</b>					
Property, Plant and Equipment	189.74	51.88	79.52	-	321.14
Capital Work-In-Progress	9.64	1.44	-	-	11.08
Intangibles	0.15	-	-	-	0.15
Right-of-use Asset	6.84	22.33	-	-	29.17
<b>Total</b>	<b>206.38</b>	<b>75.64</b>	<b>79.52</b>	<b>-</b>	<b>361.54</b>

For the Year ended 31 March 2023 (Rs. Crores)

Particulars	Operating Segments				Total
	Coke	Nickel	Power	Elimination	
<b>Revenue</b>					
External Revenue	491.97	41.75	-	-	533.72
Inter Segment Revenue	-	-	-	-	-
<b>Segment Revenue</b>	<b>491.97</b>	<b>41.75</b>	<b>-</b>	<b>-</b>	<b>533.72</b>
<b>Results</b>					
Segment Results (EBITDA)*	(187.60)	(23.18)	(4.44)	0.17	(215.06)
Less : Depreciation and Amortisation	(15.13)	(3.44)	(4.25)	-	(22.81)
Add : Other Income	2.17	1.71	9.78	(8.61)	5.05
Less: Finance cost	-	-	-	-	(34.05)
<b>Net Profit before tax</b>					<b>(266.87)</b>
<b>Segment Assets</b>					
Segment Assets	465.15	522.49	307.23	(295.81)	999.05
Financial Asset (Investments)	-	-	-	-	15.84
Income tax Asset	-	-	-	-	7.09
Cash & Cash Equivalents (including other bank balance & bank deposits)	-	-	-	-	30.96
<b>Total Assets</b>					<b>1,052.95</b>
<b>Segment Liabilities</b>					
Segment Liabilities	539.50	239.96	72.24	(295.81)	555.89
Borrowings	-	-	-	-	477.37
<b>Total Liabilities</b>					<b>1,033.26</b>
<b>Capital Expenditure</b>					
Property, Plant and Equipment	193.21	41.54	83.76	-	318.51
Capital Work-In-Progress	19.11	3.90	-	-	23.01
Intangibles	0.40	-	-	-	0.40
Right-of-use Asset	-	21.64	-	-	21.64
<b>Total</b>	<b>212.72</b>	<b>67.08</b>	<b>83.76</b>	<b>-</b>	<b>363.56</b>

\* EBITDA is a Non GAAP measure





**MALCO Energy Limited**  
**Notes to the Financial Statements for the year ended 31 March 2024**

**51 Key Ratios are as follows**

Particulars	Formula	FY 23-24	FY 22-23	Percentage change	Reason for change
a) Current Ratio (in times)	Current Asset/Current Liability	0.46	0.64	-28%	
b) Debt Equity Ratio (in times)	Gross Debt/Equity	-3.85	24.25	-116%	The Ratios' for current year are not comparable to previous year due to the following reasons:
c) Debt service coverage Ratio (in times)	(Profit After tax + Depreciation + Finance cost)/(Interest expense + Principal payments of loans)	(0.08)	(0.42)	-80%	
d) Return on Equity Ratio (%)	Profit After tax/Total Equity	124.90%	-1355.49%	-109%	i) Nickel division : Started its operations in the mid of FY 22-23 and gradually operations got stabilised during the FY 23-24.
e) Inventory Turnover Ratio (in times)	Revenue from Operations/Average Inventory	1.98	2.15	-8%	
f) Trade Receivable Turnover Ratio (in times)	Revenue from Operations/Average Trade Receivable	36.59	24.55	49%	
g) Trade Payable Turnover Ratio (in times)	Revenue from Operations/Average Trade Payable	2.39	4.06	-41%	ii) Coke division: During the FY 22-23, Bachau plant of Met coke was in full operation and Khamballa plant was in operation for 3 months. Whereas in FY 23-24, Bachau plant started partial operations from the month of August 2023 and there were no operations in Khamballa plant.
h) Net Working Capital Turnover Ratio (in times)	Revenue from Operations/Working capital	(1.28)	(1.45)	-12%	
i) Net Profit Ratio (%)	Profit after tax/Revenue from operations	-19.07%	-50.00%	-62%	
j) Return on Capital Employed (in times)	(Profit before tax + Finance cost)/Capital employed	(0.24)	(0.47)	-49%	
k) Return on investment (in times)	Income from investment measured at FVTPL/ Average current investment	0.02	0.03	-30%	



**52 Leases**

The Company has lease contracts for land, Machinery, vehicles and other equipment for its business operations. Generally, the Company is restricted from assigning and subleasing the leased assets.

- i) Details of carrying amount of Right-of-use assets and movement during the period disclosed under Note 7.  
ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

Particulars	(Rs. Crores)	
	31 March 2024	31 March 2023
Balance at the beginning of the year	0.25	0.23
Additions	9.77	-
Disposals	-	-
Lease payment made during the year	(1.70)	-
Accretion of interest	0.46	0.02
Write back	0.25	-
Balance at the end of the year	<b>9.03</b>	<b>0.25</b>
Non Current	2.97	0.19
Current	6.06	0.06

- a) The effective interest rate for lease liabilities ranges from 7.58% to 10.30%.  
b) The maturities for lease liabilities are as follows

Particulars	Maturity
Leasehold Land	60-80 years
Leasehold Vehicles	1-2 years
Leasehold Equipment	5 Years

- b) The maturity analysis of lease liabilities are disclosed in Note 40 (C) "Liquidity risk"  
c) The Company had total cash flows for leases of Rs.1.20 crores for the year ended 31 March 2024 (31 March 2023: Rs.Nil)

- iii) The following are the amounts recognised in profit or loss:

Particulars	(Rs. Crores)	
	31 March 2024	31 March 2023
Depreciation of Right-of-use asset	2.24	0.31
Accretion of interest on lease liability	0.46	0.02
Expenses relating to short-term leases and leases of low-value assets	0.68	1.02
<b>Total amount recognised in profit or loss</b>	<b>3.39</b>	<b>1.35</b>

**53 Going concern**

As at March 31, 2024, the Company has a net current liability of Rs 480.33 Crores and has incurred a loss of Rs. 117.42 Crores during the year ended March 31, 2024. Current liabilities as at March 31, 2024 includes borrowing, interest payable, trade payable and other payable amounting to Rs. 341.36 Crores, Rs. 54.79 Crores, Rs. 226.21 Crores and Rs. 12.60 Crores respectively payable to Holding Company.

Further, the holding Company has provided a commitment in the form of a support letter to provide the necessary financial support to the Company to meets its operational and financial obligations as and when they fall due.

Based on the business plans of the Company, cash flow projections and support letter from holding company, management is confident that the Company will be able to meet its financial obligations as they arise. Accordingly, these financial statements have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.

- 54** Previous year's figures have been regrouped in case wherever necessary to make them comparable with those of the current year.

**As per our report of even date**


**For S R B C & CO LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No : 324982E/E300003**

  
**per Anant Acharya**  
**Partner**  
**Membership No. - 124790**

**Place : Mumbai**  
**Date : 16 April 2024**



**For and on behalf of Board of Directors**

  
**Navin Kumar Jaju**  
**Director**  
**DIN 00669654**

**Place : Goa**  
**Date : 16 April 2024**

  
**Poovannan Sumathi**  
**Director**  
**DIN 07147100**

**Place : Tuticorin**  
**Date : 16 April 2024**





## INDEPENDENT AUDITOR'S REPORT

To the Members of Vedanta Iron and Steel Limited  
Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of Vedanta Iron and Steel Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from October 06, 2023 to March 31, 2024, and notes to the Ind AS financial statements including summary of material accounting policy information and other explanatory information (hereinafter referred to as Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2024, its loss (including other comprehensive income), its changes in equity and its cash flows for the period 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 Ind AS 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 Ind AS 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 Ind AS 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 Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the





Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS 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, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 matter 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, no remuneration is paid/provided by the Company to its directors during the period and hence reporting related to the managerial remuneration 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;

(iv) (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;

(iv) (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;

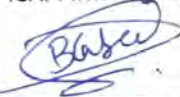
(v) The Company has not declared nor paid any dividend during the period. Hence, reporting the compliance with section 123 of the Act is not applicable;

(vi) Based on our examination, the Company has not used an accounting software for maintaining its books of account. Hence, reporting related to audit trail is not applicable.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



**Deepak Kabra**

Partner

Membership No. 133472

UDIN: 24133472BKFQNM4128



Place: Mumbai

Date: April 17, 2024

**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 **Vedanta Iron and Steel Limited** ("the Company") on the Ind AS financial statements for the period ended March 31, 2024]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS 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 clause (i) of paragraph 3 of the Order is not applicable.
- (ii) (a) The Company 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 period, from banks and/or financial institutions. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- (iii) During the period, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.
- (iv) The provisions of Sections 185 and 186 of the Act are not applicable to the Company as the Company has not granted any loans or made any investment or provided any guarantee or security during the period. Accordingly, reporting under clause (iv) of the 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 Company is not required to maintain cost records under sub-section (1) of section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), income-tax, duty of customs, cess and any other material statutory dues applicable to it, in all cases during the period. Since, the Company does not have any employees, statutory dues in form of provident fund and employees' state insurance are not applicable to the Company.  
  
No undisputed amounts payable in respect of income tax, GST, customs duty, 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 income tax, GST, customs duty and cess, which have not been deposited on account of any dispute. Since, the Company does not have any employees, there are no dues in the form of provident fund and employees' state insurance.
- (viii) This being the first financial year since incorporation, reporting of previously not recorded transactions in the books of account of the Company does not arise and accordingly, reporting under clause (viii) of paragraph 3 of the Order is not applicable.



- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, reporting under clause (ix)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not taken loans from any bank or financial institution or government or any government authority during the period. Hence, question of the Company being declared wilful defaulter does not arise.
- (c) The Company did not obtain any money by way of term loans during the period. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.
- (d) No funds are raised on short-term basis during the period. Accordingly, reporting under clause (ix)(d) of paragraph 3 of the Order is not applicable.
- (e) The Company does not have any subsidiaries, associates, jointly controlled entities or joint operations, as defined under the Act and hence reporting under clause (ix)(e) of paragraph 3 of the order is not applicable.
- (f) The Company does not have any subsidiaries, associates, jointly controlled entities or joint operations, as defined under the Act and hence reporting under clause (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 period. 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 period. 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 period, 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 period or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the period and upto 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 section 188 of the Act and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Since the Company is not required to constitute an Audit Committee, the provisions of section 177 of the Act are not applicable to the Company.
- (xiv) (a) In our opinion, the Company does not have an internal audit system and 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.





- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the period 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.
- (b) 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) of paragraph 3 of the Order are not applicable.
- (c) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) The Company has incurred cash losses for the current financial period amounting to Rs. 1.90 lakhs. This being the first financial year since incorporation, reporting of cash losses in the immediately preceding financial year is not applicable.
- (xviii) There has been no resignation of the statutory auditors during the period 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 Ind AS 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) of paragraph 3 of the Order is not applicable.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



**Deepak Kabra**

Partner

Membership No. 133472

UDIN: 24133472BKFQNM4128



Place: Mumbai

Date: April 17, 2024

**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 Vedanta Iron and Steel Limited on the Ind AS financial statements for the period ended March 31, 2024]

**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 Vedanta Iron and Steel Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management 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.

**Auditors' 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 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, 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, 2024, 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



Deepak Kabra

Partner

Membership No. 133472

UDIN: 24133472BKFQNM4128



Place: Mumbai

Date: April 17, 2024



**Vedanta Iron and Steel Limited**  
**Balance Sheet as at 31 March 2024**

(All amounts in ₹ Lakhs)

Particulars	Note	As at 31 March 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment		-
Other non-current assets		-
<b>Total non-current assets</b>		-
<b>Current assets</b>		
Inventories		-
Financial assets		-
- Cash and cash Equivalents	3	1.00
Current tax assets (net)		-
Other current assets	4	0.18
<b>Total current assets</b>		1.18
<b>Total Assets</b>		1.18
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	5	1.00
Other Equity		(1.90)
<b>Total Equity</b>		(0.90)
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Other non-current liabilities		-
<b>Total non-current liabilities</b>		-
<b>Current Liabilities</b>		
Financial liabilities		-
- Trade payables		-
(a) Total outstanding dues of micro and small enterprises		-
(b) Total outstanding dues of creditors other than micro and small enterprises	6	0.81
- Other financial liabilities	7	0.85
Provisions		-
Income tax liabilities (net)		-
Other current liabilities	8	0.42
<b>Total current liabilities</b>		2.08
<b>Total Equity and Liabilities</b>		1.18

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048

**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



For and on behalf of the board of directors of Vedanta Iron and Steel Limited

**Sunil Gupta**  
Director  
DIN: 08558177

**Anup Agarwal**  
Director  
DIN: 08551388

Place: Delhi

Date: 17th April 2024

Place: Delhi

Date: 17th April 2024

**Vedanta Iron and Steel Limited**

**Statement of Profit and Loss for the period 10 October 2023 to 31 March 2024**

(All amounts in ₹ Lakhs unless stated otherwise)

Particulars	Note	For the period 10 October 2023 to 31 March 2024
Revenue from operations		-
<b>Total Income</b>		-
<b>Expenses:</b>		
Other expenses	9	1.90
<b>Total expenses</b>		1.90
<b>Loss before tax</b>		(1.90)
Tax Expense		-
<b>Net Loss after tax (A)</b>		(1.90)
<b>Other Comprehensive income</b>		
Items that will not be reclassified to profit or loss		-
Items that will be reclassified to profit or loss		-
<b>Total Other Comprehensive Income for the period (B)</b>		-
<b>Total Comprehensive Income for the period (A+B)</b>		(1.90)
Earnings per share (in ₹)		
- Basic and Diluted	10	(1.90)

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048



**Deepak Kabra**

Partner

ICAI Membership Number: 133472



Place: Mumbai

Date: 17 April 2024

**For and on behalf of the board of directors of Vedanta Iron and Steel Limited**



**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024



**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi

Date: 17th April 2024

**Vedanta Iron and Steel Limited**  
**Cash Flow Statement For The Period 10 October 2023 To 31 March 2024**

(All amounts in ₹ Lakhs)

Particulars	For the period 10 October 2023 to 31 March 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Loss before taxation	(1.90)
<b>Adjustments for:</b>	
Depreciation, depletion and amortisation	-
Provision for doubtful debts/ advance/ bad debts written off	-
Liabilities written back	-
Interest income	-
Dividend income	-
Interest expense	-
<b>Changes in assets and liabilities</b>	
Decrease/ (Increase) in trade and other receivables	(0.18)
Decrease/ (Increase) in inventories	-
(Decrease)/ Increase in trade and other payable	2.08
<b>Cash generated from operations</b>	<b>(0.00)</b>
Income taxes paid (net)	-
<b>Net cash generated from operating activities</b>	<b>(0.00)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of property, plant and equipment (including intangibles)	-
Proceeds from sale of property, plant and equipment	-
Interest received	-
Dividends received	-
<b>Net cash generated from investing activities</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from short-term borrowings (net)	-
Proceeds from current borrowings	-
Proceeds from issue of share capital	1.00
Repayment of current borrowings	-
<b>Net cash used in financing activities</b>	<b>1.00</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>1.00</b>
Cash and cash equivalents at the beginning of the period	-
<b>Cash and cash equivalents at the end of the period (Refer note 3)</b>	<b>1.00</b>

**Notes :**

- The figures in parentheses indicate outflow.
- The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048

**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



**For and on behalf of the board of directors of Vedanta Iron and Steel Limited**

  
**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi  
Date: 17th April 2024

  
**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi  
Date: 17th April 2024



**Vedanta Iron and Steel Limited**

**Statement of Changes in Equity for the period 10 October 2023 to 31 March 2024**

(All amounts in ₹ Lakhs)

**A. Equity Share Capital (Refer Note No. 5)**

Equity shares of ₹ 1/- each issued, subscribed and fully paid up	Number of shares (in lakhs)	Amount
As at 31 March 2024	1.00	1.00

**B. Other Equity**

Particulars	Reserves and Surplus	Total other equity
	Retained earnings	
Loss for the period	(1.90)	(1.90)
Other comprehensive income for the period, net of tax	-	-
<b>Total Comprehensive Income for the period</b>	<b>(1.90)</b>	<b>(1.90)</b>
<b>Balance as at 31 March 2024</b>	<b>(1.90)</b>	<b>(1.90)</b>

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048

  
**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



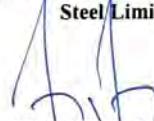
**For and on behalf of the board of directors of Vedanta Iron and Steel Limited**



**Sunil Gupta**  
Director

DIN: 08558177

Place: Delhi  
Date: 17th April 2024



**Anup Agarwal**  
Director

DIN: 08551388

Place: Delhi  
Date: 17th April 2024

**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

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**NOTE 1. CORPORATE INFORMATION**

Vedanta Iron and Steel Limited (the Company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ('the Act'). The Company was incorporated on 10 October 2023 for carrying out the business activities in the metal and mining sector.

**NOTE 2.1 BASIS OF PREPARATION AND BASIS OF MEASUREMENT OF FINANCIAL STATEMENTS**

**(a) Basis of Preparation**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act (as amended from time to time). These financial statements have been prepared in accordance with the accounting policies, set out below.

All financial information presented in Indian Rupee has been rounded off to the nearest Lakhs except when indicated otherwise.

These are the first Financial Statements after incorporation of the Company, hence comparative figures are not given.

These financials statements are approved for issue by the Board of Directors on 17 April 2024. The revision to these financials statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

**(b) Basis of Measurement**

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting.



**NOTE 2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Use of estimates**

The preparation of financial statements in conformity with the Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**(b) 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.

**(c) Provisions**

The assessments undertaken in recognising provisions have been made in accordance with the applicable Ind AS. 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 the 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.





**(d) Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non current only.

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have a maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes 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.

**(f) Standards notified but not yet effective**

No new standards have been notified during the year ended 31 March 2024.



**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements as at 31 March 2024**

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

**3 Current financial assets - Cash and cash equivalents**

Particulars	As at 31 March 2024
Balances with banks	1.00
<b>Total</b>	<b>1.00</b>

**4 Other Current Assets**

Particulars	As at 31 March 2024
Input GST	0.18
<b>Total</b>	<b>0.18</b>

**5 Share capital**

Particulars	As at 31 March 2024
<b>A. Authorised Equity Share Capital</b>	
1 lakh equity shares of ₹1/- each	<u>1.00</u>
<b>B. Issued, subscribed and fully paid-up Equity Share Capital</b>	
1 lakh equity shares of ₹1/- each, issued during the year	1.00
<b>Total issued, subscribed and fully paid up share capital</b>	<b>1.00</b>

**C. Shares held by the Holding Company and its subsidiaries\***

Particulars	As at 31 March 2024	
	Number of Shares held	% of holding
Vedanta Limited and their nominees	1,00,000	100%
<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

\* The % of holding has been calculated on the issued and subscribed share capital as at the balance sheet date.



**Vedanta Iron and Steel Limited**  
**Notes forming part of the financial statements as at 31 March 2024**

(All amounts in ₹ Lakhs unless stated otherwise)

**D. Details of shareholders holding more than 5% shares in the Company \***

Particulars	As at 31 March 2024	
	Number of Shares held	% of holding
Vedanta Limited and their nominees	1,00,000	100%
<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

\* The % of holding has been calculated on the issued and subscribed share capital as at the balance sheet date.

**E. Disclosure of Shareholding of Promoters and Promoter Group**

Particulars	As at 31 March 2024	
	Number of Shares held	% of holding
Vedanta Limited	99,994	99.99%
Mr.	1	0.00%
Mr.	1	0.00%
Mr. Sunil Gupta	1	0.00%
Ms. Mansi Dhiman	1	0.00%
Mr. Jagdeep Singh	1	0.00%
Mr. Mayank Totla	1	0.00%
<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

**F. Reconciliation of shares:**

Particulars	No of Shares
Shares issued during the reporting period	1,00,000
<b>Shares outstanding at the end of the reporting period</b>	<b>1,00,000</b>

**G. Terms/rights attached to equity shares:**

The Company has only one class of equity shares having par value of ₹1 per share. (31 March 2024: ₹1 per share). Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees in accordance with the provisions of the Act. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**H.** There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

**I.** There are no unpaid calls from any Directors and officers.





Vedanta Iron and Steel Limited  
Notes forming part of the financial statements as at 31 March 2024

(All amounts in ₹ Lakhs unless stated otherwise)

6 Financial liabilities - Trade payables

Particulars	As at 31 March 2024
<b>Undisputed dues – MSME</b>	
Unbilled dues	-
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	-
<b>Undisputed dues - Others</b>	
Unbilled dues	0.81
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	0.81
<b>Disputed dues - MSME</b>	
Unbilled dues	-
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	-
<b>Disputed dues - Others</b>	
Unbilled dues	-
Not due	-
Less than 1 year	-
More than 1 year	-
Sub-total	-
<b>Total</b>	<b>0.81</b>

7 Other Financial Liabilities

Particulars	As at 31 March 2024
-Brand Fees Payable (Refer Note 14)	0.85
<b>Total</b>	<b>0.85</b>

8 Other Current Liabilities

Particulars	As at 31 March 2024
-TDS Payable	0.24
-GST Payable	0.18
<b>Total</b>	<b>0.42</b>



**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

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

**9 Other Expenses**

Particulars	For the period 10 October 2023 to 31 March 2024
Bank Charges	0.00
Brand License and Strategic Service Fees (Refer Note 14)	1.00
Remuneration to auditors	
- For Statutory Audit	0.90
<b>Total</b>	<b>1.90</b>

**10 Earnings per equity share (EPS)**

Particulars	For the period 10 October 2023 to 31 March 2024
Profit / (Loss) after tax for the period attributable to equity share holders for Basic and Diluted EPS	(1.90)
Weighted Average No. of equity shares outstanding during the period for Basic and Dilutive EPS	<u>1,00,000</u>
Basic and Diluted Earnings per share (in ₹)*	(1.90)
Nominal value per share (in ₹)	<u>1.00</u>

*\*for the period 10 October 2023 to 31 March 2024, not annualised.*

*Since the Company does not have any potential dilutive equity shares, both Basic Earning per share and Diluted Earning per share will be same.*



**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

**11 Key Financial Ratios**

	Ratio Analysis	Numerator (₹ in Lakhs)	Denominator (₹ in Lakhs)	31 March 2024
1	Current Ratio	1.18	2.08	0.57
2	Debt Equity Ratio	-	(0.90)	NA*
3	Debt Service Coverage Ratio	(1.90)	-	NA*
4	Return on Equity Ratio**	(1.90)	(0.90)	(2.11)
5	Inventory Turnover Ratio	(1.90)	-	NA*
6	Trade Receivables Turnover Ratio	-	-	NA*
7	Trade Payables Turnover Ratio***	-	-	NA*
8	Net Capital Turnover Ratio	-	(0.90)	NA*
9	Net Profit Ratio	(1.90)	-	NA*
10	Return on Capital employed****	(1.90)	(0.90)	(2.11)
11	Return on Investment	-	-	NA*

**Note:** Variances % is not applicable since these are the first financial statements after incorporation of the Company.

\*Not Applicable due to Company has no Revenue, Debt, Inventory, Trade receivables, Investment during the period ended 31 March 2024

\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing Trade Payables and not on Average Trade Payables

\*\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing equity and not on Average equity.

\*\*\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing capital employed and not on Average capital employed.

**Formulae for computation of ratios is as follows:**

	Ratio	Formula
1	Current Ratio (in times)	Current Assets/ Current Liabilities (excluding current maturities of long-term borrowing)
2	Debt-Equity Ratio (in times)	Gross Debt/ Total Equity
3	Debt Service Coverage Ratio (in times)	Income available for debt service/ (interest expense and principal payments of long term loans), where income available for debt service = Profit before exceptional items and tax + Depreciation, depletion and amortization expense + Interest expense
4	Return on Equity Ratio (%)	Net Profit after tax before exceptional items (net of tax)/ Average Equity
5	Inventory turnover Ratio (in times)	Revenue from operations less EBITDA/ Average Inventory
6	Trade Receivables turnover Ratio (in times)	Revenue from operations/ Average Trade Receivables
7	Trade payables turnover Ratio (in times)	Total Purchases/ Average Trade Payables
8	Net capital turnover Ratio (in times)	Revenue from operations/ Working capital (WC), where WC = Current Assets - Current Liabilities (excluding current maturities of long-term borrowing)
9	Net profit Ratio (%)	Net Profit after tax before exceptional items (net of tax)/ Revenue from operations
10	Return on Capital employed (in times)	Earnings before interest and tax/ Average Capital Employed, where capital employed = Net Debt + Total Equity
11	Return on investment (%)	Income from investments carried at FVTPL/ Average current investments





**Vedanta Iron and Steel Limited****Notes forming part of the financial statements as at 31 March 2024****12 Capital Management**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. 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 met through a mixture of equity, internal fund generation and borrowings. The Company believes that it will be able to meet all its current liabilities on timely manner. Since the Company is yet to initiate any project and no external borrowings have been obtained, capital gearing ratio is not presented for the period ended 31st March 2024.

**13 Contingent Liabilities & Commitments:**

Based on the information available with the Company, there are no Contingent liabilities and commitments as at the period ended 31st March 2024.

**14 Related Party Disclosures:**

List of related parties and relationships:

**- Entities controlling the Company**

Vedanta Incorporated (Ultimate Holding Company)

Vedanta Resources Limited (Intermediate Holding Company)

Vedanta Limited (Holding Company)

**- Fellow Subsidiaries:**

Vedanta Resources Investments Limited

Related party transactions/balances	For the period ended 31st March 2024
<u>Transactions for the period</u>	
<b>Vedanta Resources Investments Limited :</b>	
Brand License and Strategic Service Fees *	1.00
<b>Vedanta Limited :</b>	
Investments received during the period as Share Capital	1.00
<u>Balances at the year end</u>	
Vedanta Resources Investments Limited	0.85

\* The Company has a Brand license and strategic service fee agreement ("the Agreement") with Vedanta Resources Limited, Vedanta Resources Investments Limited ("VRIL") for the use of brand 'Vedanta' and providing strategic services which envisaged payment to VRIL at the rate of 3% of turnover of the Company or ₹ 1 Lakh whichever is higher. The Company has recorded an expense of ₹ 1 Lakh for the period ended 31 March 2024.



**15 Subsequent events:**

There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

**16 Financial instruments**

Fair values

(a) The carrying amounts of other receivables, cash at bank, borrowings and other payables approximate their fair values.

Categories of financial instruments:

Particulars	As at 31st March 2024
<b>Financial assets</b>	
Loan and receivables (including cash and cash equivalents)	1.00
<b>Financial liabilities</b>	
Loans and payables	1.66

**(b) Market Risk Management**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**(c) Interest Rate Risk Management**

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. All financial instruments are non interest bearing.

**(d) Currency Risk Management**

The Company is not exposed to the risk that may change in a manner which has material effect on the reported values of the Company's assets which are denominated in other foreign currencies at reporting period.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

Particulars	Financial Assets As at 31 March 2024	Financial Liabilities As at 31 March 2024
INR	1.00	1.66

As at 31 March 2024 the Company does not have any material exposure to foreign currencies and consequently the sensitivity relative to foreign currencies has not been disclosed.



#### (e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below illustrates the aged analysis of the Company's financial liabilities.

Particulars	As at 31st March 2024	
	Up to 1 Year	Total
Other payables	1.66	1.66
Borrowings	-	-
Total	1.66	1.66

#### (f) Capital risk management

For the purpose of the capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

The capital structure of the Company consists of stated capital, retained earnings and net debt.

### 17 Scheme of Arrangement

The Board of Directors of Holding company, i.e., Vedanta Limited in its meeting held on 29 September 2023, has approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the Holding Company. The Board of Directors of the Company in the meeting held on 13 October 2023, has also approved the Scheme. The Scheme entails demerger of the Holding Company's Iron Ore (represented by Iron Ore segment and Steel business), into the Company with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ("the Stock Exchanges").

The Holding Company has filed the Scheme with the Stock Exchanges. Upon receipt of necessary approvals from the Stock Exchanges, the Scheme will be filed with the NCLT. Pending regulatory and other approvals, no adjustments have been recorded in the financial statements of the Company for the period ended 31 March 2024.





**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

**Additional Regulatory Information**

- 1 The Company does not own any immovable property during the period.
- 2 The Company does not have any Capital Work in progress or Intangible assets under development during the period.
- 3 The Company does not have Property, Plant or Equipment and hence no revaluation has been done accordingly during the period.
- 4 The Company has not granted any loans or advances to promoters, directors, key managerial personnel (KMPs) and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are :
  - (a) Repayable on demand or
  - (b) Without specifying any terms or period of repayment
- 5 The Company has not availed any borrowings from banks or financial institutions based on the security of current assets of other companies / entities within the same Group as the reporting entity.
- 6 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 7 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).
- 8 The Company has not traded or invested in any crypto or virtual currency.
- 9 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities.  
The Company has not received any fund from any person(s) or entity(ies), including foreign entities.
- 10 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- 11 The Company does not have any borrowings during the period and hence registration of charges or satisfaction not required.
- 12 The Company does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 during the period.

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048

**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



**For and on behalf of the board of directors of Vedanta Iron and Steel Limited**

**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024

**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi

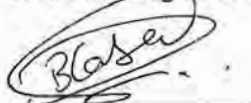
Date: 17th April 2024

**Independent Auditor's Review Report on year to date Unaudited Financial Results of Vedanta Aluminium Metal Limited**

**To The Board of Directors  
Vedanta Aluminium Metal Limited**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Vedanta Aluminium Metal Limited ('the Company') for the period ended September 30, 2024 ("the Statement").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under (hereinafter referred to as "the said Indian Accounting Standard") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 provide 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 and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement is not prepared in accordance with the recognition and measurement principles laid down in the said Indian Accounting Standard and other accounting principles generally accepted in India, or that it contains any material misstatement.
5. This report has been prepared for the ongoing demerger process of the holding company, Vedanta Limited and hence are not in compliance with any regulatory provisions. We do not accept or assume responsibility for any other purpose except as expressly agreed by our prior consent in writing.

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



**Deepak Kabra**  
Partner  
Membership No. 133472  
UDIN: 24133472BKFQPX7083



Mumbai: December 05, 2024

**Vedanta Aluminium Metal Limited**  
**Statement of unaudited results for the half year ended 30 September 2024**

*(All amounts in ₹ in Lakhs, except as stated)*

	Half year ended	Year ended *
Particulars	30.09.2024 (Unaudited)	31.03.2024 (Audited)
Revenue from operations	-	-
<b>Total Income</b>	-	-
<b>Expenses:</b>		
Finance costs	0.31	0.00
Other expenses	0.98	1.90
<b>Total expenses</b>	1.29	1.90
<b>Loss before tax</b>	(1.29)	(1.90)
Tax Expense	-	-
<b>Net Loss after tax (A)</b>	(1.29)	(1.90)
<b>Other Comprehensive income</b>		
Items that will not be reclassified to profit or loss	-	-
Items that will be reclassified to profit or loss	-	-
<b>Total Other Comprehensive Income for the period (B)</b>	-	-
<b>Total Comprehensive Income for the period (A+B)</b>	(1.29)	(1.90)
Earnings per share (in ₹)		
- Basic and Diluted	(1.29)**	(1.90)

\* The Company was incorporated on 06 October 2023 for carrying out the business activities in the metal and mining sector.

\*\* Not annualised





**Vedanta Aluminium Metal Limited**  
**Balance Sheet**

(All amounts in ₹ Lakhs)

Particulars	As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	-	-
Other non-current assets	-	-
<b>Total non-current assets</b>	-	-
<b>Current assets</b>		
Inventories	-	-
Financial assets	-	-
- Cash and cash Equivalents	1.07	1.00
Current tax assets (net)	-	-
Other current assets	1.02	0.18
<b>Total current assets</b>	2.09	1.18
<b>Total Assets</b>	2.09	1.18
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	1.00	1.00
Other Equity	(3.19)	(1.90)
<b>Total Equity</b>	(2.19)	(0.90)
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Other non-current liabilities	-	-
<b>Total non-current liabilities</b>	-	-
<b>Current Liabilities</b>		
Financial liabilities		
- Borrowings	3.60	-
- Trade payables		
(a) Total outstanding dues of micro and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	0.45	0.81
- Other financial liabilities	0.23	0.85
Provisions	-	-
Income tax liabilities (net)	-	-
Other current liabilities	-	0.42
<b>Total current liabilities</b>	4.28	2.08
<b>Total Equity and Liabilities</b>	2.09	1.18



**Vedanta Aluminium Metal Limited**  
**Statement of Cash Flows**

(All amounts in ₹ Lakhs)

	<b>Half year ended</b>
<b>Particulars</b>	<b>30.09.2024 (Unaudited)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Loss before taxation	(1.29)
<b>Adjustments for:</b>	
Depreciation, depletion and amortisation	-
Provision for doubtful debts/ advance/ bad debts written off	-
Interest income	-
Interest expense	0.31
<b>Changes in assets and liabilities</b>	
Decrease/ (Increase) in trade and other receivables	(0.84)
Decrease/ (Increase) in inventories	-
(Decrease)/ Increase in trade and other payable	(1.71)
<b>Cash generated from operations</b>	<b>(3.53)</b>
Income taxes paid (net)	-
<b>Net cash generated from operating activities</b>	<b>(3.53)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of property, plant and equipment (including intangibles)	-
Proceeds from sale of property, plant and equipment	-
Interest received	-
Dividends received	-
<b>Net cash generated from investing activities</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from short-term borrowings	8.60
Repayment of short-term borrowings	(5.00)
Proceeds from issue of share capital	-
Repayment of current borrowings	-
<b>Net cash used in financing activities</b>	<b>3.60</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>0.07</b>
Cash and cash equivalents at the beginning of the period	1.00
<b>Cash and cash equivalents at the end of the period</b>	<b>1.07</b>

**Notes :**

1. The figures in parentheses indicate outflow.
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows



## Vedanta Aluminium Metal Limited

### Notes:

- 1 The above results of Vedanta Aluminum Metal Limited ("the company"), for the half year ended 30 September 2024 have been reviewed by the Board of Directors at its meeting held on 05 December 2024. The statutory auditors have carried out a limited review on these results and issued an unmodified conclusion.

### 2 Scheme of Arrangement

The Board of Directors of holding company, i.e., Vedanta Limited, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the holding company. The Board of Directors of the Company in the meeting held on 13 October 2023, has also approved the Scheme. The Scheme entails demerger of the Holding Company's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil & Gas (represented by the Oil & gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) Undertakings, resulting in 6 separate companies (including Vedanta Limited, being the demerged company), with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ("the Stock Exchanges"). The Stock Exchanges have given their no-objection to the Scheme.

A joint company scheme application was filed by demerged company (i.e. Vedanta Limited) and four resulting companies (i.e. Vedanta Aluminium Metal Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited) before the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT'). The matter was heard by the Hon'ble NCLT at the first motion hearing held on 16 October 2024. The NCLT by way of its order dated November 21, 2024 has *inter alia*:

- (i) directed demerged company (i.e. Vedanta Limited) to convene a meeting of its Equity Shareholders, Secured Creditors and Unsecured Creditors within 90 days of the date of receipt of the order (i.e., November 21, 2024); and
- (ii) dispensed with the meeting of Equity Shareholders and Secured Creditors and Unsecured Creditors of Vedanta Aluminum Metal Limited.

Pending regulatory and other substantive approvals, no adjustments have been recorded in the financial results for the half year ended 30 September 2024.

- 3 These results have been prepared by the management for the ongoing demerger process of the holding company, Vedanta Limited as mentioned in Note 2.

Place: Delhi

Date: 05 December 2024



By order of the Board

Anup Agarwal  
Director





## Annexure H2

**S.R. BATLIBOI & Co. LLP**  
Chartered Accountants

67, Institutional Area  
Sector 44, Gurugram - 122 003  
Haryana, India

Tel: +91 124 681 6000

### Limited Review Report

**Review Report to  
The Board of Directors  
Talwandi Sabo Power Limited**

We have reviewed the accompanying Special Purpose Unaudited Interim Condensed Financial Statements of Talwandi Sabo Power Limited (the "Company"), which comprise the Special Purpose Unaudited Interim Condensed balance sheet as at September 30, 2024 and the related Special Purpose Unaudited Interim Condensed Statement of Profit and Loss including Other Comprehensive income, Cash Flows and Changes in Equity for the six months period ended September 30, 2024 and a summary of the material accounting policies (together hereinafter referred to as the "Special Purpose Unaudited Interim Condensed Ind AS Financial statements"). As more fully described in Note 2A(b), the Special Purpose Unaudited Interim Condensed Ind AS Financial Statements have been prepared by the company for the limited purpose of inclusion in the notice convening meeting of secured and unsecured creditors of Vedanta Limited (the "Holding Company") to be conducted as per order dated November 21, 2024 of National Company Law Tribunal, Mumbai Bench in connection with proposed composite scheme of arrangement between Vedanta Limited ("First Applicant Company" or "Demerged Company") and Vedanta Aluminium Metal Limited ("Second Applicant Company" or "Resulting Company 1") and Talwandi Sabo Power Limited ("Non-Applicant Company" or "Resulting Company 2") and Malco Energy Limited ("Third Applicant Company" or "Resulting Company 3") and Vedanta Base Metals Limited ("Fourth Applicant Company" or "Resulting Company 4") and Vedanta Iron and Steel Limited ("Fifth Applicant Company" or "Resulting Company 5") and their respective shareholders and creditors ("Scheme").

The Special Purpose Unaudited Interim Condensed Ind AS Financial Statements are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to issue a report on the Special Purpose Unaudited Interim Condensed Ind AS Financial Statements based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Statements 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 information 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Unaudited Interim Condensed Ind AS Financial Statements have not been prepared in all material respects in accordance with Note 2A(b) to the Special Purpose Unaudited Interim Condensed Ind AS Financial Statements

**Emphasis of Matter – Basis of Preparation and Restriction of use**

We draw attention to Note 2A(b) to the Special Purpose Unaudited Interim Condensed Ind AS Financial Statement, which describe the basis of accounting and presentation. These financial statements are prepared by the company for the limited purpose of inclusion in the notice convening meeting of secured and unsecured creditors of the Holding Company to be conducted as per order dated November 21, 2024 of National Company Law Tribunal, Mumbai Bench in connection with proposed composite scheme of arrangement between Vedanta Limited ("First Applicant Company" or "Demerged Company") and Vedanta Aluminium Metal Limited ("Second Applicant Company" or "Resulting Company 1") and Talwandi Sabo Power Limited ("Non-Applicant Company" or "Resulting Company 2") and Malco Energy Limited ("Third Applicant Company" or "Resulting Company 3") and Vedanta Base Metals Limited ("Fourth Applicant Company" or "Resulting Company 4") and Vedanta Iron and Steel Limited ("Fifth Applicant Company" or "Resulting Company 5") and their respective shareholders and creditors ("Scheme"). As a result, these Special Purpose Unaudited Interim Condensed Ind AS Financial Statements are not suitable for any other purposes.

Our conclusion is not modified in respect of above matter.

**Other matter**

The Special Purpose Unaudited Interim Condensed Ind AS Financial statements include the amounts for corresponding six months period ended September 30, 2023 which have not been subjected to review/audit by us or any other auditor and are approved by the Company's Board of Directors.

**For S.R. Batliboi & CO. LLP**

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

Chartered Accountants

**Ajay Bansal**  
Digitally signed by Ajay Bansal  
DN: cn=Ajay Bansal, c=IN, o=Personal, email=ajay.bansal@srb.in  
Date: 2025.01.07 15:51:19 +05'30'

**per Ajay Bansal**

Partner

Membership No.: 502243

UDIN: 25502243BMLBCQ8833

Place: Gurgaon

Date: January 07, 2025

Special Purpose Interim Condensed Balance Sheet as at September 30, 2024

(₹ in Crore)

	Particulars	As at September 30, 2024	As at March 31, 2024
<b>I</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and Equipment	7,270.88	7,489.23
	(b) Capital work-in-progress	3.78	3.05
	(c) Intangible assets	2.67	2.76
	(d) Financial assets		
	(i) Trade receivables	1,695.13	1,619.79
	(ii) Other financial assets	45.84	7.59
	(e) Deferred tax assets (Net)	112.07	106.57
	(f) Other non-current assets	1.53	1.77
	(g) Income tax assets	1.84	2.45
	<b>Total non-current assets</b>	<b>9,133.74</b>	<b>9,233.21</b>
<b>2</b>	<b>Current assets</b>		
	(a) Inventories	198.14	292.49
	(b) Financial Assets		
	(i) Trade receivables	909.73	547.10
	(ii) Cash and cash equivalents	7.66	168.01
	(iii) Bank balances	-	38.27
	(iv) Other financial assets	0.93	0.65
	(c) Other current assets	30.65	15.41
	(d) Income tax assets	7.61	5.03
	<b>Total current assets</b>	<b>1,154.72</b>	<b>1,066.96</b>
	<b>Total Assets</b>	<b>10,288.46</b>	<b>10,300.17</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>		
<b>A</b>	<b>Equity</b>		
	(a) Equity share capital	3,206.61	3,206.61
	(b) Other equity	398.99	416.15
	<b>Total Equity</b>	<b>3,605.60</b>	<b>3,622.76</b>
<b>B</b>	<b>LIABILITIES</b>		
<b>1</b>	<b>Non-current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	4,601.26	4,871.57
	(ii) Other financial liabilities	1.91	2.14
	(b) Provisions	1.59	1.06
	<b>Total non-current liabilities</b>	<b>4,604.76</b>	<b>4,874.77</b>
<b>2</b>	<b>Current liabilities</b>		
	(a) Financial liabilities		
	(i) Borrowings	1,329.28	1,178.75
	(ii) Trade finance	488.35	375.13
	(iii) Trade payables		
	(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	1.43	1.56
	(b) Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	45.02	39.93
	(iv) Other financial liabilities	209.93	201.02
	(b) Other current liabilities	4.01	6.14
	(c) Provisions	0.08	0.11
	<b>Total current liabilities</b>	<b>2,078.10</b>	<b>1,802.64</b>
	<b>Total Liabilities</b>	<b>6,682.86</b>	<b>6,677.41</b>
	<b>Total Equity and Liabilities</b>	<b>10,288.46</b>	<b>10,300.17</b>

In terms of our report attached

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No. : 301003E/E300005

Chartered Accountants

**Ajay Bansal**

Digitally signed by Ajay Bansal  
DN: cn=Ajay Bansal, c=IN, o=Personal, email=ajay.bansal@srb.in  
Date: 2025.01.07 15:52:27 +05'30'

per Ajay Bansal  
Partner  
Membership No.: 502243

Place : Gurugram  
Date : January 7, 2025

For and on behalf of Board of Directors

Pankaj Kumar Sharma

Digitally signed by Pankaj Kumar Sharma  
Date: 2025.01.07 14:59:40 +05'30'

Pankaj Kumar Sharma  
Whole Time Director  
DIN : 10277510  
Place : Mansa  
Date : January 7, 2025

NITESH MALANI

Digitally signed by NITESH MALANI  
Date: 2025.01.07 15:00:21 +05'30'

Nitesh Malani  
Chief Financial Officer  
Place : Mansa  
Date : January 7, 2025



Special Purpose Interim Condensed Statement of Profit and Loss for for the six months period ended September 30, 2024

(₹ in Crore)

	Particulars	Six months ended	
		September 30, 2024	September 30, 2023
I	Revenue from operations	2842.62	2786.38
II	Other Operating Income	8.56	16.39
III	Other income	2.31	12.72
IV	<b>Total Income (I+II+III)</b>	<b>2853.49</b>	<b>2815.49</b>
V	<b>Expenses:</b>		
	Power and fuel charges	2173.35	2119.22
	Employee benefits expense	14.29	13.17
	Finance costs	317.37	350.72
	Depreciation and amortisation expense	221.04	231.09
	Other expenses	149.79	149.28
	<b>Total expenses</b>	<b>2875.85</b>	<b>2863.48</b>
VI	<b>Profit/(loss) before tax</b>	<b>(22.36)</b>	<b>(47.99)</b>
VII	Exceptional Items		794.26
VIII	<b>Profit/(loss) before tax (VI+VII)</b>	<b>(22.36)</b>	<b>746.28</b>
IX	<b>Tax expense/(benefit):</b>		
	<b>On other than exceptional items</b>		
	Deferred tax	(5.42)	(48.78)
	<b>On Exceptional items</b>		
	Deferred tax		199.90
	<b>Net Tax expense/(benefit):</b>	<b>(5.42)</b>	<b>151.11</b>
X	<b>Net Profit/(Loss) for the year (VIII-IX)</b>	<b>(16.94)</b>	<b>595.16</b>
XI	<b>Other Comprehensive Income/(Loss) (net of taxes)</b>		
A	(i) Items that will not be reclassified to profit or loss - Re-measurement gain/(loss) on defined benefit obligation (net of taxes)	(0.22)	0.19
XII	<b>Total Comprehensive Income/(Loss) for the period (X+XI)</b>	<b>(17.16)</b>	<b>595.35</b>
XIII	<b>Earnings/(Loss) per equity share (in ₹):</b>		
	- Basic and Diluted	(0.05)	1.86

In terms of our report attached  
For **S. R. Batliboi & Co. LLP**  
ICAI Firm Registration No. : 301003E/E300005  
Chartered Accountants

**Ajay Bansal**  
Digitally signed by Ajay Bansal  
DN: cn=Ajay Bansal, c=IN, o=Personal, email=ajay.bansal@srb.in  
Date: 2025.01.07 15:52:52 +05'30'

per **Ajay Bansal**  
Partner  
Membership No.: 502243

Place : Gurugram  
Date : January 7, 2025

For and on behalf of Board of Directors

**Pankaj Kumar Sharma**  
Digitally signed by Pankaj Kumar Sharma  
Date: 2025.01.07 15:00:51 +05'30'

**Pankaj Kumar Sharma**  
Whole Time Director  
DIN : 10277510  
Place : Mansa  
Date : January 7, 2025

**NITESH MALANI**  
Digitally signed by NITESH MALANI  
Date: 2025.01.07 15:01:22 +05'30'

**Nitesh Malani**  
Chief Financial Officer  
Place : Mansa  
Date : January 7, 2025

Special Purpose Interim Condensed Statement of Cash flow for the six months period ended September 30, 2024

(₹ in Crore)

	Particulars	As at September 30, 2024	As at September 30, 2023
<b>A</b>	<b>Cash flows from operating activities</b>		
	Net Profit / (Loss) before tax	(22.36)	746.28
	<b>Adjusted for :</b>		
	Unrealised exchange (gain) / loss	-	3.78
	Depreciation and amortisation expense	221.04	231.09
	Interest Expenses	317.37	350.72
	Exceptional (Gain)/ Loss	-	(794.26)
	Interest and Dividend Income	(2.04)	(1.12)
	Exceptional Interest income	(0.04)	(0.25)
	<b>Operating profit before working capital changes</b>	<b>513.97</b>	<b>536.24</b>
	<b>Adjustments for change in assets and liabilities</b>		
	(Increase) / Decrease in inventories	94.35	17.91
	(Increase) / Decrease in trade receivables	(437.97)	(157.96)
	(Increase) / Decrease in other financial and other assets	(15.27)	5.88
	Increase / (Decrease) in payables and provisions	117.60	(38.95)
	<b>Cash generated from operations</b>	<b>272.68</b>	<b>363.12</b>
	Income taxes paid	(1.14)	(4.03)
	<b>Net cash from operating activities (i)</b>	<b>271.54</b>	<b>359.09</b>
<b>B</b>	<b>Cash flows from investing activities</b>		
	Purchases of property, plant and equipment (including intangibles)	(3.35)	4.59
	Sale of property, plant and equipment (including intangibles)	-	0.04
	Proceeds from maturity / redemption of short term deposits	38.27	-
	Purchases of short term deposits	(38.25)	-
	Purchase of short term Investment (Mutual Funds)	(110.00)	(516.00)
	Proceeds from sale of short term Investments (Mutual Funds)	110.03	516.23
	Interest received	1.20	1.13
	<b>Net cash used in investing activities (ii)</b>	<b>(2.10)</b>	<b>5.99</b>
<b>C</b>	<b>Cash flows from financing activities</b>		
	Net (Repayment) / Proceeds from short term loan	252.82	264.00
	Proceeds from Long Term borrowings	-	2,400.00
	Repayment of Long Term borrowings	(376.08)	(2,696.09)
	Repayment of lease liability	(0.36)	(0.07)
	Interest Paid	(306.18)	(342.83)
	<b>Net cash used in financing activities (iii)</b>	<b>(429.80)</b>	<b>(374.99)</b>
	<b>Net (decrease) / increase in cash and cash equivalents (i+ii+iii)</b>	<b>(160.35)</b>	<b>(9.91)</b>
	<b>Cash and cash equivalents at beginning of the year</b>	<b>168.01</b>	<b>39.90</b>
	<b>Cash and cash equivalents at close of the year</b>	<b>7.66</b>	<b>29.99</b>

Notes:

- The figures in bracket indicates outflows.
- The above cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows.

See accompanying notes forming part of the financial statements

In terms of our report attached

For S. R. Batliboi & Co. LLP

ICAI Firm Registration No. : 301003E/E300005  
Chartered Accountants

**Ajay Bansal**  
Digitally signed by Ajay Bansal  
DN: cn=Ajay Bansal, c=IN, o=Personal, email=ajay.bansal@srb.in, Date: 2025.01.07 15:53:34 +05'30'

per Ajay Bansal

Partner

Membership No.: 502243

Place : Gurugram

Date : January 7, 2025

For and on behalf of Board of Directors

Pankaj Kumar Sharma  
Digitally signed by Pankaj Kumar Sharma  
Date: 2025.01.07 15:01:48 +05'30'

Pankaj Kumar Sharma

Whole Time Director

DIN : 10277510

Place : Mansa

Date : January 7, 2025

NITESH MALANI  
Digitally signed by NITESH MALANI  
Date: 2025.01.07 15:02:08 +05'30'

Nitesh Malani

Chief Financial Officer

Place : Mansa

Date : January 7, 2025

Talwandi Sabo Power Limited  
CIN - U40101MH2007PLC433557

Special Purpose Interim Condensed Statement of Changes in Equity for the six months period ended September 30, 2024

**a. Equity share capital**

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of Shares	Amount (₹ in Crore)
As at September 30, 2024 and September 30, 2023	3,206,609,692	3,206.61

Note: There has been no change in the equity share capital either during the year or previous year.

**b. Other equity**

(₹ in Crore)

Particulars	Reserves and Surplus		Total
	Retained earnings	Debenture Redemption Reserve	
Opening balance as on April 01, 2023	(186.27)	-	(186.27)
Profit/(Loss) for the half year ended September 30, 2023	595.16	-	595.16
Other Comprehensive Income / (Loss)	0.19	-	0.19
Closing balance as on September 30, 2023	409.08	-	409.08
Opening balance as on April 01, 2024	416.15	-	416.15
Profit/(Loss) for the half year ended September 30, 2024	(16.94)	-	(16.94)
Other Comprehensive Income / (Loss)	(0.22)	-	(0.22)
Closing balance as on September 30, 2024	398.99	-	398.99

See accompanying notes forming part of the financial statements

In terms of our report attached

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

ICAI Firm Registration No. : 301003E/E300005

Chartered Accountants

**Ajay Bansal**  
Digitally signed by Ajay Bansal  
DN: cn=Ajay Bansal, c=IN, o=Personal, email=ajay.bansal@srb.in  
Date: 2025.01.07 15:54:22 +05'30'

per **Ajay Bansal**

Partner

Membership No.: 502243

Place : Gurugram

Date : January 7, 2025

For and on behalf of Board of Directors

**Pankaj Kumar Sharma**  
Digitally signed by Pankaj Kumar Sharma  
Date: 2025.01.07 15:02:30 +05'30'

**Pankaj Kumar Sharma**

Whole Time Director

DIN : 10277510

Place : Mansa

Date : January 7, 2025

**NITESH MALANI**  
Digitally signed by NITESH MALANI  
Date: 2025.01.07 15:02:48 +05'30'

**Nitesh Malani**

Chief Financial Officer

Place : Mansa

Date : January 7, 2025



**1 Company's Overview :**

Talwandi Sabo Power Limited (herein after referred as "TSPL") was incorporated as a Special Purpose Vehicle by Punjab State Power Corporation Limited (herein after referred as "PSPCL") [formerly known as Punjab State Electricity Board (PSEB)] to construct a 3\*660 MW coal based thermal power plant (The Plant) on Build, Own and Operate (BOO) basis. TSPL became a wholly owned subsidiary of Vedanta Limited (herein after referred as "VL") [formerly known as Sesa Sterlite Limited (SSL)] pursuant to the selection of VL as the successful bidder after going through a tariff based International Competitive Bidding (ICB) process. The Share Purchase Agreement (SPA), Power Purchase Agreement (herein after referred as "PPA") for sale of power from the Plant to PSEB for a period of 25 years and other necessary documents were signed between VL, TSPL and PSPCL on September 01, 2008. The address of the registered office is at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai, Maharashtra, 400093 and principal place of business is in village Banawala , Mansa - Talwandi Sabo Road, Mansa, Punjab - 151302

**2 Basis of Preparation and Material Accounting Policies :**

**2.A. BASIS OF PREPARATION**

**(a) Basis of Preparation and Compliance with Ind AS**

The Special purpose unaudited interim condensed financial statements is prepared in accordance with Indian Accounting Standards (hereinafter referred to as 'Ind AS') notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

**(b) Basis of Measurement**

The financial statements have been prepared on a going concern basis using historical cost convention, except for certain financial assets and liabilities which are measured at fair value/amortised cost .

The Special purpose unaudited interim condensed financial statement of the company have been prepared in accordance with recognition and measurement principles of Ind AS 34 prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies except that no disclosures as required under Ind AS 34 and the other respective standards have been included in these financial statements.

These Special purpose unaudited interim condensed financial statements have been prepared by the company for the limited purpose of inclusion in the notice convening meeting of secured and unsecured creditors of Vedanta Limited (the "Holding Company") to be conducted as per order dated November 21, 2024 of National Company Law Tribunal, Mumbai Bench in connection with proposed composite scheme of arrangement between Vedanta Limited ("First Applicant Company" or "Demerged Company") and Vedanta Aluminium Metal Limited ("Second Applicant Company" or "Resulting Company 1") and Talwandi Sabo Power Limited ("Non-Applicant Company" or "Resulting Company 2") and Malco Energy Limited ("Third Applicant Company" or "Resulting Company 3") and Vedanta Base Metals Limited ("Fourth Applicant Company" or "Resulting Company 4") and Vedanta Iron and Steel Limited ("Fifth Applicant Company" or "Resulting Company 5") and their respective shareholders and creditors ("Scheme"). As a result, these Special Purpose Unaudited Interim Condensed Ind AS Financial Statements are not suitable for any other purposes. Accordingly, these Special purpose unaudited interim condensed financial statement do not represent full set of financial statements in accordance with Ind AS 34 and shall not be considered as such.

**2.B. MATERIAL ACCOUNTING POLICIES**

These special purpose financial statements are prepared in all material respects, using the same accounting policies as applied in the audited financial statements for the year ended March 31, 2024

## 2.C. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statement in conformity with Ind AS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following accounting policies and/or notes:

### Critical estimates and judgements in applying accounting policies

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as follows:

#### Critical judgements:

- Determining whether an arrangement contains a lease and fixed rentals therein

Significant judgement is required to apply lease accounting rules under Ind AS 116 'Determining whether an arrangement contains a lease. In assessing the applicability to arrangements entered by the Company, management has exercised judgement to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria under Ind AS 116.

The Company has ascertained that the Power Purchase Agreement (PPA) entered between the Company and Punjab State Power Corporation Limited (PSPCL) qualify as operating lease as per Ind AS 116 Leases. Accordingly, the consideration receivable under the PPA relating to recovery of capacity charges have been recognised as operating lease rentals and in respect of energy charges is considered as revenue from sale of products.

The Company has assessed the nature of operating lease payments received as a lessor. Management has assessed that the entire lease payments as disclosed are contingent in nature as the payments are based on the number of units of electricity made available by the Company. This is subject to variation on account of various factors like availability of coal, water, etc. of the plant.

- Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigation, taxation, and other claims against the Company. A tax provision is recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to confirm their decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. The liabilities which are assessed as possible and hence are not recognised in these financial statements are disclosed in Note 3.

- Revenue Recognition of disputed dues:

The Company has evaluated the provisions of Ind-AS 115, which states that revenue should be recorded if it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. Management has assessed the recognition of revenue and recoverability of disputed dues with PSPCL as highly probable due to the following reasons:

- The Company has favorable legal opinions from senior advocates.
- Favourable judgement in one of the related matters.
- PSPCL being a government owned company, credit risk is low.

## Talwandi Sabo Power Limited

### Notes forming part of the Special purpose Interim Condensed Financial statements as at and for the six months period ended September 30, 2024

#### Note 3

##### Contingent Liabilities

###### Claims against the Company not acknowledged as debt

As per the Punjab State Grid Code, if a power generating station fails to demonstrate its declared capacity for any time block mentioned in the demonstration notice from Punjab State Load Dispatch Centre ("PSLDC"), it amounts to a mis-declaration. During the month of January 2017, Punjab State Power Corporation Limited ("PSPCL") imposed a penalty on the Company on account of alleged mis-declaration and deducted a penalty of ₹ 77.86 Crore (previous year ₹ 77.86 Crore) from the monthly bill setting aside the clarifications submitted by TSPL.

In February 2018, Punjab State Electricity Regulatory Commission ("PSERC") unfavourably disposed the petition and directed calculation of the penalty for four instances in January 2017 at normative availability of 80% amounting to ₹ 127.32 Crore (previous year ₹ 127.32 crore). On May 26, 2022, the matter was listed and the bench noted that pleadings are complete in the matter and the matter can be taken up for final hearing in due course in its turn as per List-B of Final Hearing. TSPL filed early hearing application and APTEL allowing the said application has directed that the matter be included in the "List of Priority". The agreement have been concluded for both the parties and on 29.10.2024 order has been reserved.

The Company has also filed a Writ Petition before the Punjab and Haryana High Court challenging the validity of the regulation on grounds of being arbitrary and disproportionate which is yet to be listed. On the basis of merits of the case and backed by the legal opinion, no provision has been considered necessary at this stage.

#### Note 4

##### Related Party Disclosures

###### List of related parties and relationships

###### (a) Entities controlling the company (Holding Companies):

Immediate:	Vedanta Limited
Intermediate:	Vedanta Resources Limited Vedanta Resources Investment Limited
Ultimate:	Volcan Investments Limited *

###### (b) Fellow subsidiaries with whom transactions have taken place:

Fellow Subsidiaries:	Bharat Aluminium Company Limited Electrosteel Steels Limited Hindustan Zinc Limited Sterlite Power Transmissions Limited Sterlite Grid 32 Limited Runaya Refining LLP STL Digital Limited Vedanta Foundation
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###### (c) Key Managerial Personnel:

Mr. Vibhav Agarwal	: Chief Executive Officer
Mr. Nitesh Malani	: Chief Financial Officer
Mr. Agnivesh Agarwal	: Chairman
Mr. Pankaj Kumar Sharma	: Whole Time Director
Ms. Sonal Choitani	: Non-Executive Director
Mr. Baldev Krishan Sharma	: Non-Executive Director
Ms. Shivangi Dhanuka	: Company Secretary & Compliance Officer

\* No transaction with parties during the year.

###### Terms and conditions of transactions with related parties:

The Company enters into transactions in the normal course of business with its related parties, including its parent Vedanta Limited. A summary of all related party transactions for the half year ended September 30, 2024 and 2023 are noted below.



**Talwandi Sabo Power Limited**

**Notes forming part of the Special purpose Interim Condensed Financial statements as at and for the six months period ended September 30, 2024**

**Note 4**

**Related Party Disclosures**

**a. Details of transactions during the year with related parties :**

(₹ in Crore)

Particulars	Half Year ended September 30, 2024	Half Year ended September 30, 2023
<b>1) Net Recovery/(Reimbursement) of employee cost and other expenses</b>		
(i) Vedanta Limited	(5.24)	(4.71)
(ii) Hindustan Zinc Limited	(0.09)	0.25
(iii) Bharat Aluminium Company Limited	0.11	0.19
(iv) Sterlite Grid 32 Limited	0.01	-
(v) Electrosteel Steels Limited	-	0.01
(vi) Runaya Refining LLP	-	0.04
(vii) STL Digital Limited	(0.48)	(0.29)
(viii) Vedanta Foundation	(0.00)	-
<b>3) Net Sale/(Purchase) of Consumables and Capex items</b>		
(i) Vedanta Limited	-	(0.05)
(iii) Hindustan Zinc Limited	-	0.05
<b>5) Management and Brand Fees paid (excluding GST)</b>		
(i) Vedanta Resources Investment Limited	(21.38)	-
(ii) Vedanta Resources Limited	-	(20.55)
<b>6) Interest and Guarantee</b>		
(i) Vedanta Limited	(10.01)	(13.70)

**b. Details of balances with related parties :**

Particulars	Half Year ended September 30, 2024	Half Year ended September 30, 2023
<b>1) Balance Receivable as at the end of the year</b>		
(i) Sterlite Grid 32 Limited	0.01	-
(ii) Bharat Aluminium Company Limited	0.12	-
(iii) Electrosteel Steels Limited	-	0.01
(iv) Vedanta Resources Investment Limited	18.93	-
(v) Vedanta Resources Limited	-	13.76
(vi) Hindustan Zinc Limited	0.00	0.28
<b>2) Balance Payable as at the end of the year</b>		
(i) Vedanta Limited	151.07	130.06
(iii) Vedanta Resources Limited	5.34	-
<b>3) Bank Guarantees/Corporate Guarantee issued on our behalf and outstanding as at the end of the year</b>		
(i) Vedanta Limited	5,515.07	5,901.77

**Note 5**

**Disputed Trade Receivables**

Punjab State Power Corporation Limited ("PSPCL"), which is the Company's sole customer has withheld payments aggregating to Rs. 1,695.13 Crore (As at March 31, 2024 Rs. 1619.79 Crore) which are on account of various disputes including tax benefits at the time of initial plant setup, procurement of alternate coal and basis of computation of plant availability amongst others.

These matters are under litigation and the Company has obtained independent legal advice which supports its claims and is thus not expecting any material losses on these balances and believes that it is highly probable that the Company claims would be upheld. Based on the expected timing of realisation of these balances, which is in turn dependent on the settlement of legal disputes, the Company has bifurcated the receivables into current and non-current. The management has assessed the recoverability of the outstanding balances and does not believe that any material adjustment is required to the same.

Talwandi Sabo Power Limited

**Notes forming part of the Special purpose Interim Condensed Financial statements as at and for the six months period ended September 30, 2024**

**Note 6**

Subsequent to the half year ended September 30, 2023, the Company has terminated its contracts with one of its capital contractor due to its continuing failure in fulfilling the contractual obligations impacting plant performance since inception and has written back creditors amounting to Rs. 1252 Crores as on March 31, 2024 (Rs. 1250 Crores as on September 30, 2023) pertaining to the contract, as the amount is no longer payable. The management has assessed that the amount written back comprises Rs. 794 Crore towards loss of profit due to plant performance in the current and earlier years and therefore recognised the same as Exceptional gain in the Statement of Profit & Loss and adjusted the balance amount towards the cost of spares and ancillaries capitalised in PPE in earlier years. The capital contractor has disputed the termination of the contract and has claimed the amount due to them. Arbitration has been initiated and the nominee arbitrators from both Company and capital contractor are in the process of finalizing the presiding arbitrator. Basis legal opinion obtained by the management, Company has strong merits, and the likelihood of any unfavourable outcome is remote.

In terms of our report attached

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

ICAI Firm Registration No. : 301003E/E300005

Chartered Accountants

**Ajay Bansal**  
Digitally signed by Ajay Bansal  
DN: cn=Ajay Bansal, c=IN, o=Personal, email=ajay.bansal@srb.in  
Date: 2025.01.07 15:55:08 +05'30'

**per Ajay Bansal**

Partner

Membership No.: 502243

Place : Gurugram

Date : January 7, 2025

**For and on behalf of Board of Directors**

**Pankaj Kumar Sharma**

Digitally signed by Pankaj Kumar Sharma  
Date: 2025.01.07 15:03:14 +05'30'

**Pankaj Kumar Sharma**

Whole Time Director

DIN : 10277510

Place : Mansa

Date : January 7, 2025

**NITESH MALANI**

Digitally signed by NITESH MALANI  
Date: 2025.01.07 15:03:36 +05'30'

**Nitesh Malani**

Chief Financial Officer

Place : Mansa

Date : January 7, 2025

### Limited Review Report

Review Report to  
 The Board of Directors  
 MALCO Energy Limited

We have reviewed the accompanying Special Purpose Unaudited Interim Condensed Ind AS Financial Statements of MALCO Energy Limited (the "Company"), which comprise the Special Purpose Unaudited Interim Condensed balance sheet as at September 30, 2024 and the related Special Purpose Unaudited Interim Condensed Statement of Profit and Loss including Other Comprehensive income, Cash Flows and Changes in Equity for the six months period ended September 30, 2024 and a summary of the material accounting policies (together hereinafter referred to as the "Special Purpose Unaudited Interim Condensed Ind AS Financial statements"). As more fully described in Note XX, the Special Purpose Unaudited Interim Condensed Ind AS Financial Statements have been prepared by the company for the limited purpose of inclusion in the notice convening meeting of secured and unsecured creditors of the company and its holding company i.e. Vedanta Limited to be conducted as per order dated November 21, 2024 of National Company Law Tribunal, Mumbai Bench in connection with proposed composite scheme of arrangement between Vedanta Limited ("First Applicant Company" or "Demerged Company") and Vedanta Aluminium Metal Limited ("Second Applicant Company" or "Resulting Company 1") and Talwandi Sabo Power Limited ("Non-Applicant Company" or "Resulting Company 2") and Malco Energy Limited ("Third Applicant Company" or "Resulting Company 3") and Vedanta Base Metals Limited ("Fourth Applicant Company" or "Resulting Company 4") and Vedanta Iron and Steel Limited ("Fifth Applicant Company" or "Resulting Company 5") and their respective shareholders and creditors ("Scheme").

The Special Purpose Unaudited Interim Condensed Ind AS Financial Statements are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to issue a report on the Special Purpose Unaudited Interim Condensed Ind AS Financial Statements based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Statements 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 information 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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Special Purpose Unaudited Interim Condensed Ind AS Financial Statements have not been prepared in all material respects in accordance with Note 2(B) to the Special Purpose Unaudited Interim Condensed Ind AS Financial Statements



MALCO Energy Limited

Page 2 of 2

**Emphasis of Matter – Basis of Preparation and Restriction of use**

We draw attention to Note 2(B) to the Special Purpose Unaudited Interim Condensed Ind AS Financial Statement, which describe the basis of accounting and presentation. These financial statements are prepared by the company for the limited purpose of inclusion in the notice convening meeting of secured and unsecured creditors of the company and its holding company i.e. Vedanta Limited to be conducted as per order dated November 21, 2024 of National Company Law Tribunal, Mumbai Bench in connection with proposed composite scheme of arrangement between Vedanta Limited ("First Applicant Company" or "Demerged Company") and Vedanta Aluminium Metal Limited ("Second Applicant Company" or "Resulting Company 1") and Talwandi Sabo Power Limited ("Non-Applicant Company" or "Resulting Company 2") and Malco Energy Limited ("Third Applicant Company" or "Resulting Company 3") and Vedanta Base Metals Limited ("Fourth Applicant Company" or "Resulting Company 4") and Vedanta Iron and Steel Limited ("Fifth Applicant Company" or "Resulting Company 5") and their respective shareholders and creditors ("Scheme"). As a result, these Special Purpose Unaudited Interim Condensed Ind AS Financial Statements are not suitable for any other purposes.

Our conclusion is not modified in respect of above matter.

**Other matter**

The Special Purpose Unaudited Interim Condensed Ind AS Financial statements include the amounts for corresponding six months period ended September 30, 2023 which have not been subjected to review/audit by us or any other auditor and are approved by the Company's Board of Directors.

For S R B C &amp; CO LLP

ICAI Firm registration number: 324982E/E300003

Chartered Accountants

**Anant Umesh**  
**Acharya**

Digitally signed by Anant  
Umesh Acharya  
DN: cn=Anant Umesh  
Acharya, c=IN, o=Personal,  
email=anant.acharya@srb.in

per Anant Acharya

Partner

UDIN: 25124790BMLDXT3893

Membership No.: 124790

Place: Kolkata

Date: January 07, 2025

**MALCO Energy Limited**  
**Special Purpose Unaudited Interim Condensed Balance Sheet as at September 30, 2024**

Particulars	Notes	As at 30 Sep 2024 Rs. Crores	As at 31 March 2024 Rs. Crores
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment		316.95	321.14
(b) Intangible assets		0.02	0.15
(c) Capital Work in Progress		11.19	11.08
(d) Right-of-use Asset		35.80	29.17
(e) Financial assets			
(i) Investments		-	-
(ii) Other financial assets		0.18	0.12
(f) Income tax assets (net)		7.45	7.96
(g) Other non-current assets		19.56	19.67
<b>Total non-current assets</b>		<b>391.15</b>	<b>389.29</b>
<b>Current assets</b>			
(a) Inventories		409.75	182.72
(b) Financial assets			
(i) Investments		20.03	36.86
(ii) Trade receivables		24.38	27.51
(iii) Cash and cash equivalents		17.02	26.05
(iv) Other bank balances		6.67	6.49
(v) Loans		0.04	0.10
(vi) Derivatives		6.24	2.30
(vii) Other financial assets		7.89	12.19
(c) Other current assets		133.49	118.27
<b>Total current assets</b>		<b>625.51</b>	<b>412.49</b>
<b>Total assets</b>		<b>1,016.66</b>	<b>801.78</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital		4.67	4.67
(b) Other equity		(178.27)	(98.68)
<b>Total equity</b>		<b>(173.60)</b>	<b>(94.01)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Lease liabilities		2.43	2.97
<b>Total non-current liabilities</b>		<b>2.43</b>	<b>2.97</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings		383.72	361.97
(ii) Lease Liabilities		14.61	6.06
(iii) Operational buyers' credit / suppliers' credit		153.98	124.56
(iv) Trade payables			
· Total outstanding dues of micro and small enterprises		5.09	5.90
· Total outstanding dues of creditors other than micro and small enterprises		480.21	262.56
(v) Derivatives		1.48	0.10
(vi) Other financial liabilities		89.85	72.17
(b) Other current liabilities		58.22	58.91
(c) Provisions		0.67	0.59
<b>Total current liabilities</b>		<b>1,187.83</b>	<b>892.82</b>
<b>Total equity and liabilities</b>		<b>1,016.66</b>	<b>801.78</b>

Summary of Material Accounting Policies

2B

The accompanying notes are forming part of the Special Purpose Unaudited Interim Condensed Financial Statements.

**As per our report of even date**

**For S R B C & CO LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No : 324982E/E300003**  
**Anant Umesh**  
Digitally signed by Anant Umesh Acharya  
DN: cn=Anant Umesh Acharya, c=IN, o=Personal, email=anant.acharya@srb.in  
**Acharya**

**per Anant Acharya**  
**Partner**  
**Membership No. - 124790**

**For and on behalf of Board of Directors**

**NAVIN KUMAR**  
**JAJU**

**Navin Kumar Jaju**  
**Director**  
**DIN 00669654**

**Poovannan**  
**Sumathi**

**Poovannan Sumathi**  
**Director**  
**DIN 07147100**

**Place : Kolkata**  
**Date : 07 Jan 2025**

**Place : Goa**  
**Date : 07 Jan 2025**

**Place : Goa**  
**Date : 07 Jan 2025**

Particulars	Note s	For the six months period ended September 30, 2024 Rs. Crores	For the six months period ended September 30, 2023 Rs. Crores
<b>I</b> Revenue from operations		244.88	291.60
<b>II</b> Other Operating income		3.25	25.32
<b>III</b> Other income		2.21	18.34
<b>IV Total income (I+II+III)</b>		<b>250.34</b>	<b>335.26</b>
<b>V Expenses:</b>			
Cost of materials consumed		224.92	156.90
Purchases of traded goods		2.91	-
Changes in inventories of finished goods, work-in-progress and stock in trade		(24.09)	122.57
Power & fuel		6.21	8.05
Employee benefits expense		10.61	10.03
Finance costs		22.87	27.66
Depreciation and amortization expense		19.79	13.97
Other expenses		67.21	52.11
<b>Total expenses</b>		<b>330.43</b>	<b>391.29</b>
<b>VI Profit/(Loss) before tax (IV-V)</b>		<b>(80.09)</b>	<b>(56.03)</b>
<b>VII Tax expense</b>		-	-
<b>VIII Profit/(Loss) for the period (VI-VII)</b>		<b>(80.09)</b>	<b>(56.03)</b>
<b>Other Comprehensive income</b>			
Items not to be reclassified to profit and loss			
- Remeasurement gains/(losses) on defined benefit plans		(0.22)	(0.01)
- Income tax effect		-	-
Items to be reclassified to profit and loss			
- Effective portion of gains on hedging instrument in cash flow hedges		0.72	2.88
<b>IX Other comprehensive income for the period</b>		<b>0.50</b>	<b>2.87</b>
<b>X Total comprehensive income for the period (VIII+IX)</b>		<b>(79.59)</b>	<b>(53.16)</b>
<b>XI Earnings per equity share of Rs.2 each</b>			
- Basic & Diluted		(34.27)	(23.98)

Summary of Material Accounting Policies

2B

The accompanying notes are forming part of the Special Purpose Unaudited Interim Condensed Financial Statements.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No : 324982E/E300003

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per Anant Acharya  
Partner  
Membership No. - 124790

Place : Kolkata  
Date : 07 Jan 2025

For and on behalf of Board of Directors

NAVIN KUMAR  
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Navin Kumar Jaju  
Director  
DIN 00669654

Place : Goa  
Date : 07 Jan 2025

Poovannan  
Sumathi

Poovannan Sumathi  
Director  
DIN 07147100

Place : Goa  
Date : 07 Jan 2025



Particulars	For the six months period ended September 30, 2024 Rs. Crores	For the six months period ended September 30, 2023 Rs. Crores
<b>Cash flows from operating activities</b>		
Profit before tax	(80.09)	(56.03)
<b>Adjustments to reconcile profit before tax to net cash flow:</b>		
Depreciation and amortization expenses	19.79	13.97
Gain on sale/fair valuation of current investment measured at FVTPL	(0.78)	(0.32)
Interest income	(0.19)	(16.71)
Loss on disposal of property, plant and equipment	1.37	2.01
Liabilities written back	(0.79)	-
Interest Expenses	22.87	27.66
Provision/ (reversal) for doubtful debt/advances/bad debts written off	0.03	-
	<b>(37.79)</b>	<b>(29.42)</b>
<b>Movement in working capital</b>		
(Increase)/Decrease in inventories	(227.03)	179.21
(Increase)/Decrease in trade and other receivables	(11.73)	2.49
Increase/(Decrease) in trade and other payable	249.78	34.51
<b>Cash generation from/(used in) operation</b>	<b>(26.77)</b>	<b>186.79</b>
Income tax paid (net of refund)	0.45	(0.50)
<b>Net cash from/(used in) operating activities</b>	<b>(A) (26.32)</b>	<b>186.29</b>
<b>Cash flows from investing activities</b>		
Purchase of Property Plant and Equipment	(10.39)	(27.25)
Proceeds from sale of property, plant and equipment	-	10.29
Purchase of current investments	(355.00)	(95.00)
Proceeds from sale of current investments	372.61	101.15
Interest / investment income received	0.10	16.50
Proceeds from redemption of Short term deposits	(1.05)	-
<b>Net cash from/(used in) investing activities</b>	<b>(B) 6.27</b>	<b>5.69</b>
<b>Cash flows from financing activities</b>		
Interest paid	(7.53)	(14.35)
Proceeds from short term borrowings	242.37	113.55
Repayment of short term borrowings	(220.62)	(288.56)
Payment of lease liability	(3.20)	(0.09)
<b>Net cash from/(used in) financing activities</b>	<b>(C) 11.02</b>	<b>(189.45)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(A+B+C) (9.03)</b>	<b>2.53</b>
Cash and cash equivalents at the beginning of the period	26.05	24.85
<b>Cash and cash equivalents at the end of the period</b>	<b>17.02</b>	<b>27.38</b>
<b>Cash and cash equivalents at the end of the period Total</b>	<b>17.02</b>	<b>27.38</b>

Summary of Material Accounting Policies

2B

The accompanying notes are forming part of the Special Purpose Unaudited Interim Condensed Financial Statements.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants

ICAI Firm Registration No : 324982E/E300003

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email=anant.acharya@srb.inper Anant Acharya  
Partner

Membership No. - 124790

For and on behalf of Board of Directors

NAVIN KUMAR  
JAJUNavin Kumar Jaju  
Director  
DIN 00669654Poovannan  
SumathiPoovannan Sumathi  
Director  
DIN 07147100Place : Kolkata  
Date : 07 Jan 2025Place : Goa  
Date : 07 Jan 2025Place : Goa  
Date : 07 Jan 2025

Particulars	Equity Share Capital	Other equity					Total equity	
		Instruments entirely equity in nature - compulsorily convertible debentures	Reserves and surplus		Items of Other comprehensive income			Total other equity
			Securities premium	Retained earnings	Remeasurement - Defined Benefit Obligation	Hedging Reserve		
As at 1st April 2024	4.67	6,135.45	99.92	(6,333.20)	(0.10)	(0.76)	(94.01)	
Profit/(Loss) for the period	-	-	-	(80.09)	-	-	(80.09)	
Other comprehensive income	-	-	-	-	(0.22)	0.72	0.50	
Total comprehensive income	-	-	-	(80.09)	(0.22)	0.72	(79.59)	
As at 30 Sep 2024	4.67	6,135.45	99.92	(6,413.29)	(0.32)	(0.04)	(173.60)	
As at 1st April 2023	4.67	6,135.45	99.92	(6,215.78)	(0.12)	(4.46)	19.69	
Profit/(Loss) for the period	-	-	-	(56.03)	-	-	(56.03)	
Other comprehensive income	-	-	-	-	(0.01)	2.88	2.87	
Total comprehensive income	-	-	-	(56.03)	(0.01)	2.88	(53.16)	
As at 30 Sep 2023	4.67	6,135.45	99.92	(6,271.81)	(0.13)	(1.58)	(33.47)	

Summary of Material Accounting Policies

2B

The accompanying notes are forming part of the Special Purpose Unaudited Interim Condensed Financial Statements.

As per our report of even date

43

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No : 324982E/E3000003

Anant Umesh

Acharya

per Anant Acharya

Partner

Membership No. - 124790

Digitally signed by Anant Umesh Acharya, c=IN, o=Personal, email=anant.acharya@srb.in

NAVIN KUMAR JAJU

For and on behalf of Board of Directors

Navin Kumar Jaju

Director

DIN 00669654

Place : Kolkata

Date : 07 Jan 2025

Poovanna n Sumathi

Poovannan Sumathi

Director

DIN 07147100

Place : Goa

Date : 07 Jan 2025

## **1. Company overview:**

MALCO Energy Limited ('the Company') is a public limited Company domiciled in India and is incorporated under the provisions of Companies Act, 1956. The Company is engaged in the business of generation and supply of power, production of low ash Metallurgical coke, Nickel sulphate, Cobalt and Nickel Cathode.

During financial year 2021-22 MALCO Energy Limited has acquired assets of Gujarat NRE Coke Limited and Nicomet Industries Limited. The detailed note is as below:

The Company had acquired assets of Bhachau and Khambalia blocks of Gujarat NRE Coke Limited, Company under liquidation as per the Insolvency and Bankruptcy Code 2016 for the time being in force for a cash consideration of Rs 165.99 Crores. Stamp Duty paid on the acquisition was Rs. 9.7 Crores. Assets acquired mainly includes Plant and equipment, Freehold Land and Buildings. Acquisition of Gujarat coke assets will enable the company to become one of the largest merchant met coke manufactures in India. Met coke is a vital raw material for steel plant operating through blast furnace route and are also used in Chemical and Zinc plants.

The Company had acquired assets of Nicomet Industries Limited which was under liquidation process as per the Insolvency and Bankruptcy code, 2016 (including all amendments for the time being in force) for a cash consideration of Rs 51.50 Crores and subsequent stamp duty and registration fee of Rs 3.3 Crores. The assets acquired mainly include leasehold land, building and Plant & Machinery of similar value as the cash consideration. Nickel unit is the first and the only Company engaged in manufacturing Nickel and Cobalt through processing of Concentrates in India, which is a vital raw material for manufacturing of EV batteries, High quality steel products and super alloys.

## **2A. Basis of preparation and basis of measurement of financial statements**

### **(a) Basis of preparation:**

#### **i. Statement of Compliance**

The Special purpose unaudited interim condensed Ind AS financial statements (hereinafter referred to as the "financial statements") of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

#### **ii. Basis of measurement**

The financial statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value such as financial instruments measured at Fair Value through Profit or Loss (FVTPL), defined benefit plans and share based payments.

The financial statement of the company have been prepared in accordance with recognition and measurement principles of Ind AS 34 prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies except that no disclosures as required under Ind AS 34 and the other respective standards have been included in these financial statements.



Material accounting policy information to financial statements

These Special purpose unaudited interim condensed Ind AS financial statements have been prepared by the company for the limited purpose of inclusion in the notice convening meeting of secured and unsecured creditors of the company and its Holding Company i.e. Vedanta Limited, to be conducted as per order dated November 21, 2024 of National Company Law Tribunal, Mumbai Bench in connection with proposed composite scheme of arrangement between Vedanta Limited ("First Applicant Company" or "Demerged Company") and Vedanta Aluminium Metal Limited ("Second Applicant Company" or "Resulting Company 1") and Talwandi Sabo Power Limited ("Non-Applicant Company" or "Resulting Company 2") and Malco Energy Limited ("Third Applicant Company" or "Resulting Company 3") and Vedanta Base Metals Limited ("Fourth Applicant Company" or "Resulting Company 4") and Vedanta Iron and Steel Limited ("Fifth Applicant Company" or "Resulting Company 5") and their respective shareholders and creditors ("Scheme"). As a result, these Special Purpose Unaudited Interim Condensed Ind AS Financial Statements are not suitable for any other purposes. Accordingly, these Special purpose unaudited interim condensed financial statement do not represent full set of financial statements in accordance with Ind AS 34 and shall not be considered as such.

Basis the projections prepared by the Company, the management believes that the net current liabilities of Rs. 562.32 crores will be bridged mainly through additional funding by the holding company and internal accruals. Further, Vedanta Limited, the parent Company has through letter of support, agreed to continue to provide financial support to the Company for its continued operations at least for next eighteen months, if the Company is unable to meet its funding requirements.

The Special Purpose Unaudited Interim Condensed Ind AS Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in accounting policy of fair value measurement and financial instruments below. The accounting policies adopted for preparation and presentation of financial statement have been consistently applied. The Special Purpose Unaudited Interim Condensed Ind AS Financial Statements are presented in INR and all values are rounded to the nearest Crores, except when otherwise indicated.

**(b) Use of estimates and judgments**

The preparation of 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 amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 2B.

**2B. Material accounting policies:**

**(a) Revenue Recognition:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

**Sale of Power:**

Revenue from sale of power is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery and measured based on rates as per contractual agreements with buyers.

**Sale of Coke & Nickel:**

Revenue from the sale of coke & Nickel is recognized at the point of time when control of assets is transferred to the customer, measured at the rates as per contractual agreement with the customer. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by products are included in revenue.

Material accounting policy information to financial statements

Certain sales contracts of the Company provide for provisional pricing based on the price on the London Metal Exchange (LME) as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 Revenue from contracts with customers and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments, i.e. the consideration adjusted post transfer of control are included in total revenue from operations on the face of the statement of profit and loss and disclosed by way of note to the financial statements. Final settlement of the price is based on the applicable price for a specified future period. The Company's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

**Dividend Income:**

Dividend income is recognised when the right to receive payment is established.

**Interest income:**

Interest income from a financial assets is recognised using the Effective Interest Rate (EIR).

**(b) Fair Value Measurement**

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:

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

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 economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**(c) Foreign Currency:**

The Company's financial statements are presented in INR, which is also the Company's functional currency. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit or Loss.

Non-monetary items denominated in a foreign currency are measured at historical cost and translated at exchange rate prevalent at the date of transaction.

**(d) Income Tax:**

Current Tax:

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the tax are those that are enacted at the reporting date. In financial year 21-22 Company has adopted Section 115BAA of Income Tax Act, 1961 with Statutory rate of 22% plus surcharge of 10% and cess of 4%. Current income tax relating to items recognised outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred Tax:

Deferred Tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised 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 utilised.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

**(e) Property, Plant and Equipment:**

Property, plant and equipment is stated at cost net of accumulated depreciation and accumulated impairment loss, if any. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the Statement of Profit or Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improve the economic benefits expected to arise from the asset.

Assets in the course of construction are stated at cost less impairment loss, if any. Such assets are classified to the appropriate category of property, plant and equipment when completed and ready for intended use.

Gain or loss arising on de-recognition of the asset is included in the Statement of Profit & Loss when the asset is derecognised.



Material accounting policy information to financial statements

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings	05-50 years
Plant and equipment	03-40 years
Furniture and fixtures	05-10 years
Vehicles	05-10 years
Office equipment	03-10 years

The management has estimated the above useful life and the same is supported by technical expert.

Major overhaul costs are depreciated over the estimated life of the economic benefit to be derived from the overhaul.

**(f) Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised over their estimated useful lives. The estimated useful life are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets representing cost of software capitalised is amortised over its useful life which is estimated to be a period of three years.

**(g) Right-of-Use Asset:**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as described below

Leasehold Land : 60-80 years

Leasehold plant & equipment : 5 years

Leasehold Vehicle : 1-2 years

**(h) Inventories:**

Inventories are valued at the lower of cost and net realisable value. Cost is determined on following basis:

Purchased concentrate is recorded at cost on a first-in, first-out ("FIFO") basis; all other materials including stores and spares are valued on a weighted average basis;

Finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a weighted average basis (except in Nickle business where FIFO basis is followed); and

By-products and scrap are valued at net realisable value.

Material accounting policy information to financial statements

Net realisable value is determined based on estimated selling price, less further costs expected to be incurred for completion and disposal.

**(i) Borrowing costs:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**(j) Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**(k) Contingent liabilities and contingent assets**

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 recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

**(l) Retirement and other employee benefits:**

**i) Defined contribution plans**

Retirement benefit in the form of provident fund and superannuation fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognizes contribution payable to the provident fund and superannuation scheme as an expense, when an employee renders the related service.

**ii) Defined benefit plans**

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the scheme is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of Balance Sheet.

Remeasurements, comprising actuarial gains and losses and the return on plan assets (excluding net interest), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit or Loss in subsequent periods.

**iii) Short term and other long term employee benefits**

Benefits accruing to employees in respect of wages, salaries and compensated absences and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit expected to be paid in exchange of related service. Where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method at the present value of the estimated future cash flow expected to be made by the Company in respect of services provided by employees up to the reporting date. The Company presents the leave as a current liability in the Balance Sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**(m) 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.

**(i) Financial assets:**

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset

**- Financial assets at amortised cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold assets for collecting contractual cash flows and 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 amortised cost using the Effective Interest Rate (EIR) method. Amortised 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 amortisation is included in other income in the Statement of Profit or Loss. The losses arising from impairment are recognised in the Statement of Profit or Loss.

**- Financial assets at fair value through other comprehensive income:**

Financial assets are subsequently measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flow represents SPPI.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, dividend income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss.

**- Financial assets at fair value through profit & loss (FVTPL):**

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.



Material accounting policy information to financial statements

Derecognition:

The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or it transfers the right to receive the contractual cash flow on the financial assets in a transaction in which substantially all the risk and rewards of ownership of the financial asset are transferred.

**(ii) Investment in subsidiary:**

Investment in subsidiary is measured at cost less Impairment, if any, as per Ind AS- 27 'Separate Financial Statement'.

**(iii) Financial Liabilities:**

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement:

**- Financial liabilities at fair value through profit & loss:**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the Statement of Profit or Loss.

**- Financial liabilities at amortised cost:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognised 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 recognised in the Statement of Profit or Loss.

**(iv) 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 realise the assets and settle the liabilities simultaneously.

**(n) Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Material accounting policy information to financial statements

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment;
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment;
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

**- Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the statement of profit and loss. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

**- Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**(o) Impairment**

**(i) Financial assets**

The Company assessed the expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on the Company's past history of recovery, credit worthiness of the counter party and existing and future market conditions.

For all financial assets other than trade receivables, expected credit losses are measured at an amount equal to the 12-month expected credit loss (ECL) unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. For trade receivables, the Company has applied the simplified approach for recognition of impairment allowance as provided in Ind AS 109 which requires the expected lifetime losses from initial recognition of the receivables and contract assets. Impairment of Investment in subsidiary, if any, is determined based on value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the investment.

**(ii) Non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

**(p) Share Based payments:**

Vedanta Resources Plc ("VRPLC"), the ultimate holding Company, offers certain share based incentives under the Long-Term Incentive Plan ("LTIP") to employees and directors of the Company. VRPLC recovers the proportionate cost (calculated based on the grant date fair value of the options granted) from the Company, which is charged to the Statement of Profit or Loss.

**(q) Cash and cash equivalents:**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value

**(r) Lease:**

The Company assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a



period of time in exchange for consideration.

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities towards future lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as described in Note 2(e)

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Financial Liabilities.

(iii) Short term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**(s) Buyers' Credit/ Suppliers' Credit and vendor financing:**

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty-six months (for project materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit and disclosed on the face of the balance sheet. Where these arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as an operating cash outflow reflecting the substance of the payment.

**(t) Events after Reporting Period:**

There are no significant events which have occurred after the end of reporting period requiring adjustment of disclosure in Financial Statements.

**2C. Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. The Company considers the following areas as the key sources of estimation uncertainty:

**(i) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company neither have any major taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has recognised the deferred tax assets only to the extent of deferred tax liabilities on the taxable temporary differences.

**(iii) Defined benefit plans**

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**(iv) Contingencies and commitments:**

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements. While considering the possible, probable and remote analysis of taxation, legal and other claims, there is always a certain degree of judgement involved pertaining to the application of the legislation which in certain cases is supported by views of tax experts and/or earlier precedents in similar matters. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in Note 3 to the financial statements.

**2D. Standards notified but not yet effective**

There are no standards that are notified and not yet effective as on the date.

**3 Contingent liabilities and Commitments****(a) Contingent Liabilities****(Rs. Crores)**

<b>(I) Claims not acknowledged by the company</b>	<b>30 September 2024</b>	<b>31 March 2024</b>
(i) Electricity tax on self generated power (refer note 1 below)	93.51	93.51
(ii) Electricity duty, tax and additional duty on the surplus power wheeled (refer note 2 below)	8.76	8.76
(iii) Electricity tax on sale of electricity to TNEB (refer note 3 below)	28.80	28.80
(iv) Remitting the excess claim for the period from Oct,2014 to May, 2015 for the excess units (refer note 4 below)	8.58	8.58
(v) Water charges (refer note 5 below)	11.09	11.09
(vi) Railway land license fees demand (refer note 6 below)	4.27	4.27
(vii) Customs duty	8.75	8.75
	<b>163.76</b>	<b>163.76</b>

**Note :**

- 1 In an earlier year, Tamil Nadu Electricity Board ('TNEB') issued a demand of Rs. 93.51 Crores towards electricity tax on consumption of self-generated power for the period May 1999 to June 2003. The Company had filed a writ petition in Honourable High Court of Madras stating that the Industry in which the Company operates should also be considered, being power intensive industry, for exemption from payment of electricity tax as other power intensive industries were considered for exemption and a stay was granted by Honourable High Court in this matter in April 2013. Based on the direction of Honourable High Court, fresh representation is made before Energy Department and an order is awaited from the Government.
- 2 TNEB has also demanded Rs 8.76 Crores towards electricity duty, tax and additional duty on the surplus power wheeled to an associate company (now holding Company), which is being contested by the company. The Company's representation to the Tamil Nadu Government that no duty, tax or additional duty is leviable as the Company is not a licence has been denied. Aggrieved by the same, the Company filed a writ petition and a stay has been obtained from Honourable High Court, Madras. Based on the direction of Honourable High Court, representation is made before Energy Department. Based on the direction of Honourable High Court, fresh representation is made before Energy Department and an order is awaited from the Government.
- 3 The office of Electrical Inspectorate, Salem, Government of Tamil Nadu, raised a demand towards electricity tax of Rs. 28.80 Crores on sale of electricity to TNEB through Power Trading Corporation ('PTC') during June 2009 and May 2011 on the ground that the company has sold the power to PTC and not to TNEB. The company had filed an writ petition in the Honourable High Court of Madras and Honourable High Court of Madras vide Order Dated 9th July 2021 granted liberty to appeal within 6 weeks from the receipt of order before Secretary Govt of Tamil Nadu, Energy Dept. Appeal has been filed on 17th Aug 2021. Accordingly, an appeal has been filed and the appeal is yet to heard by the Secretary to Government, Energy Department. Based on the advice of external counsel, the Company believes that it has good grounds for success.



- 4 The company has received a demand from Tamilnadu Generation and Distribution Corporation Limited ('TANGDECO') for Rs. 8.58 Crores towards excess amount paid by it in respect of electricity units supplied by the company in excess of the requirements of TANGDECO. The company has filed an writ petition before Honourable High Court of Madras and stay was granted in this matter. The case was heard on 10th Oct 22 and the Hon'ble Court while taking note of the fact that the TNERC has no quorum as on date of passing the Order, directed MALCO to approach the TNERC within one month of receipt of the order copy, since a Legal Member will be appointed shortly. Accordingly, a petition has been filed before the Hon'ble TNERC. Based on the advice of external counsel, the Company believes that it has good grounds for success.
- 5 Tamilnadu Govt passed a GO Ms.No.890 PWD on 09.05.91 raising the water charges from Rs.60 to Rs.500 per 1000 cubic metres. The PWD demanded charges for the contracted quantity of 87,60,000 cubic metre per annum with retrospective effect from May 1991. Malco filed WP 9333/1991 which was disposed of giving opportunity to represent to Govt. Revised Demand of Rs.300/1000 cubic metre from 09.05.91 to 31.03.02 received from PWD for Rs.1.48 Cr. Even after representations, Govt again revised the water charges @ Rs.500/1000 cubic metres. Malco filed WP No.1298/02 in which Stay was obtained with a direction to pay Rs.300 /1000 cubic metres. On 28.02.06 High Court dismissed all WP and directed the petitioners to pay water charges @ Rs.500/1000 cubic metres as per GO 474/13.11.01. WA 516/2008 yet to be listed. All surrounding industries viz., Chemplast have paid rate increase impact with a request to PWD for interest waiver. PWD has issued notice of dis-connection dt 24.10.2008 for non payment of revised charges amounting to Rs.3.31 Crs along with penal interest of Rs.6.49 Crs. Malco filed a fresh WP in Madras High Court WP No.No.6220/2008 and 6229/2008, WA 516/2008 both are pending for further hearing and disposal. We have made payment of Rs.3.31 Crs in view of the disconnection notice from PWD in installments and have requested for waiver of penal interest portion. Since PWD refused to waive the interest we had filed WP 2528/2011 against which an interim stay was granted by the Hon'ble High Court of Madras vide order dated 04.02.2011.
- 6 The issues arising out of licensing of Railway land pertaining to the Railway siding. MEL had entered into a Memorandum of Understanding ("MoU") with the Divisional Railway Manager, Palghat dated 10 Dec 1999, to invest in the Mettur Dam Railway Station (MTDM), towards creation of infrastructural facilities for reception of coal rakes and unloading coal for transfer into MALCO's plant through conveyors. The dispute between MEL and the Southern Railway, Salem Division is with respect to a) period for which the lease land was in possession of MALCO; b) extent of lease land and c) the base value to be adopted for the lease rent. The proceedings are completed, and order is reserved.

#### (b) Commitments

Estimated amounts of contracts net of advances, remaining to be executed on capital account and not provided for is Rs.53.55 Crores (31 March 2024: Rs. 66.41 Crores).

#### (c) Bank guarantees

The Company has given guarantees in the normal course of business as stated below:

	(Rs. Crores)	
	30 September 2024	31 March 2024
Bank guarantees	10.23	8.44
	<b>10.23</b>	<b>8.44</b>

**4 Related party disclosures****(a) Details of related parties**

Description of relationship	Name of the related parties
<b>(i) Where control exists</b>	
Holding Company	Vedanta Limited
Intermediate Holding Company	Volcan Investments Limited
	Vedanta Resources Holdings Limited
Ultimate Holding Company	Vedanta Resources Limited
Subsidiary Company	Fujairah Gold FZC
Fellow Subsidiary	Hindustan Zinc Limited
	Electrosteel Limited
	Vizag General Cargo Berth Private Limited
	Sesa Mining Corporation Limited
	STL Digital Limited
<b>(ii) Other related parties</b>	
Key management personnel	Mr. Anand Soni - Director (upto Oct 29, 2022)
	Ms. A Sumathi - Director
	Mr. Navin Kumar Jaju - Director
	Mr. A R Narayanaswamy - Independent Director (w.e.f Oct 29, 2022)

**(b) Transactions with related parties during the Period****(Rs. Crores)**

Particulars	30 September 2024	30 September 2023
<b>Vedanta Limited</b>		
Sale of Finished goods	3.18	0.02
Purchase of Goods/Service	108.06	4.95
Purchase of Assets	0.01	-
Reimbursement of expenses	1.02	2.68
Corporate expenses	1.47	1.40
Recovery of expenses	0.71	4.79
Interest Expense	17.01	19.92
Other Expenses	0.12	0.02
Borrowings received	242.37	100.00
Borrowings repaid	200.00	203.03

## Related party disclosures (Continued)

**(b) Transactions with related parties during the Period** **(Rs. Crores)**

Particulars	30 September 2024	30 September 2023
<b>Hindustan Zinc Limited</b>		
Sale of Finished goods	41.65	61.91
Purchase of Goods/Service	1.15	0.03
Reimbursement of expenses	0.00	-
<b>Electrosteel Limited</b>		
Reimbursement of expenses	0.38	0.17
<b>Sesa Mining Corporation Limited</b>		
Purchase of Goods/Service	5.95	-

**(c) Transactions with Key Managerial Personnel during the period****(Rs. Crores)**

Particulars	30 September 2024	30 September 2023
Director Sitting Fee		
- Mr. A R Narayanaswamy	0.01	0.02

**(d) Outstanding balances at period end**

Particulars	30 September 2024	31 March 2024
<b>Vedanta Limited</b>		
Financial assets and Liabilities		
- Borrowings	383.72	341.36
- Trade payables	325.52	226.21
- Other payables	14.94	12.60
- Interest payables	69.67	54.79
- Other receivables	0.11	-
<b>Hindustan Zinc Limited</b>		
- Trade receivables	16.13	2.96
- Other receivables	0.12	0.09
<b>Electrosteel Limited</b>		
- Other payables	1.02	0.63
<b>STL Digital Limited</b>		
- Trade payables	-	0.01
<b>Sesa Mining Corporation Limited</b>		
- Other receivables	0.06	2.72
<b>Vizag General Cargo Berth Private Limited</b>		
- Other receivables	0.06	-



**5 Segment Information**  
**Acquisition**

**Gujarat NRE**

In FY 21-22, the company acquired Bachau and Khambalia blocks of Gujarat NRE Coke Limited which was under liquidation as per the Insolvency and Bankruptcy Code 2016 for the time being in force for a cash consideration of Rs 165.99 crores and subsequent stamp duty for the transactions for Rs 9.7 crores. The assets acquired mainly included Land, Building and Plant & Machinery of similar value as the cash consideration. Gujarat NRE Coke Limited (GNRE), has two Met Coke plants in Bhachau and Khambalia for a total operating capacity of 400 KTPA and 265 KTPA respectively.

**Nicomet Industries**

In FY 21-22, the Company acquired the assets of Nicomet Industries Limited which was under liquidation process as per the Insolvency and Bankruptcy code, 2016 (including all amendments for the time being in force) for a cash consideration of Rs 51.55 crores and subsequent stamp duty and registration fee of Rs 3.3 crores. The assets acquired mainly include land, building and Plant & Machinery of similar value as the cash consideration. Nickel unit is the first and the only company engaged in manufacturing Nickel and Cobalt through processing of Concentrates in India, which is a vital raw material for manufacturing of EV batteries, High quality steel products and super alloys.

The Company acquired assets of Gujarat NRE on 20th May 2021 and Nicomet Industries on 6th Jan 2022. As Malco Energy Limited has no present obligations, the acquisition shall serve to kick start and boost operations. Potential future synergies through vertical integration.

The Company primarily engaged in the business of generation and sale of electricity, production of low ash Metallurgical coke and Nickel and Cobalt sulphate and Nickel Cathode in India. As per the view of Chief Operating Decision maker (CODM), there are three operating segments (a) Generation of electricity (b) Production of coke (c) Production of Nickel sulphate crystal, Nickel Cathode and Cobalt sulphate crystal. Each of the reportable segments has an ability to derive revenue and hence have been identified as reportable segments by the Chief Operating Decision Maker.

Segment Revenue, Results, Assets and Liabilities include respective amount identifiable to each segments. Tax, Depreciation and Amortization and EBITDA are evaluated regularly by the CODM, in deciding how to allocate resources and in assessing performance. The operating segments reported are the segments of the company for which separate financial information is available. The Company's Income taxes are reviewed on an overall basis and are not allocated to operating segments.

The power plant of the company has been put under care and maintenance w.e.f. May 26, 2017 due to prevailing business conditions.

**5 Segment Information (Continued)**

The following table presents revenue and profit information and certain assets and liabilities information regarding the Company's operating segments for the six months period ended September 30, 2024. Since the Power Plant is under care and maintenance, there is no Revenue from operations from this segment.

For the six months period ended September 30, 2024					(Rs. Crores)
Particulars	Operating Segments				
	Coke	Nickel	Power	Elimination	Total
<b>Revenue</b>					
External Revenue	79.76	165.12	-	-	244.88
Inter Segment Revenue	-	-	-	-	-
<b>Segment Revenue</b>	<b>79.76</b>	<b>165.12</b>	<b>-</b>	<b>-</b>	<b>244.88</b>
<b>Results</b>					
Segment Results (EBITDA)*	(19.75)	(18.75)	(1.14)	-	(39.64)
Less: Depreciation and Amortisation					(19.79)
Add: Other Income					2.21
Less: Finance cost					(22.87)
<b>Net Profit before tax</b>					<b>(80.09)</b>
<b>Segment Assets</b>					
Segment Assets	467.89	422.28	162.31	(80.36)	972.12
Financial Asset (Investments)					20.03
Financial Asset (Loans)					0.04
Income tax Asset					7.45
Cash & Cash Equivalents (including other bank balance & bank deposits)					17.02
<b>Total Assets</b>					<b>1,016.66</b>
<b>Segment Liabilities</b>					
Segment Liabilities	539.23	293.71	53.97	(80.36)	806.55
Borrowings					383.72
<b>Total Liabilities</b>					<b>1,190.27</b>
<b>Capital Expenditure</b>					
Property, Plant and Equipment	187.11	52.44	77.40	-	316.95
Capital Work-In-Progress	2.76	8.43	-	-	11.19
Intangibles	0.02	-	-	-	0.02
Right-of-use Asset	12.31	22.88	0.61	-	35.80
<b>Total</b>	<b>202.20</b>	<b>83.75</b>	<b>78.01</b>	<b>-</b>	<b>363.96</b>

For the six months period ended September 30, 2023					(Rs. Crores)
Particulars	Operating Segments				
	Coke	Nickel	Power	Elimination	Total
<b>Revenue</b>					
External Revenue	87.48	204.12	-	-	291.60
Inter Segment Revenue	-	-	-	-	-
<b>Segment Revenue</b>	<b>87.48</b>	<b>204.12</b>	<b>-</b>	<b>-</b>	<b>291.60</b>
<b>Results</b>					
Segment Results (EBITDA)*	(31.32)	(19.32)	16.82	1.08	(32.74)
Less : Depreciation and Amortisation					(13.97)
Add : Other Income					18.34
Less: Finance cost					(27.66)
<b>Net Profit before tax</b>					<b>(56.03)</b>

As at 31 March 2024					(Rs. Crores)
Particulars	Operating Segments				
	Coke	Nickel	Power	Elimination	Total
<b>Segment Assets</b>					
Segment Assets	293.65	349.44	136.33	(48.60)	730.82
Financial Asset (Investments)					36.86
Financial Asset (Loans)					0.10
Income tax Asset					7.96
Cash & Cash Equivalents (including other bank balance & bank deposits)					26.04
<b>Total Assets</b>					<b>801.78</b>
<b>Segment Liabilities</b>					
Segment Liabilities	308.31	220.45	53.66	(48.60)	533.82
Borrowings					361.97
<b>Total Liabilities</b>					<b>895.79</b>
<b>Capital Expenditure</b>					
Property, Plant and Equipment	189.74	51.88	79.52	-	321.14
Capital Work-In-Progress	9.64	1.44	-	-	11.08
Intangibles	0.15	-	-	-	0.15
Right-of-use Asset	6.84	22.33	-	-	29.17
<b>Total</b>	<b>206.37</b>	<b>75.65</b>	<b>79.52</b>	<b>-</b>	<b>361.54</b>

\* EBITDA is a Non GAAP measure

**6 Going concern**

As at September 30, 2024, the Company has a net current liability of Rs 562.32 Crores and has incurred a loss of Rs. 80.09 Crores during the six month period ended September 30, 2024. Current liabilities as at September 30, 2024 includes borrowing, interest payable, trade payable and other payable amounting to Rs. 383.72 Crores, Rs. 69.67 Crores, Rs. 325.52 Crores and Rs. 14.94 Crores respectively payable to Holding Company i.e Vedanta Limited.

Further, the holding Company has provided a commitment in the form of a support letter to provide the necessary financial support to the Company to meets its operational and financial obligations as and when they fall due.

Based on the business plans of the Company, cash flow projections and support letter from holding company, management is confident that the Company will be able to meet its financial obligations as they arise. Accordingly, these financial statements have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.

**As per our report of even date**

**For S R B C & CO LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No : 324982E/E300003**

**Anant Umesh**  
**Acharya**  
Digitally signed by Anant Umesh Acharya  
 DN: cn=Anant Umesh Acharya, c=IN, o=Personal, email=anant.acharya@srb.in

**per Anant Acharya**  
**Partner**  
**Membership No. - 124790**

**Place : Kolkata**  
**Date : 07 Jan 2025**

**For and on behalf of Board of Directors**

**NAVIN KUMAR**  
**JAJU**

**Navin Kumar Jaju**  
**Director**  
**DIN 00669654**

**Place : Goa**  
**Date : 07 Jan 2025**

**Poovannan**  
**Sumathi**

**Poovannan Sumathi**  
**Director**  
**DIN 07147100**

**Place : Goa**  
**Date : 07 Jan 2025**



**Independent Auditor's Review Report on year to date Unaudited Financial Results of Vedanta Iron and Steel Limited**

To The Board of Directors  
Vedanta Iron and Steel Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Vedanta Iron and Steel Limited ('the Company') for the period ended September 30, 2024 ("the Statement").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under (hereinafter referred to as "the said Indian Accounting Standard") and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (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 provide 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 and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement is not prepared in accordance with the recognition and measurement principles laid down in the said Indian Accounting Standard and other accounting principles generally accepted in India, or that it contains any material misstatement.
5. This report has been prepared for the ongoing demerger process of the holding company, Vedanta Limited and hence are not in compliance with any regulatory provisions. We do not accept or assume responsibility for any other purpose except as expressly agreed by our prior consent in writing.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Deepak Kabra

Partner

Membership No. 133472

UDIN: 24133472BKFQPZ3032



Mumbai: December 05, 2024

**Vedanta Iron and Steel Limited**  
**Balance Sheet**

(All amounts in ₹ Lakhs)

Particulars	As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	-	-
Other non-current assets	-	-
<b>Total non-current assets</b>	-	-
<b>Current assets</b>		
Inventories	-	-
Financial assets	-	-
- Cash and cash Equivalents	1.07	1.00
Current tax assets (net)	-	-
Other current assets	1.02	0.18
<b>Total current assets</b>	2.09	1.18
<b>Total Assets</b>	2.09	1.18
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	1.00	1.00
Other Equity	(3.19)	(1.90)
<b>Total Equity</b>	(2.19)	(0.90)
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Other non-current liabilities	-	-
<b>Total non-current liabilities</b>	-	-
<b>Current Liabilities</b>		
<b>Financial liabilities</b>		
- Borrowings	3.60	-
- Trade payables		
(a) Total outstanding dues of micro and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	0.45	0.81
- Other financial liabilities	0.23	0.85
<b>Provisions</b>		
Income tax liabilities (net)	-	-
Other current liabilities	-	0.42
<b>Total current liabilities</b>	4.28	2.08
<b>Total Equity and Liabilities</b>	2.09	1.18



**Vedanta Iron and Steel Limited**  
**Statement of unaudited results for the half year ended 30 September 2024**

*(All amounts in ₹ in Lakhs, except as stated)*

Particulars	Half year ended 30.09.2024 (Unaudited)	Year ended * 31.03.2024 (Audited)
Revenue from operations	-	-
<b>Total Income</b>	-	-
<b>Expenses:</b>		
Finance costs	0.31	0.00
Other expenses	0.98	1.90
<b>Total expenses</b>	<b>1.29</b>	<b>1.90</b>
<b>Loss before tax</b>	<b>(1.29)</b>	<b>(1.90)</b>
Tax Expense	-	-
<b>Net Loss after tax (A)</b>	<b>(1.29)</b>	<b>(1.90)</b>
<b>Other Comprehensive income</b>		
Items that will not be reclassified to profit or loss	-	-
Items that will be reclassified to profit or loss	-	-
<b>Total Other Comprehensive Income for the period (B)</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the period (A+B)</b>	<b>(1.29)</b>	<b>(1.90)</b>
<b>Earnings per share (in ₹)</b>		
- Basic and Diluted	<b>(1.29)**</b>	<b>(1.90)</b>

\* The Company was incorporated on 10 October 2023 for carrying out the business activities in the metal and mining sector.

\*\* Not annualised





**Vedanta Iron and Steel Limited**  
**Cash Flow Statements**

(All amounts in ₹ Lakhs)

	Half year ended
Particulars	30.09.2024 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Loss before taxation	(1.29)
<b>Adjustments for:</b>	
Depreciation, depletion and amortisation	-
Provision for doubtful debts/ advance/ bad debts written off	-
Interest income	-
Interest expense	0.31
<b>Changes in assets and liabilities</b>	
Decrease/ (Increase) in trade and other receivables	(0.84)
Decrease/ (Increase) in inventories	-
(Decrease)/ Increase in trade and other payable	(1.71)
<b>Cash generated from operations</b>	<b>(3.53)</b>
Income taxes paid (net)	-
<b>Net cash generated from operating activities</b>	<b>(3.53)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases of property, plant and equipment (including intangibles)	-
Proceeds from sale of property, plant and equipment	-
Interest received	-
Dividends received	-
<b>Net cash generated from investing activities</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from short-term borrowings	8.60
Repayment of short-term borrowings	(5.00)
Proceeds from issue of share capital	-
Repayment of current borrowings	-
<b>Net cash used in financing activities</b>	<b>3.60</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>0.07</b>
Cash and cash equivalents at the beginning of the period	1.00
<b>Cash and cash equivalents at the end of the period</b>	<b>1.07</b>

**Notes :**

1. The figures in parentheses indicate outflow.
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows



## Vedanta Iron and Steel Limited

### Notes:

- 1 The above results of Vedanta Iron and Steel Limited ("the company"), for the half year ended 30 September 2024 have been reviewed by the Board of Directors at its meeting held on 05 December 2024. The statutory auditors have carried out a limited review on these results and issued an unmodified conclusion.

### 2 Scheme of Arrangement

The Board of Directors of holding company, i.e., Vedanta Limited, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the holding company. The Board of Directors of the Company in the meeting held on 13 October 2023, has also approved the Scheme. The Scheme entails demerger of the Holding Company's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil & Gas (represented by the Oil & gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) Undertakings, resulting in 6 separate companies (including Vedanta Limited, being the demerged company), with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ("the Stock Exchanges"). The Stock Exchanges have given their no-objection to the Scheme.

A joint company scheme application was filed by demerged company (i.e. Vedanta Limited) and four resulting companies (i.e. Vedanta Aluminium Metal Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited) before the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT'). The matter was heard by the Hon'ble NCLT at the first motion hearing held on 16 October 2024. The NCLT by way of its order dated November 21, 2024 has *inter alia*:

- (i) directed demerged company (i.e. Vedanta Limited) to convene a meeting of its Equity Shareholders, Secured Creditors and Unsecured Creditors within 90 days of the date of receipt of the order (i.e., November 21, 2024); and
- (ii) dispensed with the meeting of Equity Shareholders and Secured Creditors and Unsecured Creditors of Vedanta Iron and Steel Limited.

Pending regulatory and other substantive approvals, no adjustments have been recorded in the financial results for the half year ended 30 September 2024.

- 3 These results have been prepared by the management for the ongoing demerger process of the holding company, Vedanta Limited as mentioned in Note 2.

Place : Delhi

Date: 05 December 2024

By order of the Board

Anup Agarwal  
Director



## Annexure I

### Post-scheme capital structure of the Resulting Companies

The post-scheme authorized, issued, subscribed, paid-up and listed share capital of the Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 is as under:

Particulars	INR
<b>Authorised Share Capital</b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
<b>Total</b>	<b>74,12,01,00,000</b>
<b>Issued and Subscribed Share Capital</b>	
3,91,06,86,689 equity shares of INR 1 each	3,91,06,86,689
<b>Total</b>	<b>3,91,06,86,689</b>
<b>Paid-up Share Capital</b>	
3,91,06,86,689 equity shares of INR 1 each	3,91,06,86,689
<b>Total</b>	<b>3,91,06,86,689</b>
<b>Listed Capital</b>	
3,91,03,88,057* equity shares of INR 1 each	3,91,03,88,057
<b>Total</b>	<b>3,91,03,88,057</b>

\*2,98,632 shares are under abeyance category which are pending for allotment being sub judice and do not form part of the listed capital of the Company.

In case of any change in the capital structure of the Demerged Company post effectiveness of the Scheme, the issued, subscribed and paid-up capital structure of the Resulting Companies will mirror the shareholding of the Demerged Company, and the Resulting Companies shall, and to the extent required, take all the necessary steps and approvals required to increase its authorized share capital on or before the Effective Date to mirror the shareholding of the Demerged Company as of the Record Date.



*Carin Jyoti*



**Annexure J**  
Vedanta Limited  
Pre-Scheme Shareholding Pattern

1.	Name of Listed Entity: <b>VEDANTA LIMITED</b>																					
2.	Scrip Code/Name of Scrip/Class of Security: <b>500295, VEDL, EQUITY SHARES</b>																					
3.	Share Holding Pattern Filed under: <b>Reg 31(1)(b)</b> a. if under 31(1)(b) then indicate the report for quarter ending: <b>DECEMBER 31, 2024</b> b. if under 31(1)(c) then indicate date of allotment/extinguishment: <b>NA</b>																					
4.	Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 90%;">Particulars</th> <th style="width: 5%;">YES*</th> <th style="width: 5%;">NO*</th> </tr> </thead> <tbody> <tr> <td>a. Whether the Listed Entity has issued any partly paid up shares</td> <td></td> <td>No</td> </tr> <tr> <td>b. Whether the Listed Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>c. Whether the Listed Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>d. Whether the Listed Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>e. Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td>Yes</td> <td></td> </tr> <tr> <td>f. Whether the listed entity has any significant beneficial owner?</td> <td>Yes</td> <td></td> </tr> </tbody> </table> <p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>	Particulars	YES*	NO*	a. Whether the Listed Entity has issued any partly paid up shares		No	b. Whether the Listed Entity has issued any Convertible Securities or Warrants?		No	c. Whether the Listed Entity has any shares against which depository receipts are issued?		No	d. Whether the Listed Entity has any shares in locked-in?		No	e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes		f. Whether the listed entity has any significant beneficial owner?	Yes	
Particulars	YES*	NO*																				
a. Whether the Listed Entity has issued any partly paid up shares		No																				
b. Whether the Listed Entity has issued any Convertible Securities or Warrants?		No																				
c. Whether the Listed Entity has any shares against which depository receipts are issued?		No																				
d. Whether the Listed Entity has any shares in locked-in?		No																				
e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes																					
f. Whether the listed entity has any significant beneficial owner?	Yes																					
5.	The tabular format for disclosure of holding of specified securities is as follows:																					



*[Handwritten Signature]*  
Date: \_\_\_\_\_

Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (VI)+(V)+(IV)	Shareholding as a % of total no of shares (As a % of (A+B+C))	No of Voting Rights	No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked In Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)
(A)	Promoter & Promoter Group	9	2204867749	0	0	2204867749	56.38	2204867749	0	2204867749	0	2204724753	2204867749
(B)	Public	1999973	1701147789	0	0	1701147789	43.50	1701147789	0	43.50	0	0	1655395373
(C)	Non Promoter-Alcor Public	0	0	0	0	0	0	0	0	0	0	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employees Trusts	1	4372519	0	0	4372519	0.11	4372519	0	0.11	0	0	4372519
	Total	1999973	3910386057	0	0	3910386057	100.00	3910386057	0	100.00	0	2204724753	3904835641









Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public, Shareholder

Category	Category & Name of the Shareholder	PAH	No. of Shareholders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held (IV+V+VI)	Shareholding as a % of total no. of shares (A+B+C)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding Convertible Securities (including Warrants)	Total Shareholding as a % of outstanding equity shares (including share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
									Class X	Class Y	Total		No.	As a % of total shares held	As a % of total shares
(1)	Category (B)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)			(IX)	(X)			(XI)
	Continental FDR holder (Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00 NA	NA
(2)			1	4372535	0	0	4372535	0.11	4372535	0	0	0.11	0	0.20 NA	NA
	Total Non-Promoter Non Public Shareholding (C) = (C1)+(C2)		1	4372535	0	0	4372535	0.11	4372535	0	0	0.11	0	0.20 NA	NA
Note:	(a) As per Regulation 3(5) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 the voting rights of Vedanta Limited ESOS Trust are reserved.														
															4372535



Table V - Significant Beneficial Owner

Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether by virtue of:				Date of creation / acquisition of significant beneficial interest		
	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Shares	Voting rights	Rights on distributable dividend or any other distribution		Exercise of control	Exercise of significant influence
1	Anil Kumar Agarwal	AFWPA3200K	NA	India	WELTER TRADING LIMITED	AAACW8148G		Any other	It is a Body Corporate in Cyprus	0.98			No	No	11-12-2007
			NA	India	TWIN STAR HOLDINGS LIMITED	AACCT6020C		Any other	It is a Body Corporate in Mauritius	40.02			No	No	11-12-2007
			NA	India	VEDANTA HOLDINGS MAURITIUS II LIMITED	AAHCW4933B		Any other	It is a Body Corporate in Mauritius	12.6			No	No	24-12-2020
			NA	India	VEDANTA HOLDINGS MAURITIUS LIMITED	AAHCW4615N		Any other	It is a Body Corporate in Mauritius	2.75			No	No	16-04-2021
			NA	India	VEDANTA NETHERLANDS INVESTMENTS B.V	AAICV4101A		Any other	It is a Body Corporate in Netherlands	0.04			No	No	23-11-2021

More:

Vedanta Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Volcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

Note:

- Vedanta Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.





Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	100%	12.02%
As on the end of previous 1st quarter	100%	11.45%
As on the end of previous 2nd quarter	100%	12.61%
As on the end of previous 3rd quarter	100%	10.23%
As on the end of previous 4th quarter	100%	8.78%



1.	Name of Listed Entity: <b>VEDANTA LIMITED</b>																					
2.	Scrip Code/Name of Scrip/Class of Security: <b>500295, VEDL EQUITY SHARES</b>																					
3.	Share Holding Pattern Filed under: <b>Reg 31(1)(b)</b> a. if under 31(1)(b) then indicate the report for quarter ending: b. if under 31(1)(c) then indicate date of allotment/extinguishment:																					
<b>This is the Post-Scheme (Indicative) Shareholding Pattern prepared based on the Shareholding data of Vedanta Limited (Demerged Company) as on December 31, 2024</b>																						
4.	Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:																					
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Particulars</th> <th style="width: 10%;">YES*</th> <th style="width: 10%;">NO*</th> </tr> </thead> <tbody> <tr> <td>a. Whether the Listed Entity has issued any partly paid up shares</td> <td></td> <td>No</td> </tr> <tr> <td>b. Whether the Listed Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>c. Whether the Listed Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>d. Whether the Listed Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>e. Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td>Yes</td> <td></td> </tr> <tr> <td>f. Whether the listed entity has any significant beneficial owner?</td> <td>Yes</td> <td></td> </tr> </tbody> </table>	Particulars	YES*	NO*	a. Whether the Listed Entity has issued any partly paid up shares		No	b. Whether the Listed Entity has issued any Convertible Securities or Warrants?		No	c. Whether the Listed Entity has any shares against which depository receipts are issued?		No	d. Whether the Listed Entity has any shares in locked-in?		No	e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes		f. Whether the listed entity has any significant beneficial owner?	Yes	
Particulars	YES*	NO*																				
a. Whether the Listed Entity has issued any partly paid up shares		No																				
b. Whether the Listed Entity has issued any Convertible Securities or Warrants?		No																				
c. Whether the Listed Entity has any shares against which depository receipts are issued?		No																				
d. Whether the Listed Entity has any shares in locked-in?		No																				
e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes																					
f. Whether the listed entity has any significant beneficial owner?	Yes																					
5.	<p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p> <p>The tabular format for disclosure of holding of specified securities is as follows:</p>																					



Table 1 - Summary Statement holding of specified securities

[illegible]



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholder	No of fully paid up equity shares held	No of partly paid up equity shares held	No of Shares underlying Depository Receipts	Total No of Shares held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VII) As a % of (A+B+C))	Number of Voting Rights held in each class of securities	No of Shares Underlying Outstanding securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of (VII)+(X) As a % of (A+B+C))	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held	Number of equity shares held in dematerialised form	Shareholder type (Promoter/ Promoter Group)
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XII)	
(1)	Median															
(2)	Individuals/Hindu undivided family															
(3)	Financial Institutions/Banks															
(4)	Any Other															
(5)	Sub-Total (A+B+C)															
(6)	Foreign															
(7)	Individuals (Non-Resident Individuals/Foreign Individuals)															
(8)	Government															
(9)	Institutions															
(10)	Foreign Portfolio Investor															
(11)	Any Other															
(12)	Sub-Total (A+B+C)															
(13)	Any Other															
(14)	Sub-Total (A+B+C)															
(15)	Any Other															
(16)	Sub-Total (A+B+C)															
(17)	Any Other															
(18)	Sub-Total (A+B+C)															
(19)	Any Other															
(20)	Sub-Total (A+B+C)															
(21)	Any Other															
(22)	Sub-Total (A+B+C)															
(23)	Any Other															
(24)	Sub-Total (A+B+C)															
(25)	Any Other															
(26)	Sub-Total (A+B+C)															
(27)	Any Other															
(28)	Sub-Total (A+B+C)															
(29)	Any Other															
(30)	Sub-Total (A+B+C)															
(31)	Any Other															
(32)	Sub-Total (A+B+C)															
(33)	Any Other															
(34)	Sub-Total (A+B+C)															
(35)	Any Other															
(36)	Sub-Total (A+B+C)															
(37)	Any Other															
(38)	Sub-Total (A+B+C)															
(39)	Any Other															
(40)	Sub-Total (A+B+C)															
(41)	Any Other															
(42)	Sub-Total (A+B+C)															
(43)	Any Other															
(44)	Sub-Total (A+B+C)															
(45)	Any Other															
(46)	Sub-Total (A+B+C)															
(47)	Any Other															
(48)	Sub-Total (A+B+C)															
(49)	Any Other															
(50)	Sub-Total (A+B+C)															
(51)	Any Other															
(52)	Sub-Total (A+B+C)															
(53)	Any Other															
(54)	Sub-Total (A+B+C)															
(55)	Any Other															
(56)	Sub-Total (A+B+C)															
(57)	Any Other															
(58)	Sub-Total (A+B+C)															
(59)	Any Other															
(60)	Sub-Total (A+B+C)															
(61)	Any Other															
(62)	Sub-Total (A+B+C)															
(63)	Any Other															
(64)	Sub-Total (A+B+C)															
(65)	Any Other															
(66)	Sub-Total (A+B+C)															
(67)	Any Other															
(68)	Sub-Total (A+B+C)															
(69)	Any Other															
(70)	Sub-Total (A+B+C)															
(71)	Any Other															
(72)	Sub-Total (A+B+C)															
(73)	Any Other															
(74)	Sub-Total (A+B+C)															
(75)	Any Other															
(76)	Sub-Total (A+B+C)															
(77)	Any Other															
(78)	Sub-Total (A+B+C)															
(79)	Any Other															
(80)	Sub-Total (A+B+C)															
(81)	Any Other															
(82)	Sub-Total (A+B+C)															
(83)	Any Other															
(84)	Sub-Total (A+B+C)															
(85)	Any Other															
(86)	Sub-Total (A+B+C)															
(87)	Any Other															
(88)	Sub-Total (A+B+C)															
(89)	Any Other															
(90)	Sub-Total (A+B+C)															
(91)	Any Other															
(92)	Sub-Total (A+B+C)															
(93)	Any Other															
(94)	Sub-Total (A+B+C)															
(95)	Any Other															
(96)	Sub-Total (A+B+C)															
(97)	Any Other															
(98)	Sub-Total (A+B+C)															
(99)	Any Other															
(100)	Sub-Total (A+B+C)															
(101)	Any Other															
(102)	Sub-Total (A+B+C)															
(103)	Any Other															
(104)	Sub-Total (A+B+C)															
(105)	Any Other															
(106)	Sub-Total (A+B+C)															
(107)	Any Other															
(108)	Sub-Total (A+B+C)															
(109)	Any Other															
(110)	Sub-Total (A+B+C)															
(111)	Any Other															
(112)	Sub-Total (A+B+C)															
(113)	Any Other															
(114)	Sub-Total (A+B+C)															
(115)	Any Other															
(116)	Sub-Total (A+B+C)															
(117)	Any Other															
(118)	Sub-Total (A+B+C)															
(119)	Any Other															
(120)	Sub-Total (A+B+C)															
(121)	Any Other															
(122)	Sub-Total (A+B+C)															
(123)	Any Other															
(124)	Sub-Total (A+B+C)															
(125)	Any Other															
(126)	Sub-Total (A+B+C)															
(127)	Any Other															
(128)	Sub-Total (A+B+C)															
(129)	Any Other															
(130)	Sub-Total (A+B+C)															
(131)	Any Other															
(132)	Sub-Total (A+B+C)															
(133)	Any Other															
(134)	Sub-Total (A+B+C)															
(135)	Any Other															
(136)	Sub-Total (A+B+C)															
(137)	Any Other															
(138)	Sub-Total (A+B+C)															
(139)	Any Other															
(140)	Sub-Total (A+B+C)															
(141)	Any Other															
(142)	Sub-Total (A+B+C)															
(143)	Any Other															
(144)	Sub-Total (A+B+C)															
(145)	Any Other															

S. No.	Category & Name of the Shareholder
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S.M.1: <i>Students' perceptions of the quality of the learning experience according to the perceived learning outcomes</i>			
Statement		Total responses	
		Frequency	% of total
1	Knowledge Acquisition	115/120	95.8%
2	Skills Acquisition	115/120	95.8%
3	Attitude Acquisition	115/120	95.8%
4	Values Acquisition	115/120	95.8%
5	Overall Learning Experience	115/120	95.8%
Total		575	95.8%

S. No.	No. of Shareholders	No. of shares
1	241	2,01,165

2,90,632 shares are under obsolescence category, pending for allotment as they are subsidiary and hence, does not form part of the listed share capital.



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of Shares (including Depository Receipts)	Total No. of Shares Held (IV+V+VI)	Shareholding as a % of total no. of shares (A+B+C)	Number of Voting Rights			Total as a % of (A+B+C)		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding as a % convertible securities for a percentage of diluted share capital	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
			(III)	(IV)	(V)	(VI)	(VII)	(A)	Class X	Class Y	Total	(B)	(C)	(D)	(E)	(F)	(G)	(H)
[1]	Catharine QSR India Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021		0	0	0	0	0	0.00	0	0	0	0	0	0	0.00	0	0.00%	0
[2]			1	4372519	0	0	4372519	0.11	4372519	0	4372519	0.11	0	0	0.11	0	0.00%	4372519
	Total Non Promoter Non Public Shareholding (C) = (C1)+(C2)		1	4372519	0	0	4372519	0.11	4372519	0	4372519	0.11	0	0	0.11	0	0.00%	4372519

Note:

(6) As per Regulation 3(5) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 the voting rights of Vedanta Limited ESOS Trust are reserved.





Table V - Significant Beneficial Owner

TABLE V – Significant Beneficial Owners																
Sr. No.	Details of the SBO					Details of the registered owner					Details of holding/ exercise of right of the SBO in the reporting company, whether by virtue of:			Date of creation / acquisition of significant beneficial interest		
	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Shares	Rights on distributable dividend or any other distribution			Exercise of significant influence	
												Voting rights	Exercise of control			
1	Anil Kumar Agarwal	AFWPA3200K	NA	India	NA	WELTER TRADING LIMITED	AAACW8148G		Any other	It is a Body Corporate in Cyprus	0.98			No	No	11-12-2007
			NA	India	NA	TWIN STAR HOLDINGS LIMITED	AACCT8020C		Any other	It is a Body Corporate in Mauritius	40.02			No	No	11-12-2007
			NA	India	NA	VEDANTA HOLDINGS MAURITIUS II LIMITED	AAHCV4933B		Any other	It is a Body Corporate in Mauritius	12.6			No	No	24-12-2020
			NA	India	NA	VEDANTA HOLDINGS MAURITIUS LIMITED	AAHCV4615N		Any other	It is a Body Corporate in Mauritius	2.75			No	No	16-04-2021
			NA	India	NA	VEDANTA NETHERLANDS INVESTMENTS B.V	AAICV4101A		Any other	It is a Body Corporate in Netherlands	0.04			No	No	23-11-2021
Note:																
Vedanta Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.																

Note:

- Vedanta Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.



Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	100%	12.02%
As on the end of previous 1st quarter	100%	11.45%
As on the end of previous 2nd quarter	100%	12.61%
As on the end of previous 3rd quarter	100%	10.23%
As on the end of previous 4th quarter	100%	8.78%



*[Handwritten signature]*  
*[Handwritten text: P. S. Sankaranarayanan]*

# Annexure K1

Vedanta Aluminium Metal Limited  
Pre-Scheme Shareholding Pattern

1.	Name of Resulting Company 1: <b>VEDANTA ALUMINIUM METAL LIMITED</b>		
2.	Scrip Code/Name of Scrip/Class of Security: <b>NA/EQUITY SHARES (UNLISTED)</b>		
3.	Share Holding Pattern Filled under: a. if under 31(1)(b) then indicate the report for quarter ending: b. if under 31(1)(c) then indicate date of allotment/extinguishment:		
4.	Declaration:		
	<b>Particulars</b>	<b>YES*</b>	<b>NO*</b>
a	Whether the Entity has issued any partly paid up shares		No
b	Whether the Entity has issued any Convertible Securities or Warrants?		No
c	Whether the Entity has any shares against which depository receipts are issued?		No
d	Whether the Entity has any shares in locked-in?		No
e	Whether any shares held by promoters are pledged or otherwise encumbered?		No
f	Whether the Entity has any significant beneficial owner?	Yes	No
	*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.		
5	The tabular format for disclosure of holding of specified securities is as follows:		





Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VI) = (VI) + (VI) + (VI)	Shareholding as a % of total no of shares (As a % of (A+B+C))	No of Voting Rights	Total as a % of (A+B+C)	No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (As a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
		(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XII)
(A)														
(B)	Promoter & Promoter Group	7	1000000	0	0	1000000	100.00	1000000	0	1000000	100.00	0	0	0
(C)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0
(D)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0
(E)	Shares underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0
(F)	Shares held by Employees' Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0
Total:		7	1000000	0	0	1000000	100.00	1000000	0	1000000	100.00	0	0	0



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)-(IX) As a % of (A+B+C2)	Number of locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form	Shareholder type (Promoter/ Promoter Group)
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total (IX)	(X)	(XI)	(XII)	(XIII)	(XIV)	
(1)	Indian																
(a)	Individually/Hindu undivided Family		6	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
(d)	Any Other		7	100000	0	0	160000	100.00	100000	0	100000	100.00	0	0.00	0	0	
	VEDANTA LIMITED AND ITS NOMINEES	AACCS7101B	7	100000	0	0	100000	100.00	100000	0	100000	100.00	0	0.00	0	0	Promoter
	Sub-Total (A)(1)		7	100000	0	0	100000	100.00	100000	0	100000	100.00	0	0.00	0	0	
(2)	Foreign																
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
	Sub-Total (A)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		7	100000	0	0	100000	100.00	100000	0	100000	100.00	0	0.00	0	0	







Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held [(iv)+(v)]	Shareholding as a % of total no. of shares of the company [(4-B+C2)]	Number of Voting Rights			Total as a % of (A+B+C)		No. of Shares Underlying Outstanding convertible Securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
			(B)	(iv)	(v)	(vi)	(vii)	(4-B+C2)	Class X	Class Y	Total	Total as a % of (A+B+C)		(X)	(XI)	As a % of total shares held	As a % of total shares held		
(1)	Customer/DR Holder Employee Benefit Trust / Employees Welfare Trust under 23B (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.																		
(2)																			
	Total Non-Promoter-Non Public Shareholding [(2) + (2)(1)+(2)(2)]																		



Table V - Significant Beneficial Owner

Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether				Date of creation / acquisition of significant beneficial interest	
	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Whether by virtue of:				
										Shares	Voting rights	Rights on distributable dividend or any other distribution		Exercise of control
1	Anil Kumar Agarwal	AFWPA3200K	NA	India	NA	VEDANTA LIMITED	AACCS7101B		India	100.00				13-10-2023

Note: Vedanta Aluminium Metal Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (Firstwhile Vokan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

Note:

- Vedanta Aluminium Metal Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (Erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.



Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	NA	NA
As on the end of previous 1st quarter	NA	NA
As on the end of previous 2nd quarter	NA	NA
As on the end of previous 3rd quarter	NA	NA
As on the end of previous 4th quarter	NA	NA





**Vedanta Aluminium Metal Limited**  
**Post-Scheme (Indicative) Shareholding Pattern**

1.	Name of Resulting Company 1: <b>VEDANTA ALUMINIUM METAL LIMITED</b>																					
2.	Scrip Code/Name of Scrip/Class of Security: <b>NA/EQUITY SHARES (TO BE LISTED PURSUANT TO SCHEME)</b>																					
3.	Share Holding Pattern Filled under: <div style="margin-left: 20px;">                 a. if under 31(1)(b) then indicate the report for quarter ending:                  b. if under 31(1)(c) then indicate date of allotment/extinguishment:             </div>																					
<b><i>This is the Post-Scheme (Indicative) Shareholding Pattern of Vedanta Aluminium Metal Limited prepared based on the Shareholding data of Vedanta Limited (Demerged Company) as on December 31, 2024</i></b>																						
4.	Declaration:																					
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 85%;">Particulars</th> <th style="width: 7.5%;">YES*</th> <th style="width: 7.5%;">NO*</th> </tr> </thead> <tbody> <tr> <td>a. Whether the Entity has issued any partly paid up shares</td> <td></td> <td>No</td> </tr> <tr> <td>b. Whether the Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>c. Whether the Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>d. Whether the Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>e. Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td>Yes</td> <td></td> </tr> <tr> <td>f. Whether the Entity has any significant beneficial owner?</td> <td>Yes</td> <td></td> </tr> </tbody> </table>	Particulars	YES*	NO*	a. Whether the Entity has issued any partly paid up shares		No	b. Whether the Entity has issued any Convertible Securities or Warrants?		No	c. Whether the Entity has any shares against which depository receipts are issued?		No	d. Whether the Entity has any shares in locked-in?		No	e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes		f. Whether the Entity has any significant beneficial owner?	Yes	
Particulars	YES*	NO*																				
a. Whether the Entity has issued any partly paid up shares		No																				
b. Whether the Entity has issued any Convertible Securities or Warrants?		No																				
c. Whether the Entity has any shares against which depository receipts are issued?		No																				
d. Whether the Entity has any shares in locked-in?		No																				
e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes																					
f. Whether the Entity has any significant beneficial owner?	Yes																					
	<p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>																					
5.	The tabular format for disclosure of holding of specified securities is as follows:																					



Table 1 - Summary Statement Holding of identified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (VI)+(V)+(IV)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % Assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form	
		(III)	(VI)	(V)	(VII)	(IV)	(VIII)	Class X	Class Y	Total	(IX)	(X)	No.	As a % of total Shares held	As a % of total Shares held	(XVI)
(A)	Promoter & Promoter Group	9	2204867749	0	2204867749	2204867749	56.38	2204867749	0	2204867749	56.38	0	0	2204724753	99.99	2204867749
(B)	Public	1893885	1701147789	0	1701147789	1701147789	43.50	1701147789	0	1701147789	43.50	0	0	N/A	N/A	2885595373
(C)	Non Promoter-Min Public	0	0	0	0	0	N/A	0	0	0	0.00	0	0	0	N/A	0
(C1)	Shares Underlying Dts	1	4372519	0	4372519	4372519	0.11	4372519	0	4372519	0.11	0	0	N/A	N/A	4372519
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	0
Total:		1909975	3910388627	0	3910388627	3910388627	100.00	3910388627	0	3910388627	100.00	0	0	2204724753	99.99	3904835643



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C))	No of Voting Rights	Total as a % of (A+B+C)	No of Shares Underlying Convertible Securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of (VII)+(X) As a % of (A+B+C))	Number of locked in Shares	As a % of total	No. of Shares held otherwise encumbered	Number of equity shares held in dematerialized form	Shareholder type (Promoter/ Promoter Group)
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XII)	(XIII)	
(1)	Indian																
(2)	Individuals/Hindu undivided family																
(3)	PRAVIN AGARWAL	AJCF748E16E	4	142596	0	0	142596	0.00	142596	0	0	0.00	0	0.00	0	0.00	142596
(4)	SUMAN DUDHIA	AEQF07167M	1	1000	0	0	1000	0.00	1000	0	0	0.00	0	0.00	0	0.00	1000 Promoter Group
(5)	ANMOT AGARWAL	AEFPA652J2D	1	87656	0	0	87656	0.00	87656	0	0	0.00	0	0.00	0	0.00	87656 Promoter Group
(6)	SAKSHI MOOBY	AGPP02174AM	1	36300	0	0	36300	0.00	36300	0	0	0.00	0	0.00	0	0.00	36300 Promoter Group
(7)	ANIL AGARWAL	AFWPA3200K	1	18000	0	0	18000	0.00	18000	0	0	0.00	0	0.00	0	0.00	18000 Promoter Group
(8)	NAVIN AGARWAL	ACTPA4140I	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(9)	VRUN AGARWAL	ADQPA5272A	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(10)	AGNIVESH AGARWAL	AFQPA6572G	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(11)	PREYA AGARWAL	ANFPAE400C	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(12)	PRATY AGARWAL	ADVPA745D	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(13)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0
(14)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0
(15)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0
(16)	HAARE KRISHNA PACKAGING PVT LIMITED	AA4BC1534I	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(17)	Sub-Total (A)(1)		4	142596	0	0	142596	0.00	142596	0	0	0.00	0	0.00	0	0.00	142596
(18)	Foreign																
(19)	Individuals (Non-Resident Individuals)/Foreign individuals		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0
(20)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0
(21)	Joint-Vent		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0
(22)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0
(23)	Any Other		5	2204724753	0	0	2204724753	56.38	2204724753	0	0	56.38	0	0.00	0	100.00	2204724753
(24)	WELTER TRADING LIMITED	AA4C081A8E	1	362410556	0	0	362410556	0.98	362410556	0	0	0.98	0	0.00	0	200.00	362410556 Promoter Group
(25)	PRIGRUE INTERNATIONAL COMPANY LIMITED	AA4C07882B	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter
(26)	TYN STAR HOLDINGS LTD	AA4C06080C	1	1564805838	0	0	1564805838	40.03	1564805838	0	0	40.03	0	0.00	0	100.00	1564805838 Promoter Group
(27)	VEDANTA HOLDINGS MAURITIUS LIMITED	AA4C046315N	1	107841705	0	0	107841705	2.75	107841705	0	0	2.75	0	0.00	0	100.00	107841705 Promoter Group
(28)	VEDANTA HOLDINGS MAURITIUS LIMITED	AA4C046315N	1	409320325	0	0	409320325	11.60	409320325	0	0	11.60	0	0.00	0	100.00	409320325 Promoter Group
(29)	VEDANTA NETHERLANDS INVESTMENTS B.V.	AA4C04320A	1	1514714	0	0	1514714	0.04	1514714	0	0	0.04	0	0.00	0	100.00	1514714 Promoter Group
(30)	VEDANTA UK INVESTMENTS LIMITED	AA4C04321Q	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(31)	WESTGLOBE LIMITED	AA4C04442I	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(32)	PRICATER HOLDING LIMITED, CYPRUS	AA4C04709J5	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(33)	VEDANTA RESOURCES CYPRUS LIMITED (VRCL, CYPRUS)	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(34)	VEDANTA RESOURCES MALTA LIMITED	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(35)	VEDANTA RESOURCES HOLDINGS LIMITED (VRHL, UK)	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(36)	VEDANTA FINANCE UK LIMITED (VFU)	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(37)	VEDANTA HOLDINGS JERSEY LIMITED	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(38)	VEDANTA INVESTMENTS CYPRUS LIMITED	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(39)	VEDANTA RESOURCES FINANCE LIMITED	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(40)	VEDANTA RESOURCES FINANCE II PLC	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(41)	ANIL AGARWAL DISCRETIONARY TRUST	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(42)	CONQUAITE PTC LIMITED	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(43)	VEDANTA INCORPORATED (TERSTWHILE VOLLAN INVESTMENTS LIMITED)	222223999Z	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0 Promoter Group
(44)	Sub-Total (A)(2)		5	2204724753	0	0	2204724753	56.38	2204724753	0	0	56.38	0	0.00	0	100.00	2204724753
(45)	Total Shareholding of Promoter and Promoter Group (A)(1)+(A)(2)		9	2204867749	0	0	2204867749	56.38	2204867749	0	0	56.38	0	0.00	0	99.99	2204867749

Note: Sterlite Metals Rolling Mills Pvt Limited, part of the promoter group, has been struck off from the Register of Companies w.e.f. October 29, 2024. Hence, does not form part of the promoter group for Q3 ended December 31, 2024.





Table 4F - Statement showing shareholding pattern of the Public Shareholder

S. No.	Category & Name of the Shareholder	No. of Shareholders	No. of fully paid up equity shares held	No. of Equity paid up equity shares held	No. of Equity paid up equity shares held	Total No. of Shares Held (IV+V+VI)	Shareholding as a % of total nos. of shares (IV+V+VI)	No. of Voting Rights	Total as a % of (IV+V+VI)	No. of Shares Underlying Outstanding Securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	No. of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form	Sub-Category (I)	Sub-Category (II)	Sub-Category (III)
		(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)	(XV)	(XVI)
1	North India Financials	34	279814824	0	0	0	279814824	7.16	279814824	7.16	7.16	0	0	279814824	0	0	0
2	Metallgesellschaft AG	1	52956902	0	0	0	52956902	1.35	52956902	1.35	1.35	0	0	52956902	0	0	0
3	ICICI Prudential Mutual Fund	1	52956902	0	0	0	52956902	1.35	52956902	1.35	1.35	0	0	52956902	0	0	0
4	Venture Capital Funds	35	22868614	0	0	0	22868614	0.58	22868614	0.58	0.58	0	0	22868614	0	0	0
5	Admiral Investments Funds	21	396625	0	0	0	396625	0.01	396625	0.01	0.01	0	0	396625	0	0	0
6	Insurance Companies	21	29825783	0	0	0	29825783	7.83	29825783	7.83	7.83	0	0	29825783	0	0	0
7	UPL Insurance Corporation of India	1	27973785	0	0	0	27973785	7.56	27973785	7.56	7.56	0	0	27973785	0	0	0
8	Principal Parity Pension Funds	1	4122188	0	0	0	4122188	0.11	4122188	0.11	0.11	0	0	4122188	0	0	0
9	Asset Reconstruction Companies	18	4122188	0	0	0	4122188	0.11	4122188	0.11	0.11	0	0	4122188	0	0	0
10	Other Financial Institutions	18	4122188	0	0	0	4122188	0.11	4122188	0.11	0.11	0	0	4122188	0	0	0
11	Any Other	122	605578138	0	0	0	605578138	15.49	605578138	15.49	15.49	0	0	605578138	0	0	0
12	Institutions (Foreign)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
13	Foreign Direct Investment	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
14	Foreign Venture Capital Investors	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
15	Sovereign Wealth Funds	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
16	Foreign Portfolio Investors Category 1	682	435820577	0	0	0	435820577	11.17	435820577	11.17	11.17	0	0	435820577	0	0	0
17	Foreign Portfolio Investors Category 2	58	33243494	0	0	0	33243494	0.85	33243494	0.85	0.85	0	0	33243494	0	0	0
18	Overseas Depositories (including Branching Spun)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
19	Any Other	113	32734	0	0	0	32734	0.00	32734	0.00	0.00	0	0	32734	0	0	0
20	FOREIGN INSTITUTIONAL INVESTORS	8	47608725	0	0	0	47608725	12.41	47608725	12.41	12.41	0	0	47608725	0	0	0
21	Sub-Total (B)(1)	796	47608725	0	0	0	47608725	12.41	47608725	12.41	12.41	0	0	47608725	0	0	0
22	Central Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
23	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
24	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
25	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
26	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
27	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
28	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
29	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
30	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
31	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
32	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
33	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
34	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
35	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
36	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
37	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
38	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
39	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
40	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
41	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
42	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
43	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
44	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
45	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
46	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
47	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
48	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
49	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
50	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
51	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
52	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
53	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
54	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
55	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
56	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
57	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
58	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
59	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
60	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
61	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
62	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
63	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
64	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
65	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
66	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
67	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
68	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
69	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
70	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
71	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
72	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
73	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
74	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
75	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
76	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
77	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
78	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
79	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
80	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
81	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
82	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
83	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
84	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
85	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
86	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
87	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
88	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
89	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0	0	0
90	State Government (Public Communication)	0	0	0	0	0	0	0.00	0	0.00	0.00	0	0	0	0		

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares held (IV+V+VI)	Shareholding as a % of total no. of shares (A+B+C)	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding as a % of outstanding convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held as dematerialized form
			(III)	(IV)	(V)	(VI)	(VII)	(A)	Class X	Class Y	Total	(B)	(C)	(D)	(E)
(1)	Custodian (DR holder - Securities Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2025)														
(2)															
	Total Non-Promoter Non Public Shareholding (C) = (C1)+(C2)														
Note:	(a) As per Regulation 3(5) of the Securities Based Employee Benefit and Sweat Equity Regulations, 2022 the voting rights of Vedanta Limited ESOS Trust are reserved.														



Table V - Significant Beneficial Owner

TABLE 1 - Significant Beneficial Owners														
Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether by virtue of:				Date of creation / acquisition of significant beneficial interest	
	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Whether by virtue of:				
										Shares	Voting rights dividend or any other distribution	Exercise of control		Exercise of significant influence
1	Anil Kumar Agarwal	AFW9A3200K	NA	India	WELTER TRADING LIMITED	AAACW8148G		Any other	It is a Body Corporate in Cyprus	0.98		No	No	11-12-2007
			NA	India	TWIN STAR HOLDINGS LIMITED	AACCT5020C		Any other	It is a Body Corporate in Mauritius	40.02		No	No	11-12-2007
			NA	India	VEDANTA HOLDINGS MAURITIUS II LIMITED	AAHCV4933B		Any other	It is a Body Corporate in Mauritius	12.6		No	No	24-12-2020
			NA	India	VEDANTA HOLDINGS MAURITIUS LIMITED	AAHCV4615N		Any other	It is a Body Corporate in Mauritius	2.75		No	No	15-04-2021
			NA	India	VEDANTA NETHERLANDS INVESTMENTS B.V	AAICV4101A		Any other	It is a Body Corporate in Netherlands	0.04		No	No	23-11-2021
Note: 1. Vedanta Aluminium Metal Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.														

Note:

- Vedanta Aluminium Metal Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (Erstwhile Volcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.





Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	100%	12.02%
As on the end of previous 1st quarter	100%	11.45%
As on the end of previous 2nd quarter	100%	12.61%
As on the end of previous 3rd quarter	100%	10.23%
As on the end of previous 4th quarter	100%	8.78%



**Annexure K2**  
Talwandi Sabo Power Limited  
Pre-Scheme Shareholding Pattern

1.	Name of Resulting Company 2: TALWANDI SABO POWER LIMITED		
2.	Scrip Code/Name of Scrip/Class of Security: NA/EQUITY SHARES (UNLISTED)		
3.	Share Holding Pattern Filed under:		
	a. if under 31(1)(b) then indicate the report for quarter ending		
	b. if under 31(1)(c) then indicate date of allotment/extinguishment		
4.	Declaration:		
	Particulars	YES*	NO*
a	Whether the Entity has issued any partly paid up shares		No
b	Whether the Entity has issued any Convertible Securities or Warrants?		No
c	Whether the Entity has any shares against which depository receipts are issued?		No
d	Whether the Entity has any shares in locked-in?		No
e	Whether any shares held by promoters are pledged or otherwise encumbered?		No
f	Whether the Entity has any significant beneficial owner?	Yes	
<p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>			
5.	The tabular format for disclosure of holding of specified securities is as follows:		



*Thamara*

Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (VI)+(V)+(VII)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights			Total as a % of (A+B+C)	No of Shares Underlying convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (or a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	Class X	Class Y	Total	(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)
(A)	Promoter & Promoter Group	7	3206609692	0	0	3206609692	100.00	3206609692	0	3206609692	100.00	0	100.00	0	0	3206609692
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0
(C)	Non Promoter-Non Public	0	0	0	0	0	N/A	0	0	0	0.00	0	N/A	0	N/A	0
(C1)	Shares underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	N/A	0	N/A	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	N/A	0	N/A	0
	<b>Total:</b>	<b>7</b>	<b>3206609692</b>	<b>0</b>	<b>0</b>	<b>3206609692</b>	<b>100.00</b>	<b>3206609692</b>	<b>0</b>	<b>3206609692</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0</b>	<b>3206609692</b>



*Manager*



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)		Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)		Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form		Shareholder type (Promoter/ Promoter Group)
											Class X	Class Y	Total (X+Y)	(X)	(Y)	(X)	(Y)+(X) As a % of (A+B+C2)	No.	As a % of total	No.	As a % of total Shares held			
(a)	Indian Individuals/Hindu undivided Family																							
(b)	Central Government/State Government(s)																							
(c)	Financial Institutions/Banks																							
(d)	Any Other VEDANTA LIMITED AND ITS NOMINEES	AAACCS71011B	7	3206609692	0	0	0	0	0	0	3206609692	0	3206609692	0	100.00	0	100.00	0	0.00	0	0.00	0	0.00	Promoter
	Sub-Total (A)(1)		7	3206609692	0	0	0	0	0	0	3206609692	0	3206609692	0	100.00	0	100.00	0	0.00	0	0.00	0	0.00	Promoter
(2)	Foreign Individuals (Non-Resident Individuals/Foreign Individuals																							
(a)	Government		0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	
(b)	Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	
(c)	Foreign Portfolio Investor		0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	
(d)	Any Other		0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	
(e)	Sub-Total (A)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		7	3206609692	0	0	0	0	0	0	3206609692	0	3206609692	0	100.00	0	100.00	0	0.00	0	0.00	0	0.00	



Table III - Statement showing shareholding pattern of the Public shareholder

S. No.	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of Shares Underlying Depository Receipts	Total No of Shares Held (i)+(ii)+(iii)	Shareholding as a % of total no of shares (i)+(ii)+(iii)	No. of Voting Rights			Total as a % of (A)+(C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	% assuming full conversion of convertible securities (as a percentage of diluted share capital)	No.	As a % of total Shares held	Number of Locked in Shares	No.	As a % of total Shares held	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form	Sub-Categorisation of Shares			
		(i)	(ii)	(iv)	(v)	(vi)	(vii)	(viii)	Class X	Class Y	Total	(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	(xvii)	(xviii)	Sub-Category (i)	Sub-Category (ii)	Sub-Category (iii)	Sub-Category (iii)
(1)	Institutions (Domestic)																								
(2)	Mutual Funds																								
(3)	Venture Capital Funds																								
(4)	Alternative Investment Funds																								
(5)	Banks																								
(6)	Insurance Companies																								
(7)	Provident Funds/Pension Funds																								
(8)	Asset Reconstruction Companies																								
(9)	Securitisation Entities																								
(10)	MFIs Registered with RBI																								
(11)	Other Financial Institutions																								
(12)	Any Other																								
(13)	Sub-Total (B)(1)																								
(14)	Institutions (Foreign)																								
(15)	Foreign Direct Investment																								
(16)	Foreign Venture Capital Investors																								
(17)	Sovereign Wealth Funds																								
(18)	Foreign Portfolio Investors Category I																								
(19)	Foreign Portfolio Investors Category II																								
(20)	Overseas Depositories (Holding Dis/Balancing figure)																								
(21)	Any Other																								
(22)	Sub-Total (B)(2)																								
(23)	Central Government/State Government/Local Government/Union Territory of India																								
(24)	State Government/Union Territory of India																								
(25)	Shareholding in Companies or Bodies Corporate where Central/State Government is a promoter																								
(26)	Sub-Total (B)(3)																								
(27)	Non-Institutional																								
(28)	Individuals (Including Promoters, Directors and their relatives (excluding independent directors) and nominees directors)																								
(29)	Key Managerial Personnel																								
(30)	Other Promoters (other than 'Immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)																								
(31)	Sub-Total (B)(4)																								
(32)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'Trustee', 'Beneficiary', or 'author of the trust'																								
(33)	Investor Education and Protection Fund (IEPF)																								
(34)	Resident individuals holding nominal share capital up to Rs. 2 lakhs																								
(35)	Resident individuals holding nominal share capital in excess of Rs. 2 lakhs																								
(36)	Foreign Individuals (NRI/PIO)																								
(37)	Foreign Nationals																								
(38)	Bodies Corporate																								
(39)	Bodies Corporate																								
(40)	Any Other																								
(41)	Sub-Total (B)(5)																								
(42)	Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3) + (B)(4) + (B)(5)																								

Details of the shareholdings adding up to persons in Consent including their shareholding (B) and %

S.No.	Name of PMS	No. of shares	% of shares
-------	-------------	---------------	-------------

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.:-

S.No.	No. of Shareholders
-------	---------------------



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder:-

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	No of Voting Rights			Total as a % of (A+B+C)	No of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	No.	As a % of total Shares held	No.	As a % of total Shares held	
(1)	Custodian/DH Holder (Employee Benefit Trust / Employee Welfare Trust under SEBI Share Based Employee Benefits and Sweat Equity Regulations, 2017)																		
(2)																			
	Total Non Promoter-Non Public Shareholding (C) = (C1)+(C2)																		



*Signature*



Table V - Significant Beneficial Owner

Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether by virtue of:				Date of creation / acquisition of significant beneficial interest		
	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Nationality	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Shares	Voting rights dividend or any other distribution		Exercise of control	Exercise of significant influence
1	Anil Kumar Agarwal	AFWPA3200K	NA	India	NA	VEDANTA LIMITED	AAACS7101B		India		100.00				01-09-2008

Note:- Talwalkar Sabo Power Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ('VRL'). Vedanta Incorporated ('Vedanta Inc.') (erstwhile Volcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ('Trust'). Conclave PTC Limited ('Conclave') is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

Note:

- Talwandi Soho Power Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ('VRL'). Vedanta Incorporated ('Vedanta Inc.') (erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ('Trust'). Conclaw PTC Limited ('Conclaw') is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.



Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	NA	NA
As on the end of previous 1st quarter	NA	NA
As on the end of previous 2nd quarter	NA	NA
As on the end of previous 3rd quarter	NA	NA
As on the end of previous 4th quarter	NA	NA



*M. Singh*

Talwandi Sabo Power Limited  
Post-Scheme (Indicative) Shareholding Pattern

1.	Name of Resulting Company 2: TALWANDI SABO POWER LIMITED																					
2.	Scrip Code/Name of Scrip/Class of Security: NA/EQUITY SHARES (TO BE LISTED PURSUANT TO SCHEME)																					
3.	Share Holding Pattern Filed under: <div style="margin-left: 20px;">               a. if under 31(1)(b) then indicate the report for quarter ending:                b. if under 31(1)(c) then indicate date of allotment/extinguishment:             </div>																					
<b><i>This is the Post-Scheme (Indicative) Shareholding Pattern of Talwandi Sabo Power Limited prepared based on the Shareholding data of Vedanta Limited (Demerged Company) as on December 31, 2024</i></b>																						
4.	Declaration:																					
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 85%;">Particulars</th> <th style="width: 7.5%;">YES*</th> <th style="width: 7.5%;">NO*</th> </tr> </thead> <tbody> <tr> <td>a Whether the Entity has issued any partly paid up shares</td> <td></td> <td>No</td> </tr> <tr> <td>b Whether the Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>c Whether the Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>d Whether the Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>e Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td>Yes</td> <td></td> </tr> <tr> <td>f Whether the Entity has any significant beneficial owner?</td> <td>Yes</td> <td></td> </tr> </tbody> </table>	Particulars	YES*	NO*	a Whether the Entity has issued any partly paid up shares		No	b Whether the Entity has issued any Convertible Securities or Warrants?		No	c Whether the Entity has any shares against which depository receipts are issued?		No	d Whether the Entity has any shares in locked-in?		No	e Whether any shares held by promoters are pledged or otherwise encumbered?	Yes		f Whether the Entity has any significant beneficial owner?	Yes	
Particulars	YES*	NO*																				
a Whether the Entity has issued any partly paid up shares		No																				
b Whether the Entity has issued any Convertible Securities or Warrants?		No																				
c Whether the Entity has any shares against which depository receipts are issued?		No																				
d Whether the Entity has any shares in locked-in?		No																				
e Whether any shares held by promoters are pledged or otherwise encumbered?	Yes																					
f Whether the Entity has any significant beneficial owner?	Yes																					
<p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>																						
5	The tabular format for disclosure of holding of specified securities is as follows:																					



Mansingh



Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked In Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form	
								Class X	Class Y	Total	Total as a % of (A+B+C)		No.	As a % of total Shares held	No.	As a % of total Shares held
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)			(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)	(XV)
(A)	Promoter & Promoter Group	9	2204867749	0	0	2204867749	56.38	2204867749	0	2204867749	56.38	56.38	0	0	2204724753	99.99
(B)	Public	1599955	1701147785	0	0	1701147785	43.50	1701147785	0	1701147785	43.50	43.50	0	0	NA	NA
(C)	Non Promoter-Non Public	0	0	0	0	0	NA	0	0	0	0.00	NA	0	0.00	NA	NA
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0.11	0.11	0	0	NA	NA
(C2)	Shares held by Employees Trusts	1	4372519	0	0	4372519	0.11	4372519	0	4372519	0.11	0.11	0	0	NA	NA
	Total:	1599975	3910388057	0	0	3910388057	100.00	3910388057	0	3910388057	100.00	100.00	0	0.00	2204724753	99.99
																3904855641



*Signature*

Table III - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares held (IV+V+VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957 (VII) As a % of (A+B+C2))	No of Voting Rights			Total as a % of (A+B+C)		No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)-(X) As a % of (A+B+C2)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held	Number of equity shares held in dematerialized form	Shareholder type (Promoter/ Promoter Group)
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total (IX)	(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)	(XV)		
(A)	Indian Individuals/Hindu Undivided Family																			
	ASCPA5816P		4	142996	0	0	142996	0.00	142996	0	142996	0.00	0	0.00	0	0	0	0.00	142996	Promoter Group
	SHAYIN AGARWAL		1	1000	0	0	1000	0.00	0	0	1000	0.00	0	0.00	0	0	0	0.00	1000	Promoter Group
	AEGPD7167M		1	87696	0	0	87696	0.00	0	0	87696	0.00	0	0.00	0	0	0	0.00	87696	Promoter Group
	ANWTP4652ZD		1	86300	0	0	86300	0.00	0	0	86300	0.00	0	0.00	0	0	0	0.00	86300	Promoter Group
	SANSHI MOODY		1	18000	0	0	18000	0.00	0	0	18000	0.00	0	0.00	0	0	0	0.00	18000	Promoter Group
	AGPDDT124UM		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	ANCPA41300K		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	ANIL AGARWAL		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	KINAYN AGARWAL		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
(B)	AGNIVESH AGARWAL		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	ADOPH4522AA		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	AFOPH46572G		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	PRITHA AGARWAL		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	ANFPA824MC		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	PRATIK AGARWAL		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	ADTPA7245D		1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
(C)	HARE KRISHNA PACKAGING PVT LIMITED	AABCH1334J	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Sub-Total (A)(1)		4	142996	0	0	142996	0.00	142996	0	142996	0.00	0	0.00	0	0	0	0.00	142996	Promoter Group
(D)	Foreign Individuals (Non-Resident Individuals/Foreign Individuals)																			
	VEDANTA		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	WELTER TRADING LIMITED	AAACVH148G	1	2204724753	0	0	2204724753	56.38	2204724753	0	2204724753	56.38	0	56.38	0	0	0	56.38	2204724753	Promoter Group
	FINSIDER INTERNATIONAL COMPANY LIMITED	AAABCT7883P	1	38241056	0	0	38241056	0.98	38241056	0	38241056	0.98	0	0.98	0	0	0	0.98	38241056	Promoter Group
	TWIN STAR HOLDINGS LTD.	AAACCT6030C	1	1564805858	0	0	1564805858	40.00	1564805858	0	1564805858	40.00	0	40.00	0	0	0	40.00	1564805858	Promoter Group
	VEDANTA HOLDINGS MAURITIUS II LIMITED	AAACVH4615M	1	1079427956	0	0	1079427956	2.75	1079427956	0	1079427956	2.75	0	2.75	0	0	0	2.75	1079427956	Promoter Group
(E)	VEDANTA HOLDINGS MAURITIUS B.V.	AAACVH4613B	1	492820420	0	0	492820420	12.60	492820420	0	492820420	12.60	0	12.60	0	0	0	12.60	492820420	Promoter Group
	VEDANTA NETHERLANDS INVESTMENTS B.V.	AAACVH1808A	1	15147714	0	0	15147714	0.04	15147714	0	15147714	0.04	0	0.04	0	0	0	0.04	15147714	Promoter Group
	VEDANTA UK INVESTMENTS II B.V.	AAACVH5151Q	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	WESTGLOBE LIMITED	AAACVH4442L	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	RICHTER HOLDING LIMITED, CYPRUS	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES CYPRUS LIMITED (VRCL, CYPRUS)	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES MAURITIUS LIMITED	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES HOLDINGS LIMITED (VRHL, UK)	AAACVH3584G	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA FINANCE UK LIMITED (VFUK)	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES LIMITED, UK	AAACVH3583B	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
(F)	VEDANTA HOLDINGS JERSEY LIMITED	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VOLCAN INVESTMENTS CYPRUS LIMITED	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES CYPRUS LIMITED	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES FINANCE PLC	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES FINANCE II PLC	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	AVIL AGARWAL DISCRETIONARY TRUST	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	CONCLAVE PTC LIMITED	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	VEDANTA INCORPORATED (ESTWHILE VOLCAN INVESTMENTS LIMITED)	2222Z9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0.00	0	Promoter Group
	Sub-Total (A)(2)		5	2204724753	0	0	2204724753	56.38	2204724753	0	2204724753	56.38	0	56.38	0	0	0	56.38	2204724753	Promoter Group
	Total Shareholding of Promoter and Promoter Group (A)(3)=(A)(1)+(A)(2)		9	2204867749	0	0	2204867749	56.38	2204867749	0	2204867749	56.38	0	56.38	0	0	0	56.38	2204867749	Promoter Group

Note: Sterlite Metals Rolling Mills Pvt Limited, part of the promoter group, has been struck off from the Register of Companies w.e.f. October 29, 2024. Hence, does not form part of the promoter group for Q3 ended December 31, 2024.









Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder:

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held [(V)+(V1)]	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible securities (for a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	No of Voting Rights			(IX)	(X)	As a % of total Shares held		As a % of total Shares held		
									Class X	Class Y	Total							
(1)	Continex-PS holder (Employee Welfare Trust / Employee Stock Ownership Plan / Employee Benefit Trust / Employee Share Based Employees Benefits and Sweet Equity) Regulations, 2021		0	0	0	0	0	0.00			0	0	0.00	0.00	0	0.00	NA	0
(2)	Total Non Promoter-Non Public Shareholding [(C) + (C1)+(C2)]		1	4372519	0	0	4372519	0.11	4372519		0	0	4372519	0.11	0	0.00	NA	4372519
Wider:			1	4372519	0	0	4372519	0.11	4372519		0	0	4372519	0.11	0	0.00	NA	4372519

(a) As per Regulation 3(c) of the SEBI (Share based Employee Benefits and Sweet Equity) Regulations, 2021 the voting rights of Vedanta Limited ESOS Trust are reserved.



Table V - Significant Beneficial Owner

Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether by virtue of:				Date of creation / acquisition of significant beneficial interest		
	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Whether by virtue of:					
										Shares	Voting rights	Rights on distributable dividend or any other distribution		Exercise of control	Exercise of significant influence
1.	Anil Kumar Agarwal	AFWPA3200K	NA	India	WELTER TRADING LIMITED	AAACW8148G		Any other	It is a Body Corporate in Cyprus	0.98			No	No	11-12-2007
			NA	India	TWIN STAR HOLDINGS LIMITED	AACCT6020C		Any other	It is a Body Corporate in Mauritius	40.02			No	No	11-12-2007
			NA	India	VEDANTA HOLDINGS MAURITIUS II LIMITED	AAHCV4933B		Any other	It is a Body Corporate in Mauritius	12.6			No	No	24-12-2020
			NA	India	VEDANTA HOLDINGS MAURITIUS LIMITED	AAHCV4615N		Any other	It is a Body Corporate in Mauritius	2.75			No	No	16-04-2021
			NA	India	VEDANTA NETHERLANDS INVESTMENTS B.V	AAICV4101A		Any other	It is a Body Corporate in Netherlands	0.04			No	No	23-11-2021

Note:-

Taiwanedi Sabo Power Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (Erstwhile Volcan Investments Limited) and its subsidiary hold 100.00% of the share capital and 100.00% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.00% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

Note:

- Talwandi Sabo Power Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (Erstwhile Voican Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.



*Anil Kumar Agarwal*

Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	100%	12.02%
As on the end of previous 1st quarter	100%	11.45%
As on the end of previous 2nd quarter	100%	12.61%
As on the end of previous 3rd quarter	100%	10.23%
As on the end of previous 4th quarter	100%	8.78%

Pravilno



# Annexure K3

Malco Energy Limited  
Pre-Scheme Shareholding Pattern

1.	Name of Resulting Company 3: MALCO ENERGY LIMITED																					
2.	Scrip Code/Name of Scrip/Class of Security: NA/EQUITY SHARES (UNLISTED)																					
3.	Share Holding Pattern Filed under: a. if under 31(1)(b) then indicate the report for quarter ending b. if under 31(1)(c) then indicate date of allotment/extinguishment																					
4.	Declaration:																					
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>YES*</th> <th>NO*</th> </tr> </thead> <tbody> <tr> <td>a Whether the Entity has issued any partly paid up shares</td> <td></td> <td>No</td> </tr> <tr> <td>b Whether the Entity has issued any Convertible Securities or Warrants?</td> <td>Yes**</td> <td></td> </tr> <tr> <td>c Whether the Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>d Whether the Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>e Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td></td> <td>No</td> </tr> <tr> <td>f Whether the Entity has any significant beneficial owner?</td> <td>Yes</td> <td></td> </tr> </tbody> </table>	Particulars	YES*	NO*	a Whether the Entity has issued any partly paid up shares		No	b Whether the Entity has issued any Convertible Securities or Warrants?	Yes**		c Whether the Entity has any shares against which depository receipts are issued?		No	d Whether the Entity has any shares in locked-in?		No	e Whether any shares held by promoters are pledged or otherwise encumbered?		No	f Whether the Entity has any significant beneficial owner?	Yes	
Particulars	YES*	NO*																				
a Whether the Entity has issued any partly paid up shares		No																				
b Whether the Entity has issued any Convertible Securities or Warrants?	Yes**																					
c Whether the Entity has any shares against which depository receipts are issued?		No																				
d Whether the Entity has any shares in locked-in?		No																				
e Whether any shares held by promoters are pledged or otherwise encumbered?		No																				
f Whether the Entity has any significant beneficial owner?	Yes																					
5.	<p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p> <p>The tabular format for disclosure of holding of specified securities is as follows:</p>																					

\*\*Malco Energy Limited (Resulting Company - 3) had issued 6,13,54,483 no. of Unsecured Compulsory Convertible Debentures (CCDs) to Vedanta Limited (Demerged Company) which are classified as equity in nature.

*Handwritten signature and date: 20/07/2020*

Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	No of Voting Rights			Total as a % of (A+B+C)	No of Shares Underlying convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	Class X	Class Y	Total (ix)	(x)	(xi)	(xii)	(xiii)	(xiv)	(xv)
(A)	Promoter & Promoter Group	7	23366406	0	0	23366406	100.00	23366406	0	23366406	100.00	131586562	100.00	0	0	23366406
(B)	Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	N/A
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	N/A	0	0	N/A
(C1)	Shares underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	N/A
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	N/A
Total:		7	23366406	0	0	23366406	100.00	23366406	0	23366406	100.00	131586562	100.00	0	0	23366406

23366406

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VII)) As a % of (A+B+C2)	No of Voting Rights			Total as a % of (A+B+C2)	No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	No.	As a % of total	No. of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form	Shareholder type (Promoter/ Promoter Group)	
			(iii)	(iv)	(v)	(vi)	(vii)	(viii)	Class X	Class Y	Total (IX)	(X)	(XI)	(XII)	(XIII)	(XIV)				
(1)	(a)	Indian Individuals/Hindu undivided Family	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		
			0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		
			0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		
			0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0			
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0			
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0			
(c)	Financial Institutions/Banks	0	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0			
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0			
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0			
(d)	Any Other VEDANTA LIMITED AND ITS NOMINEES Sub-Total (A)(1)	7	23366406	0	0	23366406	100.00	23366406	0	23366406	0	23366406	100.00	131588562	100.00	100.00	0	0.00	23366406	Promoter
		7	23366406	0	0	23366406	100.00	23366406	0	23366406	0	23366406	100.00	131588562	100.00	100.00	0	0.00	23366406	Promoter
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
(2)	(a)	Foreign Individuals (Non-Resident Individuals)/Foreign Individuals	0	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	
			0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
			0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
			0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
(b)	Government	0	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
(c)	Institutions	0	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
(d)	Foreign Portfolio Investor	0	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
(e)	Any Other Sub-Total (A)(2)	0	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0		
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		7	23366406	0	0	23366406	100.00	23366406	0	23366406	100.00	131588562	100.00	100.00	0	0.00	23366406		

23366406



S. No.	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of Shares Underlying Warrants	Total No. of Shares Held (a+b+c+d)	Shareholding as a % of total (a+b+c+d)	No. of Voting Rights	Total as a % of (a+b+c+d)	No. of Shares Underlying convertible securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible securities (for a percentage of diluted share capital)	Number of Locked in Shares	No. of Shares held	As a % of total Shares held	Number of equity Shares held in dematerialized form	Sub-Categorization of Shares
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)
[1]	Institutions (Domestic)																
[2]	Mutual Funds																
[3]	Venture Capital Funds																
[4]	Alternative Investment Funds																
[5]	Insurance Companies																
[6]	Banking Companies																
[7]	Finance Companies																
[8]	Asset Reconstruction Companies																
[9]	Sovereign Wealth Funds																
[10]	SEI/CI Registered with RBI																
[11]	SEI/CI Registered with RBI																
[12]	Any Other																
[13]	Sub-Total [2]+[3]+[4]+[5]+[6]+[7]+[8]+[9]+[10]+[11]+[12]																
[14]	Institutions (Foreign)																
[15]	Foreign Direct Investment																
[16]	Foreign Venture Capital Investors																
[17]	Sovereign Wealth Funds																
[18]	Foreign Institutional Investors - Category I																
[19]	Foreign Institutional Investors - Category II																
[20]	Overseas Depositories (Holding DRs/Balancing figure)																
[21]	Any Other																
[22]	Sub-Total [15]+[16]+[17]+[18]+[19]+[20]+[21]																
[23]	Central Government/State Government(s)																
[24]	Central Government/President of India																
[25]	State Government/President of India																
[26]	Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter																
[27]	Sub-Total [23]+[24]+[25]+[26]																
[28]	Non Institutions																
[29]	Non Resident Indians/Individuals																
[30]	Directors and their relatives (including independent directors and nominee directors)																
[31]	Any Managerial Personnel																
[32]	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group')																
[33]	Promoter Group Category is 'Trustee', 'Beneficiary', or 'Author of the trust'																
[34]	Investor Education and Protection Fund (IEPF)																
[35]	Investor Individuals holding nominal share capital up to Rs. 2 lakhs																
[36]	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs																
[37]	Non Resident Indians (NRIs)																
[38]	Foreign Nationals																
[39]	Foreign Companies																
[40]	Any Other																
[41]	Sub-Total [32]+[33]+[34]+[35]+[36]+[37]+[38]+[39]+[40]																
[42]	Total Public Shareholding [22] + [27]+[28]+[31]+[41]																

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):

S.No.	Name of PNC	No. of Shares	% of Shares
-------	-------------	---------------	-------------

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc.:

S.No.	No. of Shares	No. of Shareholders
-------	---------------	---------------------

2020-2021

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares held (V+V+V)	Shareholding as a % of total no. of shares (A-B+C)	No. of Voting Rights			Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	No.	As a % of total Shares held	No.	As a % of total Shares held	Number of equity shares held in dematerialized form
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XII)	(XIII)	(XIV)	(XV)	(XVI)
[1]	Consolidated Holder Employee Benefit Trust / Employee Welfare Trust under: JETA (Share Based Employee Benefits and Sweat Equity) Regulations, 2012																		
[2]																			
	<b>Total Non Promoter-Non Public Shareholding (C) = (C1)+(C2)</b>																		

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Table V - Significant Beneficial Owner

Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether				Date of creation / acquisition of significant beneficial interest	
	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Shares	Voting rights	Whether by virtue of: Rights on distributable dividend or any other distribution		Exercise of significant influence control
1	Anil Kumar Agarwal	AFWPA3200K	NA	India	VEDANTA LIMITED	AACCS7101B		India		100.00				14-04-2001

Note:-

Malco Energy Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (Erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Concclave PTC limited ("Concclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

Note:



- Malco Energy Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Volcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

*Handwritten signature:*  
Ravi Singh



Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	NA	NA
As on the end of previous 1st quarter	NA	NA
As on the end of previous 2nd quarter	NA	NA
As on the end of previous 3rd quarter	NA	NA
As on the end of previous 4th quarter	NA	NA

**Malco Energy Limited**  
**Post-Scheme (Indicative) Shareholding Pattern**

<p>1. Name of Resulting Company 3: <b>MALCO ENERGY LIMITED</b></p> <p>2. Scrip Code/Name of Scrip/Class of Security: <b>NA/EQUITY SHARES (TO BE LISTED PURSUANT TO SCHEME)</b></p> <p>3. Share Holding Pattern Filed under:  a. if under 31(1)(b) then indicate the report for quarter ending:  b. if under 31(1)(c) then indicate date of allotment/extinguishment:</p>	<p><i>This is the Post-Scheme (Indicative) Shareholding Pattern of Malco Energy Limited prepared based on the Shareholding data of Vedanta Limited (Demerged Company) as on December 31, 2024</i></p>																					
<p>4. Declaration:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Particulars</th> <th style="width: 10%;">YES*</th> <th style="width: 10%;">NO*</th> </tr> </thead> <tbody> <tr> <td>a. Whether the Entity has issued any partly paid up shares</td> <td></td> <td>No</td> </tr> <tr> <td>b. Whether the Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>c. Whether the Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>d. Whether the Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>e. Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td>Yes</td> <td></td> </tr> <tr> <td>f. Whether the Entity has any significant beneficial owner?</td> <td>Yes</td> <td></td> </tr> </tbody> </table> <p>*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>		Particulars	YES*	NO*	a. Whether the Entity has issued any partly paid up shares		No	b. Whether the Entity has issued any Convertible Securities or Warrants?		No	c. Whether the Entity has any shares against which depository receipts are issued?		No	d. Whether the Entity has any shares in locked-in?		No	e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes		f. Whether the Entity has any significant beneficial owner?	Yes	
Particulars	YES*	NO*																				
a. Whether the Entity has issued any partly paid up shares		No																				
b. Whether the Entity has issued any Convertible Securities or Warrants?		No																				
c. Whether the Entity has any shares against which depository receipts are issued?		No																				
d. Whether the Entity has any shares in locked-in?		No																				
e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes																					
f. Whether the Entity has any significant beneficial owner?	Yes																					
<p>5. The tabular format for disclosure of holding of specified securities is as follows:</p>																						

Page 1  
 20/12/2024

Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares held (VI) = (V) + (VI)	Shareholding as a % of total no of shares (As a % of (A+B+C))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding Securities (including Warrants)	Shareholding as a % assuming full conversion of Outstanding Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	No of Voting Rights			(ix)	(x)	No.		(xi)	(xii)
								Class X	Class Y	Total			As a % of total Shares held	As a % of total Shares held		
(A)	Promoter & Promoter Group	9	2204867749	0	0	2204867749	56.38	2204867749	0	2204867749	56.38	0	0	2204724753	99.99	2204867749
(B)	Public	1599965	1701147789	0	0	1701147789	43.50	1701147789	0	1701147789	43.50	0	0	0	N/A	1695555273
(C)	Non Promoter-Non Public	0	0	0	0	0	N/A	0	0	0	0.00	N/A	0	0.00	N/A	0
(C1)	Shares underlying DRs	0	0	0	0	0	0.11	4372519	0	4372519	0.11	0	0	0	N/A	4372519
(C2)	Shares held by Employee Trusts	1	4372519	0	0	4372519	0.11	4372519	0	4372519	0.11	0	0	0	N/A	4372519
	Total	1599975	3910388657	0	0	3910388657	100.00	3910388657	0	3910388657	100.00	0	0	2204724753	99.99	3904835541

2204724753



Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares held (I+II+III+IV)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2))	No. of Voting Rights	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of (VIII)-(IX) As a % of (A+B+C2))	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held	Number of equity shares held in dematerialised form	Shareholder type (Promoter / Promoter Group)
									Class X	Class Y	Total						
(A)	Indian																
(a)	Individuals/Hindu Undivided Family																
	PRAYAN AGARWAL	AJCPAS816F	4	142996	0	0	142996	0.00	142996	0	142996	0.00	0	0	0.00	142996	Promoter Group
	SUNAM DHANAWA	AEGPD7167M	1	18000	0	0	18000	0.00	18000	0	18000	0.00	0	0	0.00	18000	Promoter Group
	ANANT AGARWAL	AEMPA6522D	1	87696	0	0	87696	0.00	87696	0	87696	0.00	0	0	0.00	87696	Promoter Group
	SASISH MOOYI	AGPDD1744M	1	36300	0	0	36300	0.00	36300	0	36300	0.00	0	0	0.00	36300	Promoter Group
	ANIL AGARWAL	AFWPA3200K	1	18000	0	0	18000	0.00	18000	0	18000	0.00	0	0	0.00	18000	Promoter Group
	NAVIN AGARWAL	ACTPA4140I	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	KIRAN AGARWAL	ADOPAS222A	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	AGNIVESH AGARWAL	AJCPAS672G	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	PRITHV AGARWAL	ANFPA8260C	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	PRATIK AGARWAL	ADTPA7145D	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
(b)	Central Government/State Governments		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	
(d)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	
	HARE KRISHNA PACKAGING PVT LIMITED	AAHCH1534I	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	Sub-Total (A)(1)		4	142996	0	0	142996	0.00	142996	0	142996	0.00	0	0	0.00	142996	
(2)	Foreign																
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	
(e)	Any Other		5	2204724753	0	0	2204724753	56.38	2204724753	0	2204724753	56.38	0	2204724753	100.00	2204724753	Promoter Group
	WELTER TRADING LIMITED	AAACW1848G	1	38241056	0	0	38241056	0.86	38241056	0	38241056	0.86	0	38241056	100.00	38241056	Promoter Group
	FINSDER INTERNATIONAL COMPANY LIMITED	AAACF7882P	1	1564805858	0	0	1564805858	40.02	1564805858	0	1564805858	40.02	0	1564805858	100.00	1564805858	Promoter Group
	TWIN STAR HOLDINGS LTD	AAACF6020C	1	107342705	0	0	107342705	2.75	107342705	0	107342705	2.75	0	107342705	100.00	107342705	Promoter Group
	VEDANTA HOLDINGS MAURITIUS LIMITED	AAACV4615M	1	493820420	0	0	493820420	12.60	493820420	0	493820420	12.60	0	493820420	100.00	493820420	Promoter Group
	VEDANTA NETHERLANDS INVESTMENTS B.V.	AAACV4010A	1	1514714	0	0	1514714	0.04	1514714	0	1514714	0.04	0	1514714	100.00	1514714	Promoter Group
	VEDANTA NETHERLANDS INVESTMENTS II B.V.	AAACV5191Q	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA LUX INVESTMENTS LIMITED	AAACV4442I	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	WESTGLOBE LIMITED	AAACW7091G	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	RIGHTER HOLDING LIMITED, CYPRUS	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES CYPRUS LIMITED (VRCL, CYPRUS)	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES MAURITIUS LIMITED (VRML, MK)	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES HOLDINGS LIMITED (VRHL, HK)	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA FINANCE UK LIMITED (VRUL)	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES LIMITED, UK	AAACV3581B	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA HOLDINGS KERSY LIMITED	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VOLCAN INVESTMENTS CYPRUS LIMITED	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES CYPRUS LIMITED	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA RESOURCES FINANCE II PLC	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	AXIL AGARWAL DISCRETIONARY TRUST	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	CONCLAVE PTE LIMITED	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	VEDANTA INCORPORATED (FIRSTWILE VOLCAN INVESTMENTS LIMITED)	ZZZZZ9999Z	1	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	Promoter Group
	Sub-Total (A)(2)		5	2204724753	0	0	2204724753	56.38	2204724753	0	2204724753	56.38	0	2204724753	100.00	2204724753	
	Total Shareholding of Promoter and Promoter Group (A)+(A)(1)+(A)(2)		9	2204867749	0	0	2204867749	56.38	2204867749	0	2204867749	56.38	0	2204867749	99.99	2204867749	

Note: Sterile Metals Rolling Mills Pvt Limited, part of the promoter group, has been struck off from the Register of Companies w.e.f. October 25, 2024. Hence, does not form part of the promoter group for Q3 ended December 31, 2024.



13.98 632 shares are under advance repurchase, pending for allotment as they are subjudice and hence, does not form part of the listed share capital.

Dr. J. R. R. R.

2. of those who remain confined may be close to zero (it doubtless is smaller if the members of the household are not all confined) and the remaining members of the household are not all confined which was functionally

S.No.	No. of Shareholders	No. of shares
7	141	2,01,165

2. of those who remain confined may be close to zero (it doubtless is smaller if the members of the household are not all confined) and the remaining members of the household are not all confined which was functionally

Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of partly paid up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities	No of Shares Underlying Outstanding convertible securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
			(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	No.	As a % of total Shares held	As a % of total Shares held
			(I)							(X)	(XI)	(XII)	(XIII)	(XIV)
[1]	Custodian/DK Holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021			0	0	0	0	0	0.00	0	0.00	0	0.00 NA	NA
[2]			1	4372519	0	0	4372519	0.11	4372519	0	0.11	0	0.00 NA	NA
	Total Non-Promoter-Non Public Shareholding (C) - (C1)+(C1C2)		1	4372519	0	0	4372519	0.11	4372519	0	0.11	0	0.00 NA	NA

None:

(a) As per Regulation 35) of the SEBI(Share based Employee Benefits and Sweat Equity) Regulations, 2021 the voting rights of Vedanta Limited ESOS Trust are reserved.

1. Defining



Table V - Significant Beneficial Owner

Details of the SBO		Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether				Date of creation /					
Sr. No.	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Whether by virtue of:				Date of creation / acquisition of significant beneficial interest	
										Shares	Voting rights	Rights on distributable dividend or any other distribution	Exercise of control		Exercise of significant influence
1.	Anil Kumar Agarwal	AFWPA3200K	NA	India	NA	WELTER TRADING LIMITED	AAACW8148G		Any other	It is a Body Corporate in Cyprus	0.98		No	No	11-12-2007
			NA	India	NA	TWIN STAR HOLDINGS LIMITED	AACCT6020C		Any other	It is a Body Corporate in Mauritius	40.02		No	No	11-12-2007
			NA	India	NA	VEDANTA HOLDINGS MAURITIUS II LIMITED	AAHCV4933B		Any other	It is a Body Corporate in Mauritius	12.6		No	No	24-12-2020
			NA	India	NA	VEDANTA HOLDINGS MAURITIUS LIMITED	AAHCV4615N		Any other	It is a Body Corporate in Mauritius	2.75		No	No	16-04-2021
			NA	India	NA	VEDANTA NETHERLANDS INVESTMENTS B.V	AAHCV4101A		Any other	It is a Body Corporate in Netherlands	0.04		No	No	23-11-2021

Note:  
1. Malco Energy Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (Eshwile Vulkan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

Note:

- Malco Energy Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") [Erstwhile Volcan Investments Limited] and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

20150 Page 1

Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	100%	12.02%
As on the end of previous 1st quarter	100%	11.45%
As on the end of previous 2nd quarter	100%	12.61%
As on the end of previous 3rd quarter	100%	10.23%
As on the end of previous 4th quarter	100%	8.78%

Edwin  
Felix

**Annexure K4**  
Vedanta Iron and Steel Limited  
Pre-Scheme Shareholding Pattern

1.	Name of Resulting Company 4: <b>VEDANTA IRON AND STEEL LIMITED</b>		
2.	Scrip Code/Name of Scrip/Class of Security: <b>NA/EQUITY SHARES (UNLISTED)</b>		
3.	Share Holding Pattern Filed under: a. if under 31(1)(b) then indicate the report for quarter ending: b. if under 31(1)(c) then indicate date of allotment/extinguishment:		
4.	Declaration : The Entity is required to submit the following declaration to the extent of submission of information:		
	<b>Particulars</b>	<b>YES*</b>	<b>NO*</b>
a	Whether the Entity has issued any partly paid up shares		No
b	Whether the Entity has issued any Convertible Securities or Warrants?		No
c	Whether the Entity has any shares against which depository receipts are issued?		No
d	Whether the Entity has any shares in locked-in?		No
e	Whether any shares held by promoters are pledge or otherwise encumbered?		No
f	Whether the Entity has any significant beneficial owner?	Yes	
	<p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>		
5	The tabular format for disclosure of holding of specified securities is as follows:		





Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares (Underlying Depository Receipts)	Total No of Shares Held (VI) = (V) + (VI) + (VII)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities	No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (As a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)
								No of Voting Rights			As a % of total Shares held		(XV)
								Total as a % of (A+B+C)			As a % of total Shares held		
(A)	Promoter & Promoter Group	7	1000000	0	0	1000000	100.00	1000000	0	1000000	100.00	0	0.00
(B)	Public	0	0	0	0	0	0.00	0	0	0.00	0	0	0.00
(C)	Non Promoter-Non Public	0	0	0	0	0	0.00	0	0	0.00	0	0	0.00
(C1)	Shares underlying DRs	0	0	0	0	0	0.00	0	0	0.00	0	0	0.00
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0.00	0	0	0.00
	<b>Total:</b>	<b>7</b>	<b>1000000</b>	<b>0</b>	<b>0</b>	<b>1000000</b>	<b>100.00</b>	<b>1000000</b>	<b>0</b>	<b>1000000</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>



Table E - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares held (iv+vi+vi)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2))	No of Voting Rights	Total as a % of (A+B+C)	No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form	Shareholder Type (Promoter/ Promoter Group)
			(iii)	(iv)	(v)	(vi)	(vii)	(viii)	Class X	Class Y	Total (ix)	(x)	(xi)	(xii)	(xiii)	
[1]	Indian Individuals/Hindu undivided Family															
[a]	Central Government/State Government(s)		0	0	0	0	0	0	0	0	0	0	0	0	0	
[b]	Financial Institutions/Banks		0	0	0	0	0	0	0	0	0	0	0	0	0	
[c]	Any Other		7	100000	0	0	100000	100.00	100000	0	100000	100.00	0	0	0	
[d]	VEDANTA LIMITED AND ITS NOMINEES	AAKCS7101B	7	100000	0	0	100000	100.00	100000	0	100000	100.00	0	0	0	Promoter
	Sub-Total (A)(1)		7	100000	0	0	100000	100.00	100000	0	100000	100.00	0	0	0	
[2]	Foreign Individuals (Non-Resident Individuals)/Foreign Individuals		0	0	0	0	0	0	0	0	0	0	0	0	0	
[a]	Government		0	0	0	0	0	0	0	0	0	0	0	0	0	
[b]	Institutions		0	0	0	0	0	0	0	0	0	0	0	0	0	
[c]	Foreign Portfolio Investor		0	0	0	0	0	0	0	0	0	0	0	0	0	
[d]	Any Other		0	0	0	0	0	0	0	0	0	0	0	0	0	
[e]	Sub-Total (A)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total Shareholding of Promoter and Promoter Group (A)+(A1)+(A2)		7	100000	0	0	100000	100.00	100000	0	100000	100.00	0	0	0	







Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of partly paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held (pro-vot)	Shareholding as a % of total no. of shares (A+B+C)	Number of Voting Rights			No of Shares Underlying Outstanding Securities (including Warrants)		Total Shareholding as a % of share capital (including convertible Securities (as a percentage of diluted share capital))	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held as dematerialized form
			(B)	(D)	(E)	(F)	(G)	(H)	Class X	Class Y	Total	(I)	(J)	(K)	As a % of total Shares held	As a % of total Shares held	
(1)	Continental PDS (holder - Employees Stock Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2023)																
(2)																	
	<b>Total Non-Promoter Non Public Shareholding (C) = (C1)+(C2)</b>																



Table V - Significant Beneficial Owner

Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether by virtue of:				Date of creation / acquisition of significant beneficial interest	
	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other 's selected)	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other 's selected)	Whether by virtue of:			
											Shares	Voting rights dividend or any other distribution		Exercise of control
1	Anil Kumar Agarwal	AFNPA3200K	NA	India	NA	VEDANTA LIMITED	AACCS7101B		India		100.00			13-10-2023

**Note:** Vedanta Iron and Steel Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Volcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.

Note:

- Vedanta Iron and Steel Limited is a wholly owned subsidiary of Vedanta Limited which in turn is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") (erstwhile Vulcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.



Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	NA	NA
As on the end of previous 1st quarter	NA	NA
As on the end of previous 2nd quarter	NA	NA
As on the end of previous 3rd quarter	NA	NA
As on the end of previous 4th quarter	NA	NA





**Vedanta Iron and Steel Limited**  
**Post-Scheme (Indicative) Shareholding Pattern**

<p>1. Name of Resulting Company 4: <b>VEDANTA IRON AND STEEL LIMITED</b></p> <p>2. Scrip Code/Name of Scrip/Class of Security: <b>NA/EQUITY SHARES (TO BE LISTED PURSUANT TO SCHEME)</b></p> <p>3. Share Holding Pattern Filled under:  a. if under 31(1)(b) then indicate the report for quarter ending:  b. if under 31(1)(c) then indicate date of allotment/extinguishment:</p>	<p><i>This is the Post-Scheme (Indicative) Shareholding Pattern of Vedanta Iron and Steel Limited prepared based on the Shareholding data of Vedanta Limited (Demerged Company) as on December 31, 2024</i></p>																					
<p>4. Declaration : The Entity is required to submit the following declaration to the extent of submission of information:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;">Particulars</th> <th style="width: 10%;">YES*</th> <th style="width: 10%;">NO*</th> </tr> </thead> <tbody> <tr> <td>a. Whether the Entity has issued any partly paid up shares</td> <td></td> <td>No</td> </tr> <tr> <td>b. Whether the Entity has issued any Convertible Securities or Warrants?</td> <td></td> <td>No</td> </tr> <tr> <td>c. Whether the Entity has any shares against which depository receipts are issued?</td> <td></td> <td>No</td> </tr> <tr> <td>d. Whether the Entity has any shares in locked-in?</td> <td></td> <td>No</td> </tr> <tr> <td>e. Whether any shares held by promoters are pledged or otherwise encumbered?</td> <td>Yes</td> <td></td> </tr> <tr> <td>f. Whether the Entity has any significant beneficial owner?</td> <td>Yes</td> <td></td> </tr> </tbody> </table> <p>*If the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.</p>		Particulars	YES*	NO*	a. Whether the Entity has issued any partly paid up shares		No	b. Whether the Entity has issued any Convertible Securities or Warrants?		No	c. Whether the Entity has any shares against which depository receipts are issued?		No	d. Whether the Entity has any shares in locked-in?		No	e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes		f. Whether the Entity has any significant beneficial owner?	Yes	
Particulars	YES*	NO*																				
a. Whether the Entity has issued any partly paid up shares		No																				
b. Whether the Entity has issued any Convertible Securities or Warrants?		No																				
c. Whether the Entity has any shares against which depository receipts are issued?		No																				
d. Whether the Entity has any shares in locked-in?		No																				
e. Whether any shares held by promoters are pledged or otherwise encumbered?	Yes																					
f. Whether the Entity has any significant beneficial owner?	Yes																					
<p>5. The tabular format for disclosure of holding of specified securities is as follows:</p>																						



Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	No. of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (FY-IV+V)	Shareholding as % of total issued shares (As a % of [A+B+C])	Number of Voting Rights held in each class of securities						No of Shares underlying convertible securities (including Warrants)	Shareholding as a % of outstanding convertible securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
			[D]	[E]	[F]	[G]	[H]	No of Voting Rights						[J]	[K]	[L]	[M]	[N]
								Class X	Class Y	Total	Total as a % of [A+B+C]							
											[I]	[O]	[P]	[Q]	[R]	[S]	[T]	
[A]	Promoter & Promoter Group	9	2204867748	0	0	2204867748	5.38	2204867748	0	2204867748	5.38		0	0	58.38	0	220426793	2204867748
[B]	Public	1999905	1701147788	0	0	1701147788	43.50	1701147788	0	1701147788	43.50		0	0	43.50	0	0	2599595373
[C]	Non Promoter-Non Public	0	0	0	0	0	NA	0	0	0	0		0	0	0	0	NA	0
[C1]	Shares Underlying DRs	0	0	0	0	0	0	0	0	0	0		0	0	0	0	NA	0
[C2]	Shares Held by Employees Trusts	-1	4372519	0	0	4372519	0.11	4372519	0	4372519	0.11		0	0	0.11	0	0	4372519
	Totals:	1999915	9110386057	0	0	9110386057	100.00	9110386057	0	9110386057	100.00		0	0	100.00	0	220426793	3904883541









Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No. of Shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of Shares Underlying Depository Receipts	Total No. of Shares Held (iv+v+vi)	Shareholding as a % of total no. of shares (A+B+C2)	Number of Voting Rights held in each class of securities:			No of Shares Underlying Outstanding convertible Securities (including Warrants)	Total Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialised form
			(iii)	(iv)	(v)	(vi)	(vii)	(viii)	No of Voting Rights			(ix)	(x)	(xi)	(xii)	(xiii)
									Class X	Class Y	Total					
[1]	Custodian/DSC holder Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2002		1	4372519	0	0	4372519	0.11	4372519	0	4372519	0.11	0.11	0	0.00	4372519
[2]	Total Non-Promoter-Non Public Shareholding (C2) = (C23)+(C22)		1	4372519	0	0	4372519	0.11	4372519	0	4372519	0.11	0.11	0	0.00	4372519

Note:

(c) As per Regulation 3(5) of the SEBI(Share based Employee Benefits and Sweat Equity) Regulations, 2002 the voting rights of Vedanta Limited ESOS Trust are reserved.



Table V - Significant Beneficial Owner

Table 7 – Significant Beneficial Owners																
Sr. No.	Details of the SBO				Details of the registered owner				Details of holding/ exercise of right of the SBO in the reporting company, whether				Date of creation / acquisition of significant beneficial interest			
	Name	PAN	Passport No. in case of a foreign national	Nationality (Applicable in case of Any other is selected)	Nationality	Name	PAN	Passport No. in case of a foreign national	Nationality	Nationality (Applicable in case of Any other is selected)	Whether by virtue of:					
											Shares	Voting rights		Rights on distributable dividend or any other distribution	Exercise of control	Exercise of significant influence
1	Anil Kumar Agarwal	AFWPA3200K	NA	India	NA	WELTER TRADING LIMITED	AAACW8148G		Any other	It is a Body Corporate in Cyprus	0.98			No	No	11-12-2007
			NA	India	NA	TWIN STAR HOLDINGS LIMITED	AACCT6020C		Any other	It is a Body Corporate in Mauritius	40.02			No	No	11-12-2007
			NA	India	NA	VEDANTA HOLDINGS MAURITIUS II LIMITED	AAHCV4933B		Any other	It is a Body Corporate in Mauritius	12.6			No	No	24-12-2020
			NA	India	NA	VEDANTA HOLDINGS MAURITIUS LIMITED	AAHCV4615N		Any other	It is a Body Corporate in Mauritius	2.75			No	No	15-04-2021
			NA	India	NA	VEDANTA NETHERLANDS INVESTMENTS B.V	AAICV4101A		Any other	It is a Body Corporate in Netherlands	0.04			No	No	23-11-2021
Note:																
- Vedanta Iron and Steel Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL", Vedanta Incorporated ("Vedanta Inc.") (Erstwhile Volcan Investments Limited) and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.																

Note:

- Vedanta Iron and Steel Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc.") [erstwhile Vulcan Investments Limited] and its subsidiary hold 100.0% of the share capital and 100.0% of the voting rights of VRL. Vedanta Inc. is a holding company, 100.0% beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Conclave PTC Limited ("Conclave") is the trustee of the Trust and the sole registered shareholder of Vedanta Inc. VRL's shares are beneficially owned by Vedanta Inc. which may be deemed to be beneficially owned by the Trust, of which Mr. Anil Agarwal is the protector and with effect from October 16, 2014, one of the beneficiaries.





Table VI - Statement showing foreign ownership limits

	Board Approved Limits	Limits Utilized
As on shareholding date	100%	12.02%
As on the end of previous 1st quarter	100%	11.45%
As on the end of previous 2nd quarter	100%	12.61%
As on the end of previous 3rd quarter	100%	10.23%
As on the end of previous 4th quarter	100%	8.78%



## **Annexure L1**

**Fair Share Entitlement Ratio Report**

**Vedanta Limited (Demerged Company)**

**And**

**Aluminium Company (Resulting Company)**

**September, 2023**



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www.bdo.in

BDO Valuation Advisory LLP  
The Ruby, Level 9, North West Wing  
Senapati Bapat Marg, Dadar (W)  
Mumbai 400028, India

Ref: LM/Sep29-63/2023

September 29, 2023

To

**Board of Directors**

**Vedanta Limited**

1<sup>st</sup> Floor, C wing, Unit 103

Corporate Avenue Atul Projects

Chakala, Andheri (E), Mumbai - 400093

Maharashtra, India.

Dear Sir(s)/ Madam(s),

**Sub: Recommendation of fair share entitlement ratio for the proposed demerger of the Aluminium Undertaking of Vedanta Limited (“VEDL”) into Aluminium Company (“Aluminium Co”) on a going concern basis pursuant to Scheme of Arrangement between VEDL and Aluminium Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Act”).**

We, BDO Valuation Advisory LLP (“BDO VAL” or “We” or “Us”), have been appointed vide Letter of Award of Contract dated May 26, 2023 to recommend the fair share entitlement ratio for the proposed demerger of the Aluminium business of Vedanta Limited (“VEDL” or “Demerged Company”) comprising inter alia of its strategic investment in Bharat Aluminium Company Limited (“BALCO”), Captive Power and Coal Mines (together referred as “Aluminium Undertaking”) into Aluminium Company (“Aluminium Co” or “Resulting Company”) on going concern basis pursuant to Scheme of Arrangement between VEDL and Aluminium Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Scheme”).

VEDL and Aluminium Co shall hereinafter collectively be referred as “the Companies”.

We are pleased to present herewith our report (“Report”) on the same.

We have determined the fair share entitlement ratio for the proposed demerger as on September 29, 2023 (“Valuation Date” or “Report Date”). A summary of the analysis is presented in the accompanying Report, as well as description of the methodology and procedure we used, and the factors we considered in formulating our opinion.

BDO Valuation Advisory LLP, an Indian limited liability partnership firm, with LLP Identity No. AAN9463, is a member of BDO International Limited, a UK company limited by guarantee and forms part of the International BDO network of independent member firms.

Regd. Office: The Ruby, 9, North West Wing, Senapati Bapat Marg, Dadar (W), Mumbai 400028, INDIA

Sensitivity: Public (C4)





We believe that our analysis must be considered as a whole. Selecting portion of our analysis or the factors we considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. This letter should be read in conjunction with the attached Report.

**For BDO Valuation Advisory LLP**

IBBI No.: IBBI/RV-E/02/2019/103

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**Lata Gujar More**

**Partner**

IBBI No.: IBBI/RV/06/2018/10488

VRN No.: IOVRVF/BDO/2023-2024/2041



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## 1. Brief Background of the Companies

### Vedanta Limited

- 1.1. Vedanta Limited is a company incorporated under the Companies Act, 1956 with Corporate Identification Number (“CIN”) L13209MH1965PLC291394 and registered office situated at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai, Mumbai City, Maharashtra 400093, India.
- 1.2. The authorised, issued, subscribed and paid-up equity share capital of VEDL as on September 15, 2023 is as under:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
<b>Total</b>	<b>74,12,01,00,000</b>
<b><u>ISSUED AND SUBSCRIBED SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>PAID-UP SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>LISTED CAPITAL</u></b>	
3,71,71,99,039* equity shares of INR 1 each	3,71,71,99,039
<b>Total</b>	<b>3,71,71,99,039</b>

\* 3,05,832 shares are under abeyance category which are pending for allotment being sub-judice. Out of the said shares, 7,200 equity shares have been released from abeyance category during Q1 FY 24 and are pending listing approval.

- 1.3. Subsequent to the above data, there has been no change in the Authorised, Issued and Subscribed capital of the VEDL till the date of this report.
- 1.4. The equity shares of the Demerged Company are listed on the National Stock Exchange of India Limited and BSE Limited. The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.





#### Aluminium Undertaking

- 1.5. Aluminium Undertaking means the undertaking of the Demerged Company pertaining to all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company's division engaged in mining and processing of bauxite and refining of alumina and extraction, manufacture and sale of aluminium, as further defined in the Scheme.

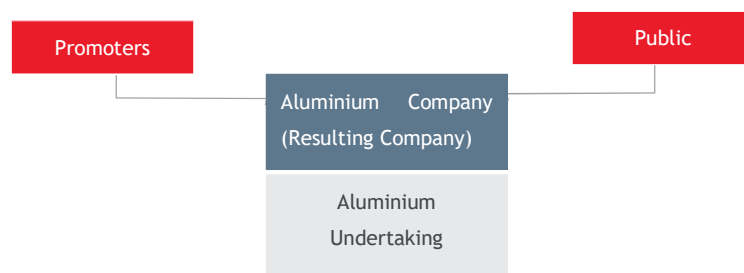
#### Aluminium Co

- 1.6. Aluminum Co is in the process of incorporation as the wholly owned subsidiary of Vedanta Limited. Its authorized, issued, subscribed and paid-up equity share capital at the time of incorporation will be as follow:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
1,00,000 Equity Shares of INR 1/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b><u>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</u></b>	
1,00,000 Equity Shares of INR 1/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>

## 2. Purpose of Valuation

- 2.1. The Scheme inter alia provides for demerger of the Aluminium Undertaking of VEDL to Aluminium Co, and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company (“Proposed Demerger”).
- 2.2. The Proposed Structure of Aluminium Co. as a result of the Proposed Demerger is as follows:



- 2.3. In this regard, we have been appointed to determine the fair share entitlement ratio for the Proposed Demerger as part of the Scheme.
- 2.4. Further, as part of and provided in the Scheme, all the existing outstanding shares of Aluminium Co shall stand cancelled by way of capital reduction.
- 2.5. The Appointed Date for the Scheme is the Effective Date as defined in the scheme.



### 3. Terms of Engagement

#### Context and Purpose

- 3.1. BDO Val has been appointed to determine the fair share entitlement ratio for the Proposed Demerger as mentioned in Section 2 of this Report in accordance with generally accepted International Valuation Standards (“IVS”) issued by International Valuation Standards Council (“IVSC”) as recommended by IOV Registered Valuers Foundation. This valuation exercise and Valuation Report are solely for the purpose mentioned in the Report.

#### Restricted Audience

- 3.2. This Report and the information contained herein are absolutely confidential and are intended for the use of the Companies only for submitting to the statutory and regulatory authorities for compliance under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and applicable provisions and circular issued by Securities and Exchange Board of India (“SEBI”) applicable to a scheme of arrangement. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.
- 3.3. This Report will be placed before the Board of Directors of VEDL and Aluminium Co and intended only for their sole use and information only. To the extent mandatorily required under applicable laws of India, this Report maybe produced before judicial, regulatory or government authorities, in connection with the Proposed Demerger. We are not responsible to any other person or party, for any decision of such person or party based on this Report. Any person or party intending to provide finance/ invest in the shares/ business of VEDL/Aluminium Co or their holding companies, subsidiaries, associates, joint ventures shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to BDO Val.
- 3.4. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose as set out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.
- 3.5. Without limiting the foregoing, we understand that the Companies may be required to share this Report with regulatory or judicial authorities including stock exchanges, SEBI, Regional Director, Registrar of Companies, National Company Law Tribunal, professional advisors of the Companies including merchant bankers providing fairness opinion on the fair share entitlement ratio, in connection with the Proposed Demerger (“Permitted Recipients”) and host this report on the website of the Companies. We hereby give consent to such disclosure of this Report, on the basis that we owe responsibility only to Companies that have engaged





us, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and/or filing with Permitted Recipients, in connection with the Proposed Demerger, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/ party other than Companies.

#### 4. Caveats, Limitations and Disclaimers

- 4.1. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 4.2. This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the data detailed in the section - Sources of Information.
- 4.3. We were provided with sufficient information and time to make our opinion for this valuation exercise. However, our opinion may change if any material information is not disclosed / hidden from us during our valuation exercise.
- 4.4. The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Accordingly, we express no audit opinion or any other form of assurance on this information on behalf of the Companies. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
- 4.5. Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the Companies. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. Further events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- 4.6. We have no present or planned future interest in the Companies or any of their group companies.
- 4.7. The recommendation contained herein is not intended to represent value at any time other than the Valuation Date.
- 4.8. This Report is subject to the laws of India.



- 4.9. The fee for this engagement is not contingent upon the outcome of the Report.
- 4.10. In rendering this Report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.
- 4.11. This Report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our Report.
- 4.12. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our Report.
- 4.13. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
- 4.14. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our Report or by virtue of fact that the details provided to us are incorrect or inaccurate.
- 4.15. We have arrived at a relative value based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
- 4.16. Our scope is limited to recommendation of fair share entitlement ratio. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Demerger with the provisions of any law including the Companies Act 2013, Foreign Exchange Management Act, 1999, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from Proposed Demerger.
- 4.17. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operation unless otherwise stated and that the Companies will be managed in competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of legal nature, including issues of legal title and compliance with local laws, litigation and other contingent liabilities that are not recorded in the financial statements of the Companies.



- 4.18. This Report does not look into the business/commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the Companies are sole responsibility of the investors of the Companies and we don't express opinion on the suitability or otherwise of entering into any financial or other transactions with the Companies.
- 4.19. No investigation/inspection of the Companies' claim to the title of assets has been made for the purpose of this Report and the same has assumed to be valid. No consideration has been given to liens or encumbrances against such assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of legal nature.
- 4.20. The determination of a fair share entitlement ratio is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different opinion.
- 4.21. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this Report.
- 4.22. We owe responsibility to only the Board of Directors of the Companies and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other party to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents. In the particular circumstances of this case, our liability, if any (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, howsoever the loss or damage caused, shall be limited to the amount of fees actually received by us from the Company, as laid out in the engagement letter, for such valuation work.
- 4.23. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.





- 4.24. This Report does not in any manner address the prices at which equity shares of the Companies will trade following the announcement and/or implementation of the Proposed Demerger and we express no opinion or recommendation as to how the shareholders of the Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Demerger.
- 4.25. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).
- 4.26. Client has informed us that ICICI Securities Limited has been appointed to provide fairness opinion on the recommended fair share entitlement ratio for the purpose of aforementioned Scheme. Further at the request of the Companies, we have had discussions with the Fairness Opinion provider on the valuation approach adopted and assumptions made by us.
- 4.27. VEDL has been provided with the opportunity to review the draft Report (excluding the recommended equity share entitlement ratio) as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.

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## 5. Sources of Information

5.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management/ representatives of the Companies:

- Carved out financials of Aluminium Business of VEDL for Financial Year (“FY”) ended March 31, 2023;
- Carved out financials of Aluminium Business of VEDL for the period ended June 30, 2023;
- Financials of BALCO for FY ended March 31, 2023 and for the period ended June 30, 2023;
- Shareholding pattern of VEDL as at June 30, 2023;
- Draft Scheme of Arrangement between VEDL and Aluminium Co. and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
- Proposed Capital Structure of Aluminium Co. as on the Effective Date (as defined in the Scheme); and
- Other relevant data and information provided to us by the representatives of the Companies either in written or oral form or in form of soft copy of the Companies.

5.2. We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the management of VEDL (“**Management**”). VEDL has been provided with the opportunity to review the draft Report (excluding the recommended Fair Share Entitlement Ratio) as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final Report.

5.3. The Management has informed us that there would be no significant variation between the draft Scheme and the final scheme approved and submitted with the relevant authorities.

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## 6. Procedures Adopted

6.1. Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including but not limited to the following:

- Discussion with the Management to:
  - o Understand the rationale for the Proposed Demerger and the Scheme;
  - o Understand the current and proposed capital structure of Aluminium Co.;
  - o Understand the business and fundamental factors that affect the operations of VEDL and Aluminium Co.;
- Requested and received financial and qualitative information;
- Analysis of information shared by the Management;
- Reviewed the draft Scheme of Arrangement between the Companies;
- Reviewed the audited financial results/statements of VEDL, Carved out financials of Aluminium Co for the FY ended March 31, 2023 and period ended June 30, 2023;
- Reviewed the shareholding pattern of VEDL as at June 30, 2023;
- Determined the fair share entitlement ratio for issue of equity shares of Aluminium Co to the shareholders of VEDL as consideration for the Proposed Demerger after taking into consideration the proposed capital structure of Aluminium Co and the effect of capital reduction in VEDL forming part of the Scheme.

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## 7. Approach for Determination of Fair Share Entitlement Ratio

- 7.1. As mentioned earlier, as per the Scheme, the Aluminium Undertaking is proposed to be demerged from VEDL into Aluminium Co. VEDL has identified all the assets and liabilities of Aluminium Undertaking of VEDL which are to be taken over by and transferred to Aluminium Co. and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company.
- 7.2. We understand that, upon the scheme being effective, the shareholding pattern of VEDL and Aluminium company will be identical. All the shareholders of VEDL would also become the shareholders of Aluminium Co. and every shareholder of VEDL will hold same percentage of equity ownership in Aluminium as owns in VEDL and accordingly their shareholding in Aluminium Co would mirror their existing shareholding in VEDL prior to the Scheme.
- 7.3. Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary. We have therefore not carried out any independent valuation of the subject business.
- 7.4. Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Demerged Company shall be identical to that of Resulting Company. The beneficial economic interest of Demerged Company shareholders in Resulting Company will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the Proposed Demerger will be value-neutral to the Demerged Company's shareholders.

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## 8. Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger

8.1. On the basis of the foregoing, considering the proposed Capital Structure of Aluminium Co as informed to us by the Management and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, a share entitlement ratio in the event of the Proposed Demerger would be as follows:

*“1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each in Aluminium Co. for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

8.2. Our Report and fair share entitlement ratio is based on the current equity share capital structure of VEDL and envisaged equity share capital of Aluminium Co as mentioned above. Any variation in the equity share capital structure of VEDL and Aluminium Co apart from the above mentioned may have an impact on the fair share entitlement ratio.

8.3. Upon the Scheme being effective, fresh issue of shares would be made to the existing shareholders of VEDL on a proportionate basis such that their existing holding in VEDL is replicated in Aluminium Co. Accordingly, we believe that any fair share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the inter-se proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary and we have therefore not carried out any independent valuation of the subject business.

8.4. Accordingly, considering the approach and the rationale for the fair share entitlement ratio discussed in para 7 above, the valuation approaches as indicated in the format (as shown below) as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not applicable in the instant case:

Valuation Approach	VEDL		Aluminium Co	
	Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Value Per Share	NA		NA	
Share entitlement Ratio	NA		NA	

NA = Not Applicable

**Fair Share Entitlement Ratio Report**

**Vedanta Limited (Demerged Company)**

**And**

**Talwandi Sabo Power Limited (Resulting Company)**

**September 2023**





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BDO Valuation Advisory LLP  
The Ruby, Level 9, North West Wing  
Senapati Bapat Marg, Dadar (W)  
Mumbai 400028, India

Ref: LM/Sep29-64/2023

September 29, 2023

To  
**Board of Directors**  
**Vedanta Limited**  
1<sup>st</sup> Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai - 400093,  
Maharashtra, India.

To  
**Board of Directors**  
**Talwandi Saboo Power Limited**  
Village Banwala, Talwandi Sabo Road,  
Mansa - 151302, Punjab, India.

Dear Sir(s)/ Madam(s),

**Sub: Recommendation of fair share entitlement ratio for the proposed demerger of the Merchant Power Undertaking of Vedanta Limited (“VEDL”) into Talwandi Saboo Power Limited (“TSPL”) on a going concern basis pursuant to Scheme of Arrangement between VEDL and TSPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Act”).**

We, BDO Valuation Advisory LLP (“**BDO VAL**” or “**We**” or “**Us**”), have been appointed vide Letter of Award of Contract dated May 26, 2023 to recommend the fair share entitlement ratio for the proposed demerger of the Merchant Power Undertaking of Vedanta Limited (“**VEDL**” or “**Demerged Company**”) into Talwandi Saboo Power Limited (“**TSPL**” or “**Resulting Company**”) on going concern basis pursuant to Scheme of Arrangement between VEDL and TSPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“**the Scheme**”).

VEDL and TSPL shall hereinafter collectively be referred as “**the Companies**”.

We are pleased to present herewith our report (“**Report**”) on the same.

We have determined the fair share entitlement ratio for the proposed demerger as on September 29, 2023 (“**Valuation Date**” or “**Report Date**”). A summary of the analysis is presented in the accompanying Report, as well as description of the methodology and procedure we used, and the factors we considered in formulating our opinion.

BDO Valuation Advisory LLP, an Indian limited liability partnership firm, with LLP Identity No. AAN9463, is a member of BDO International Limited, a UK company limited by guarantee and forms part of the International BDO network of independent member firms.

Regd. Office: The Ruby, 9, North West Wing, Senapati Bapat Marg, Dadar (W), Mumbai 400028, INDIA



We believe that our analysis must be considered as a whole. Selecting portion of our analysis or the factors we considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. This letter should be read in conjunction with the attached Report.

**For BDO Valuation Advisory LLP**

IBBI No.: IBBI/RV-E/02/2019/103

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**Lata Gujar More**

**Partner**

IBBI No.: IBBI/RV/06/2018/10488

VRN No.: IOVRVF/BDO/2023-2024/2041



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## 1. Brief Background of the Companies

### Vedanta Limited

- 1.1. Vedanta Limited is a company incorporated under the Companies Act, 1956 with Corporate Identification Number (“CIN”) L13209MH1965PLC291394 and registered office situated at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai, Mumbai City, Maharashtra 400093, India.
- 1.2. The authorised, issued, subscribed and paid-up equity share capital of VEDL as on September 15, 2023 is as under:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
<b>Total</b>	<b>74,12,01,00,000</b>
<b><u>ISSUED AND SUBSCRIBED SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>PAID-UP SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>LISTED CAPITAL</u></b>	
3,71,71,99,039* equity shares of INR 1 each	3,71,71,99,039
<b>Total</b>	<b>3,71,71,99,039</b>

\* 3,05,832 shares are under abeyance category which are pending for allotment being sub-judice. Out of the said shares, 7,200 equity shares have been released from abeyance category during Q1 FY 24 and are pending listing approval.

- 1.3. Subsequent to above data, there has been no change in the authorised, issued and subscribed capital of the VEDL till the date of this report.
- 1.4. The equity shares of the Demerged Company are listed on the National Stock Exchange of India Limited and BSE Limited. The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.



#### Talwandi Saboo Power Limited

- 1.5. Talwandi Saboo Power Limited is a wholly owned subsidiary of VEDL. Its CIN and registered address as per MCA are U40101PB2007PLC031035 and Village Banwala, Talwandi Sabo Road, Mansa - 151302, Punjab, India, respectively.
- 1.6. It got selected as the successful bidder after going through a tariff based International Competitive Bidding process with Punjab State Power Corporation Limited (“PSPCL”) (formerly known as Punjab State Electricity Board) to construct a 1,980 MW coal based thermal power plant on Build, Own and Operate basis. The PPA for sale of power from the Plant to PSEB for a period of 25 years and other necessary documents were signed between VEDL, TSPL and PSPCL on September 01, 2008. It has been allotted the linkage coal from Mahanadi Coal Fields Limited, Odisha.
- 1.7. The authorised, issued, subscribed and paid-up equity share capital of TSPL as on September 15, 2023:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
4,00,00,00,000 Equity Shares of INR 10.0/- each	40,00,00,00,000
<b>Total</b>	<b>40,00,00,00,000</b>
<b><u>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</u></b>	
3,20,66,09,692 Equity Shares of INR 10.0/- each	32,06,60,96,920
<b>Total</b>	<b>32,06,60,96,920</b>

- 1.8. We have been informed by the management of VEDL that after the above date and till the date of this Report, there has been no change in the authorized, issued, subscribed and paid-up capital of TSPL.

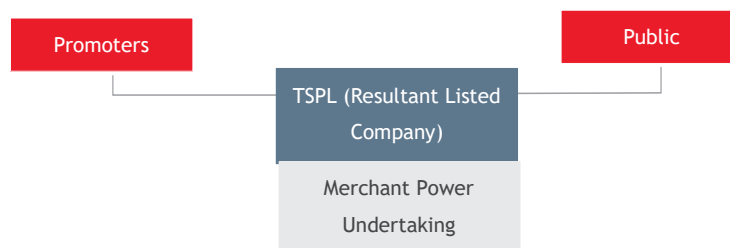
#### Merchant Power Undertaking

Merchant Power Undertaking means the undertaking of the Demerged Company pertaining to all the businesses, undertakings, activities, properties and liabilities of whatsoever nature of the Demerged Company in relation to generation and sale of merchant power, as defined in the Scheme.

## 2. Purpose of Valuation

2.1. The Proposed Scheme of Arrangement inter alia provides for Demerger of the Merchant Power Undertaking of VEDL to Talwandi Sabo Power Limited ("**Resulting Company**"), and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company ("**Proposed Demerger**").

2.2. The Proposed Structure of TSPL as a result of Proposed Demerger is as follows:



2.3. In this regard, we have been appointed to determine the fair share entitlement ratio for the Proposed Demerger as part of the Scheme.

2.4. Further, as part of and provided in the Scheme, all the existing outstanding shares of TSPL, Athena Chhattisgarh Power Limited ("**Athena**") and Meenakshi Energy Limited ("**MEL**") shall stand cancelled by way of capital reduction.

2.5. The Appointed Date for the Scheme is Effective Date as per the Scheme.





### 3. Terms of Engagement

#### Context and Purpose

- 3.1. BDO Val has been appointed to determine the fair share entitlement ratio for the Proposed Demerger as mentioned in Section 2 of this Report in accordance with generally accepted International Valuation Standards (“IVS”) issued by International Valuation Standards Council (“IVSC”) as recommended by IOV Registered Valuers Foundation. This valuation exercise and Valuation Report are solely for the purpose mentioned in the Report.

#### Restricted Audience

- 3.2. This Report and the information contained herein are absolutely confidential and are intended for the use of the Companies only for submitting to the statutory and regulatory authorities for compliance under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and applicable provisions and circular issued by Securities and Exchange Board of India (“SEBI”) applicable to a scheme of arrangement. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.
- 3.3. This Report will be placed before the Board of Directors of VEDL and TSPL and intended only for their sole use and information only. To the extent mandatorily required under applicable laws of India, this Report maybe produced before judicial, regulatory or government authorities, in connection with the Proposed Demerger. We are not responsible to any other person or party, for any decision of such person or party based on this Report. Any person or party intending to provide finance/ invest in the shares/business of VEDL/TSPL or their holding companies, subsidiaries, associates, joint ventures shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to BDO Val.
- 3.4. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose as set out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.
- 3.5. Without limiting the foregoing, we understand that the Companies may be required to share this Report with regulatory or judicial authorities including stock exchanges, SEBI, Regional Director, Registrar of Companies, National Company Law Tribunal, professional advisors of the Companies including merchant bankers providing fairness opinion on the fair share entitlement ratio, in connection with the Proposed Demerger (“Permitted Recipients”) and host this Report on the website of the Companies. We hereby give consent to such disclosure of this Report, on the basis that we owe responsibility only to Companies that have engaged



us, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and/or filing with Permitted Recipients, in connection with the Proposed Demerger, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/ party other than Companies.

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#### 4. Caveats, Limitations and Disclaimers

- 4.1. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 4.2. This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the data detailed in the section - Sources of Information.
- 4.3. We were provided with sufficient information and time to make our opinion for this valuation exercise. However, our opinion may change if any material information is not disclosed / hidden from us during our valuation exercise.
- 4.4. The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Accordingly, we express no audit opinion or any other form of assurance on this information on behalf of the Companies. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
- 4.5. Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the Companies. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. Further events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- 4.6. We have no present or planned future interest in the Companies or any of their group companies.
- 4.7. The recommendation contained herein is not intended to represent value at any time other than the Valuation Date.
- 4.8. This Report is subject to the laws of India.
- 4.9. The fee for this engagement is not contingent upon the outcome of the Report.
- 4.10. In rendering this Report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.





- 4.11. This Report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our Report.
- 4.12. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our Report.
- 4.13. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
- 4.14. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our Report or by virtue of fact that the details provided to us are incorrect or inaccurate.
- 4.15. We have arrived at a relative value based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
- 4.16. Our scope is limited to recommendation of fair share entitlement ratio. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Demerger with the provisions of any law including the Companies Act 2013, Foreign Exchange Management Act, 1999, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from Proposed Demerger.
- 4.17. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operation unless otherwise stated and that the Companies will be managed in competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of legal nature, including issues of legal title and compliance with local laws, litigation and other contingent liabilities that are not recorded in the financial statements of the Companies.

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- 4.18. This Report does not look into the business/commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the Companies are sole responsibility of the investors of the Companies and we don't express opinion on the suitability or otherwise of entering into any financial or other transactions with the Companies.
- 4.19. No investigation/inspection of the Companies' claim to the title of assets has been made for the purpose of this Report and the same has assumed to be valid. No consideration has been given to liens or encumbrances against such assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of legal nature.
- 4.20. The determination of a fair share entitlement ratio is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different opinion.
- 4.21. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this Report.
- 4.22. We owe responsibility to only the Board of Directors of the Companies and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other party to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents. In the particular circumstances of this case, our liability, if any (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, howsoever the loss or damage caused, shall be limited to the amount of fees actually received by us from the Company, as laid out in the engagement letter, for such valuation work.
- 4.23. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.



- 4.24. This Report does not in any manner address the prices at which equity shares of the Companies will trade following the announcement and/or implementation of the Proposed Demerger and we express no opinion or recommendation as to how the shareholders of the Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Demerger.
- 4.25. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).
- 4.26. Client has informed us that ICICI Securities Limited has been appointed to provide fairness opinion on the recommended fair share entitlement ratio for the purpose of aforementioned Scheme. Further at the request of the Companies, we have had discussions with the Fairness Opinion provider on the valuation approach adopted and assumptions made by us.
- 4.27. The Companies have been provided with the opportunity to review the draft Report (excluding the recommended share entitlement ratio) as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.

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## 5. Sources of Information

- 5.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management/ representatives of the Companies:
- Carved out / Set of financials of Merchant Power Undertaking of VEDL for Financial Year (“FY”) ended March 31, 2023;
  - Carved out / Set of financials of Merchant Power Undertakings of VEDL for the period ended June 30, 2023;
  - Shareholding pattern of VEDL and TSPL as at June 30, 2023;
  - Draft Scheme of Arrangement between VEDL and TSPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
  - Proposed Capital Structure of TSPL as on the Effective Date (as defined in the Scheme); and
  - Other relevant data and information provided to us by the representatives of the Companies either in written or oral form or in form of soft copy of the Companies.
- 5.2. We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the management of Companies (“**Management**”). Companies have been provided with the opportunity to review the draft Report (excluding the recommended Fair Share Entitlement Ratio) as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final Report.
- 5.3. The Management has informed us that there would be no significant variation between the draft Scheme and the final scheme approved and submitted with the relevant authorities.

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## 6. Procedures Adopted

6.1. Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including but not limited to the following:

- Discussion with the Management to:
  - o Understand the rationale for the Proposed Demerger and the Scheme;
  - o Understand the current and proposed capital structure of TSPL;
  - o Understand the business and fundamental factors that affect the operations of VEDL and TSPL;
- Requested and received financial (historical, Current & Projected) and qualitative information;
- Analysis of information shared by the Management;
- Reviewed the draft Scheme of Arrangement between the Companies;
- Reviewed the audited financial results/statements of VEDL for the FY ended March 31, 2023 and Carved out financials of Merchant Power Undertaking for the FY ended March 31, 2023 and for period ended June 30, 2023;
- Considered the shareholding pattern of the Companies as at June 30, 2023;
- Determined the fair share entitlement ratio for issue of equity shares of TSPL to the shareholders of VEDL as consideration for the Proposed Demerger after taking into consideration the proposed capital structure of TSPL and the effect of capital reduction in VEDL forming part of the Scheme.

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## 7. Approach for Determination of Fair Share Entitlement Ratio

- 7.1. As mentioned earlier, as per the Scheme, the Demerged Undertaking i.e. business of Merchant Power Undertaking is proposed to be demerged from VEDL into TSPL. VEDL has identified all the assets and liabilities of Merchant Power Undertaking of VEDL which are to be taken over by and transferred to TSPL and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company.
- 7.2. We understand that, upon the scheme being effective, the shareholding pattern of VEDL and TSPL will be identical. All the shareholders of VEDL would also become the shareholders of TSPL and every shareholder of VEDL will hold same percentage of equity ownership in TSPL as owns in VEDL and accordingly their shareholding in TSPL would mirror their existing shareholding in VEDL prior to the Scheme.
- 7.3. Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary. We have therefore not carried out any independent valuation of the subject business.
- 7.4. Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Demerged Company shall be identical to that of Resulting Company. The beneficial economic interest of Demerged Company shareholders in Resulting Company will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the Proposed Demerger will be value-neutral to the Demerged Company's shareholders.

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## 8. Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger

8.1. On the basis of the foregoing, considering the proposed Capital Structure of TSPL as informed to us by the Management and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, a share entitlement ratio in the event of the Proposed Demerger would be as follows:

*“1 (One) fully paid Equity Share of INR 10/- (Indian Rupees Ten) each in TSPL for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

8.2. Our Report and fair share entitlement ratio is based on the current equity share capital structure of VEDL and envisaged equity share capital of TSPL as mentioned above. Any variation in the equity share capital structure of VEDL and TSPL apart from the above-mentioned may have an impact on the fair share entitlement ratio.

8.3. Upon the Scheme being effective, fresh issue of shares would be made to the existing shareholders of VEDL on a proportionate basis such that their existing holding in VEDL is replicated in TSPL. Accordingly, we believe that any fair share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the inter-se proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary and we have therefore not carried out any independent valuation of the subject business.

8.4. Accordingly, considering the approach and the rationale for the fair share entitlement ratio discussed in para 7 above, the valuation approaches as indicated in the format (as shown below) as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not applicable in the instant case:

Valuation Approach	VEDL		TSPL	
	Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Value Per Share	NA		NA	
Share entitlement Ratio	NA		NA	

NA = Not Applicable

**Annexure L3**

**Fair Share Entitlement Ratio Report**

**Vedanta Limited (Demerged Company)**

**And**

**Malco Energy Limited (Resulting Company)**

**September 2023**



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www.bdo.in

BDO Valuation Advisory LLP  
The Ruby, Level 9, North West Wing  
Senapati Bapat Marg, Dadar (W)  
Mumbai 400028, India

Ref: LM/Sep29-65/2023

September 29, 2023

To  
**Board of Directors**  
**Vedanta Limited**  
1<sup>st</sup> Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai - 400093,  
Maharashtra, India.

To  
**Board of Directors**  
**Malco Energy Limited**  
SIPCOT Industrial Complex,  
Madurai Bypass Road, T.V. Puram P.O.  
Tuticorin, Tamil Nadu, India, 628002.

Dear Sir(s)/ Madam(s),

**Sub: Recommendation of fair share entitlement ratio for the proposed demerger of the Oil and Gas Undertaking of Vedanta Limited (“VEDL”) into Malco Energy Limited (“Malco”) on a going concern basis pursuant to Scheme of Arrangement between VEDL and Malco and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Act”).**

We, BDO Valuation Advisory LLP (“BDO VAL” or “We” or “Us”), have been appointed vide Letter of Award of Contract dated May 26, 2023 to recommend the fair share entitlement ratio for the proposed demerger of the Oil and Gas Undertaking of Vedanta Limited (“VEDL” or “Demerged Company”) into Malco Energy Limited (“Malco” or “Resulting Company”) on going concern basis pursuant to Scheme of Arrangement between VEDL and Malco and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Scheme”).

VEDL and Malco shall hereinafter collectively be referred as “the Companies”.

We are pleased to present herewith our report (“Report”) on the same.

We have determined the fair share entitlement ratio for the proposed demerger as on September 29, 2023 (“Valuation Date” or “Report Date”). A summary of the analysis is presented in the accompanying Report, as well as description of the methodology and procedure we used, and the factors we considered in formulating our opinion.

BDO Valuation Advisory LLP, an Indian limited liability partnership firm, with LLP Identity No. AAN9463, is a member of BDO International Limited, a UK company limited by guarantee and forms part of the International BDO network of independent member firms.

Regd. Office: The Ruby, 9, North West Wing, Senapati Bapat Marg, Dadar (W), Mumbai 400028, INDIA





We believe that our analysis must be considered as a whole. Selecting portion of our analysis or the factors we considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. This letter should be read in conjunction with the attached Report.

**For BDO Valuation Advisory LLP**

IBBI No.: IBBI/RV-E/02/2019/103

Lata Gujar  
More

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Date: 2023.09.29  
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**Lata Gujar More**

**Partner**

IBBI No.: IBBI/RV/06/2018/10488

VRN No.: IOVRVF/BDO/2023-2024/2041



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## 1. Brief Background of the Companies

### Vedanta Limited

- 1.1. Vedanta Limited is a company incorporated under the Companies Act, 1956 with Corporate Identification Number (“CIN”) L13209MH1965PLC291394 and registered office situated at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai, Mumbai City, Maharashtra 400093, India.
- 1.2. The authorised, issued, subscribed and paid-up equity share capital of VEDL as on September 15, 2023 is as under:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
<b>Total</b>	<b>74,12,01,00,000</b>
<b><u>ISSUED AND SUBSCRIBED SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>PAID-UP SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>LISTED CAPITAL</u></b>	
3,71,71,99,039* equity shares of INR 1 each	3,71,71,99,039
<b>Total</b>	<b>3,71,71,99,039</b>

\* 3,05,832 shares are under abeyance category which are pending for allotment being sub-judice. Out of the said shares, 7,200 equity shares have been released from abeyance category during Q1 FY 24 and are pending listing approval.

- 1.3. Subsequent to above data, there has been no change in the authorised, issued and subscribed capital of the VEDL till the date of this report.
- 1.4. The equity shares of the Demerged Company are listed on the National Stock Exchange of India Limited and BSE Limited. The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.





### Oil and Gas Undertaking

- 1.5. Oil and Gas Undertaking means the undertaking of the Demerged Company pertaining to all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company's division engaged in discovery, extraction, storage and sale of oil and natural gas, as defined in the Scheme.

### Malco Energy Limited

- 1.6. MALCO Energy Limited, a company incorporated under the Companies Act, 1956 with CIN U31300TN2001PLC069645 and registered office situated at SIPCOT Industrial Complex, Madurai Bypass Road, T.V. Puram P.O., Tuticorin, Tamil Nadu, India, 628002. The authorised, issued, subscribed and paid-up equity share capital of Malco as on September 15, 2023:

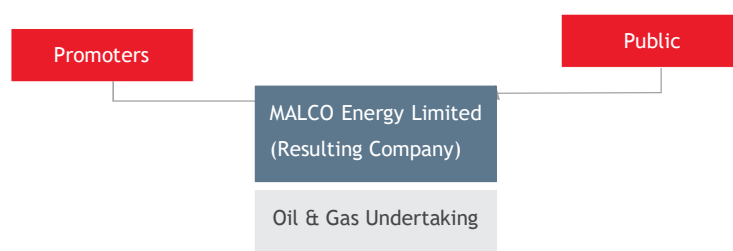
Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
88,00,00,000 equity shares of INR 2 each	176,00,00,000
12,50,000 preference shares of INR 1,000 each	125,00,00,000
<b>Total</b>	<b>301,00,00,000</b>
<b><u>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL*</u></b>	
2,33,66,406 equity shares of INR 2 each	4,67,32,812
<b>Total</b>	<b>4,67,32,812</b>

\* At present, Resulting Company has issued 613,54,483 compulsory convertible debentures of face value INR 100 each to the Demerged Company. Prior to the Effective Date, subject to receipt of all necessary approvals, it is proposed that a portion of these compulsorily convertible debentures shall be converted into equity shares, and the share capital set out above may accordingly undergo a change prior to the Effective Date.

- 1.7. We have been informed by the management of VEDL that after the above date and till the date of this Report, there has been no change in the authorized, issued, subscribed and paid-up capital of Malco.

## 2. Purpose of Valuation

- 2.1. The Scheme inter alia provides for Demerger of Oil and Gas Undertaking of VEDL to Malco and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company (“Proposed Demerger”).
- 2.2. The Proposed Structure of Malco as a result of the Proposed Demerger is as follows:



- 2.3. In this regard, we have been appointed to determine the fair share entitlement ratio for the Proposed Demerger as part of the Scheme.
- 2.4. Further, as part of and provided in the Scheme, all the existing outstanding shares of Malco shall stand cancelled by way of capital reduction.
- 2.5. The Appointed Date for the Scheme is the Effective Date as defined in the scheme.

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### 3. Terms of Engagement

#### Context and Purpose

- 3.1. BDO Val has been appointed to determine the fair share entitlement ratio for the Proposed Demerger as mentioned in Section 2 of this Report in accordance with generally accepted International Valuation Standards (“IVS”) issued by International Valuation Standards Council (“IVSC”) as recommended by IOV Registered Valuers Foundation. This valuation exercise and Valuation Report are solely for the purpose mentioned in the Report.

#### Restricted Audience

- 3.2. This Report and the information contained herein are absolutely confidential and are intended for the use of the Companies only for submitting to the statutory and regulatory authorities for compliance under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and applicable provisions and circular issued by Securities and Exchange Board of India (“SEBI”) applicable to a scheme of arrangement. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.
- 3.3. This Report will be placed before the Board of Directors of VEDL and Malco and intended only for their sole use and information only. To the extent mandatorily required under applicable laws of India, this Report may be produced before judicial, regulatory or government authorities, in connection with the Proposed Demerger. We are not responsible to any other person or party, for any decision of such person or party based on this Report. Any person or party intending to provide finance/ invest in the shares/business of VEDL/Malco or their holding companies, subsidiaries, associates, joint ventures shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to BDO Val.
- 3.4. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose as set out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.
- 3.5. Without limiting the foregoing, we understand that the Companies may be required to share this Report with regulatory or judicial authorities including stock exchanges, SEBI, Regional Director, Registrar of Companies, National Company Law Tribunal, professional advisors of the Companies including merchant bankers providing fairness opinion on the fair share entitlement ratio, in connection with the Proposed Demerger (“Permitted Recipients”) and host this Report on the website of the Companies. We hereby give consent to such disclosure of this Report, on the basis that we owe responsibility only to Companies that have engaged





us, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and/or filing with Permitted Recipients, in connection with the Proposed Demerger, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/ party other than Companies.

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#### 4. Caveats, Limitations and Disclaimers

- 4.1. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 4.2. This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the data detailed in the section - Sources of Information.
- 4.3. We were provided with sufficient information and time to make our opinion for this valuation exercise. However, our opinion may change if any material information is not disclosed / hidden from us during our valuation exercise.
- 4.4. The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Accordingly, we express no audit opinion or any other form of assurance on this information on behalf of the Companies. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
- 4.5. Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the Companies. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. Further events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- 4.6. We have no present or planned future interest in the Companies or any of their group companies.
- 4.7. The recommendation contained herein is not intended to represent value at any time other than the Valuation Date.
- 4.8. This Report is subject to the laws of India.
- 4.9. The fee for this engagement is not contingent upon the outcome of the Report.
- 4.10. In rendering this Report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.



- 4.11. This Report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our Report.
- 4.12. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our Report.
- 4.13. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
- 4.14. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our Report or by virtue of fact that the details provided to us are incorrect or inaccurate.
- 4.15. We have arrived at a relative value based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
- 4.16. Our scope is limited to recommendation of fair share entitlement ratio. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Demerger with the provisions of any law including the Companies Act 2013, Foreign Exchange Management Act, 1999, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from Proposed Demerger.
- 4.17. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operation unless otherwise stated and that the Companies will be managed in competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of legal nature, including issues of legal title and compliance with local laws, litigation and other contingent liabilities that are not recorded in the financial statements of the Companies.

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- 4.18. This Report does not look into the business/commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the Companies are sole responsibility of the investors of the Companies and we don't express opinion on the suitability or otherwise of entering into any financial or other transactions with the Companies.
- 4.19. No investigation/inspection of the Companies' claim to the title of assets has been made for the purpose of this Report and the same has assumed to be valid. No consideration has been given to liens or encumbrances against such assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of legal nature.
- 4.20. The determination of a fair share entitlement ratio is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different opinion.
- 4.21. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this Report.
- 4.22. We owe responsibility to only the Board of Directors of the Companies and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other party to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents. In the particular circumstances of this case, our liability, if any (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, howsoever the loss or damage caused, shall be limited to the amount of fees actually received by us from the Company, as laid out in the engagement letter, for such valuation work.
- 4.23. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.



- 4.24. This Report does not in any manner address the prices at which equity shares of the Companies will trade following the announcement and/or implementation of the Proposed Demerger and we express no opinion or recommendation as to how the shareholders of the Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Demerger.
- 4.25. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).
- 4.26. Client has informed us that ICICI Securities Limited has been appointed to provide fairness opinion on the recommended fair share entitlement ratio for the purpose of aforementioned Scheme. Further at the request of the Companies, we have had discussions with the Fairness Opinion provider on the valuation approach adopted and assumptions made by us.
- 4.27. The Companies have been provided with the opportunity to review the draft Report (excluding the recommended share entitlement ratio) as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.

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## 5. Sources of Information

- 5.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management/ representatives of the Companies:
- Carved out / Set of financials of Oil and Gas Undertaking of VEDL for Financial Year (“FY”) ended March 31, 2023;
  - Carved out / Set of financials of Oil and Gas Undertakings of VEDL for the period ended June 30, 2023;
  - Shareholding pattern of VEDL and Malco as at June 30, 2023;
  - Draft Scheme of Arrangement between VEDL and Malco and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
  - Proposed Capital Structure of Malco as on the Effective Date (as defined in the Scheme); and
  - Other relevant data and information provided to us by the representatives of the Companies either in written or oral form or in form of soft copy of the Companies.
- 5.2. We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the management of Companies (“**Management**”). Companies have been provided with the opportunity to review the draft Report (excluding the recommended Fair Share Entitlement Ratio) as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final Report.
- 5.3. The Management has informed us that there would be no significant variation between the draft Scheme and the final scheme approved and submitted with the relevant authorities.

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## 6. Procedures Adopted

6.1. Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including but not limited to the following:

- Discussion with the Management to:
  - o Understand the rationale for the Proposed Demerger and the Scheme;
  - o Understand the current and proposed capital structure of Malco;
  - o Understand the business and fundamental factors that affect the operations of VEDL and Malco;
- Requested and received financial (historical, Current & Projected) and qualitative information;
- Analysis of information shared by the Management;
- Reviewed the draft Scheme of Arrangement between the Companies;
- Reviewed the audited financial results/statements of VEDL for the FY ended March 31, 2023 and Carved out financials of Oil and Gas Undertaking for the FY ended March 31, 2023 and for period ended June 30, 2023;
- Considered the shareholding pattern of the Companies as at June 30, 2023;
- Determined the fair share entitlement ratio for issue of equity shares of Malco to the shareholders of VEDL as consideration for the Proposed Demerger after taking into consideration the proposed capital structure of Malco and the effect of capital reduction in VEDL forming part of the Scheme.

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## 7. Approach for Determination of Fair Share Entitlement Ratio

- 7.1. As mentioned earlier, as per the Scheme, the Demerged Undertaking i.e. business of Oil and Gas Undertaking is proposed to be demerged from VEDL into Malco. VEDL has identified all the assets and liabilities of Oil and Gas Undertaking of VEDL which are to be taken over by and transferred to Malco and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company.
- 7.2. We understand that, upon the scheme being effective, the shareholding pattern of VEDL and Malco will be identical. All the shareholders of VEDL would also become the shareholders of Malco and every shareholder of VEDL will hold same percentage of equity ownership in Malco as owns in VEDL and accordingly their shareholding in Malco would mirror their existing shareholding in VEDL prior to the Scheme.
- 7.3. Taking into account the above facts and circumstances, any share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary. We have therefore not carried out any independent valuation of the subject business.
- 7.4. Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Demerged Company shall be identical to that of Resulting Company. The beneficial economic interest of Demerged Company shareholders in Resulting Company will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the Proposed Demerger will be value-neutral to the Demerged Company's shareholders.

## 8. Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger

8.1. On the basis of the foregoing, considering the proposed Capital Structure of Malco as informed to us by the Management and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, a share entitlement ratio in the event of the Proposed Demerger would be as follows:

*“1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each in Malco for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

8.2. Our Report and fair share entitlement ratio is based on the current equity share capital structure of VEDL and envisaged equity share capital of Malco as mentioned above. Any variation in the equity share capital structure of VEDL and Malco apart from the above-mentioned may have an impact on the fair share entitlement ratio.

8.3. Upon the Scheme being effective, fresh issue of shares would be made to the existing shareholders of VEDL on a proportionate basis such that their existing holding in VEDL is replicated in Malco. Accordingly, we believe that any fair share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the inter-se proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary and we have therefore not carried out any independent valuation of the subject business.

8.4. Accordingly, considering the approach and the rationale for the fair share entitlement ratio discussed in para 7 above, the valuation approaches as indicated in the format (as shown below) as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not applicable in the instant case:

Valuation Approach	VEDL		Malco	
	Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Value Per Share	NA		NA	
Share entitlement Ratio	NA		NA	

NA = Not Applicable



**Fair Share Entitlement Ratio Report**

**Vedanta Limited (Demerged Company)**

**And**

**Iron Ore Company (Resulting Company)**

**September 2023**



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BDO Valuation Advisory LLP  
The Ruby, Level 9, North West Wing  
Senapati Bapat Marg, Dadar (W)  
Mumbai 400028, India

Ref: LM/Sep29-67/2023

September 29, 2023

To

**Board of Directors**

**Vedanta Limited**

1<sup>st</sup> Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai - 400093,  
Maharashtra, India.

Dear Sir(s)/ Madam(s),

**Sub: Recommendation of fair share entitlement ratio for the proposed demerger of the Iron Ore Undertaking of Vedanta Limited (“VEDL”) into Iron Ore Company (“Iron Ore Co”) on a going concern basis pursuant to Scheme of Arrangement between VEDL and Iron Ore Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Act”).**

We, BDO Valuation Advisory LLP (“BDO VAL” or “We” or “Us”), have been appointed vide Letter of Award of Contract dated May 26, 2023 to recommend the fair share entitlement ratio for the proposed demerger of the Iron Ore Undertaking of Vedanta Limited (“VEDL” or “Demerged Company”) into Iron Ore Company (“Iron Ore Co” or “Resulting Company”) on going concern basis pursuant to Scheme of Arrangement between VEDL and Iron Ore Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 (“the Scheme”).

VEDL and Iron Ore Co shall hereinafter collectively be referred as “the Companies”.

We are pleased to present herewith our report (“Report”) on the same.

We have determined the fair share entitlement ratio for the proposed demerger as on September 29, 2023 (“Valuation Date” or “Report Date”). A summary of the analysis is presented in the accompanying Report, as well as description of the methodology and procedure we used, and the factors we considered in formulating our opinion.

BDO Valuation Advisory LLP, an Indian limited liability partnership firm, with LLP Identity No. AAN9463, is a member of BDO International Limited, a UK company limited by guarantee and forms part of the International BDO network of independent member firms.

Regd. Office: The Ruby, 9, North West Wing, Senapati Bapat Marg, Dadar (W), Mumbai 400028, INDIA

Sensitivity: Public (C4)



We believe that our analysis must be considered as a whole. Selecting portion of our analysis or the factors we considered, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. This letter should be read in conjunction with the attached Report.

**For BDO Valuation Advisory LLP**

IBBI No.: IBBI/RV-E/02/2019/103

Lata Gujar  
More

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**Lata Gujar More**

**Partner**

IBBI No.: IBBI/RV/06/2018/10488

VRN No.: IOVRVF/BDO/2023-2024/2041





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## 1. Brief Background of the Companies

### Vedanta Limited

- 1.1. Vedanta Limited is a company incorporated under the Companies Act, 1956 with Corporate Identification Number (“CIN”) L13209MH1965PLC291394 and registered office situated at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai, Mumbai City, Maharashtra 400093, India.
- 1.2. The authorised, issued, subscribed and paid-up equity share capital of VEDL as on September 15, 2023 is as under:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
44,02,01,00,000 equity shares of INR 1 each	44,02,01,00,000
3,01,00,00,000 preference shares of INR 10 each	30,10,00,00,000
<b>Total</b>	<b>74,12,01,00,000</b>
<b><u>ISSUED AND SUBSCRIBED SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>PAID-UP SHARE CAPITAL</u></b>	
3,71,75,04,871 equity shares of INR 1 each	3,71,75,04,871
<b>Total</b>	<b>3,71,75,04,871</b>
<b><u>LISTED CAPITAL</u></b>	
3,71,71,99,039* equity shares of INR 1 each	3,71,71,99,039
<b>Total</b>	<b>3,71,71,99,039</b>

\* 3,05,832 shares are under abeyance category which are pending for allotment being sub-judice. Out of the said shares, 7,200 equity shares have been released from abeyance category during Q1 FY 24 and are pending listing approval.

- 1.3. Subsequent to above data, there has been no change in the authorised, issued and subscribed capital of the VEDL till the date of this report.
- 1.4. The equity shares of the Demerged Company are listed on the National Stock Exchange of India Limited and BSE Limited. The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.



#### Iron Ore Undertaking

- 1.5. Iron Ore Undertaking means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company's division engaged in mining and processing of Iron Ore, along with investments in shares, securities etc, as defined in the Scheme.

#### Iron Ore Co

- 1.6. Iron Ore Co is in the process of incorporation as the wholly owned subsidiary of Vedanta Limited. Its authorised, issued, subscribed and paid-up equity share capital at the time of incorporation will be as follow:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
1,00,000 Equity Shares of INR 1/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>
<b><u>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</u></b>	
1,00,000 Equity Shares of INR 1/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>





## 2. Purpose of Valuation

- 2.1. The Scheme inter alia provides for Demerger of the Iron Ore Undertaking of VEDL to Iron Ore Co, and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company (“Proposed Demerger”).
- 2.2. The Proposed Structure of Iron Ore Co as a result of the Proposed Demerger is as follows:



- 2.3. In this regard, we have been appointed to determine the fair share entitlement ratio for the Proposed Demerger as part of the Scheme.
- 2.4. Further, as part of and provided in the Scheme, all the existing outstanding shares of Iron Ore Co shall stand cancelled by way of capital reduction.
- 2.5. The Appointed Date for the Scheme is the Effective Date as defined in the scheme.

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### 3. Terms of Engagement

#### Context and Purpose

- 3.1. BDO Val has been appointed to determine the fair share entitlement ratio for the Proposed Demerger as mentioned in Section 2 of this Report in accordance with generally accepted International Valuation Standards (“IVS”) issued by International Valuation Standards Council (“IVSC”) as recommended by IOV Registered Valuers Foundation. This valuation exercise and Valuation Report are solely for the purpose mentioned in the Report.

#### Restricted Audience

- 3.2. This Report and the information contained herein are absolutely confidential and are intended for the use of the Companies only for submitting to the statutory and regulatory authorities for compliance under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and applicable provisions and circular issued by Securities and Exchange Board of India (“SEBI”) applicable to a scheme of arrangement. The results of our valuation analysis and our Report cannot be used or relied by the Companies for any other purpose or by any other party for any purpose whatsoever.
- 3.3. This Report will be placed before the Board of Directors of VEDL and Iron Ore Co and intended only for their sole use and information only. To the extent mandatorily required under applicable laws of India, this Report may be produced before judicial, regulatory or government authorities, in connection with the Proposed Demerger. We are not responsible to any other person or party, for any decision of such person or party based on this Report. Any person or party intending to provide finance/ invest in the shares/business of VEDL/Iron Ore Co or their holding companies, subsidiaries, associates, joint ventures shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Companies) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to BDO Val.
- 3.4. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose as set out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.



3.5. Without limiting the foregoing, we understand that the Companies may be required to share this Report with regulatory or judicial authorities including stock exchanges, SEBI, Regional Director, Registrar of Companies, National Company Law Tribunal, professional advisors of the Companies including merchant bankers providing fairness opinion on the fair share entitlement ratio, in connection with the Proposed Demerger (“**Permitted Recipients**”) and host this Report on the website of the Companies. We hereby give consent to such disclosure of this Report, on the basis that we owe responsibility only to Companies that has engaged us, under the terms of the engagement, and no other person; and that, to the fullest extent permitted by law, we accept no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and/or filing with Permitted Recipients, in connection with the Proposed Demerger, shall not be deemed to be an acceptance by us of any responsibility or liability to any person/ party other than Companies.

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#### 4. Caveats, Limitations and Disclaimers

- 4.1. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 4.2. This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date and (iii) are based on the data detailed in the section - Sources of Information.
- 4.3. We were provided with sufficient information and time to make our opinion for this valuation exercise. However, our opinion may change if any material information is not disclosed / hidden from us during our valuation exercise.
- 4.4. The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Accordingly, we express no audit opinion or any other form of assurance on this information on behalf of the Companies. The assignment did not involve us to conduct the financial or technical feasibility study. We have not done any independent technical valuation or appraisal or due diligence or legal title search of the assets or liabilities of the Companies and have considered them at the value as disclosed by the Companies in their regulatory filings or in submissions, oral or written, made to us.
- 4.5. Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of the Companies. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. Further events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.
- 4.6. We have no present or planned future interest in the Companies or any of their group companies.
- 4.7. The recommendation contained herein is not intended to represent value at any time other than the Valuation Date.
- 4.8. This Report is subject to the laws of India.
- 4.9. The fee for this engagement is not contingent upon the outcome of the Report.
- 4.10. In rendering this Report, we have not provided legal, regulatory, tax, accounting or actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.



- 4.11. This Report is based on the information received from the sources mentioned herein and discussions with the representatives of the Companies. We have assumed that no information has been withheld that could have influenced the purpose of our Report.
- 4.12. We have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, we have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of the Companies. Nothing has come to our knowledge to indicate that the material provided to us was mis-stated or incorrect or would not afford reasonable grounds upon which to base our Report.
- 4.13. For the present valuation exercise, we have also relied upon information available in the public domain; however, the accuracy and timeliness of the same has not been independently verified by us.
- 4.14. In addition, we do not take any responsibility for any changes in the information used by us to arrive at our conclusion as set out here in which may occur subsequent to the date of our Report or by virtue of fact that the details provided to us are incorrect or inaccurate.
- 4.15. We have arrived at a relative value based on our analysis. Any transaction price may however be significantly different and would depend on the negotiating ability and motivations of the respective buyers and sellers in the transaction.
- 4.16. Our scope is limited to recommendation of fair share entitlement ratio. The Report should not be construed as, our opinion or certifying the compliance of the Proposed Demerger with the provisions of any law including the Companies Act 2013, Foreign Exchange Management Act, 1999, taxation related laws, capital market related laws, any accounting, taxation or legal implications or issues arising from Proposed Demerger.
- 4.17. The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operation unless otherwise stated and that the Companies will be managed in competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of legal nature, including issues of legal title and compliance with local laws, litigation and other contingent liabilities that are not recorded in the financial statements of the Companies.



- 4.18. This Report does not look into the business/commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction or any other alternatives, whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the Companies are sole responsibility of the investors of the Companies and we don't express opinion on the suitability or otherwise of entering into any financial or other transactions with the Companies.
- 4.19. No investigation/inspection of the Companies' claim to the title of assets has been made for the purpose of this Report and the same has assumed to be valid. No consideration has been given to liens or encumbrances against such assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of legal nature.
- 4.20. The determination of a fair share entitlement ratio is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different opinion.
- 4.21. Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither us, nor any of our partners, officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this Report.
- 4.22. We owe responsibility to only the Board of Directors of the Companies and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other party to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents. In the particular circumstances of this case, our liability, if any (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, howsoever the loss or damage caused, shall be limited to the amount of fees actually received by us from the Company, as laid out in the engagement letter, for such valuation work.





- 4.23. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- 4.24. This Report does not in any manner address the prices at which equity shares of the Companies will trade following the announcement and/or implementation of the Proposed Demerger and we express no opinion or recommendation as to how the shareholders of the Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Demerger.
- 4.25. The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Companies (or its representatives) and other sources and the said recommendation(s) shall be considered to be in the nature of non-binding advice, (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).
- 4.26. Client has informed us that ICICI Securities Limited has been appointed to provide fairness opinion on the recommended fair share entitlement ratio for the purpose of aforementioned Scheme. Further at the request of the Companies, we have had discussions with the Fairness Opinion provider on the valuation approach adopted and assumptions made by us.
- 4.27. VEDL has been provided with the opportunity to review the draft Report (excluding the recommended share entitlement ratio) as part of our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.

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## 5. Sources of Information

- 5.1. For the purpose of undertaking this valuation exercise, we have relied on the following sources of information provided by the management/ representatives of the Companies:
- Carved out / Set of financials of Iron Ore Undertaking of VEDL for Financial Year (“FY”) ended March 31, 2023;
  - Carved out / Set of financials of Iron Ore Undertakings of VEDL for the period ended June 30, 2023;
  - Shareholding pattern of VEDL as at June 30, 2023;
  - Draft Scheme of Arrangement between VEDL and Iron Ore Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
  - Proposed Capital Structure of Iron Ore Co as on the Effective Date (as defined in the Scheme); and
  - Other relevant data and information provided to us by the representatives of the Companies either in written or oral form or in form of soft copy of the Companies.
- 5.2. We have also obtained the explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise from the management of VEDL (“**Management**”). VEDL has been provided with the opportunity to review the draft Report (excluding the recommended Fair Share Entitlement Ratio) as part of our standard practice to make sure that factual inaccuracies/ omissions are avoided in our final Report.
- 5.3. The Management has informed us that there would be no significant variation between the draft Scheme and the final scheme approved and submitted with the relevant authorities.

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## 6. Procedures Adopted

6.1. Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including but not limited to the following:

- Discussion with the Management to:
  - o Understand the rationale for the Proposed Demerger and the Scheme;
  - o Understand the current and proposed capital structure of Iron Ore Co;
  - o Understand the business and fundamental factors that affect the operations of VEDL and Iron Ore Co;
- Requested and received financial (historical, Current & Projected) and qualitative information;
- Analysis of information shared by the Management;
- Reviewed the draft Scheme of Arrangement between the Companies;
- Reviewed the audited financial results/statements of VEDL for the FY ended March 31, 2023 and Carved out financials of Iron Ore Undertaking for the FY ended March 31, 2023 and for period ended June 30, 2023;
- Considered the shareholding pattern of VEDL as at June 30, 2023;
- Determined the fair share entitlement ratio for issue of equity shares of Iron Ore Co to the shareholders of VEDL as consideration for the Proposed Demerger after taking into consideration the proposed capital structure of Iron Ore Co and the effect of capital reduction in VEDL forming part of the Scheme.

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## 7. Approach for Determination of Fair Share Entitlement Ratio

- 7.1. As mentioned earlier, as per the Scheme, the Demerged Undertaking i.e. business of Iron Ore Undertaking is proposed to be demerged from VEDL into Iron Ore Co. VEDL has identified all the assets and liabilities of Iron Ore Undertaking of VEDL which are to be taken over by and transferred to Iron Ore Co. and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company.
- 7.2. We understand that, upon the scheme being effective, the shareholding pattern of VEDL and Iron Ore Co will be identical. All the shareholders of VEDL would also become the shareholders of Iron Ore Co and every shareholder of VEDL will hold same percentage of equity ownership in Iron Ore Co as owned in VEDL and accordingly their shareholding in Iron Ore Co would mirror their existing shareholding in VEDL prior to the Scheme.
- 7.3. Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary. We have therefore not carried out any independent valuation of the subject business.
- 7.4. Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Demerged Company shall be identical to that of Resulting Company. The beneficial economic interest of Demerged Company shareholders in Resulting Company will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the Proposed Demerger will be value-neutral to the Demerged Company's shareholders.



## 8. Recommendation of Fair Share Entitlement Ratio for the Proposed Demerger

- 8.1. On the basis of the foregoing, considering the proposed Capital Structure of Iron Ore Co as informed to us by the Management and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, a share entitlement ratio in the event of the Proposed Demerger would be as follows:

*“1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each in Iron Ore Co for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

- 8.2. Our Report and fair share entitlement ratio is based on the current equity share capital structure of VEDL and envisaged equity share capital of Iron Ore Co as mentioned above. Any variation in the equity share capital structure of VEDL and Iron Ore Co apart from the above-mentioned may have an impact on the fair share entitlement ratio.
- 8.3. Upon the Scheme being effective, fresh issue of shares would be made to the existing shareholders of VEDL on a proportionate basis such that their existing holding in VEDL is replicated in Iron Ore Co. Accordingly, we believe that any fair share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the inter-se proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary and we have therefore not carried out any independent valuation of the subject business.
- 8.4. Accordingly, considering the approach and the rationale for the fair share entitlement ratio discussed in para 7 above, the valuation approaches as indicated in the format (as shown below) as prescribed by circular number NSE/CML/2017/12 of NSE and LIST/COMP/02/2017-18 of BSE have not been undertaken as they are not applicable in the instant case:

Valuation Approach	VEDL		Iron Ore Co.	
	Value Per Share (INR)	Weights	Value Per Share (INR)	Weights
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Value Per Share	NA		NA	
Share entitlement Ratio	NA		NA	

NA = Not Applicable

September 29, 2023

To,

**The Board of Directors,  
Vedanta Limited**

Vedanta Limited, 1st Floor, 'C' wing, Unit 103,  
Corporate Avenue, Atul Projects,  
Chakala, Andheri (E),  
Mumbai, (Maharashtra) - 400 093

**Sub: Fairness opinion to the Board of Directors of Vedanta Limited ("VEDL" or "Demerged Company") on the recommendation of the fair Share Entitlement Ratio for the proposed demerger of the Aluminium Undertaking of VEDL into Aluminium Company ("Aluminium Co") on a going concern basis pursuant to Scheme of Arrangement between VEDL and Aluminium Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("the Act").**

In terms of our engagement with VEDL dated September 28, 2023, VEDL has requested ICICI Securities ("I-Sec") to provide a fairness opinion to the Board of Directors of VEDL on the fair Share Entitlement Ratio recommended by the Registered Valuer for the proposed demerger of the Aluminium business of VEDL comprising inter alia of its strategic investment in Bharat Aluminium Company Limited, ("BALCO"), Captive Power and Coal Mines (together referred as "Aluminium Undertaking") into Aluminium Company ('Aluminium Co' or 'Resulting Company') on going concern basis pursuant to Scheme of Arrangement between VEDL and Aluminium Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ('the Scheme').

#### **BACKGROUND, PURPOSE AND USE OF THIS FAIRNESS OPINION**

VEDL has interests in multiple businesses including metals, mining and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, power, nickel, and oil and gas) and power generation. The equity shares of VEDL are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.

Aluminium Undertaking means the undertaking of the Demerged Company pertaining to all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company's division engaged in mining and processing of bauxite and refining of alumina and extraction, manufacture and sale of aluminium, as further defined in the Scheme

Aluminum Co is in the process of incorporation as the wholly owned subsidiary of VEDL.





We understand that the Scheme inter alia provides for demerger of the Aluminium Undertaking of VEDL to Aluminium Co, and corresponding issuance of equity shares of Resulting Company to the shareholders of VEDL and reduction and cancellation of the entire share capital of Resulting Company (“Proposed Demerger” or “Transaction”).

The Board of Vedanta Limited has appointed BDO Valuation Advisory LLP (“Registered Valuer”) to recommend the fair share entitlement ratio for the Proposed Demerger. In this connection, we have been requested by the Board of Directors of Vedanta Limited to render an opinion on whether the Share Entitlement Ratio recommended by the Registered Valuer vide their report dated September 29, 2023, is fair.

The Registered Valuer has recommended the following Share Entitlement Ratio for the Proposed Demerger;

*“1 (One) fully paid Equity Share of INR 1/- (Indian Rupees One) each in Aluminium Co. for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

This fairness opinion is intended only for the sole use and information of the Board of Directors of Vedanta Limited and only in connection with the Proposed Demerger. We are not responsible in any way to any other person / party for any decision of such person or party based on this fairness opinion. Any person / party intending to provide finance / invest in the shares / business of any of the companies involved in the Transaction or their subsidiaries / joint ventures / associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this fairness opinion or any part thereof, other than in connection with the Transaction as aforesaid can be done only with our prior permission in writing.

## **SOURCES OF INFORMATION**

In arriving at our opinion set forth below, we have relied on:

- a) Discussions (including oral) with, the draft and final valuation report and workings of the Registered Valuer;
- b) Carved out financials of Aluminium Business of VEDL for Financial Year (‘FY’) ended March 31, 2023;
- c) Carved out financials of Aluminium Business of VEDL for the period ended June 30, 2023;
- d) Financials of BALCO for FY ended March 31, 2023 and for the period ended June 30, 2023;
- e) Shareholding pattern of VEDL as at June 30, 2023;
- f) Draft Scheme of Arrangement between VEDL and Aluminium Co. and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
- g) Proposed Capital Structure of Aluminium Co. as on the Effective Date (as defined in the Scheme); and
- h) Other relevant data and information provided to us by the representatives of the Companies either in written or oral form or in form of soft copy



## SCOPE LIMITATIONS

Our fairness opinion is subject to the scope limitations detailed hereinafter. As such the fairness opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to the Companies including their respective working results or businesses referred. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this fairness opinion. Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion as described hereinabove. It may not be valid for any other purpose or if provided on behalf of any other entity. Our fairness opinion is addressed to and is solely for the benefit of the Board of Directors of Vedanta Limited and should not be publicly or otherwise circulated, provided or disclosed to any person, authority (including regulatory authority), entity or any public or private platform without our prior written consent. No other person, entity or regulatory authority shall, save with our written consent, rely on this opinion or any part thereof.

We have considered financial information in our analysis and have made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of the Companies have drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses upto the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we assume that the management of each of the Companies, has not omitted any relevant and material factors for the purposes of the work which we have undertaken in connection with this fairness opinion.

We shall have no obligation to verify the accuracy or completeness of any information or express any opinion or offer any form of assurance regarding the accuracy or completeness of such information and shall not assume any liability therefor. We assume no responsibility whatsoever for any errors in the information furnished to us and their impact on the present exercise.

We express no opinion whatsoever and make no recommendation at all to the shareholders or secured or unsecured creditors of each of the Companies, as to how they should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Scheme. We also express no opinion and accordingly accept no responsibility with respect to the financial performance of the Companies following the consummation of the Scheme. We also express no opinion on the likely market price of Vedanta Limited post the consummation of the Scheme.

No investigation with respect to the claim to title of assets of each of the Companies has been made for the purpose of this exercise and the same has been assumed to be valid. We have not placed any individual value on the assets of each of the Companies and have also not considered any liens or encumbrances on the same. Further we have not opined and accordingly do not take responsibility





whatsoever for matters of a legal nature. Also we are not opining on matters related to taxation. This fairness opinion should not be construed as a certification regarding the compliance of the Scheme with the provisions of any law including Companies Act, tax laws and capital market related laws or as regards any legal implications or issues arising from the Scheme.

In the ordinary course of business, ICICI Securities Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of ICICI Securities Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.

In arriving at our opinion, we have assumed and relied upon, without any independent verification or validation, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of Vedanta Limited that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the financials and forecasts, we have been advised by Vedanta Limited, and have assumed, that: (i) they have been reasonably prepared and/or confirmed on bases reflecting the best currently available estimates and good faith judgements of the management of Vedanta Limited as to the future financial performance of Vedanta Limited or their respective subsidiaries and/or associates, and (ii) they are based on the understanding of the management of Vedanta Limited of the current business strategy, operations, competition and macro-economic indicators and involves known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results to be materially different from any future results, performance or achievements expressed or implied by the financials and forecast of Vedanta Limited or their respective subsidiaries and/or associates

Without limiting the generality of the foregoing, we have also assumed, at the direction of Vedanta Limited, their respective subsidiaries and associates, as applicable, will receive all statutory clearances with respect to their respective operations in accordance with the assumptions regarding such clearances in their financials and forecasts.

We have been informed by the management of Vedanta Limited that their financials and forecasts provided to us have been prepared in accordance with Indian Accounting Standards (Ind-AS). We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Vedanta Limited or their respective subsidiaries and/or associates, as applicable, and/or any other entity (other than the Valuation Report, which we have reviewed and relied upon without independent verification for purposes of this opinion), nor have we made any physical inspection or title verification of the properties or assets of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, and we do not express any opinion as to the value of any asset of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, whether at current prices or in the future. We have not evaluated the solvency or fair value of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity under the laws of India or any other laws relating to bankruptcy, insolvency or similar matters.

We have assumed, at the direction of Vedanta Limited, that the Transaction will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, judicial, regulatory and





other approvals, consents, releases and waivers for the Transaction, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity or the contemplated benefits of the Transaction. We also have assumed, at the direction of Vedanta Limited, that the final executed Scheme will not differ in any material respect from the Draft Scheme reviewed by us.

We have not undertaken any independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities, or any settlements thereof, to which Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, are or may be a party or are or may be subject, and this opinion does not consider the potential effects of any such litigation, actions, claims, other contingent liabilities or settlements.

We express no view or opinion as to any terms or other aspects or implications of the Transaction (other than the Share Entitlement Ratio to the extent expressly specified herein), including, without limitation, the form or structure of the Transaction, the taxation impact of the Transaction or the Equity Shares issued and allotted under the Transaction or any terms or other aspects or implications of any other agreement, arrangement or understanding entered into in connection with or related to the Transaction or otherwise. We were not requested to, and we did not, participate in the negotiation of the terms of the Transaction. As you are aware, we were not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of Vedanta Limited. We express no view or opinion as to any such matters. Our opinion does not address any matters otherwise than as expressly stated herein, including but not limited solely to matters such as corporate governance, shareholder rights or any other equitable consideration, and is limited to the fairness, from a financial point of view, to the Public Shareholders of Vedanta Limited of the Share Entitlement Ratio provided for in the Scheme and no opinion or view is expressed with respect to any consideration received in connection with the Transaction by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Transaction, or class of such persons, relative to the Share Entitlement Ratio. Furthermore, no opinion or view is expressed as to the relative merits of the Transaction in comparison to other strategies or transactions that might be available to Vedanta Limited or in which Vedanta Limited might engage or as to the underlying business decision of Vedanta Limited to proceed with or effect the Transaction. Further, Vedanta Limited will remain solely responsible for the commercial assumptions on which this opinion is based and for its decision to proceed with the Transaction.

Further, our opinion does not take into account any corporate actions of Vedanta Limited after the date hereof, including payment of dividends. We are not expressing any opinion as to what the value of the Equity Shares actually will be when issued or the prices at which the Equity Shares will trade at any time, including following announcement or consummation of the Transaction. In addition, we express no opinion or recommendation as to how any shareholder, creditor or other person should vote or act in connection with the Transaction or any related matter. In addition, we are not expressing any view or opinion with respect to, and have relied, with the consent of Vedanta Limited, upon the assessments of representatives of Vedanta Limited regarding, legal, regulatory, accounting, tax and other matters relating to Vedanta Limited, any of their respective subsidiaries and/or associates, as applicable, or any other entity and the Transaction (including the contemplated benefits of the Transaction) as to which we understand that Vedanta Limited obtained such advice as it deemed necessary from qualified professionals.





We have also assumed that all aspects of the Transaction and any other transaction contemplated in the Scheme would be in compliance with applicable laws and regulations, and we have issued this opinion on the understanding that we would not in any manner verify, or be responsible for ensuring, such compliance, including without limitation, compliance with the provisions of SEBI Regulations. Without prejudice to the generality of the foregoing, we express no opinion and have assumed that the Transaction will not trigger obligation to make open offers under the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and accordingly, we have not considered the consequences or impact on ICICI Securities, if any such offers are mandated, and we have also assumed that the Transaction will not result in any adverse effect on ICICI Securities or its business, whether under tax or other laws or under the terms of any license or approval.

We have acted as financial advisor to the Board of Directors of Vedanta Limited to render this opinion and will receive a fee for our services, which will be paid upon the rendering of this opinion. In addition, Vedanta Limited has agreed to reimburse our expenses (subject to certain restrictions) and indemnify us against certain liabilities arising out of our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Vedanta Limited and their respective subsidiaries, joint ventures, associates and/or affiliates.

We and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Vedanta Limited and its subsidiaries, joint ventures, associates and/or affiliates, and have received or in the future may receive compensation for the rendering of these services.

It is understood that this letter is for the benefit and use of the Board of Directors of Vedanta Limited (in its capacity as such) in connection with and for purposes of its evaluation of the Transaction and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors of Vedanta Limited. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party, nor shall any public reference to us be made, for any purpose whatsoever except (i) with our prior written consent in each instance; (ii) as required to be disclosed by Vedanta Limited to the Stock Exchanges pursuant to applicable laws and may be disclosed on the website of Vedanta Limited and the Stock Exchanges to the extent required under applicable laws and further may also be made a part of the explanatory statement to be circulated to the shareholders and/or creditors of Vedanta Limited; and (iii) as required to be disclosed to relevant judicial, regulatory or government authorities, in each case only as may be mandatorily required by applicable laws. Our opinion is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion.



## **RATIONALE & CONCLUSION**

In the circumstances, having regard to all relevant factors and on the basis of information and explanations given to us, we are of the opinion on the date hereof, that the Share Entitlement Ratio, as recommended by the Registered Valuer is fair.

Yours faithfully,

**For ICICI Securities Limited,**



Mr. Raghwendra Pande  
Executive Vice President  
ICICI Securities, Mumbai  
Date: September 29, 2023





September 29, 2023

To,

**The Board of Directors,**

**Vedanta Limited**

Vedanta Limited, 1st Floor, 'C' wing, Unit 103,

Corporate Avenue, Atul Projects,

Chakala, Andheri (E),

Mumbai, (Maharashtra) - 400 093

**Sub: Fairness opinion to the Board of Directors of Vedanta Limited ("VEDL" or "Demerged Company") on the recommendation of the fair Share Entitlement Ratio for the proposed demerger of the Merchant Power Undertaking of VEDL into Talwandi Sabo Power Limited ("TSPL") on a going concern basis pursuant to Scheme of Arrangement between VEDL and TSPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("the Act").**

In terms of our engagement with VEDL dated September 28, 2023, VEDL has requested ICICI Securities ("I-Sec") to provide a fairness opinion to the Board of Directors of VEDL on the fair Share Entitlement Ratio recommended by the Registered Valuer for the proposed demerger of the Merchant Power business of VEDL ("Merchant Power Undertaking") into Talwandi Sabo Power Limited ('TSPL' or 'Resulting Company') on going concern basis pursuant to Scheme of Arrangement between VEDL and TSPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ('the Scheme').

#### **BACKGROUND, PURPOSE AND USE OF THIS FAIRNESS OPINION**

Vedanta Limited is a diversified company across the natural resources spectrum with interests in Aluminium, Power, Oil & Gas, Zinc-Lead-Silver, Iron Ore, Steel, Copper, Ferro Alloys, Power, Nickel, Semiconductor and Glass. The equity shares of VEDL are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.

Merchant Power Undertaking means the undertaking of the Demerged Company pertaining to all the businesses, undertakings, activities, properties and liabilities of whatsoever nature of the Demerged Company in relation to generation and sale of merchant power as defined in the Scheme.

Talwandi Sabo Power Limited is a company incorporated under the Companies Act, 1956 and is a wholly owned subsidiary of VEDL.



We understand that the Scheme inter alia provides for demerger of the Merchant Power Undertaking to TSPL and corresponding issuance of equity shares of Resulting Company to shareholders of VEDL and reduction and cancellation of the entire share capital of the Resulting Company (**“Proposed Demerger” or “Transaction”**).

The Board of Vedanta Limited has appointed BDO Valuation Advisory LLP (**“Registered Valuer”**) to recommend the fair share entitlement ratio for the Proposed Demerger. In this connection, we have been requested by the Board of Directors of Vedanta Limited to render an opinion on whether the Share Entitlement Ratio recommended by the Registered Valuer vide their report dated September 29, 2023, is fair.

The Registered Valuer has recommended the following Share Entitlement Ratio for the Proposed Demerger:

*“1 (One) fully paid Equity Share of INR 10/- (Indian Rupees Ten) each in TSPL for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

This fairness opinion is intended only for the sole use and information of the Board of Directors of Vedanta Limited and only in connection with the Proposed Demerger. We are not responsible in any way to any other person / party for any decision of such person or party based on this fairness opinion. Any person / party intending to provide finance / invest in the shares / business of any of the companies involved in the Transaction or their subsidiaries / joint ventures / associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this fairness opinion or any part thereof, other than in connection with the Transaction as aforesaid can be done only with our prior permission in writing.

## **SOURCES OF INFORMATION**

In arriving at our opinion set forth below, we have relied on:

- a) Discussions (including oral) with, the draft and final valuation report and workings of the Registered Valuer;
- b) Carved out / Set of financials of Merchant Power Undertaking of VEDL for Financial Year (‘FY’) ended March 31, 2023;
- c) Carved out / Set of financials of Merchant Power Undertakings of VEDL for the period ended June 30, 2023;
- d) Shareholding pattern of VEDL and TSPL as at June 30, 2023;
- e) Draft Scheme of Arrangement between VEDL and TSPL and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
- f) Proposed Capital Structure of TSPL as on the Effective Date (as defined in the Scheme); and
- g) Other relevant data and information provided to us by the representatives of the Companies either in written or oral form or in form of soft copy of the Companies





## SCOPE LIMITATIONS

Our fairness opinion is subject to the scope limitations detailed hereinafter. As such the fairness opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to the Companies including their respective working results or businesses referred. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this fairness opinion. Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion as described hereinabove. It may not be valid for any other purpose or if provided on behalf of any other entity. Our fairness opinion is addressed to and is solely for the benefit of the Board of Directors of Vedanta Limited and should not be publicly or otherwise circulated, provided or disclosed to any person, authority (including regulatory authority), entity or any public or private platform without our prior written consent. No other person, entity or regulatory authority shall, save with our written consent, rely on this opinion or any part thereof.

We have considered financial information in our analysis and have made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of the Companies have drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses upto the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we assume that the management of each of the Companies, has not omitted any relevant and material factors for the purposes of the work which we have undertaken in connection with this fairness opinion.

We shall have no obligation to verify the accuracy or completeness of any information or express any opinion or offer any form of assurance regarding the accuracy or completeness of such information and shall not assume any liability therefor. We assume no responsibility whatsoever for any errors in the information furnished to us and their impact on the present exercise.

We express no opinion whatsoever and make no recommendation at all to the shareholders or secured or unsecured creditors of each of the Companies, as to how they should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Scheme. We also express no opinion and accordingly accept no responsibility with respect to the financial performance of the Companies following the consummation of the Scheme. We also express no opinion on the likely market price of Vedanta Limited post the consummation of the Scheme.

No investigation with respect to the claim to title of assets of each of the Companies has been made for the purpose of this exercise and the same has been assumed to be valid. We have not placed any individual value on the assets of each of the Companies and have also not considered any liens or encumbrances on the same. Further we have not opined and accordingly do not take responsibility whatsoever for matters of a legal nature. Also we are not opining on matters related to taxation. This





fairness opinion should not be construed as a certification regarding the compliance of the Scheme with the provisions of any law including Companies Act, tax laws and capital market related laws or as regards any legal implications or issues arising from the Scheme.

In the ordinary course of business, ICICI Securities Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of ICICI Securities Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.

In arriving at our opinion, we have assumed and relied upon, without any independent verification or validation, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of Vedanta Limited that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the financials and forecasts, we have been advised by Vedanta Limited, and have assumed, that: (i) they have been reasonably prepared and/or confirmed on bases reflecting the best currently available estimates and good faith judgements of the management of Vedanta Limited as to the future financial performance of Vedanta Limited or their respective subsidiaries and/or associates, and (ii) they are based on the understanding of the management of Vedanta Limited of the current business strategy, operations, competition and macro-economic indicators and involves known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results to be materially different from any future results, performance or achievements expressed or implied by the financials and forecast of Vedanta Limited or their respective subsidiaries and/or associates

Without limiting the generality of the foregoing, we have also assumed, at the direction of Vedanta Limited, their respective subsidiaries and associates, as applicable, will receive all statutory clearances with respect to their respective operations in accordance with the assumptions regarding such clearances in their financials and forecasts.

We have been informed by the management of Vedanta Limited that their financials and forecasts provided to us have been prepared in accordance with Indian Accounting Standards (Ind-AS). We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Vedanta Limited or their respective subsidiaries and/or associates, as applicable, and/or any other entity (other than the Valuation Report, which we have reviewed and relied upon without independent verification for purposes of this opinion), nor have we made any physical inspection or title verification of the properties or assets of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, and we do not express any opinion as to the value of any asset of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, whether at current prices or in the future. We have not evaluated the solvency or fair value of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity under the laws of India or any other laws relating to bankruptcy, insolvency or similar matters.

We have assumed, at the direction of Vedanta Limited, that the Transaction will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, judicial, regulatory and other approvals, consents, releases and waivers for the Transaction, no delay, limitation, restriction or





condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity or the contemplated benefits of the Transaction. We also have assumed, at the direction of Vedanta Limited, that the final executed Scheme will not differ in any material respect from the Draft Scheme reviewed by us.

We have not undertaken any independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities, or any settlements thereof, to which Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, are or may be a party or are or may be subject, and this opinion does not consider the potential effects of any such litigation, actions, claims, other contingent liabilities or settlements.

We express no view or opinion as to any terms or other aspects or implications of the Transaction (other than the Share Entitlement Ratio to the extent expressly specified herein), including, without limitation, the form or structure of the Transaction, the taxation impact of the Transaction or the Equity Shares issued and allotted under the Transaction or any terms or other aspects or implications of any other agreement, arrangement or understanding entered into in connection with or related to the Transaction or otherwise. We were not requested to, and we did not, participate in the negotiation of the terms of the Transaction. As you are aware, we were not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of Vedanta Limited. We express no view or opinion as to any such matters. Our opinion does not address any matters otherwise than as expressly stated herein, including but not limited solely to matters such as corporate governance, shareholder rights or any other equitable consideration, and is limited to the fairness, from a financial point of view, to the Public Shareholders of Vedanta Limited of the Share Entitlement Ratio provided for in the Scheme and no opinion or view is expressed with respect to any consideration received in connection with the Transaction by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Transaction, or class of such persons, relative to the Share Entitlement Ratio. Furthermore, no opinion or view is expressed as to the relative merits of the Transaction in comparison to other strategies or transactions that might be available to Vedanta Limited or in which Vedanta Limited might engage or as to the underlying business decision of Vedanta Limited to proceed with or effect the Transaction. Further, Vedanta Limited will remain solely responsible for the commercial assumptions on which this opinion is based and for its decision to proceed with the Transaction.

Further, our opinion does not take into account any corporate actions of Vedanta Limited after the date hereof, including payment of dividends. We are not expressing any opinion as to what the value of the Equity Shares actually will be when issued or the prices at which the Equity Shares will trade at any time, including following announcement or consummation of the Transaction. In addition, we express no opinion or recommendation as to how any shareholder, creditor or other person should vote or act in connection with the Transaction or any related matter. In addition, we are not expressing any view or opinion with respect to, and have relied, with the consent of Vedanta Limited, upon the assessments of representatives of Vedanta Limited regarding, legal, regulatory, accounting, tax and other matters relating to Vedanta Limited, any of their respective subsidiaries and/or associates, as applicable, or any other entity and the Transaction (including the contemplated benefits of the Transaction) as to which we understand that Vedanta Limited obtained such advice as it deemed necessary from qualified professionals.





We have also assumed that all aspects of the Transaction and any other transaction contemplated in the Scheme would be in compliance with applicable laws and regulations, and we have issued this opinion on the understanding that we would not in any manner verify, or be responsible for ensuring, such compliance, including without limitation, compliance with the provisions of SEBI Regulations. Without prejudice to the generality of the foregoing, we express no opinion and have assumed that the Transaction will not trigger obligation to make open offers under the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and accordingly, we have not considered the consequences or impact on ICICI Securities, if any such offers are mandated, and we have also assumed that the Transaction will not result in any adverse effect on ICICI Securities or its business, whether under tax or other laws or under the terms of any license or approval.

We have acted as financial advisor to the Board of Directors of Vedanta Limited to render this opinion and will receive a fee for our services, which will be paid upon the rendering of this opinion. In addition, Vedanta Limited has agreed to reimburse our expenses (subject to certain restrictions) and indemnify us against certain liabilities arising out of our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Vedanta Limited and their respective subsidiaries, joint ventures, associates and/or affiliates.

We and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Vedanta Limited and its subsidiaries, joint ventures, associates and/or affiliates, and have received or in the future may receive compensation for the rendering of these services.

It is understood that this letter is for the benefit and use of the Board of Directors of Vedanta Limited (in its capacity as such) in connection with and for purposes of its evaluation of the Transaction and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors of Vedanta Limited. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party, nor shall any public reference to us be made, for any purpose whatsoever except (i) with our prior written consent in each instance; (ii) as required to be disclosed by Vedanta Limited to the Stock Exchanges pursuant to applicable laws and may be disclosed on the website of Vedanta Limited and the Stock Exchanges to the extent required under applicable laws and further may also be made a part of the explanatory statement to be circulated to the shareholders and/or creditors of Vedanta Limited; and (iii) as required to be disclosed to relevant judicial, regulatory or government authorities, in each case only as may be mandatorily required by applicable laws. Our opinion is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion.





## **RATIONALE & CONCLUSION**

In the circumstances, having regard to all relevant factors and on the basis of information and explanations given to us, we are of the opinion on the date hereof, that the Share Entitlement Ratio, as recommended by the Registered Valuer is fair.

Yours faithfully,

**For ICICI Securities Limited,**



Mr. Raghwendra Pande  
Executive Vice President  
ICICI Securities, Mumbai  
Date: September 29, 2023



September 29, 2023

To,

**The Board of Directors,  
Vedanta Limited**

Vedanta Limited, 1st Floor, 'C' wing, Unit 103,  
Corporate Avenue, Atul Projects,  
Chakala, Andheri (E),  
Mumbai, (Maharashtra) - 400 093

**Sub: Fairness opinion to the Board of Directors of Vedanta Limited ("VEDL" or "Demerged Company") on the recommendation of the fair Share Entitlement Ratio for the proposed demerger of the Oil & Gas Undertaking of VEDL into MALCO Energy Limited ("MALCO") on a going concern basis pursuant to Scheme of Arrangement between VEDL and MALCO and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("the Act").**

In terms of our engagement with VEDL dated September 28, 2023, VEDL has requested ICICI Securities ("I-Sec") to provide a fairness opinion to the Board of Directors of VEDL on the fair Share Entitlement Ratio recommended by the Registered Valuer for the proposed demerger of the Oil & Gas Undertaking of VEDL ("Oil & Gas Undertaking") into MALCO Energy Limited ('MALCO' or 'Resulting Company') on going concern basis pursuant to Scheme of Arrangement between VEDL and MALCO and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ('the Scheme').

#### **BACKGROUND, PURPOSE AND USE OF THIS FAIRNESS OPINION**

VEDL has interests in multiple businesses including metals, mining and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, power, nickel, and oil and gas) and power generation. The equity shares of VEDL are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.

Oil and Gas Undertaking means the undertaking of the Demerged Company pertaining to all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company's division engaged in discovery, extraction, storage and sale of oil and natural gas as defined in the Scheme.

MALCO Energy Limited is a company incorporated under the Companies Act, 1956 and is a wholly owned subsidiary of VEDL.





We understand that the Scheme inter alia provides for demerger of the Oil & Gas Undertaking to MACLO and corresponding issuance of equity shares of Resulting Company to shareholders of VEDL and reduction and cancellation of the entire share capital of the Resulting Company (**“Proposed Demerger” or “Transaction”**).

The Board of Vedanta Limited has appointed BDO Valuation Advisory LLP (**“Registered Valuer”**) to recommend the fair share entitlement ratio for the Proposed Demerger. In this connection, we have been requested by the Board of Directors of Vedanta Limited to render an opinion on whether the Share Entitlement Ratio recommended by the Registered Valuer vide their report dated September 29, 2023, is fair.

The Registered Valuer has recommended the following Share Entitlement Ratio for the Proposed Demerger:

*“1 (One) fully paid Equity Share of INR 1/- (Indian Rupees One) each in MALCO for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

This fairness opinion is intended only for the sole use and information of the Board of Directors of Vedanta Limited and only in connection with the Proposed Demerger. We are not responsible in any way to any other person / party for any decision of such person or party based on this fairness opinion. Any person / party intending to provide finance / invest in the shares / business of any of the companies involved in the Transaction or their subsidiaries / joint ventures / associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this fairness opinion or any part thereof, other than in connection with the Transaction as aforesaid can be done only with our prior permission in writing.

## **SOURCES OF INFORMATION**

In arriving at our opinion set forth below, we have relied on:

- a) Discussions (including oral) with, the draft and final valuation report and workings of the Registered Valuer;
- b) Carved out / Set of financials of Oil and Gas Undertaking of VEDL for Financial Year (‘FY’) ended March 31, 2023;
- c) Carved out / Set of financials of Oil and Gas Undertakings of VEDL for the period ended June 30, 2023;
- d) Shareholding pattern of VEDL, Malco, Cairn India Holdings Limited, Jersey as at June 30, 2023;
- e) Draft Scheme of Arrangement between VEDL and Malco and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
- f) Proposed Capital Structure of Malco as on the Effective Date (as defined in the Scheme); and
- g) Other relevant data and information provided to us by the representatives of VEDL and MALCO either in written or oral form or in form of soft copy.





## SCOPE LIMITATIONS

Our fairness opinion is subject to the scope limitations detailed hereinafter. As such the fairness opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to the Companies including their respective working results or businesses referred. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this fairness opinion. Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion as described hereinabove. It may not be valid for any other purpose or if provided on behalf of any other entity. Our fairness opinion is addressed to and is solely for the benefit of the Board of Directors of Vedanta Limited and should not be publicly or otherwise circulated, provided or disclosed to any person, authority (including regulatory authority), entity or any public or private platform without our prior written consent. No other person, entity or regulatory authority shall, save with our written consent, rely on this opinion or any part thereof.

We have considered financial information in our analysis and have made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of the Companies have drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses upto the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we assume that the management of each of the Companies, has not omitted any relevant and material factors for the purposes of the work which we have undertaken in connection with this fairness opinion.

We shall have no obligation to verify the accuracy or completeness of any information or express any opinion or offer any form of assurance regarding the accuracy or completeness of such information and shall not assume any liability therefor. We assume no responsibility whatsoever for any errors in the information furnished to us and their impact on the present exercise.

We express no opinion whatsoever and make no recommendation at all to the shareholders or secured or unsecured creditors of each of the Companies, as to how they should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Scheme. We also express no opinion and accordingly accept no responsibility with respect to the financial performance of the Companies following the consummation of the Scheme. We also express no opinion on the likely market price of Vedanta Limited post the consummation of the Scheme.

No investigation with respect to the claim to title of assets of each of the Companies has been made for the purpose of this exercise and the same has been assumed to be valid. We have not placed any individual value on the assets of each of the Companies and have also not considered any liens or encumbrances on the same. Further we have not opined and accordingly do not take responsibility





whatsoever for matters of a legal nature. Also we are not opining on matters related to taxation. This fairness opinion should not be construed as a certification regarding the compliance of the Scheme with the provisions of any law including Companies Act, tax laws and capital market related laws or as regards any legal implications or issues arising from the Scheme.

In the ordinary course of business, ICICI Securities Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of ICICI Securities Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.

In arriving at our opinion, we have assumed and relied upon, without any independent verification or validation, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of Vedanta Limited that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the financials and forecasts, we have been advised by Vedanta Limited, and have assumed, that: (i) they have been reasonably prepared and/or confirmed on bases reflecting the best currently available estimates and good faith judgements of the management of Vedanta Limited as to the future financial performance of Vedanta Limited or their respective subsidiaries and/or associates, and (ii) they are based on the understanding of the management of Vedanta Limited of the current business strategy, operations, competition and macro-economic indicators and involves known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results to be materially different from any future results, performance or achievements expressed or implied by the financials and forecast of Vedanta Limited or their respective subsidiaries and/or associates

Without limiting the generality of the foregoing, we have also assumed, at the direction of Vedanta Limited, their respective subsidiaries and associates, as applicable, will receive all statutory clearances with respect to their respective operations in accordance with the assumptions regarding such clearances in their financials and forecasts.

We have been informed by the management of Vedanta Limited that their financials and forecasts provided to us have been prepared in accordance with Indian Accounting Standards (Ind-AS). We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Vedanta Limited or their respective subsidiaries and/or associates, as applicable, and/or any other entity (other than the Valuation Report, which we have reviewed and relied upon without independent verification for purposes of this opinion), nor have we made any physical inspection or title verification of the properties or assets of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, and we do not express any opinion as to the value of any asset of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, whether at current prices or in the future. We have not evaluated the solvency or fair value of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity under the laws of India or any other laws relating to bankruptcy, insolvency or similar matters.

We have assumed, at the direction of Vedanta Limited, that the Transaction will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, judicial, regulatory and





other approvals, consents, releases and waivers for the Transaction, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity or the contemplated benefits of the Transaction. We also have assumed, at the direction of Vedanta Limited, that the final executed Scheme will not differ in any material respect from the Draft Scheme reviewed by us.

We have not undertaken any independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities, or any settlements thereof, to which Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, are or may be a party or are or may be subject, and this opinion does not consider the potential effects of any such litigation, actions, claims, other contingent liabilities or settlements.

We express no view or opinion as to any terms or other aspects or implications of the Transaction (other than the Share Entitlement Ratio to the extent expressly specified herein), including, without limitation, the form or structure of the Transaction, the taxation impact of the Transaction or the Equity Shares issued and allotted under the Transaction or any terms or other aspects or implications of any other agreement, arrangement or understanding entered into in connection with or related to the Transaction or otherwise. We were not requested to, and we did not, participate in the negotiation of the terms of the Transaction. As you are aware, we were not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of Vedanta Limited. We express no view or opinion as to any such matters. Our opinion does not address any matters otherwise than as expressly stated herein, including but not limited solely to matters such as corporate governance, shareholder rights or any other equitable consideration, and is limited to the fairness, from a financial point of view, to the Public Shareholders of Vedanta Limited of the Share Entitlement Ratio provided for in the Scheme and no opinion or view is expressed with respect to any consideration received in connection with the Transaction by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Transaction, or class of such persons, relative to the Share Entitlement Ratio. Furthermore, no opinion or view is expressed as to the relative merits of the Transaction in comparison to other strategies or transactions that might be available to Vedanta Limited or in which Vedanta Limited might engage or as to the underlying business decision of Vedanta Limited to proceed with or effect the Transaction. Further, Vedanta Limited will remain solely responsible for the commercial assumptions on which this opinion is based and for its decision to proceed with the Transaction.

Further, our opinion does not take into account any corporate actions of Vedanta Limited after the date hereof, including payment of dividends. We are not expressing any opinion as to what the value of the Equity Shares actually will be when issued or the prices at which the Equity Shares will trade at any time, including following announcement or consummation of the Transaction. In addition, we express no opinion or recommendation as to how any shareholder, creditor or other person should vote or act in connection with the Transaction or any related matter. In addition, we are not expressing any view or opinion with respect to, and have relied, with the consent of Vedanta Limited, upon the assessments of representatives of Vedanta Limited regarding, legal, regulatory, accounting, tax and other matters relating to Vedanta Limited, any of their respective subsidiaries and/or associates, as applicable, or any other entity and the Transaction (including the contemplated benefits of the Transaction) as to which we understand that Vedanta Limited obtained such advice as it deemed necessary from qualified professionals.





We have also assumed that all aspects of the Transaction and any other transaction contemplated in the Scheme would be in compliance with applicable laws and regulations, and we have issued this opinion on the understanding that we would not in any manner verify, or be responsible for ensuring, such compliance, including without limitation, compliance with the provisions of SEBI Regulations. Without prejudice to the generality of the foregoing, we express no opinion and have assumed that the Transaction will not trigger obligation to make open offers under the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and accordingly, we have not considered the consequences or impact on ICICI Securities, if any such offers are mandated, and we have also assumed that the Transaction will not result in any adverse effect on ICICI Securities or its business, whether under tax or other laws or under the terms of any license or approval.

We have acted as financial advisor to the Board of Directors of Vedanta Limited to render this opinion and will receive a fee for our services, which will be paid upon the rendering of this opinion. In addition, Vedanta Limited has agreed to reimburse our expenses (subject to certain restrictions) and indemnify us against certain liabilities arising out of our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Vedanta Limited and their respective subsidiaries, joint ventures, associates and/or affiliates.

We and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Vedanta Limited and its subsidiaries, joint ventures, associates and/or affiliates, and have received or in the future may receive compensation for the rendering of these services.

It is understood that this letter is for the benefit and use of the Board of Directors of Vedanta Limited (in its capacity as such) in connection with and for purposes of its evaluation of the Transaction and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors of Vedanta Limited. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party, nor shall any public reference to us be made, for any purpose whatsoever except (i) with our prior written consent in each instance; (ii) as required to be disclosed by Vedanta Limited to the Stock Exchanges pursuant to applicable laws and may be disclosed on the website of Vedanta Limited and the Stock Exchanges to the extent required under applicable laws and further may also be made a part of the explanatory statement to be circulated to the shareholders and/or creditors of Vedanta Limited; and (iii) as required to be disclosed to relevant judicial, regulatory or government authorities, in each case only as may be mandatorily required by applicable laws. Our opinion is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion.



## **RATIONALE & CONCLUSION**

In the circumstances, having regard to all relevant factors and on the basis of information and explanations given to us, we are of the opinion on the date hereof, that the Share Entitlement Ratio, as recommended by the Registered Valuer is fair.

Yours faithfully,

**For ICICI Securities Limited,**



Mr. Raghwendra Pande  
Executive Vice President  
ICICI Securities, Mumbai  
Date: September 29, 2023





September 29, 2023

To,

**The Board of Directors,  
Vedanta Limited**

Vedanta Limited, 1st Floor, 'C' wing, Unit 103,  
Corporate Avenue, Atul Projects,  
Chakala, Andheri (E),  
Mumbai, (Maharashtra) - 400 093

**Sub: Fairness opinion to the Board of Directors of Vedanta Limited ("VEDL" pr "Demerged Company") on the recommendation of the fair Share Entitlement Ratio for the proposed demerger of the Iron Ore Undertaking of VEDL into Iron Ore Company ("Iron Ore Co") on a going concern basis pursuant to Scheme of Arrangement between VEDL and Iron Ore Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("the Act").**

In terms of our engagement with VEDL dated September 28, 2023, VEDL has requested ICICI Securities ("I-Sec") to provide a fairness opinion to the Board of Directors of VEDL on the fair Share Entitlement Ratio recommended by the Registered Valuer for the proposed demerger of the Iron Ore Undertaking of VEDL ("Iron Ore Undertaking") into Iron Ore Co. ('Iron Ore Co.' or 'Resulting Company') on going concern basis pursuant to Scheme of Arrangement between VEDL and Iron Ore Co. and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ('the Scheme').

## **BACKGROUND, PURPOSE AND USE OF THIS FAIRNESS OPINION**

VEDL has interests in multiple businesses including metals, mining and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, power, nickel, and oil and gas) and power generation. The equity shares of VEDL are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). The redeemable, non-cumulative non-convertible debentures of VEDL are listed on the BSE.

Iron Ore Undertaking means all the businesses, undertakings, activities, properties and liabilities of whatsoever nature and kind and wherever situated, pertaining and / or related to the Demerged Company's division engaged in mining and processing of Iron Ore, along with investments in shares, securities etc, as defined in the Scheme

Iron Ore Co is in the process of incorporation as the wholly owned subsidiary of VEDL





We understand that the Scheme of inter alia provides for demerger of the Iron Ore Undertaking to Iron Ore Co. and corresponding issuance of equity shares of Resulting Company to shareholders of VEDL and reduction and cancellation of the entire share capital of the Resulting Company (**“Proposed Demerger” or “Transaction”**).

The Board of Vedanta Limited has appointed BDO Valuation Advisory LLP (**“Registered Valuer”**) to recommend the fair share entitlement ratio for the Proposed Demerger. In this connection, we have been requested by the Board of Directors of Vedanta Limited to render an opinion on whether the Share Entitlement Ratio recommended by the Registered Valuer vide their report dated September 29, 2023, is fair.

The Registered Valuer has recommended the following Share Entitlement Ratio for the Proposed Demerger:

*“1 (One) fully paid Equity Share of INR 1/- (Indian Rupees One) each in Iron Ore Co. for every 1 (One) fully paid Equity Share of INR 1/- (Indian Rupee One) each held in Vedanta Limited”*

This fairness opinion is intended only for the sole use and information of the Board of Directors of Vedanta Limited and only in connection with the Proposed Demerger. We are not responsible in any way to any other person / party for any decision of such person or party based on this fairness opinion. Any person / party intending to provide finance / invest in the shares / business of any of the companies involved in the Transaction or their subsidiaries / joint ventures / associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is hereby notified that any reproduction, copying or otherwise quoting of this fairness opinion or any part thereof, other than in connection with the Transaction as aforesaid can be done only with our prior permission in writing.

## **SOURCES OF INFORMATION**

In arriving at our opinion set forth below, we have relied on:

- a) Discussions (including oral) with, the draft and final valuation report and workings of the Registered Valuer;
- b) Carved out / Set of financials of Iron Ore Undertaking of VEDL for Financial Year (‘FY’) ended March 31, 2023;
- c) Carved out / Set of financials of Iron Ore Undertakings of VEDL for the period ended June 30, 2023;
- d) Shareholding pattern of VEDL, SESA Resources Limited and Bloom Fountain Limited as at June 30, 2023;
- e) Draft Scheme of Arrangement between VEDL and Iron Ore Co and their respective shareholders and creditors under sections 230 to 232 and other relevant provisions of the Companies Act, 2013;
- f) Proposed Capital Structure of Iron Ore Co as on the Effective Date (as defined in the Scheme); and
- g) Other relevant data and information provided to us by the representatives of VEDL and Iron Ore Co. either in written or oral form or in form of soft copy



## SCOPE LIMITATIONS

Our fairness opinion is subject to the scope limitations detailed hereinafter. As such the fairness opinion is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

Our work does not constitute an audit, due diligence or certification of the historical financial statements in relation to the Companies including their respective working results or businesses referred. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this fairness opinion. Our analysis and results are specific to the purpose of the exercise of giving our fairness opinion as described hereinabove. It may not be valid for any other purpose or if provided on behalf of any other entity. Our fairness opinion is addressed to and is solely for the benefit of the Board of Directors of Vedanta Limited and should not be publicly or otherwise circulated, provided or disclosed to any person, authority (including regulatory authority), entity or any public or private platform without our prior written consent. No other person, entity or regulatory authority shall, save with our written consent, rely on this opinion or any part thereof.

We have considered financial information in our analysis and have made adjustments for facts made known to us till the date of our report, including taking into consideration current market parameters. An exercise of this nature involves consideration of various factors. This fairness opinion is issued on the understanding that each of the Companies have drawn our attention to all the matters which may have an impact on our opinion including any significant changes that have taken place or are likely to take place in the financial position or businesses upto the date of approval of the Scheme by the Board of Directors. We have no responsibility to update this fairness opinion for events and circumstances occurring after this date.

In the course of the present exercise, we were provided with both written and verbal information, including financial data. The terms of our engagement were such that we were entitled to rely upon the information provided without detailed inquiry. Also, we assume that the management of each of the Companies, has not omitted any relevant and material factors for the purposes of the work which we have undertaken in connection with this fairness opinion.

We shall have no obligation to verify the accuracy or completeness of any information or express any opinion or offer any form of assurance regarding the accuracy or completeness of such information and shall not assume any liability therefor. We assume no responsibility whatsoever for any errors in the information furnished to us and their impact on the present exercise.

We express no opinion whatsoever and make no recommendation at all to the shareholders or secured or unsecured creditors of each of the Companies, as to how they should vote at their respective meetings held in connection with the Scheme. We do not express and should not be deemed to have expressed any views on any other term of the Scheme. We also express no opinion and accordingly accept no responsibility with respect to the financial performance of the Companies following the consummation of the Scheme. We also express no opinion on the likely market price of Vedanta Limited post the consummation of the Scheme.

No investigation with respect to the claim to title of assets of each of the Companies has been made for the purpose of this exercise and the same has been assumed to be valid. We have not placed any individual value on the assets of each of the Companies and have also not considered any liens or encumbrances on the same. Further we have not opined and accordingly do not take responsibility





whatsoever for matters of a legal nature. Also we are not opining on matters related to taxation. This fairness opinion should not be construed as a certification regarding the compliance of the Scheme with the provisions of any law including Companies Act, tax laws and capital market related laws or as regards any legal implications or issues arising from the Scheme.

In the ordinary course of business, ICICI Securities Limited and its affiliates is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of ICICI Securities Limited may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the Scheme.

In arriving at our opinion, we have assumed and relied upon, without any independent verification or validation, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and have relied upon the assurances of the management of Vedanta Limited that they are not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the financials and forecasts, we have been advised by Vedanta Limited, and have assumed, that: (i) they have been reasonably prepared and/or confirmed on bases reflecting the best currently available estimates and good faith judgements of the management of Vedanta Limited as to the future financial performance of Vedanta Limited or their respective subsidiaries and/or associates, and (ii) they are based on the understanding of the management of Vedanta Limited of the current business strategy, operations, competition and macro-economic indicators and involves known and unknown risks, uncertainties, assumptions, and other factors that may cause the actual results to be materially different from any future results, performance or achievements expressed or implied by the financials and forecast of Vedanta Limited or their respective subsidiaries and/or associates

Without limiting the generality of the foregoing, we have also assumed, at the direction of Vedanta Limited, their respective subsidiaries and associates, as applicable, will receive all statutory clearances with respect to their respective operations in accordance with the assumptions regarding such clearances in their financials and forecasts.

We have been informed by the management of Vedanta Limited that their financials and forecasts provided to us have been prepared in accordance with Indian Accounting Standards (Ind-AS). We have not made or been provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Vedanta Limited or their respective subsidiaries and/or associates, as applicable, and/or any other entity (other than the Valuation Report, which we have reviewed and relied upon without independent verification for purposes of this opinion), nor have we made any physical inspection or title verification of the properties or assets of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, and we do not express any opinion as to the value of any asset of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, whether at current prices or in the future. We have not evaluated the solvency or fair value of Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity under the laws of India or any other laws relating to bankruptcy, insolvency or similar matters.

We have assumed, at the direction of Vedanta Limited, that the Transaction will be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, judicial, regulatory and





other approvals, consents, releases and waivers for the Transaction, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, will be imposed that would have an adverse effect on Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity or the contemplated benefits of the Transaction. We also have assumed, at the direction of Vedanta Limited, that the final executed Scheme will not differ in any material respect from the Draft Scheme reviewed by us.

We have not undertaken any independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities, or any settlements thereof, to which Vedanta Limited, their respective subsidiaries and/or associates, as applicable, and/or any other entity, are or may be a party or are or may be subject, and this opinion does not consider the potential effects of any such litigation, actions, claims, other contingent liabilities or settlements.

We express no view or opinion as to any terms or other aspects or implications of the Transaction (other than the Share Entitlement Ratio to the extent expressly specified herein), including, without limitation, the form or structure of the Transaction, the taxation impact of the Transaction or the Equity Shares issued and allotted under the Transaction or any terms or other aspects or implications of any other agreement, arrangement or understanding entered into in connection with or related to the Transaction or otherwise. We were not requested to, and we did not, participate in the negotiation of the terms of the Transaction. As you are aware, we were not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of Vedanta Limited. We express no view or opinion as to any such matters. Our opinion does not address any matters otherwise than as expressly stated herein, including but not limited solely to matters such as corporate governance, shareholder rights or any other equitable consideration, and is limited to the fairness, from a financial point of view, to the Public Shareholders of Vedanta Limited of the Share Entitlement Ratio provided for in the Scheme and no opinion or view is expressed with respect to any consideration received in connection with the Transaction by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view is expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Transaction, or class of such persons, relative to the Share Entitlement Ratio. Furthermore, no opinion or view is expressed as to the relative merits of the Transaction in comparison to other strategies or transactions that might be available to Vedanta Limited or in which Vedanta Limited might engage or as to the underlying business decision of Vedanta Limited to proceed with or effect the Transaction. Further, Vedanta Limited will remain solely responsible for the commercial assumptions on which this opinion is based and for its decision to proceed with the Transaction.

Further, our opinion does not take into account any corporate actions of Vedanta Limited after the date hereof, including payment of dividends. We are not expressing any opinion as to what the value of the Equity Shares actually will be when issued or the prices at which the Equity Shares will trade at any time, including following announcement or consummation of the Transaction. In addition, we express no opinion or recommendation as to how any shareholder, creditor or other person should vote or act in connection with the Transaction or any related matter. In addition, we are not expressing any view or opinion with respect to, and have relied, with the consent of Vedanta Limited, upon the assessments of representatives of Vedanta Limited regarding, legal, regulatory, accounting, tax and other matters relating to Vedanta Limited, any of their respective subsidiaries and/or associates, as applicable, or any other entity and the Transaction (including the contemplated benefits of the Transaction) as to which we understand that Vedanta Limited obtained such advice as it deemed necessary from qualified professionals.





We have also assumed that all aspects of the Transaction and any other transaction contemplated in the Scheme would be in compliance with applicable laws and regulations, and we have issued this opinion on the understanding that we would not in any manner verify, or be responsible for ensuring, such compliance, including without limitation, compliance with the provisions of SEBI Regulations. Without prejudice to the generality of the foregoing, we express no opinion and have assumed that the Transaction will not trigger obligation to make open offers under the Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended and accordingly, we have not considered the consequences or impact on ICICI Securities, if any such offers are mandated, and we have also assumed that the Transaction will not result in any adverse effect on ICICI Securities or its business, whether under tax or other laws or under the terms of any license or approval.

We have acted as financial advisor to the Board of Directors of Vedanta Limited to render this opinion and will receive a fee for our services, which will be paid upon the rendering of this opinion. In addition, Vedanta Limited has agreed to reimburse our expenses (subject to certain restrictions) and indemnify us against certain liabilities arising out of our engagement.

We and our affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of our businesses, we and our affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Vedanta Limited and their respective subsidiaries, joint ventures, associates and/or affiliates.

We and our affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Vedanta Limited and its subsidiaries, joint ventures, associates and/or affiliates, and have received or in the future may receive compensation for the rendering of these services.

It is understood that this letter is for the benefit and use of the Board of Directors of Vedanta Limited (in its capacity as such) in connection with and for purposes of its evaluation of the Transaction and is not rendered to or for the benefit of, and shall not confer rights or remedies upon, any person other than the Board of Directors of Vedanta Limited. This opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party, nor shall any public reference to us be made, for any purpose whatsoever except (i) with our prior written consent in each instance; (ii) as required to be disclosed by Vedanta Limited to the Stock Exchanges pursuant to applicable laws and may be disclosed on the website of Vedanta Limited and the Stock Exchanges to the extent required under applicable laws and further may also be made a part of the explanatory statement to be circulated to the shareholders and/or creditors of Vedanta Limited; and (iii) as required to be disclosed to relevant judicial, regulatory or government authorities, in each case only as may be mandatorily required by applicable laws. Our opinion is necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect this opinion, and we do not have any obligation to update, revise, or reaffirm this opinion.



## **RATIONALE & CONCLUSION**

In the circumstances, having regard to all relevant factors and on the basis of information and explanations given to us, we are of the opinion on the date hereof, that the Share Entitlement Ratio, as recommended by the Registered Valuer is fair.

Yours faithfully,

**For ICICI Securities Limited,**



Mr. Raghwendra Pande  
Executive Vice President  
ICICI Securities, Mumbai  
Date: September 29, 2023



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VEDANTA LIMITED ("COMPANY") AT ITS MEETING HELD ON SEPTEMBER 29, 2023, AT 03:15 PM AT LONDON EXPLAINING THE EFFECT OF THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT AMONGST THE COMPANY AND ALUMINIUM CO. ("RESULTING COMPANY 1"), TALWANDI SABO POWER LIMITED ("RESULTING COMPANY 2"), MALCO ENERGY LIMITED ("RESULTING COMPANY 3"), BASE METAL CO. ("RESULTING COMPANY 4") AND IRON AND STEEL CO. ("RESULTING COMPANY 5") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME") ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

### BACKGROUND

1. Based on the recommendations of the Committee of Independent Directors and Audit & Risk Management Committee, the Board of Directors of the Company ("Board") at its meeting held on September 29, 2023 approved the composite scheme of arrangement ("Scheme") amongst the Company, Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 (each as defined in the Scheme, and collectively referred to as, the "Resulting Companies", the Resulting Companies and Company are collectively referred to as the "Parties") and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").
2. The Scheme, *inter-alia*, provides for:
  - 2.1 Demerger of the Aluminium Undertaking (as defined in the Scheme) of the Company to Resulting Company 1, and corresponding issuance of equity shares of Resulting Company 1 to the shareholders of the Company and reduction and cancellation of the entire pre-scheme share capital of Resulting Company 1, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.
  - 2.2 Demerger of the Merchant Power Undertaking (as defined in the Scheme) of the Company to Resulting Company 2, and corresponding issuance of equity shares of Resulting Company 2 to shareholders of the Company and reduction and cancellation of the entire pre-scheme share capital of the Resulting Company 2, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.
  - 2.3 Demerger of the Oil and Gas Undertaking (as defined in the Scheme) of the Company to Resulting Company 3, and corresponding issuance of equity shares of Resulting Company 3 to shareholders of the Company and reduction and cancellation of certain pre-scheme share capital of the Resulting Company 3, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.
  - 2.4 Demerger of the Base Metals Undertaking (as defined in the Scheme) of the Company to Resulting Company 4, and corresponding issuance of equity shares of Resulting Company 4 to shareholders of the Company and reduction and cancellation of the entire pre-scheme share capital of the Resulting Company 4, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.
  - 2.5 Demerger of the Iron Ore Undertaking (as defined in the Scheme) of the Company to Resulting Company 5, and corresponding issuance of equity shares of Resulting Company 5 to shareholders of the Company and reduction and cancellation of the entire pre-scheme share capital of the Resulting Company 5, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.
3. The Scheme also provides for various other matters consequent and incidental thereto.
4. The Board, while approving the draft Scheme placed before it, took into consideration, *inter-alia*, the following:
  - a. Share Entitlement Ratio Report dated September 29, 2023, from BDO Valuation Advisory LLP, Registered Valuers ("SER Report") for the issuance of shares by each of the Resulting Companies to the shareholders of the Company pursuant to the Scheme;
  - b. Fairness Opinion dated September 29, 2023 from M/s. ICICI Securities Limited, an independent SEBI registered Category I Merchant Banker, on the SER Report ("Fairness Opinion");
  - c. Statutory Auditor's Certificate from M/s S.R. Batliboi & Co. LLP, Chartered Accountants dated September 29, 2023, certifying that the accounting treatment contained in the draft Scheme as it relates to the Company is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act and the rules made thereunder and specified in Paragraph (A)(5) of Part I of the SEBI Scheme Circular;
5. Undertaking dated September 29, 2023 by the Company Secretary & Compliance Officer of the Company, confirming the non-applicability of the requirements under Para A (10)(b) of Part I of the SEBI Scheme Circular relating to obtaining approval from the majority of public shareholders.
6. The Statutory Auditor's Certificate from M/s S.R. Batliboi & Co. LLP, Chartered Accountants, dated September 29, 2023 certifying the Company's Undertaking under Clause (e) above pursuant to Paragraph A (10)(c) of Part I of the SEBI Scheme Circular.

### PURPOSE OF THE REPORT

7. As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of compromise on each class of shareholders, key managerial personnel ("KMP"), promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

### SHARE EXCHANGE RATIO

1. The above-mentioned registered valuer has recommended the following share entitlement ratio for the issue of shares in terms of the Scheme:

*"Each of the concerned Resulting Companies will issue shares to the shareholders of the Company in the ratio of 1 (One) fully paid-up equity share of the applicable Resulting Company having face value of INR 1 (Indian Rupee One) each [except for Resulting Company 2 having face value of INR 10 (Indian Rupees Ten) each] for every 1 (One) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Company".*

2. The aforesaid ratio has been confirmed in the Fairness Opinion referred to in Paragraph 4 of the Background above.



### **VEDANTA LIMITED**

REGISTERED OFFICE: Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East)  
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Email: comp.sect@vedanta.co.in | Website: www.vedantalimited.com

CIN: L13209MH1965PLC291394



3. The Resulting Companies shall seek listing of their respective equity shares on BSE and NSE (*each as defined in the Scheme*), in terms of and in compliance of the Circular No. SEBI/HO/CFD/DIII/CIR/P/2021/0000000665 dated November 23, 2021, as issued by the Securities and Exchange Board of India, and other provisions as may be applicable.
4. Immediately with effect from the Effective Date (*as defined in the Scheme*) and upon allotment of equity shares by the Resulting Companies to the shareholders of the Company, the entire pre-scheme paid up equity share capital of the Resulting Companies shall stand cancelled.

#### **VALUATION DIFFICULTIES**

No special valuation difficulties were reported.

#### **EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL ("KMPs"), PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

##### **1. Equity Shareholders (including Promoter and Non-promoter)**

The Company has issued only one class of share capital, i.e., equity shares. All shareholders (including promoter and non-promoter shareholders) of the Company holding such equity shares will be entitled to the allotment of fully paid-up equity shares in the Resulting Companies in the manner set out in the Scheme.

The Scheme will not have an impact on the shareholding pattern of the Company.

##### **2. Directors and Key Managerial Personnel ("KMPs")**

The Scheme is not expected to have any effect on the Directors and KMPs of the Company. One or more of the Resulting Companies may, if applicable, employ the concerned KMPs of the Company engaged solely with the business to be carried out by such Resulting Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Company.

On behalf of the Board of Vedanta Limited

  
Anil Agarwal  
Chairman  
Place: London



#### **VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530  
Email: comp.sect@vedanta.co.in | Website: www.vedantalimited.com

CIN: L13209MH1965PLC291394

## VEDANTA ALUMINIUM METAL LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VEDANTA ALUMINIUM METAL LIMITED ("COMPANY") AT ITS MEETING HELD ON FRIDAY, OCTOBER 13, 2023, AT 04:35 PM IST AS A MEETING CONVENED AND CONDUCTED AT SHORTER NOTICE HELD THROUGH ELECTRONIC MODE AND VENUE RECORDED AT NEW DELHI EXPLAINING THE EFFECT OF THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT AMONGST INTER ALIA VEDANTA LIMITED (DEMERGED COMPANY) AND THE COMPANY ("RESULTING COMPANY 1"), AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME") ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

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### BACKGROUND

1. The Board of Directors of the Company ("**Board**") at its meeting held on October 13, 2023 approved the scheme of arrangement ("**Scheme**") amongst inter alia Vedanta Limited (the "**Demerged Company**"), the Company (the "**Resulting Company 1**") (the Demerged Company and the Company collectively referred to as the "**Parties**"), and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "**Act**").
2. The Scheme, *inter-alia*, provides for:
  - 2.1 *Demerger of the Aluminium Undertaking (as defined in the Scheme) of Vedanta Limited to the Company, and corresponding issuance of equity shares of the Company to the shareholders of Vedanta Limited and reduction and cancellation of the entire pre-scheme share capital of the Company, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.*
3. The Scheme also provides for various other matters consequent and incidental thereto.
4. The Board, while approving the draft Scheme placed before it, took into consideration, *inter-alia*, the following:
  - a. Share Entitlement Ratio Report dated September 29, 2023, from M/s. BDO Valuation Advisory LLP, Registered Valuers ("**SER Report**") for the issuance of shares by the Company to the shareholders of the Demerged Company pursuant to the Scheme;
  - b. Fairness Opinion dated September 29, 2023 from M/s. ICICI Securities Limited, an independent SEBI registered Category I Merchant Banker, on the SER Report ("**Fairness Opinion**")
  - c. Statutory Auditor's Certificate from M/s. Haribhakti & Co. LLP, Chartered Accountants dated October 13, 2023, certifying that the accounting treatment contained in the draft Scheme as it relates to the Company is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act and the rules made thereunder and specified in Paragraph (A)(5) of Part I of the SEBI Scheme Circular.



## VEDANTA ALUMINIUM METAL LIMITED

### PURPOSE OF THE REPORT

5. As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of compromise on each class of shareholders, key managerial personnel ("KMP"), promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

### SHARE EXCHANGE RATIO

1. The above-mentioned registered valuer has recommended the following share entitlement ratio for the issue of shares in terms of the Scheme:

*"The Company will issue shares to the shareholders of the Demerged Company in the ratio of 1 (One) fully paid-up equity share of INR 1/- (Indian Rupee One) each in the Company for every 1 (One) fully paid-up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company".*

2. The aforesaid ratio has been confirmed in the Fairness Opinion referred to in Paragraph 4 of the Background above.
3. The Company shall seek listing of its equity shares on the BSE and NSE (each as defined in the Scheme), in terms of and in compliance of the Circular No. SEBI/HO/CFD/DIII/CIR/P/2021/0000000665 dated November 23, 2021, as issued by the Securities and Exchange Board of India, and other provisions as may be applicable.
4. Immediately with effect from the Effective Date (as defined in the Scheme) and upon allotment of equity shares by the Company to the shareholders of the Demerged Company, the entire pre-scheme paid up equity share capital of the Company shall stand cancelled.

### VALUATION DIFFICULTIES

No special valuation difficulties were reported.

### EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL ("KMPs"), PROMOTERS AND NON-PROMOTER SHAREHOLDERS

#### **1. Equity Shareholders (including Promoter and Non-promoter)**

The Company has issued only one class of share capital, i.e., equity shares. All the shares of the Company held by Vedanta Limited as its promoter shall stand cancelled as part of the Scheme, and pursuant to which the shareholders of the Demerged Company will be entitled to the allotment of fully paid-up equity shares in the Company in the manner set out in the Scheme.

With the effect of Scheme the entire share capital of the company shall stand cancelled.

## VEDANTA ALUMINIUM METAL LIMITED

### 2. Directors and Key Managerial Personnel ("KMPs")

The Scheme is not expected to have any effect on the Directors and KMPs, if any of the Company. The Company may, if applicable, employ the concerned KMPs of the Demerged Company engaged with the Aluminium Undertaking without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

On behalf of the Board  
For Vedanta Aluminium Metal Limited



Anup Agarwal  
Director  
DIN: 08551388  
Place: New Delhi  
Date: October 13, 2023

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TALWANDI SABO POWER LIMITED ("COMPANY") AT ITS MEETING HELD ON OCTOBER 10, 2023 AT 12:50 PM AT THROUGH VIDEO CONFERENCING EXPLAINING THE EFFECT OF THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT AMONGST INTER ALIA VEDANTA LIMITED (DEMERGED COMPANY) AND THE COMPANY ("RESULTING COMPANY 2) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME") ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

### BACKGROUND

1. Based on the recommendations of the Audit Committee, the Board of Directors of the Company ("Board") at its meeting held on October 10, 2023 approved the scheme of arrangement ("Scheme") amongst inter alia Vedanta Limited (the "Demerged Company"), the Company ("Resulting Company 2") (the Demerged Company and the Company collectively referred to as the "Parties"), and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").
2. The Scheme, *inter-alia*, provides for:
  - 2.1 *Demerger of the Merchant Power Undertaking (as defined in the Scheme) of the Demerged Company to the Company, and corresponding issuance of equity shares of the Company to shareholders of the Demerged Company and reduction and cancellation of the entire pre-scheme share capital of the Company, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of Act.*
3. The Scheme also provides for various other matters consequent and incidental thereto.
4. The Board, while approving the draft Scheme placed before it, took into consideration, *inter-alia*, the following:
  - a. Share Entitlement Ratio Report dated September 29, 2023, from BDO Valuation Advisory LLP, Registered Valuers ("SER Report") for the issuance of shares by the Company to the shareholders of the Demerged Company pursuant to the Scheme;
  - b. Fairness Opinion dated September 29, 2023 from M/s. ICICI Securities Limited, an independent SEBI registered Category I Merchant Banker, on the SER Report ("Fairness Opinion")
  - c. Statutory Auditor's Certificate from M/s S.R. Batliboi & Co. LLP, Chartered Accountants dated October 10, 2023, certifying that the accounting treatment contained in the draft Scheme as it relates to the Company is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act and the rules made thereunder and specified in Paragraph (A)(5) of Part I of the SEBI Scheme Circular.

*Shivangi*



## **PURPOSE OF THE REPORT**

As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of compromise on each class of shareholders, key managerial personnel ("KMP"), promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

## **SHARE EXCHANGE RATIO**

1. The above-mentioned registered valuer has recommended the following share entitlement ratio for the issue of shares in terms of the Scheme:

*"The Company will issue shares to the shareholders of the Demerged Company in the ratio of 1 (One) fully paid-up equity share of INR 10/- (Indian Rupee Ten) each in the Company for every 1 (One) fully paid-up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company".*

2. The aforesaid ratio has been confirmed in the Fairness Opinion referred to in Paragraph 4 of the Background above.
3. The Company shall seek listing of its equity shares on the BSE and NSE (each as defined in the Scheme), in terms of and in compliance of the Circular No. SEBI/HO/CFD/DIII/CIR/P/2021/0000000665 dated November 23, 2021, as issued by the Securities and Exchange Board of India, and other provisions as may be applicable.
4. Immediately with effect from the Effective Date (as defined in the Scheme) and upon allotment of equity shares by the Company to the shareholders of the Demerged Company, the entire pre-scheme paid up equity share capital of the Company shall stand cancelled.

## **VALUATION DIFFICULTIES**

No special valuation difficulties were reported.

## **EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL (KMPs), PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

### **1. Equity Shareholders (including Promoter and Non-promoter)**

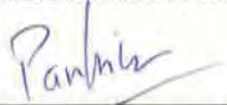
The Company has issued only one class of share capital, i.e., equity shares. All the shares of the Company held by Vedanta Limited as its promoter shall stand cancelled as part of the Scheme, and pursuant to which the shareholders of the Demerged Company will be entitled to the allotment of fully paid-up equity shares in the Company in the manner set out in the Scheme.

With the effect of the Scheme, the entire share capital of the Company shall stand cancelled.

**2. Directors and Key Managerial Personnel ("KMPs")**

The Scheme is not expected to have any effect on the Directors and KMPs, if any, of the Company. The Company may, if applicable, employ the concerned KMPs of the Demerged Company engaged with the Merchant Power Undertaking without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

On behalf of the Board of  
Talwandi Sabo Power Limited



Pankaj Kumar Sharma

Director

DIN: 10277510

Place: Mansa

Date: October 10, 2023

*Shivangi*



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MALCO ENERGY LIMITED ("COMPANY") AT ITS MEETING HELD ON OCTOBER 13, 2023, AT 10:35 AM AT SESA GHOR, 20 EDC COMPLEX, PATTO, PANAJI, GOA- 403001 THROUGH VIDEO CONFERENCING EXPLAINING THE EFFECT OF THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT AMONGST INTER ALIA VEDANTA LIMITED (DEMERGED COMPANY) AND THE COMPANY ("RESULTING COMPANY 3") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME") ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

---

#### **BACKGROUND**

1. The Board of Directors of the Company ("Board") at its meeting held on October 13, 2023 approved the scheme of arrangement ("Scheme") amongst inter alia Vedanta Limited (the "Demerged Company"), the Company (the "Resulting Company 3") (the Demerged Company and the Company collectively referred to as the "Parties"), and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").
2. The Scheme, *inter-alia*, provides for:
  - 2.1 *Demerger of the Oil and Gas Undertaking (as defined in the Scheme) of the Company to the company, and corresponding issuance of equity shares of Company to shareholders of the Demerged Company and reduction and cancellation of entire pre-scheme share capital of the Company, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.*
3. The Scheme also provides for various other matters consequent and incidental thereto.
4. The Board, while approving the draft Scheme placed before it, took into consideration, *inter-alia*, the following:
  - a. Share Entitlement Ratio Report dated September 29, 2023, from BDO Valuation Advisory LLP, Registered Valuers ("SER Report") for the issuance of shares by the Company to the shareholders of the Demerged Company pursuant to the Scheme;
  - b. Fairness Opinion dated September 29, 2023, from M/s. ICICI Securities Limited, an independent SEBI registered Category I Merchant Banker, on the SER Report ("Fairness Opinion")
  - c. Statutory Auditor's Certificate from M/s. S R B C & CO LLP, Chartered Accountants dated [October 13, 2023], certifying that the accounting treatment contained in the draft Scheme as it relates to the Company is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act and the rules made thereunder and specified in Paragraph (A)(5) of Part I of the SEBI Scheme Circular.

#### **MALCO Energy Limited**

Works: PO Box No. 4, Mettur Dam, Salem (Tamil Nadu) - 636 402  
T +91-4298 224613 F +91-4298 222 068 [www.vedantalimited.com](http://www.vedantalimited.com)

Registered Office: SIPCOT Industrial Complex, Madurai Bypass Road, T. V. Puram P.O., Tuticorin (Tamil Nadu) - 628 002CIN: U31300TN2001PLC069645



### **PURPOSE OF THE REPORT**

5. As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of compromise on each class of shareholders, key managerial personnel ("KMP"), promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of Act.

### **SHARE EXCHANGE RATIO**

1. The above-mentioned registered valuer has recommended the following share entitlement ratio for the issue of shares in terms of the Scheme:

*"The Company will issue shares to the shareholders of the Demerged Company in the ratio of 1 (One) fully paid-up equity share of INR 1/- (Indian Rupee one) each in the Company for every 1 (One) fully paid-up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company".*

2. The aforesaid ratio has been confirmed in the Fairness Opinion referred to in Paragraph 4 of the Background above.
3. The Company shall seek listing of its equity shares on the BSE and NSE (each as defined in the Scheme), in terms of and in compliance of the Circular No. SEBI/HO/CFD/DIII/CIR/P/2021/0000000665 dated November 23, 2021, as issued by the Securities and Exchange Board of India, and other provisions as may be applicable.
4. Immediately with effect from the Effective Date (as defined in the Scheme) and upon allotment of equity shares by the Company to the shareholders of the Demerged Company, the entire pre-scheme paid up equity share capital of the Company shall stand cancelled.

### **VALUATION DIFFICULTIES**

No special valuation difficulties were reported.

### **EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL (KMPs), PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

#### **1. Equity Shareholders (including Promoter and Non-promoter)**

The Company has issued only one class of share capital, i.e., equity shares. All the shares of the Company held by Vedanta Limited as its promoter shall stand cancelled as part of the Scheme, and pursuant to which the shareholders of the Demerged Company will be entitled to the allotment of fully paid-up equity shares in the Company in the manner set out in the Scheme.

#### **MALCO Energy Limited**

Works: PO Box No. 4, Mettur Dam, Salem (Tamil Nadu) - 636 402  
T +91-4298 224613 F +91-4298 222 068 [www.vedantalimited.com](http://www.vedantalimited.com)

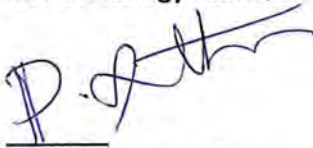
Registered Office: SIPCOT Industrial Complex, Madurai Bypass Road, T. V. Puram P.O., Tuticorin (Tamil Nadu) - 628 002  
CIN: U31300TN2001PLC069645

With the effect of Scheme, the entire share capital of the company shall stand cancelled.

**2. Directors and Key Managerial Personnel ("KMPs")**

The Scheme is not expected to have any effect on the Directors and KMPs, if any, of the Company. The Company may, if applicable, employ the concerned KMPs of the Demerged Company engaged with the Oil and Gas Undertaking without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

On behalf of the Board  
MALCO Energy Limited



Poovannan Sumathi  
Director  
Place: Tuticorin  
Date: 13/10/2023

**MALCO Energy Limited**

Works: PO Box No. 4, Mettur Dam, Salem (Tamil Nadu) - 636 402  
T +91-4298 224613 F +91-4298 222 068 [www.vedantalimited.com](http://www.vedantalimited.com)

Registered Office: SIPCOT Industrial Complex, Madurai Bypass Road, T. V. Puram P.O., Tuticorin (Tamil Nadu) - 628 002  
CIN: U31300TN2001PLC069645

## VEDANTA IRON AND STEEL LIMITED

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF VEDANTA IRON AND STEEL LIMITED ("COMPANY") AT ITS MEETING HELD ON FRIDAY, OCTOBER 13, 2023, AT 04:49 PM IST AS A MEETING CONVENED AND CONDUCTED AT SHORTER NOTICE HELD THROUGH ELECTRONIC MODE AND VENUE RECORDED AT NEW DELHI EXPLAINING THE EFFECT OF THE DRAFT COMPOSITE SCHEME OF ARRANGEMENT AMONGST INTER ALIA VEDANTA LIMITED (DEMERGED COMPANY) AND THE COMPANY ("RESULTING COMPANY 5"), AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("SCHEME") ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

---

### BACKGROUND

1. The Board of Directors of the Company ("**Board**") at its meeting held on October 13, 2023 approved the scheme of arrangement ("**Scheme**") amongst inter alia Vedanta Limited (the "**Demerged Company**"), the Company (the "**Resulting Company 5**") (the Demerged Company and the Company collectively referred to as the "**Parties**"), and their respective shareholders and creditors pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "**Act**").
2. The Scheme, *inter-alia*, provides for:
  - 2.1 *Demerger of the Iron Ore Undertaking (as defined in the Scheme) of Vedanta Limited to the Company, and corresponding issuance of equity shares of the Company to shareholders of the Vedanta Limited and reduction and cancellation of the entire pre-scheme share capital of the Company, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act.*
3. The Scheme also provides for various other matters consequent and incidental thereto.
4. The Board, while approving the draft Scheme placed before it, took into consideration, *inter-alia*, the following:
  - a. Share Entitlement Ratio Report dated September 29, 2023, from M/s. BDO Valuation Advisory LLP, Registered Valuers ("**SER Report**") for the issuance of shares by the Company to the shareholders of the Demerged Company pursuant to the Scheme;
  - b. Fairness Opinion dated September 29, 2023 from M/s. ICICI Securities Limited, an independent SEBI registered Category I Merchant Banker, on the SER Report ("**Fairness Opinion**")
  - c. Statutory Auditor's Certificate from M/s. Haribhakti & Co. LLP, Chartered Accountants dated October 13, 2023, certifying that the accounting treatment contained in the draft Scheme as it relates to the Company is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Act and the rules made thereunder and specified in Paragraph (A)(5) of Part I of the SEBI Scheme Circular.



## VEDANTA IRON AND STEEL LIMITED

### PURPOSE OF THE REPORT

As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of compromise on each class of shareholders, key managerial personnel ("KMP"), promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

### SHARE EXCHANGE RATIO

1. The above-mentioned registered valuer has recommended the following share entitlement ratio for the issue of shares in terms of the Scheme:

*"The Company will issue shares to the shareholders of the Demerged Company in the ratio of 1 (One) fully paid-up equity share of INR 1/- (Indian Rupee One) each in the Company for every 1 (One) fully paid-up equity share of INR 1 (Indian Rupee One) each held in the Demerged Company".*

2. The aforesaid ratio has been confirmed in the Fairness Opinion referred to in Paragraph 4 of the Background above.
3. The Company shall seek listing of its equity shares on the BSE and NSE (each as defined in the Scheme), in terms of and in compliance of the Circular No. SEBI/HO/CFD/DIII/CIR/P/2021/0000000665 dated November 23, 2021, as issued by the Securities and Exchange Board of India, and other provisions as may be applicable.
4. Immediately with effect from the Effective Date (as defined in the Scheme) and upon allotment of equity shares by the Company to the shareholders of the Demerged Company, the entire pre-scheme paid up equity share capital of the Company shall stand cancelled.

### VALUATION DIFFICULTIES

No special valuation difficulties were reported.

### EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL ("KMPs"), PROMOTERS AND NON-PROMOTER SHAREHOLDERS

#### **1. Equity Shareholders (including Promoter and Non-promoter)**

The Company has issued only one class of share capital, i.e., equity shares. All the shares of the Company held by Vedanta Limited as its promoter shall stand cancelled as part of the Scheme, and pursuant to which the shareholders of the Demerged Company will be entitled to the allotment of fully paid-up equity shares in the Company in the manner set out in the Scheme.

With the effect of Scheme the entire share capital of the company shall stand cancelled.

## VEDANTA IRON AND STEEL LIMITED

### 2. Directors and Key Managerial Personnel ("KMPs")

The Scheme is not expected to have any effect on the Directors and KMPs, if any of the Company. The Company may, if applicable, employ the concerned KMPs of the Demerged Company engaged with the Iron Ore Undertaking without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

On behalf of the Board  
For Vedanta Iron and Steel Limited

  
Anup Agarwal  
Director  
DIN: 08551388

Place: New Delhi  
Date: October 13, 2023



National Stock Exchange Of India Limited

Ref: NSE/LIST/38086

July 30, 2024

The Company Secretary  
Vedanta Limited  
1<sup>st</sup> floor, C Wing,  
Unit 103, Corporate Avenue,  
Atul Projects, Chakala,  
Andheri East, Mumbai - 400 093

**Kind Attn.: Ms. Prerna Halwasiya**

Dear Madam,

**Sub: Observation Letter for draft scheme of arrangement between Vedanta Limited (“Demerged Company”) and Vedanta Aluminium Metal Limited (“Resulting Company 1”), Talwandi Sabo Power Limited (“Resulting Company 2”) and Malco Energy Limited (“Resulting Company 3”) and Vedanta Base Metals Limited (“Resulting Company 4”) and Vedanta Iron and Steel Limited (“Resulting Company 5”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.**

We are in receipt for draft scheme of arrangement between Vedanta Limited (“Demerged Company”) and Vedanta Aluminium Metal Limited (“Resulting Company 1”), Talwandi Sabo Power Limited (“Resulting Company 2”) and Malco Energy Limited (“Resulting Company 3”) and Vedanta Base Metals Limited (“Resulting Company 4”) and Vedanta Iron and Steel Limited (“Resulting Company 5”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 vide application dated October 23, 2023.

Based on our letter reference no. NSE/LIST/38086 dated January 05, 2024, submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (Master Circular) and Regulation 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI vide its letter dated March 28, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.*

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Signer: KHYATI NANDAN VIDWANS  
Date: Tue, Jul 30, 2024 19:53:56 IST  
Location: NSE



- c) *The Company shall ensure compliance with the SEBI Circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Companies.*
- d) *The Company shall ensure that information pertaining to all the Unlisted Companies, if any, involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- e) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- f) *The Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*
- g) *The Company shall ensure that the proposed equity shares, if any, to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- h) *The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- i) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- j) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- k) *The Company shall ensure to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- l) *The Company shall additionally disclose the following to the public shareholders to enable them to take an informed decision:*
- (i) details of assets, liabilities, networth, revenue of the companies involved in the scheme, for both pre and post scheme of arrangement,*
  - (ii) write up on the history of the demerged undertakings*
  - (iii) latest net worth certificate along with statement of assets and liabilities of both demerged company and resulting companies for both pre and post the scheme of arrangement*

This Document is Digitally Signed

- (iv) comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged company in last three financial years,
  - (v) Detailed statement on the applicability of statutory and other approvals viz. Central or State Government, Ministry, Regulatory, etc., including the status of those approvals and
  - (vi) the need, rationale and synergies of the scheme along with its impact on the shareholders, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.
- m) The Company shall ensure that all the applicable additional information shall form part of disclosures to shareholders, which was submitted by the Company to the Stock Exchange as per Annexure M of Exchange checklist.
- n) It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Company should also fulfil the Exchange’s criteria for listing of such companies and also comply with other applicable statutory requirements. However, the listing of shares of Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited is at the discretion of the Exchange.

The listing of Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval & Companies satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited (“NSE”) for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:

*“The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Companies; does not in any manner take any responsibility for the financial or other soundness of the Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited, its promoters, its management etc.”*

2. To publish an advertisement in the newspapers containing all the information about Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited in line with the details required as per SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.
3. To disclose all the material information about Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited to NSE on continuous basis to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.
4. The following provision shall be incorporated in the scheme:

*(a) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”*

*(b) “There shall be no change in the shareholding pattern or control in Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited and Vedanta Iron and Steel Limited between the record date and the listing which may affect the status of this approval.”*

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from July 30, 2024, within which the Scheme shall be submitted to NCLT.



Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Khyati Vidwans  
Senior Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed

DCS/AMAL/AK/R37/3123/2023-24

"Revised Letter"

July 31, 2024

The Company Secretary,  
**Vedanta Limited.**  
 1st Floor, 'C' Wing,  
 Unit 103, Corporate Avenue,  
 Atul Projects, Chakala, Andheri (East),  
 Mumbai, Maharashtra, 400093

Dear Sir,

**Sub: Observation letter regarding the Scheme of Arrangement between Vedanta Limited (Demerged Company or Company) and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5")**

We are in receipt of Scheme of Arrangement between Vedanta Limited (Demerged Company or Company) and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated March 28, 2024 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- a. "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "Company shall ensure compliance with SEBI circulars issued from time to time."
- d. "The entities involved in the scheme shall duly comply with the various provisions of the circular and ensure that all liabilities of the Transferor Company are transferred to the Transferee company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."



- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice to shareholders."
- h. "Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only."
- i. "Company is advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- j. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- k. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- l. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- m. "Company is advised to additionally disclose the following to the public shareholders can make an informed decision in the matter:
  - (i) The Details of assets, liabilities, revenue of all the companies involved in the scheme, both pre and post scheme of arrangement.
  - (ii) Write up on the history of demerged undertakings
  - (iii) Latest Net worth certificate along with the statement of assets and liabilities of all the companies involved in the scheme, both pre and post scheme of arrangement.
  - (iv) Comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged company in the last three financial years.
  - (v) Detailed statement on the applicability of statutory and other approvals viz Central or State Government, Ministry, Regulatory etc., including the status of those approvals
  - (vi) The need, rationale, synergies of the scheme along with its impact on the shareholders, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013."
- n. "Company shall ensure that applicable additional information, if any, to be submitted to SEBI along with draft scheme of arrangement and document requested via email dated on July 30, 2024 shall form part of disclosures to the shareholders."
- o. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by



**SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

However, the listing of equity shares of Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. Further, Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Companies shall fulfil the Exchange's criteria for listing the securities of such Companies and also comply with other applicable statutory requirements. However, the listing of shares of Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited is at the discretion of the Exchange. In addition to the above, the listing of Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the Companies are also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited in line with the details



required as per the aforesaid SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.

3. To disclose all the material information about Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
  - “The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange.”
  - “There shall be no change in the shareholding pattern of Vedanta Aluminium Metal Limited, Talwandi Sabo Power Limited, Malco Energy Limited, Vedanta Base Metals Limited, Vedanta Iron and Steel Limited between the record date and the listing which may affect the status of this approval.”

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **the validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

TL



**Sachin Jain**  
General Manager



**COMPLAINTS REPORT**  
(Period: October 31, 2023 to November 20, 2023)


**Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchanges / SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

**Part B**

Sr. No.	Name of complainant	Date of complaint	Status
Not Applicable			

**For Vedanta Limited**



**Purna Halwasiya**  
**Company Secretary & Compliance Officer**

**ACS: 20856**

**November 27, 2023**



**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East)  
Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530  
Email: comp.sect@vedanta.co.in | Website: www.vedantalimited.com

**COMPLAINTS REPORT**  
(Period: January 5, 2024 to January 25, 2024)

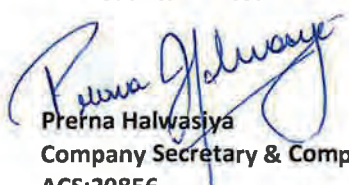
**Part A**

Sr.No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchanges / SEBI	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	<b>Not Applicable</b>
5.	Number of complaints pending	<b>Not Applicable</b>

**Part B**

Sr.No.	Name of complainant	Date of complaint	Status
Not Applicable			

**For Vedanta Limited**



**Purna Halwasiya**  
**Company Secretary & Compliance Officer**  
**ACS:20856**  
**January 30, 2024**



**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East)  
Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530  
Email: comp sect@vedanta.co.in | Website: www.vedantalimited.com

CIN: L13209MH1965PLC291394

## Annexure T1

### DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

THIS DISCLOSURE DOCUMENT ("DOCUMENT") CONTAINS APPLICABLE INFORMATION PERTAINING TO THE UNLISTED COMPANY, VEDANTA ALUMINIUM METAL LIMITED, A WHOLLY OWNED SUBSIDIARY OF VEDANTA LIMITED AND THE SCHEME OF ARRANGEMENT BETWEEN VEDANTA LIMITED ("DEMERGED COMPANY" OR "VEDL"), VEDANTA ALUMINIUM METAL LIMITED ("VAML OR "RESULTING COMPANY-1" OR "COMPANY"), TALWANDI SABO POWER LIMITED ("TSPL" OR "RESULTING COMPANY-2"), MALCO ENERGY LIMITED ("MEL" OR "RESULTING COMPANY-3"), VEDANTA IRON AND STEEL LIMITED ("VISL" OR "RESULTING COMPANY-4") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 READ WITH OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULES FRAMED THEREUNDER (HEREINAFTER REFERRED TO AS "SCHEME").

*Note: Pursuant to paragraphs 44, 46 and 51 of the Scheme of Arrangement between Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Vedanta Base Metals Limited ("VBML") and Resulting Company 4 and their respective shareholders and creditors ("Original Scheme"), the board of directors ("Board") of the Demerged Company have by way of their resolutions dated December 20, 2024 and VBML and the Resulting Companies have by way of their resolutions dated December 23, 2024 decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies (as defined in the Scheme) have approved the updated Scheme, between the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.*

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") Circular NO.SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 read with Master Circular Bearing Number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI CIRCULARS") issued by the Securities and Exchange Board of India (SEBI). ("SEBI Circulars"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS 23 PAGES. PLEASE ENSURE THAT YOU  
HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of VEDL i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of VEDL are listed i.e. National Stock Exchange of India Limited ("NSE") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("BSE") i.e. [www.bseindia.com](http://www.bseindia.com).

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*





**VEDANTA ALUMINIUM METAL LIMITED**  
**Corporate Identification Number (CIN): U24202MH2023PLC411663,**  
**Date of Incorporation: 6<sup>th</sup> day of October, 2023**

Registered Office	Corporate Office	Contact Person	Email, Telephone and Website
C-103, Atul Projects, Corporate Avenue, New Link, Chakala MIDC, Mumbai - 400 093	Nil	Ms. Prerna Halwasiya	E-mail: <a href="mailto:comp.sect@vedanta.co.in">comp.sect@vedanta.co.in</a> Telephone: +91 22 6643 4500 Website: -

C



## NAMES OF PROMOTER(S) OF THE COMPANY

Vedanta Limited

### Details of Offer to Public

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1) / 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

### Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

(upto a maximum of 10 selling shareholders)

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines^	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of	NA
Commencement of trading of Equity Shares	NA

^The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

### Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen	NA	NA	NA





Month from the date of Abridged Prospectus			
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WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.

#### RISKS IN RELATION TO THE FIRST OFFER

The Company is not offering any shares through Initial Public Offer, to the Public. Hence risk(s) in relation to first offer is **NOT APPLICABLE**.

#### GENERAL RISKS

Investment in equity & equity related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to the Scheme. For taking any decision, investors must rely on their own examination of VEDL, VAML and the Scheme, including the risks involved. The equity shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Document. Specific attention of the investors is invited to the section "Internal Risk Factors" at page 14 of this Abridged Prospectus.

#### SCHEME DETAILS AND PROCEDURE

The Scheme is proposed between the Demerged Company and Resulting Company-1, Resulting Company-2, Resulting Company-3, and Resulting Company-4 (hereinafter collectively referred to as "**Resulting Companies**") and their respective shareholders and creditors.

The proposed Scheme is pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, in the manner provided for in the Scheme thereof.

The Board of Directors of Vedanta Aluminium Metal Limited and Vedanta Limited in their respective meetings held on 13<sup>th</sup> October, 2023 and 29<sup>th</sup> September, 2023 respectively, approved the Original Scheme.

The Scheme inter-alia provides for the Demerger of "Aluminium Undertaking" (as defined in the Scheme) to **Resulting Company-1** and the consequent issuance of equity shares by the **Resulting Company-1** to all the shareholders of the Demerged Company.

The Scheme is further subject to approval from the shareholders and creditors of aforesaid companies, National Company Law Tribunal ("NCLT") and other statutory/regulatory authorities, as may be applicable.





Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Aluminium Undertaking (*as defined in the Scheme*) shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 1 on a going concern basis.

#### **Consideration under the Scheme:**

The consideration for the demerger of the Aluminium Undertaking shall be the issue by the Resulting Company 1 of 1 (One) fully paid-up equity share of the Resulting Company-1 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company-1 New Equity Shares**").

The Resulting Company-1 New Equity Shares shall be in dematerialized form.

Upon the Scheme becoming effective and immediately prior to the allotment of the Resulting Company-1 New Equity Shares the entire paid-up share capital of the Resulting Company-1 as on Effective Date ("**Resulting Company-1 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company-1, pursuant to Sections 230 to 232 of the Act and such other applicable provisions of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company-1 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.

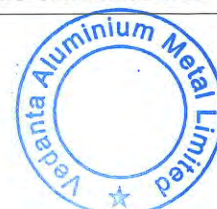
Details of: (i) the basis for the Share Entitlement Ratio; (ii) the valuation report; and (iii) fairness opinion are available on the websites of the Demerged Company i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of the Demerged Company are listed i.e. National Stock Exchange of India Limited ("**NSE**") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("**BSE**") i.e. [www.bseindia.com](http://www.bseindia.com) ("**Stock Exchanges**").

#### **Listing of the Equity Shares of the Resulting Company-1:**

The Resulting Company-1 New Equity Shares pursuant to the Scheme, will be listed and/or admitted to trading on the Stock Exchanges, subject to receipt of requisite approvals and in accordance with the SEBI Circular and other relevant provisions as may be applicable.

#### **Procedure:**

The procedure with respect to public issue/ offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large, except to the shareholders of the



Company. Hence, the processes and the procedure with respect to the Bid-cum- Application Form, RHP and General Information Document etc. are **NOT APPLICABLE**.

PRICE INFORMATION OF BRLM's				
Issue Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark) - 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
NA				

Name of BRLM and contact details (telephone and email id)	Not applicable
Name of Syndicate Members	Not applicable
Name of Registrar to the Issue and contact details (telephone and email id)	Not Applicable
Name of Statutory Auditor	<b>Haribhakti &amp; Co. LLP</b> Chartered Accountants 705, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai City, Mumbai, Maharashtra, India, 400059 <b>Tel No.:</b> +91 9819031122/ +91 22-66729998 <b>Email Id:</b> deepak.kabra@haribhakti.co.in
Name of Credit Rating Agency and therating or grading obtained, if any	Not applicable
Name of Debenture trustee, if any.	Not applicable
Self-Certified Syndicate Banks	Not applicable
Non-Syndicate Registered Brokers	Not applicable
Details regarding website address(es) / link(s) from which the investor can obtainlist of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)	Not applicable





PROMOTERS OF THE ISSUER COMPANY			
Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1	Vedanta Limited	Corporate	VEDL is a company incorporated under the Companies Act, 1956 with CIN L13209MH1965PLC291394 and registered office situated at 1 <sup>st</sup> Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East) Mumbai 400093. VEDL is a diversified natural resource company engaged in the business of extraction, refining, manufacture and sale of various metals and minerals, generation and sale of power and other businesses including semiconductor manufacturing, display glass manufacturing etc. The equity shares of VEDL are listed on BSE and NSE. The Listed Debt Securities of VEDL are listed on the BSE.

BUSINESS OVERVIEW AND STRATEGY
<p><b>Company Overview:</b> Vedanta Aluminium Metal Limited is a company incorporated under the Companies Act, 2013 bearing corporate identity number U24202MH2023PLC411663, is an unlisted public limited company (being a wholly-owned subsidiary of Vedanta Limited) and registered office of the Company situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai, Maharashtra, India, 400093. The Equity Shares of the Company are currently not listed on any Stock Exchange(s).</p> <p>The Resulting Company 1 has been incorporated with the objective of inter alia carrying on the business of metallurgists and miners including beneficiation, dressing, concentration, smelting, refining and the extraction, manufacture and fabrication, purchase and sale of metals and in particular to manufacture, produce and/or otherwise deal in alumina, aluminium and aluminium products and by-products and the sale, dealing or other disposition of alumina, aluminium and aluminium products and by-products.</p>
<b>Product/Service Offering:</b> Nil.
<b>Revenue segmentation by product/Service offering:</b> Nil
<b>Geographies Served:</b> Not Applicable
<b>Revenue segmentation by geographies:</b> Not Applicable
<b>Key Performance Indicators:</b> Not Applicable
<b>Client Profile or Industries Served:</b> Not Applicable.
<b>Revenue segmentation in terms of top 5/10 clients or Industries:</b> Not Applicable
<b>Intellectual Property, if any:</b> Not Applicable





<b>Market Share:</b> Not Applicable
<b>Manufacturing plant, if any:</b> Not Applicable
<b>Employee Strength:</b> There are 3 directors appointed in VAML and there are no other employees as on date.

BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholtime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
1.	Mr. Sunil Gupta	Non-Executive Director	<p><b>Experience:</b></p> <p>Mr. Sunil Gupta serves as the Chief Operating Officer (COO) of the Aluminium business of Vedanta Limited and is Chief Executive Officer (CEO) of the Jharsuguda unit, which comprises the world's largest aluminium smelter and India's largest captive power plant.</p> <p>He oversees strategic operations across Vedanta's aluminium plants in Jharsuguda and Lanjigarh in Odisha and BALCO in Chhattisgarh, as well as the company's mining operations across both states. He has been instrumental in increasing Vedanta's aluminium production to 2.37 million tonnes per annum (MTPA).</p> <p>His responsibilities include expanding aluminium production, optimizing bauxite and coal resources, and integrating technology for value addition. Mr. Gupta provides functional leadership for all of</p>	<p><b>Indian Companies:</b></p> <p>1. Vedanta Iron and Steel Limited</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>



BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>Vedanta Aluminium's operational assets, maximizes the value of existing power assets, secures and develops a portfolio of high-quality, low-cost domestic mines to ensure vertical integration for bauxite and coal, and manages relationships with external stakeholders in Odisha and Chhattisgarh.</p> <p>He also drives Vedanta Aluminium's sustainability initiatives in line with the conglomerate's vision of achieving net zero carbon by 2050 or sooner.</p> <p><b>Educational Qualification:</b></p> <p>Bachelor of Engineering (Electrical).</p>	
2.	Mr. Anup Agarwal	Non-Executive Director	<p><b>Experience:</b></p> <p>Mr. Anup Agarwal is a Chartered Accountant and Cost &amp; Management Accountant having more than 27 years of Professional experience. He is associated with Vedanta Group for more than 22 years and presently working as a CFO - Aluminium Business. In his previous role with group he has worked as Senior Vice President- Corporate Finance, Chief Financial Officer for Sterlite Copper Division for 3 years,</p>	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Vedanta Iron and Steel Limited</li> <li>2. Vedanta Base Metals Limited</li> <li>3. Vizag General Cargo Berth Private Limited</li> </ol> <p><b>Foreign Companies:</b></p> <p>Nil</p>



BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>Talwandi Saboo Power Limited for 5 years and have also held senior leadership stints at Jharsuguda Division and Bharat Aluminium Company Limited.</p> <p><b>Educational Qualification:</b> Chartered Accountant</p>	
3.	Mr. Pankaj Jha	Non-Executive Director	<p><b>Experience:</b></p> <p>Mr. Pankaj Jha serves as Chief Financial Officer of Jharsuguda division of Vedanta Limited having turnover of more than Rs. 35000 crore per annum. He leads the business having the world largest single location Smelter and India's only aluminium manufacturing unit in 1 million Tonne club. He has fostered a culture of innovation, leading to strategic financial gains and operational efficiencies across the business. He also spearheads Digital and IT portfolio and supports various start-up companies to showcase their ability in Vedanta and build future.</p> <p>He is qualified Chartered Accountant and Cost Accountant (with All India Rank). A growth oriented finance professional with 16+ years of global experience in strategy formulation, finance</p>	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Raykal Aluminium Company Private Limited</li> <li>2. Vedanta Iron and Steel Limited</li> </ol> <p><b>Foreign Companies:</b> Nil</p>





BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>controller, budgeting, business planning, risk management, accounting and consolidation, whistleblower investigations, protective intelligence and internal audits.</p> <p>Adaptable to change and flexible - Moved from Assurance function to CFO role. Benchmarking of the practices with objective of identifying newer areas in line with emerging risks, global practices and organization's vision &amp; mission. Technology enablement and use of data analytics.</p> <p><b>Educational Qualification:</b> B.Com, CA and CMA</p>	

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

- Demerged Company has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.
- Each of the varied businesses carried on by the Demerged Company by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.
- The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic



partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.

- In order to lend enhanced focus to the operation of identified businesses, Demerged Company proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking.
- The following benefits shall accrue on demergers of the Aluminium Business (*as defined in the Scheme*), the Merchant Power Business (*as defined in the Scheme*), the Oil and Gas Business (*as defined in the Scheme*) and the Iron Ore Business (*as defined in the Scheme*):
  - creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;
  - enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;
  - each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;
  - enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;
  - enabling focused and sharper capital market access (debt and equity) and thereby unlocking the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, and the Iron Ore Undertaking and creating enhanced value for shareholders.

The Scheme is in the interests of all stakeholders of VEDL, Resulting Company-1, Resulting Company-2, Resulting Company-3 and Resulting Company-4.

**Details of means of finance – Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable**





Name of monitoring agency, if any: Not Applicable

Terms of Issuance of Convertible Security, if any: Not Applicable

Name of monitoring agency, if any: Not Applicable.

**Pre-scheme Shareholding Pattern of the Resulting Company-1 (VAML):**

Sr. No.	Particulars	Pre-Scheme No. of Equity Shares	% of Holding Pre-Scheme
(A)	Promoter & Promoter Group	1,00,000	100%
(B)	Public	Nil	Nil
	<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

*Note: Upon the Scheme becoming effective, shareholders of Demerged Company will be allotted equity shares of the Resulting Company-1 in accordance with Clause 8 of the Scheme and therefore, will become equity shareholders of the Resulting Company-1. The Promoter and Promoter Group of the Demerged Company shall be the Promoter and Promoter group of the Resulting Company 1 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.*

**AUDITED FINANCIALS OF VAML**

Audited Financials of VAML for the period ended March 31<sup>st</sup> 2024 and Limited Reviewed Financials for the period ended September 30<sup>th</sup> 2024 are as mentioned below:

(Rs. in Lakhs)

Standalone	September 30 <sup>th</sup> , 2024	March 31 <sup>st</sup> , 2024*
Total Income from operations (net)	0.00	0.00
Net Profit/ (loss) before tax and extraordinary	(1.10)	(1.90)
Net Profit/ (loss) after tax and extraordinary items	(1.10)	(1.90)
Equity Share Capital	1.00	1.00
Reserves and Surplus	(3.00)	(1.90)
Net Worth	(2.00)	(0.90)
Basic Earnings per share (Rs.)	(1.10)	(1.90)
Diluted Earnings per share (Rs.)	(1.10)	(1.90)
Return on net worth (%)	-**	-**
Net asset value per share (Rs.)	(2.00)	(0.90)

\*Vedanta Aluminium Metal Limited has been incorporated on October 06, 2023, and its first financial year commenced from the said date of incorporation and ended on March 31, 2024, as per Section 2(41) of the Companies Act, 2013. Hence, the Audited Financial Statements for the financial year ended March 31, 2023 and 2022 are not applicable.

\*\*There is no return on net worth, since both Net profit and Net worth are negative.

**Notes:**

Reserves and Surplus comprises of retained earnings.





*Net worth comprises of Equity Share Capital and Reserves and Surplus.*

*Basic and Diluted earnings per share have been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*

*Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*

*Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

#### **INTERNAL RISK FACTORS**

- The proposed Scheme is subject to the approval of the NCLT, creditors, shareholders and other third-party approvals and consents. There is no assurance that these approvals and consents will be obtained and, accordingly, there is no assurance that the proposed Scheme will be consummated. If the proposed Scheme is not consummated, the financial, operational, strategic and other potential benefits mentioned in the Scheme will not be achieved.
- The proposed Scheme may be implemented by the Board of Directors of the Demerged Company and Resulting Companies in separate Parts in accordance with the terms thereof. The proposed Scheme is subject to satisfaction of Conditions Precedent as provided under Clause 39 of the Scheme and each Part of the Scheme shall be made effective subject to satisfaction or waiver of such Conditions Precedent in terms of Clause 39.6 of the Scheme. Therefore, there is no assurance that each Part of the Scheme will be consummated at the same time and each Part of the Scheme may be consummated separately on satisfaction of the relevant Conditions Precedent provided under the Scheme.
- If the proposed Scheme is consummated, the economic benefits expected from the Scheme may still not be achieved. Some of the businesses have not operated as independent businesses, and may face new and unforeseen challenges from the disintegration, including (but not limited to) capital and debt allocation, cash flows maintenance, redeployment of employees, unforeseen liabilities, union issues, the diversion of resources and management attention from the existing business structure, any of which could result in a material adverse effect on the respective company's results of operations, cash flows and financial condition.
- Pursuant to the Scheme, as part of the Demerged Undertaking, requisite personnel operating the demerged business, will also be a part of the Resulting Company-1. The Resulting Company-1 cannot assure that it will be able to successfully foray in or continue to be profitable in the business. The inability to effectively develop and operate its business



may have an adverse impact on the Resulting Company-1's financial conditions and result of operations. Further, the business is subject to government policies.

- There may be certain risks and uncertainty in the integration of business of Demerged Undertaking, which may impact the result of operations and profitability.
- An inability to manage the growth in scale of our operations could affect the business of the Resulting Company-1.
- Equity Shares to be issued pursuant to the Scheme shall be listed on Stock Exchanges, which would be subject to approvals from the said Stock Exchange(s) and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted. Listing of the equity shares does not guarantee that a trading market for the equity shares will develop.
- The Resulting Company-1 may have competition from existing players which may impact the growth of the Resulting Company-1.
- Changes in the regulatory environment in which the Resulting Company-1 operates could have a material adverse effect on its business, financial conditions, results of operations and prospects. The regulatory and policy environment in which the Resulting Company-1 operates is also evolving and subject to change which may adversely affect its business, results of operations and prospects, to the extent that the Resulting Company-1 is unable to suitably respond to and comply with any such change in applicable law and policy.
- Implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION AS AT OCTOBER 31, 2024 - VAML

##### A. Total number of outstanding litigations against the Company and amount involved:

Name of the Entity	Tax Proceedings	Criminal Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Total Amount Involved (Rs. In Crore)*
Company						





By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil
<b>Directors**</b>						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By Promoter	719	2	20	Nil	7 #	34,878.39
Against Promoter	98	5	12	8	4 #	12,041.65
<b>Subsidiaries</b>						
By	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiarie	Nil	Nil	Nil	Nil	Nil	Nil

\*To the extent quantifiable

\*\*[Litigation against Directors on personal level and as Directors in Companies other than VAML are not disclosed]

# Civil litigations involving the amount of INR 413 crores or more are considered as material.

**B. Brief details of top 5 material outstanding litigations against the Company and amount involved:**

Sr. No.	Particulars	Litigation Filed by	Current Status	Amount Involved (Amount in INR Crores)*
Nil				

**C. Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters in last 5 Financial years including outstanding action, if any:**

- (i) *Sterlite Industries (India) Limited v. Securities and Exchange Board of India (SEBI Appeal 20 of 2001) before the Bombay High Court\**





The Securities Appellate Tribunal ("SAT") on the basis that inter alia there was insufficient material evidence to establish that Sterlite Industries India Limited (now merged with VEDL) ("SIIL") had, directly or indirectly, engaged in market manipulation allowed the Appeal filed by SIIL against the order passed by SEBI, under Section 24 read with Section 27 of the SEBI Act, 1992 to prohibit SIIL from accessing the capital markets for a period of two years and initiated proceedings for alleged violation of Regulations 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 against SIIL through its director including Anil Agarwal. SEBI had also initiated criminal proceedings against SIIL and its Directors, which proceedings on an application made by SIIL before the High Court of Judicature for Bombay ("**Bombay High Court**") has been stayed owing to setting aside of the SEBI order by SAT. SEBI has filed an appeal before the Bombay High Court against the SAT order which is pending adjudication.

(ii) *Vedanta Limited & Ors. v. SEBI (SAT Appeal No. 202 of 2024) before the Securities Appellate Tribunal*

Cairn UK Holdings Limited ("CUHL") filed a complaint on the SEBI complaint redress system ("**Complaint**") alleging non-payment of dividend amounting to ₹666 crores by Cairn India Limited (now merged with VEDL) ("CIL") in respect of the equity shares held by CUHL in CIL. SEBI in 2017 disposed of the Complaint on the ground that the unpaid dividends had been paid to the Government of India pursuant to the recovery notice issued by the Deputy Commissioner of Income Tax and the said matter was pending before the relevant income tax authorities. CUHL filed an appeal before the Securities Appellate Tribunal ("SAT") challenging the disposal of the Complaint by SEBI. Subsequently, the SAT directed SEBI to reconsider the Complaint for violation of provisions of the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") for non-payment of dividends. Basis re-examination, SEBI in 2019 disposed of the Complaint on the ground that inter alia there was absence of mens rea on the part of CIL, which is required to constitute an offence under Section 127 of the Companies Act ("**Disposal of Complaint**"). CUHL challenged the Disposal of Complaint before the SAT. The SAT observed that a prima-facie case was made out by CUHL and directed SEBI to investigate the alleged violations of the Companies Act and SEBI Listing Regulations within six months ("**SAT Order**"). SEBI filed an appeal before the Supreme Court and the Supreme Court upheld the SAT Order and extended the time for completing the enquiry. Thereafter, SEBI issued a show cause notice dated 6 June 2023 to VEDL, our Directors (current and erstwhile) (collectively, "**Parties**") to show cause as to why suitable directions should not be initiated for inter alia alleged violations of certain provisions of the Companies Act and SEBI Listing Regulations for non-payment of dividend. Pursuant to an order dated 12 March 2024 ("**Order**"), SEBI directed VEDL to pay CUHL ₹77.63 crores, that is simple interest at the rate of 18% per annum for delayed payment of dividend, due and payable to CUHL within 45 days of the Order and pursuant to its directions inter alia (a) restrained our Directors from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market in any manner, whatsoever, for a period of two months from the date of the Order; and (b)





restrained our Director, Priya Agarwal Hebbar and certain others from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market for a period of one month from the date of the Order. Aggrieved by the Order, the Parties filed an appeal before SAT and subsequently, SAT granted a stay on the effect and operation of the Order subject to payment of 50% of the interest amount by VEDL to CUHL. The aforesaid payment of 50% of the interest amount was deposited by VEDL. The matter is currently pending before the SAT.

(iii) *SEBI v. Vedanta & Ors. (CA 25/26 of 2024) before the Supreme Court of India\**

SEBI issued a show cause notice ("**Notice**") to VEDL and others, alleging that pursuant to an investigation, it had observed that Cairn India Limited (now merged with VEDL) ("**CIL**") had made a misleading announcement in relation to a buyback without any intention to fulfil the same. Pursuant to the Notice, SEBI directed VEDL and others to show cause as to why (a) an enquiry shall not be held against them; and (b) penalty shall not be imposed under Section 15HB of the SEBI Act, 1992 for violation of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("**PFUTP Regulations**") and the Securities and Exchange Board of India (Buyback) Regulations, 1998 ("**Buyback Regulations**"). Subsequently, the Adjudicating Officer, SEBI ("**AO**") held VEDL to be in violation of the provisions of the PFUTP Regulations and Buyback Regulations ("**Order**") and imposed a penalty of ₹5.25 crores on VEDL for making misleading announcement in relation to a buyback of its shares. VEDL filed an appeal against the Order before the Securities Appellate Tribunal ("**SAT**") contending inter alia that it cannot be conclusively proved that VEDL made such misleading announcement in relation to a buyback of its shares. Pursuant to its order, SAT set aside the Order ("**SAT Order**"). SEBI has filed an appeal before the Supreme Court of India challenging the SAT Order. The matter is currently pending.

(iv) *Adjudication Order under Section 15-I of Securities and Exchange Board of India Act, 1992, and Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995*

SEBI has passed an adjudication order dated June 30, 2023 against VEDL imposing a penalty of ₹ 30 lakhs for violation of Regulation 4(1)(c), 30(11) read with 30(12) and 46(3) of SEBI (LODR) Regulations, 2015 ("**LODR Regulations**"). The notice was issued as a result of a press release being inadvertently published on the letterhead of the Company stating that "Vedanta signs MoUs with Government of Gujarat to set up semiconductors and display fab units". VEDL has subsequently paid such penalty on July 13, 2023 in accordance with LODR Regulations.

(v) *Administrative Warning in the investigation pertaining to the suspected trading activities of certain entities in the scrip of Vedanta Limited*

VEDL received a letter from NSE on March 06, 2023, annexing therewith a letter dated February 29, 2024 issued by SEBI vide which an administrative warning had been issued to VEDL for violations under Sections 12A (a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (b), (c),(d),



4(1) & 4(2) (k) & (r) of SEBI (PFUTP) Regulations, 2013. VEDL was directed to place the said letter before its Board of Directors and take necessary corrective steps to strengthen the internal control for corporate announcement / press releases.

(vi) *Notice received from BSE Limited*

VEDL received an email from BSE on August 30, 2024 for imposition of fine of ₹ 10,000 plus GST for non-compliance with Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") pertaining to delay in submission of the notice of record date for the interest payment of non-convertible debentures (NCDs) under ISIN INE205A07253. The NCDs were listed in the month of July 2024. VEDL had received the listing approval at the same time when the filing for record date became due. Considering the overlap of timelines, the Stock Exchanges granted waiver of the said fine imposed on VEDL vide email dated November 5, 2024.

(vii) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notices dated December 14, 2023 from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") for non-compliance with Regulation 29 of SEBI Listing Regulations for delay in filing prior notice of Board Meeting for Q2 FY24 results with the stock exchanges for which a penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on December 19, 2023.

(viii) *Notice received from BSE Limited*

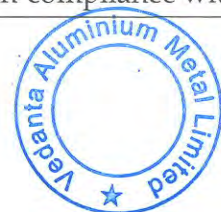
VEDL received a notice vide email dated March 31, 2022 from BSE Limited for non-compliance with the Regulation 54(2) of LODR Regulations for non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements. In this regard, a penalty of ₹ 45,000 plus GST was levied on VEDL and the same was paid on April 02, 2022.

(ix) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") dated October 16, 2020 for non-compliance with the Regulation 33 of LODR Regulations, 2015 for delay in submission of financial results for the quarter ended June 30, 2020. In this regard, a penalty of ₹ 90,000 plus GST had been levied by each of the Stock Exchanges. The same was paid by VEDL on October 20, 2020.

(x) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice dated November 17, 2020 and November 18, 2020 from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") respectively w.r.t non-compliance with





the Regulation 29(2)/ 29(3) of LODR Regulations, 2015 for delay in furnishing prior intimation about the meeting of Board of Directors for the quarter ended June 30, 2020. In this regard, a penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on November 19, 2020.

*\*The proceedings described under point C(i) and C(iii) have been included in table at paragraph A (Summary of Outstanding Litigations, Claims And Regulatory Action) under the column 'Statutory or Regulatory Proceedings' to calculate the number of such proceedings initiated against the Promoter.*

**D. Brief details of outstanding criminal proceedings against Promoters\*:**

- (i) *Factory Inspector v. Abhijit Pati (Manager) & D.D Jalan (Occupier) [2( C ) CC 937/14] before the Sub Divisional Judicial Magistrate, Jharsuguda*

The Assistant Director of Factories & Boilers, Jharsuguda Zone, Odisha ("**Assistant Director**") filed a criminal complaint before the Sub Divisional Judicial Magistrate, Jharsuguda, Odisha under Rule 13 of the Orissa Factories Rules, 1950 against certain employees of VEDL. The Assistant Director has alleged violations of Section 7-A(2)(a) of the Factories Act, 1948 and Rule 62 D of the Odisha Factories Rules, 1950 due to a fatal accident that took place at VEDL's factory in Bhurkamunda, Sripura, Jharsuguda. The matter is currently pending.

- (ii) *Fatima v. TNPCB & Vedanta and Ors. (Crl. R C (MD) 251 of 2019) before the Madras High Court*

Fatima ("**Complainant**") filed a criminal petition against VEDL, our Director, Navin Agarwal, and others (collectively, "**Accused**") before the Court of the Judicial Magistrate No. III, Thoothukkudi, Tamil Nadu ("**CJM**") under Section 200 of the Code of Criminal Procedure, 1973 read with Section 15 of the Environment Protection Act, 1986. The Complainant alleged, inter alia, that the Accused had failed to renew the consent and authorization for handling hazardous waste ("**Authorization**") for VEDL's copper smelter plant located at the SIPCOT Industrial Complex, Thoothukudi, Tamil Nadu ("**Copper Smelter Plant**") under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The CJM by way of an order dismissed the said petition on the ground that cases on the same issue were pending before the Madras High Court and the Supreme Court ("**Impugned Order**"). Aggrieved by the Impugned Order, the Complainant filed a criminal revision petition before the Madras High Court for setting aside the Impugned Order. The Complainant has alleged that inter alia VEDL's application for renewal of consent to operate was rejected due to failure of VEDL to conform to certain conditions as mentioned in the Authorization. The matter is which is currently pending.

- (iii) *BALCO & Ors. v. State of Jharkhand & Ors. (WPCR 887/2023) before the Jharkhand High Court*

M/s Vassu Enterprises ("**Complainant**") entered into an agreement with BALCO for material handling, scrap for purchase of heavy equipments, housekeeping, loading/ unloading and other services ("**Contract**"). BALCO terminated the Contract for unsatisfactory compliance of





contractual obligations by the Complainant, including failure to comply with statutory labour compliance requirements. Pursuant to the termination of the Contract, the Complainant filed a complaint ("**Complaint**") against BALCO, our Director, Anil Agarwal and others ("**Accused**") before the Court of Chief Judicial Magistrate, East Singhbhum, Jamshedpur ("**CJM**") under Sections 420, 406, 409, 120B and 34 of the Indian Penal Code, 1860 for alleged misappropriation and illegal withholding of equipment and machinery. The CJM disposed of the Complaint and subsequently, the Complainant filed a First Information Report ("**FIR**") under Section 154 of the Code of Criminal Procedure, 1973 ("**CrPC**"). BALCO has filed a criminal writ petition under Section 156(3) of the CrPC before the High Court of Jharkhand, Ranchi ("**High Court**"). Initially, the High Court vide its order held that no coercive steps shall be taken against the Accused during the pendency of the matter. Final hearing has been concluded in the matter and the same has been reserved for order. The Complainant has also filed an application ("**Application**") before the Jharkhand Micro, Small and Micro Enterprises Facilitation Council at Ranchi ("**MSME**") alleging delay in payment by BALCO and subsequently MSME issued a notice to BALCO. BALCO has filed its preliminary objection contending that the Complainant has filed the Application with ulterior motive to extort BALCO and also to malign the image of BALCO and apprised the MSME Council that the High Court has imposed a stay on the criminal complaint filed by the Complainant in relation to the same issue. The High Court vide its order dated 25 July 2024 has quashed the Criminal complaint and FIR filed by M/s Vassu against the directors of our Company/BALCO.

(iv) *Ajay Padia (Sun Industries) v. Anil Agrawal & Ors. (RCC No 99/2002) before the Judicial Magistrate Pune & Anil Agrawal & Ors. v. State of Maharashtra & Ors. (Criminal Application No. 1399/2008) before the High Court of Mumbai*

Ajaykumar Padia ("**Complainant**") filed a complaint against BALCO, our Directors, Anil Agarwal, Navin Agarwal, and others (collectively, "**Accused**") before the Court of Judicial Magistrate First Class, Pune ("**CJM**") for alleged offences under Sections 420, 34, 406 read with Section 109 of the Indian Penal Code, 1860 ("**IPC**"). The Complainant alleged, inter alia, that the Accused have abetted, cheated and committed criminal breach of trust in respect of the deposit, commission and discount offered to the Complainant for the defective goods supplied by the Accused and caused wrongful loss to the Complainant. The CJM, inter alia, ordered investigation into the matter under Section 153(3) of the Code of Criminal Procedure, 1973. Pursuant to the investigation, the police investigated the matter and reported with the conclusion, inter alia, that the concerned matter is of a civil nature ("**Report**"). Thereafter, the Complainant approached the CJM, questioning the police report and subsequently, the CJM vide an order observed that the Accused acted with dishonest intention and therefore issued process against the Accused under Sections 420, 406 read with Section 34 of the IPC ("**Impugned Order**"). Aggrieved by the Impugned Order, our Directors, Anil Agarwal, Navin Agarwal and others filed a writ petition before the High Court of Judicature for Bombay ("**High Court**"). The High Court observed, inter alia, that an alternative remedy is available before the sessions court and disposed the petition. Pursuant to the order of the High Court, our Director, Anil Agarwal and others filed a criminal revision application before the Additional District and Sessions Judge,





Pune ("Sessions Judge"). The Sessions Judge ruled against the Accused and upheld the Impugned Order. Subsequently, our Director, Anil Agarwal and others filed a criminal application before the High Court. The High Court has granted a stay on the trial court proceedings. The matter is currently pending.

(v) *Vedanta Ltd & ors v. State, Criminal Petition 9612/2021 & Conservator Forest Officer v. Sesa Sterlite & ors CC 662/2015*

The Forest Department, Government of Karnataka had registered forest case bearing FOC No.2/2014-2015 dated 15.04.2014 against VEDL and ex-employees under the provisions of the Karnataka Forest Act, 1963 for forming a road falling within the limits of Nirthadi Reserve Forest and for using the road for mining operations. The Court of Principle Civil Judge, Holalkere had passed order dated 03.08.2015 taking cognizance of the matter on the basis of criminal complaint and chargesheet filed. We have filed writ petition before the High Court of Karnataka before the High Court of Karnataka against the order dated 03.08.2015 on the ground that charges framed by Forest Authorities against us fall under the category of non-cognizable cases and non-cognizable case cannot be registered without the permission of Magistrate and following procedure under Section 155 (2) of the Code of Criminal Procedure, 1973. The High Court has granted stay of all proceedings before the District Court till the next date of hearing. The matter is currently pending.

(vi) *Criminal Proceedings against employees of Vedanta (State of Odisha vs Rakesh Mohan – CT 277 of 2019 before Sub-Divisional Judicial Magistrate, Bhawanipatna, Odisha & CRLMC No. 58 of 2020 before Orissa High Court)*

FIRs were filed against certain employees of VEDL's Lanjigarh Unit ("Accused") pursuant to a strike incident that had occurred in Lanjigarh. The case was filed before the Sub-Divisional Judicial Magistrate Court, Bhawanipatna ("SDJM Court"). An application for anticipatory bail was filed before the Orissa High Court against the FIRs and VEDL received a favourable order which was later vacated by the Orissa High Court. VEDL approached the Orissa High Court under Section 482 of the Code of Criminal Procedure, 1973 praying for interim protection to the Accused which was granted by the Orissa High Court vide Order dated 03 March 2020 ("Interim Order"). Thereafter, the Orissa High Court vacated the Interim Order vide its final order dated 21 April 2023 stating that all pleas may be taken before the SDJM Court at the appropriate stage. The matter is currently pending before the SDJM Court.

(vii) *Sterlite Industries Limited & Ors. v. State of Maharashtra & Anr. (Criminal Application No. 3609 of 2005)*

Pursuant to SEBI's order for alleged violation of regulation 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and unfair Trade Practices relating to Securities Market) Regulations, 1995 under point C(i) above, SEBI filed a criminal complaint against SIIL, VEDL's Director, Anil Agarwal and others before the Additional Metropolitan Magistrate, Esplanade in relation to the alleged





violation. Securities Appellate Tribunal in appeal by SIIL set aside the order passed by SEBI accordingly, SIIL filed a criminal application before the Bombay High Court for stay of the criminal proceedings initiated by SEBI, which has been stayed by the Bombay High Court.

*\*Criminal proceedings involving SEBI or Stock Exchange(s) have been categorised under point D above.*

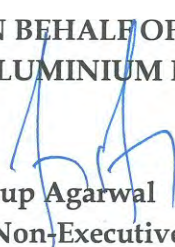
**ANY OTHER IMPORTANT INFORMATION**

NIL

**DECLARATION BY VAML ("RESULTING COMPANY-1")**

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
VEDANTA ALUMINIUM METAL LIMITED**

  
**Name: Mr. Anup Agarwal**  
**Designation: Non-Executive Director**  
**DIN: 08551388**  
**Address: WHA-033, Westend Heights,**  
**DLF Phase -5, Chakarpur,**  
**Gurgaon, Haryana - 122002**  
**Date: January 02, 2025**  
**Place: New Delhi**



## Annexure T2

### DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

THIS DISCLOSURE DOCUMENT ("DOCUMENT") CONTAINS APPLICABLE INFORMATION PERTAINING TO THE UNLISTED COMPANY, TALWANDI SABO POWER LIMITED, A WHOLLY OWNED SUBSIDIARY OF VEDANTA LIMITED AND THE SCHEME OF ARRANGEMENT BETWEEN VEDANTA LIMITED ("DEMERGED COMPANY" OR "VEDL"), VEDANTA ALUMINIUM METAL LIMITED ("VAML" OR "RESULTING COMPANY-1"), TALWANDI SABO POWER LIMITED ("TSPL" OR "RESULTING COMPANY-2" OR "COMPANY"), MALCO ENERGY LIMITED ("MEL" OR "RESULTING COMPANY-3"), VEDANTA IRON AND STEEL LIMITED ("VISL" OR "RESULTING COMPANY-4") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 READ WITH OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULES FRAMED THEREUNDER (HEREINAFTER REFERRED TO AS "SCHEME").

*Note: Pursuant to paragraphs 44, 46 and 51 of the Scheme of Arrangement between Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Vedanta Base Metals Limited ("VBML") and Resulting Company 4 and their respective shareholders and creditors ("Original Scheme"), the board of directors ("Board") of the Demerged Company have by way of their resolution dated December 20, 2024 and VBML and the Resulting Companies, have by way of their resolutions dated December 23, 2024 decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies (as defined in the Scheme) have approved the updated Scheme, between the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.*

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") Circular NO.SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 read with Master Circular Bearing Number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI CIRCULARS") issued by the Securities and Exchange Board of India (SEBI). ("SEBI Circulars"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 29 PAGES. PLEASE ENSURE THAT YOU  
HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of VEDL i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of VEDL are listed i.e. National Stock Exchange of India Limited ("NSE") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("BSE") i.e. [www.bseindia.com](http://www.bseindia.com).

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*



**TALWANDI SABO POWER LIMITED**

**Corporate Identification Number (CIN):** U40101MH2007PLC433557,

**Date of Incorporation:** 05<sup>th</sup> day of April, 2007

Registered Office	Corporate Office	Contact Person	Email, Telephone and Website
1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai City, Mumbai, Maharashtra, 400093	7 Lodhi Road, Scope Complex, Core 6, 3rd floor, New Delhi - 110003	Ms. Perna Halwasiya	<b>E-mail:</b> <a href="mailto:tspl.secretarial@vedanta.co.in">tspl.secretarial@vedanta.co.in</a> <b>Telephone:</b> +91 22 6643 4500 <b>Website:</b> - <a href="http://www.tsplindia.co">www.tsplindia.co</a>



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## NAMES OF PROMOTER(S) OF THE COMPANY

**Vedanta Limited**

### Details of Offer to Public

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1) / 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

### Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders

(upto a maximum of 10 selling shareholders)

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

### Price Band, Minimum Bid Lot & Indicative Timelines<sup>^</sup>

Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

### Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing



eighteen months from the date of Abridged Prospectus.

#### RISKS IN RELATION TO THE FIRST OFFER

The Company is not offering any shares through Initial Public Offer, to the Public. Hence risk(s) in relation to first offer is **NOT APPLICABLE**.

#### GENERAL RISKS

Investment in equity & equity related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to the Scheme. For taking any decision, investors must rely on their own examination of VEDL, TSPL and the Scheme, including the risks involved. The equity shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Document. Specific attention of the investors is invited to the section "Internal Risk Factors" at page 15 of this Abridged Prospectus.

#### SCHEME DETAILS AND PROCEDURE

The Scheme is proposed between the Demerged Company and Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 (hereinafter collectively referred to as "**Resulting Companies**") and their respective shareholders and creditors.

The Scheme is pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, in the manner provided for in the Scheme thereof.

The Board of Directors of Talwandi Sabo Power Limited and Vedanta Limited in their respective meetings held on 10<sup>th</sup> October, 2023 and 29<sup>th</sup> September, 2023, respectively approved the Original Scheme.

The Scheme inter-alia provides for the Demerger of "Merchant Power Undertaking" (*as defined in the Scheme*) to the **Resulting Company-2** and the consequent issuance of equity shares by the **Resulting Company-2** to all the shareholders of the Demerged Company.

The Scheme is further subject to approval from the shareholders and creditors of aforesaid companies, National Company Law Tribunal ("NCLT") and other statutory/regulatory authorities, as may be applicable.

Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Merchant Power Undertaking (*as defined in the Scheme*) shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 2 on a going concern basis.



### Consideration under the Scheme:

The consideration for the demerger of the Merchant Power Undertaking shall be the issue by the Resulting Company 2 of 1 (One) fully paid-up equity share of the Resulting Company 2 having face value of INR 10 (Indian Rupee Ten) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 2 New Equity Shares**").

The Resulting Company 2 New Equity Shares shall be in dematerialized form.

Upon the Scheme becoming effective and immediately prior to the allotment of the Resulting Company 2 New Equity Shares, the entire paid-up equity share capital of the Resulting Company-2 as on Effective Date ("**Resulting Company 2 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 2 pursuant to section 230 to 232 of the Act and such other applicable provisions of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 2 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.

**Details of: (i) the basis for the Share Entitlement Ratio; (ii) the valuation report; and (iii) fairness opinion are available on the websites of the Demerged Company i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of the Demerged Company are listed i.e. National Stock Exchange of India Limited ("NSE") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("BSE") i.e. [www.bseindia.com](http://www.bseindia.com) ("**Stock Exchanges**").**

### Listing of the Equity Shares of the Resulting Company 2:

The Resulting Company 2 New Equity Shares pursuant to the Scheme, will be listed and/or admitted to trading on the Stock Exchanges, subject to receipt of requisite approvals and accordance with the SEBI Circular and other relevant provisions as may be applicable.

### Procedure:

The procedure with respect to public issue/ offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large, except to the shareholders of the Company. Hence, the processes and the procedure with respect to the Bid-cum- Application Form, RHP and General Information Document etc. are **NOT APPLICABLE**.



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### PRICE INFORMATION OF BRLM's

Issue Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark) - 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
NA				

Name of BRLM and contact details (telephone and email id)	Not applicable
Name of Syndicate Members	Not applicable
Name of Registrar to the Issue and contact details (telephone and email id)	Not applicable
Name of Statutory Auditor	<b>S. R. BATLIBOI &amp; CO. LLP</b> Chartered Accountants 67, Institutional Area, Sector 44, Gurugram - 122003, Haryana, India <b>Tel No. - +91 22 6819 8000</b> <b>Email Id- Paras.wadhwa@srb.in</b>
Name of Credit Rating Agency and the rating or grading obtained, if any	Not applicable
Name of Debenture trustee, if any.	Not applicable
Self-Certified Syndicate Banks	Not applicable
Non-Syndicate Registered Brokers	Not applicable
Details regarding website address(es) / link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)	Not applicable

### PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1	Vedanta Limited	Corporate	VEDL is a company incorporated under the Companies Act, 1956 with CIN L13209MH1965PLC291394 and registered office situated at 1st Floor, C wing, Unit 103, Corporate



PROMOTERS OF THE ISSUER COMPANY			
Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
			Avenue Atul Projects, Chakala, Andheri (East) Mumbai 400093. VEDL is a diversified natural resource company engaged in the business of extraction, refining, manufacture and sale of various metals and minerals, generation and sale of power and other businesses including semiconductor manufacturing, display glass manufacturing etc. The equity shares of VEDL are listed on BSE and NSE. The Listed Debt Securities of VEDL are listed on the BSE.

BUSINESS OVERVIEW AND STRATEGY	
<p><b>Company Overview:</b> Talwandi Sabo Power Limited is a company incorporated under the Companies Act, 1956 bearing corporate identity number U40101MH2007PLC433557, is an unlisted public limited company (being a wholly-owned subsidiary of Vedanta Limited) and registered office of the Company situated at 1st Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai City, Mumbai, Maharashtra, 400093 The Equity Shares of the Company are currently not listed on any Stock Exchange(s).</p> <p>The Resulting Company 2 is authorised by memorandum of association to engage in the business of inter alia generation, transmission and distribution of power for supply to the state electricity boards, power utilities, generating companies, transmission companies, distribution companies, etc.</p>	
<b>Product/Service Offering:</b> Generation of Electricity	
<b>Revenue segmentation by product/ Service offering:</b> Not Applicable	
<b>Geographies Served:</b> Punjab, India	
<b>Revenue segmentation by geographies:</b> Not Applicable	
<p><b>Key Performance Indicators:</b> (As on September 30, 2024)</p> <ol style="list-style-type: none"> <li>1. Income from operation: Rs. 2,842.62 Cr</li> <li>2. Other Operating Income: Rs. 8.56 Cr</li> <li>3. Other Income: Rs. 2.31 Cr</li> <li>4. Profit/(Loss) after tax: Rs. (16.94) Cr</li> </ol>	
<b>Client Profile or Industries Served:</b> Power.	
<b>Revenue segmentation in terms of top 5/10 clients or Industries:</b> Not Applicable	
<b>Intellectual Property, if any:</b> NIL	
<b>Market Share:</b> Not Applicable	



**Manufacturing plant, if any:** Village Banawala, Mansa-Talwandi Sabo Road, District Mansa, Puniab, India

**Employee Strength:** There are 57 employees as on December 26, 2024.

BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholtime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
1.	Mr. Agnivesh Agarwal	Non - Executive Director	<p><b>Experience:</b></p> <p>Mr. Agnivesh Agarwal, joined Talwandi Sabo Power Limited as Director and Chairperson of the Company on April 27, 2019. He has more than a decade of rich experience in the corporate sector with a strong knowledge of business operations and in-depth experience in managing projects.</p> <p><b>Educational Qualification:</b></p> <p>Bachelor's degree in business administration from University of Mumbai.</p>	<p><b>Indian Companies:</b></p> <p>1. Vedanta Medical Research Foundation; 2. Caitlyn India Private limited; 3. ESL Steel Limited 4. Ferro Alloys Corporate Limited</p> <p><b>Foreign Companies:</b></p> <p>1. Fujairah Gold FZC 2. Caitlyn Limited</p>
2.	Mr. Baldev Krishan Sharma	Non- Executive Director	<p><b>Experience:</b></p> <p>Mr. B. K. Sharma, has more than 41 years' of experience in diverse sectors like Telecom Cables, Power cables, H.T. Insulators, Steel &amp; steel Wires, Paper, Mining &amp; Metals, and Project Management. Mr. Sharma was associated with Vedanta Group for more than 16 years and worked in Leadership/Business Head roles in the Group companies in India and abroad. He played active role in transformation of Public Sector companies, HZL and BALCO, after acquisition by Vedanta. His last assignment with Vedanta was as</p>	<p><b>Indian Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>



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BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>CEO &amp; WTD of TSPL during August 2008 to January 2012 and the 1980 MW Thermal Power Project was kick started under his leadership.</p> <p><b>Educational Qualification:</b></p> <p>Science Graduate and Masters in Business Management</p>	
3.	Mr. Mahendra Singh Mehta	Independent Director	<p><b>Experience:</b></p> <p>Mr Mehta has over 41 years of experience in operations, strategy and business turnaround in multiple sectors spanning across steel, non-ferrous metals, mining, power generation and distribution, infrastructure and cement. He was CEO and member of the Board of Vedanta Resources plc between 2008 and 2014. Prior to this he held many CXO level roles within the Vedanta Group, in particular, as CEO of Hindustan Zinc. Mr. Mehta was instrumental in driving several transformational initiatives during his tenure at Vedanta Group which started in 2000. Mr. Mehta was CEO of Reliance Infrastructure between 2014 and 2015 overseeing a cluster of infra business comprising of Power Distribution in Delhi and Mumbai, Mumbai Metro 1, Cement Plant, EPC Division, Power Transmission Business, Toll Road (construction and operations) business of approx. Rs.10,000/- crores. Post</p>	<p><b>Indian Companies:</b></p> <p>1.Hindustan Construction Company Limited.</p> <p>2.Lloyds Metals and Energy Limited.</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>



BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>2015 he was associated with asset turn around industry in advisory role. Currently, Mr. Mehta is an Independent Director on the Boards of Llyods Metal and Energy Limited and Hindustan Construction Company Limited.</p> <p><b>Educational Qualification:</b></p> <p>Mechanical Engineering Degree and an MBA from the Indian Institute of Management, Ahmedabad.</p>	
4.	Ms. Sonal Kushwaha Choithani	Non-Executive Director	<p><b>Experience:</b></p> <p>Ms. Sonal Choithani, has been in the branding &amp; communication profession for over 20 years with global brands such the Tatas, ICICI Bank, United Technologies (a Fortune 50 company) and Fidelity International. She has been with the Vedanta Group since 2019. She has extensive experience in integrated communication comprising public relations strategy, media management, communication, branding, advertising, social &amp; digital marketing etc. She is an awarded professional who has successfully led multi-country communications campaigns on technology, innovation, sustainable development, corporate social responsibility and corporate affairs across businesses as diverse as banking, consumer durables,</p>	<p><b>Indian Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>



BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>aerospace and metals. She did her B.Sc. in Physics, Chemistry and Math, followed by an MBA in Marketing in 1999 from Devi Ahilya University. She has also completed Harvard Business School's certification programme on Entrepreneurship in Emerging Economies.</p> <p><b>Educational Qualification:</b></p> <p>B.Sc. (Physics, Chemistry and Math) and MBA (Marketing).</p>	
5.	Mr. Pankaj Kumar Sharma	Whole Time Director	<p><b>Experience:</b></p> <p>Mr. Pankaj Kumar Sharma brings with him more than 26 years of experience in management of Large-Scale Industries and has worked in the areas of planning, implementing business strategies, Standardization of practices and procedures, setting comprehensive goals for business growth and success. He has been associated with the Vedanta group since 1997 and has worked with The Madras Aluminium Co. Ltd (MALCO), The Bharat Aluminium Company Limited (BALCO), Vedanta Aluminium Jharsuguda (VAJ) and is associated with TSPL since 2019.</p> <p><b>Educational Qualification:</b></p> <p>BE Mechanical Engineering and Diploma in Management.</p>	<p><b>Indian Companies:</b></p> <p>Nil</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>





## OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

- Demerged Company has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.
- Each of the varied businesses carried on by the Demerged Company by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.
- The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.
- In order to lend enhanced focus to the operation of identified businesses, Demerged Company proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking.
- The following benefits shall accrue on demergers of the Aluminium Business (*as defined in the Scheme*), the Merchant Power Business (*as defined in the Scheme*), the Oil and Gas Business (*as defined in the Scheme*) and the Iron Ore Business (*as defined in the Scheme*):
  - creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;
  - enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;
  - each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;
  - enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;



### OBJECTS PURSUANT TO THE SCHEME

- o enabling focused and sharper capital market access (debt and equity) and thereby unlocking the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, and the Iron Ore Undertaking and creating enhanced value for shareholders.

The Scheme is in the interests of all stakeholders of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.

**Details of means of finance** -Not Applicable

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years:** Not Applicable

**Name of monitoring agency, if any:** Not Applicable

**Terms of Issuance of Convertible Security, if any:** Not Applicable

**Name of monitoring agency, if any:** Not Applicable

### Pre-scheme Shareholding Pattern of the Resulting Company-2 (TSPL):

Sr. No.	Particulars	Pre-Scheme No. of Equity Shares	% of Holding Pre-Scheme
(A)	Promoter & Promoter Group	3,20,66,09,692	100%
(B)	Public	Nil	Nil
	<b>Total</b>	<b>3,20,66,09,692</b>	<b>100%</b>

**Note:** Upon the Scheme becoming effective, shareholders of Demerged Company will be allotted equity shares of the Resulting Company 2 in accordance with Clause 15 of the Scheme and therefore, will become equity shareholders of the Resulting Company 2. The Promoter and Promoter Group of the Demerged Company shall be the Promoter and Promoter group of the Resulting Company 2 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

### AUDITED FINANCIALS OF TSPL

Audited financials of the TSPL for the period ended March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2023, March 31<sup>st</sup> 2024 and Limited Reviewed Financials for the period ended September 30<sup>th</sup> 2024 are as mentioned below:

(Rs. in Crore)

Standalone	September 30 <sup>th</sup> , 2024	March 31 <sup>st</sup> , 2024	March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022
Income from operations (net)	2842.62	5266.93	5745.69	4340.42
Other Operating Income	8.56	36.81	54.92	65.63
Other Income	2.31	16.14	6.00	17.69
Total Income	2853.49	5319.88	5806.61	4423.74
Net Profit/(loss) before tax	(22.36)	(38.47)	(93.15)	(161.83)



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Exception Item	-	794.26	-	-
Net Profit/(loss) after tax	(16.94)	602.15	(70.28)	(121.64)
Equity Share Capital	3206.61	3206.61	3206.61	3206.61
Reserve and Surplus	400.29	417.23	(184.92)	(114.64)
Net Worth	3606.90	3623.84	3021.69	3091.97
Basic Earnings per share (Rs.)	(0.05)	1.88	(0.22)	(0.38)
Diluted Earnings per share (Rs.)	(0.05)	1.88	(0.22)	(0.38)
Return on net worth (%)	(0.47)%	16.62%	(2.33)%	(3.93)%
Net asset value per share (Rs.)	11.25	11.30	9.42	9.64

**Notes:**

*Reserves and Surplus comprises of Retained Earnings.*

*Net worth comprises of Equity Share Capital and Reserves and Surplus.*

*Basic and Diluted earnings per share have been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*

*Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*

*Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

#### INTERNAL RISK FACTORS

- The proposed Scheme is subject to the approval of the NCLT, creditors, shareholders and other third-party approvals and consents. There is no assurance that these approvals and consents will be obtained and, accordingly, there is no assurance that the proposed Scheme will be consummated. If the proposed Scheme is not consummated, the financial, operational, strategic and other potential benefits mentioned in the Scheme will not be achieved.
- The proposed Scheme may be implemented by the Board of Directors of the Demerged Company and Resulting Companies in separate Parts in accordance with the terms thereof. The proposed Scheme is subject to satisfaction of Conditions Precedent as provided under Clause 39 of the Scheme and each Part of the Scheme shall be made effective subject to satisfaction or waiver of such Conditions Precedent in terms of Clause 39.6 of the Scheme. Therefore, there is no assurance that each Part of the Scheme will be consummated at the same time and each Part of the Scheme may be consummated separately on satisfaction of the relevant Conditions Precedent provided under the Scheme.
- If the proposed Scheme is consummated, the economic benefits expected from the Scheme may still not be achieved. Some of the businesses have not operated as independent businesses, and may face new and unforeseen challenges from the disintegration, including



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(but not limited to) capital and debt allocation, cash flows maintenance, redeployment of employees, unforeseen liabilities, union issues, the diversion of resources and management attention from the existing business structure, any of which could result in a material adverse effect on the respective company's results of operations, cash flows and financial condition.

- Pursuant to the Scheme, as part of the Demerged Undertaking, requisite personnel operating the demerged business, will also be a part of the Resulting Company-2. The Resulting Company-2 cannot assure that it will be able to successfully foray in or continue to be profitable in the business. The inability to effectively develop and operate its business may have an adverse impact on the Resulting Company-2's financial conditions and result of operations. Further, the business is subject to government policies.
- There may be certain risks and uncertainty in the integration of business of Demerged Undertaking, which may impact the result of operations and profitability.
- An inability to manage the growth in scale of our operations could affect the business of the Resulting Company-2.
- Equity Shares to be issued pursuant to the Scheme shall be listed on Stock Exchanges, which would be subject to approvals from the said Stock Exchange(s) and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted. Listing of the equity shares does not guarantee that a trading market for the equity shares will develop.
- The Resulting Company-2 may have competition from existing players which may impact the growth of the Resulting Company-2.
- Changes in the regulatory environment in which the Resulting Company-2 operates could have a material adverse effect on its business, financial conditions, results of operations and prospects. The regulatory and policy environment in which the Resulting Company-2 operates is also evolving and subject to change which may adversely affect its business, results of operations and prospects, to the extent that the Resulting Company-2 is unable to suitably respond to and comply with any such change in applicable law and policy.
- Implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.



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**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION  
AS AT OCTOBER 31, 2024 – TSPL**

**A. Total number of outstanding litigations against the Company and amount involved:**

Name of the Entity	Tax Proceedings	Criminal Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Total Amount Involved (Rs. In Crore)*
<b>Company</b>						
By the Company	7	2	Nil	Nil	19	4,695.08
Against the Company	1	1	Nil	Nil	15	2,353
<b>Directors**</b>						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	1	0.0019
<b>Promoter</b>						
By Promoter	719	2	20	Nil	7 #	34,878.39
Against Promoter	98	5	12	8	4 #	12,041.65
<b>Subsidiaries</b>						
By	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

*\*To the extent quantifiable*

*\*\*[Litigation against Directors on personal level and as Directors in Companies other than TSPL are not disclosed]*

*# Civil litigations involving the amount of INR 413 crores or more are considered as material.*



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**B. Brief details of top 5 material outstanding litigations against the Company and amount involved:**

*\*To the extent quantifiable*

Sr. No.	Particulars	Litigation Filed by	Current Status	Amount Involved (Amount in INR Crores)*
1	<p>TSPL entered into a long-term power purchase agreement ("PPA") with Punjab State Power Corporation Limited ("PSPCL"). The PPA provided for an adjustment in tariff on account of any change in law occurring prior to June 16, 2008 ("Cutoff Date"). PSPCL filed a petition before the Punjab State Electricity Regulatory Commission ("PSERC"), claiming a 'change in law' event in terms of the PPA on the grounds that pursuant to the notification issued by the Government of India ("GoI") in October 2009, TSPL was entitled to the mega power project status and thereby was eligible to certain customs and excise exemption. The benefits of these exemptions had to be passed on to PSPCL. TSPL in its reply stated that as of the Cutoff Date, similar benefits were available to it under India's foreign trade policy as a non-mega power project and accordingly, TSPL's economic position was not altered pursuant to the grant of mega power project status to warrant the passing on of such benefits to PSPCL. The PSERC decided the matter in favour of PSPCL and directed TSPL to pass on the benefits to PSPCL ("Impugned Order"). Aggrieved by the Impugned Order, TSPL filed an appeal before the Appellate</p>	<p>Aggrieved by the APTEL Order, TSPL filed an appeal before the Supreme Court</p>	<p>The matter is currently pending.</p>	<p>Rs. 1,265</p>





	<p>Tribunal for Electricity ("<b>APTEL</b>"). APTEL held, inter alia, that TSPL's claim that the benefit accrued to them, on account of conferment of mega power status is counterbalanced by the loss of the foreign trade policy benefits of the same value, and hence, they are entitled to a corresponding adjustment is rejected ("<b>APTEL Order</b>").</p>			
2	<p>TSPL entered into a power purchase agreement ("<b>PPA</b>") with Punjab State Power Corporation Limited ("<b>PSPCL</b>" or "<b>Complainant</b>"), for establishment of a power generation station to sell electricity generated from the station to PSPCL. The Complainant invoked arbitration proceedings against TSPL on the grounds that there was a delay commissioning three units (660 MW each), in terms of the PPA and delay in the availability of coal on account of the fuel supply agreement not being signed and demanded liquidated damages for an amount of ₹ 9,529.00 million ("<b>Liquidated Damages</b>"). The arbitral tribunal ("<b>Tribunal</b>") observed, inter alia, that the Complainant had failed to arrange the double circuit 400 kV transmission lines by the scheduled connection date and was generally in default under the provisions of the PPA. Pursuant to the same, the Tribunal held that TSPL was under no liability to pay Liquidated Damages to PSPCL for the delay in commissioning of the three power generation units ("<b>Arbitral Award</b>"). Aggrieved by the Arbitral Award, the Complainant filed an appeal before the Additional</p>	<p>Aggrieved by the Impugned Order, PSPCL filed an appeal before the High Court of Punjab and Haryana.</p>	<p>The matter is currently pending.</p>	<p>Rs. 952.92</p>



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	District Judge, Patiala (" <b>Trial Court</b> ") under Section 34 of the Arbitration Act for setting aside the Arbitral Award. The Trial Court dismissed the appeal and observed, inter alia, that the reasons for granting the Arbitral Award were proper, intelligible and there was no proof that the Tribunal had not adopted a judicial approach for deciding the Arbitral Award (" <b>Impugned Order</b> ").			
3	Punjab State Power Corporation Limited (" <b>PSPCL</b> " or " <b>Respondent</b> ") issued a preliminary default notice to the Respondent alleging an event of default because the TSPL had failed to achieve average power availability of 65% for a non-consecutive time period of 12 months in a continuous aggregate time period of 36 months (" <b>Default Notice</b> "). Aggrieved by the Default Notice, TSPL filed an petition under Section 86(1)(f) of the Electricity Act, 2003 before the Punjab State Electricity Regulatory Commission (" <b>PSERC</b> ") for setting aside and quashing the Default Notice. PSERC dismissed the appeal and observed, inter alia, that the TSPL's claim of deemed capacity for the months of October and November 2020 and the TSPL's plea to consider its failure to achieve the prescribed average availability of its plant due to a force majeure event were not sustainable (" <b>PSERC Order</b> ").	Aggrieved by the PSERC Order, TSPL filed an appeal before the Appellate Tribunal for Electricity, New Delhi (" <b>APTEL</b> ") under Section 111 of the Electricity Act.	The matter is currently pending.	-
4	TSPL filed a petition before the Punjab State Electricity Regulatory Commission (" <b>PSERC</b> "), under Section 86(1)(b) of the Electricity Act, 2003 and the provisions of the	Aggrieved by the APTEL Order, the Respondent filed an appeal	The matter is currently pending.	~Rs. 1000



<p>power purchase agreement ("<b>PPA</b>") entered into with Punjab State Power Corporation Limited ("<b>PSPCL</b>" or "<b>Respondent</b>") for the approval and consequent tariff adjustment sought by TSPL Respondent due to a 'change in law' event, namely, the introduction of new environmental norms ("<b>Amendment Rules</b>"), resulting in additional capital and operating expenditure under the PPA. The PSERC observed, inter alia, that TSPL did not raise any objection on the receipt of environmental clearance for the project with regard to the direction by the Ministry of Environment, Forest and Climate Change for space provisioning for retrofitting of the flue gas desulphurization ("<b>FGD</b>") equipment and selective non catalytic reduction technology system ("<b>SNCR</b>") at a later stage and allocating funds for the same. Hence, PSERC ruled that the introduction of the Amendment Rules could not be categorized as a change in law event ("<b>PSERC Order</b>"). Aggrieved by the PSERC Judgment, TSPL filed an appeal before the Appellate Tribunal for Electricity, New Delhi ("<b>APTEL</b>"). APTEL set aside the PSERC Order and observed, inter alia, that the installation and operation of the FGD, SNCR and associated system to comply with emission levels of sulphur dioxide is change in law and additional expenditure for same has to be included as additional capital costs to be incurred by the Respondent ("<b>APTEL Order</b>").</p>	<p>before the Supreme Court.</p>		
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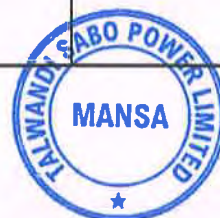
4	<ul style="list-style-type: none"> <li>• SEPCO Electric Power Construction ("<b>SEPCO</b>") and TSPL entered into several engineering, procurement and construction agreements dated 17.11.2009 ("<b>EPC Contracts</b>") for setting up of a 3x660 MW Thermal Power Project at Village Banawala, Mansa - Talwandi Sabo Road, District Mansa, Punjab ("<b>Project</b>"). SEPCO and TSPL also entered into an umbrella agreement dated 17.11.2009 in respect of the EPC Contract ("<b>Umbrella Contract</b>").</li> <li>• In 2015, several disputes arose between the parties and in November 2015, SEPCO invoked arbitration under the EPC Contracts and the Umbrella Contract. However, during the pendency of the arbitration, both SEPCO and TSPL arrived at a settlement. The said terms of settlement were incorporated in a consent award dated 21.05.2016 ("<b>Consent Award</b>") that was passed by the arbitral tribunal. According to the settlement terms recorded in the Consent Award, SEPCO and TSPL agreed to revise their contract value and contractual milestones. The parties also agreed to adopt a revised payment plan, as per which TSPL would pay SEPCO upon SEPCO achieving the agreed contractual milestones.</li> <li>• On 23.02.2024, TSPL issued a termination notice ("<b>Termination Notice</b>") to terminate the contractual arrangement between the</li> </ul>	<p>Aggrieved by SEPCO's alleged failure to fulfil its contractual obligations and obligations under the consent award, TSPL has issued a notice invoking arbitration referring its disputes as well as monetary claims against SEPCO to arbitration initiated under Clause 7 of the Umbrella Contract.</p>	<p>The arbitration proceedings between TSPL and SEPCO are pending. Both TSPL and SEPCO have appointed their respective nominee arbitrators. However, the said nominee arbitrators are yet to appoint the presiding arbitrator.</p>	<p>Purported Liability of INR 1251 Crores</p>
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parties, citing SEPCO's alleged failure to fulfil its contractual obligations, including the settlement terms recorded in the Consent Award.

- After the termination, TSPL reversed a liability of INR 1,251 crores recorded against SEPCO in its financial statements for the year ending 31.03.2024. This reversal was made by adjusting the said amount against the alleged damages incurred by TSPL on account of SEPCO's failure to fulfil contractual obligations, including those under the Consent Award. The adjustment is disclosed in Note 50 of TSPL's latest audited financial statements for the year ending 31.03.2024.
- On 18.05.2024, TSPL issued a letter to SEPCO seeking a monetary claim, running into several crores, on account of SEPCO's alleged failure to fulfil its contractual obligations.
- Subsequently, on 13.06.2024, TSPL issued a Notice Invoking Arbitration ("NIA") to SEPCO under Clause 7 of the Umbrella Contract, referring its monetary claim against SEPCO to arbitration. The NIA called upon SEPCO to amicably settle TSPL's monetary claim within 90 days, failing which the contractual disputes would be referred to arbitration.
- Since no amicable settlement had arrived, TSPL issued a letter



	<p>dated 25.10.2024 to SEPCO seeking to refer the matter to arbitration in terms of Clause 7 of the Umbrella Contract and appointed its nominee arbitrator.</p> <ul style="list-style-type: none"> <li>On 22.11.2024, SEPCO issued a notice referring its counterclaims to arbitration initiated by TSPL, and also appointed its nominee arbitrator.</li> <li>As of date, the arbitrators nominated by the parties are in the process to appoint their presiding arbitrator.</li> </ul>			
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**C. Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters in last 5 Financial years including outstanding action, if any:**

- (i) *Sterlite Industries (India) Limited v. Securities and Exchange Board of India (SEBI Appeal 20 of 2001) before the Bombay High Court\**

The Securities Appellate Tribunal ("SAT") on the basis that inter alia there was insufficient material evidence to establish that Sterlite Industries India Limited (now merged with VEDL) ("SIIL") had, directly or indirectly, engaged in market manipulation allowed the Appeal filed by SIIL against the order passed by SEBI, under Section 24 read with Section 27 of the SEBI Act, 1992 to prohibit SIIL from accessing the capital markets for a period of two years and initiated proceedings for alleged violation of Regulations 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 against SIIL through its director including Anil Agarwal. SEBI had also initiated criminal proceedings against SIIL and its Directors, which proceedings on an application made by SIIL before the High Court of Judicature for Bombay ("**Bombay High Court**") has been stayed owing to setting aside of the SEBI order by SAT. SEBI has filed an appeal before the Bombay High Court against the SAT order which is pending adjudication.

- (ii) *Vedanta Limited & Ors. v. SEBI (SAT Appeal No. 202 of 2024) before the Securities Appellate Tribunal*

Cairn UK Holdings Limited ("CUHL") filed a complaint on the SEBI complaint redress system ("**Complaint**") alleging non-payment of dividend amounting to ₹666 crores by Cairn India Limited (now merged with VEDL) ("CIL") in respect of the equity shares held by CUHL in CIL. SEBI in 2017 disposed of the Complaint on the ground that the unpaid dividends had been paid to the Government of India pursuant to the recovery notice issued by the Deputy Commissioner



of Income Tax and the said matter was pending before the relevant income tax authorities. CUHL filed an appeal before the Securities Appellate Tribunal ("**SAT**") challenging the disposal of the Complaint by SEBI. Subsequently, the SAT directed SEBI to reconsider the Complaint for violation of provisions of the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") for non-payment of dividends. Basis re examination, SEBI in 2019 disposed of the Complaint on the ground that inter alia there was absence of mens rea on the part of CIL, which is required to constitute an offence under Section 127 of the Companies Act ("**Disposal of Complaint**"). CUHL challenged the Disposal of Complaint before the SAT. The SAT observed that a prima-facie case was made out by CUHL and directed SEBI to investigate the alleged violations of the Companies Act and SEBI Listing Regulations within six months ("**SAT Order**"). SEBI filed an appeal before the Supreme Court and the Supreme Court upheld the SAT Order and extended the time for completing the enquiry. Thereafter, SEBI issued a show cause notice dated 6 June 2023 to VEDL, our Directors (current and erstwhile) (collectively, "**Parties**") to show cause as to why suitable directions should not be initiated for inter alia alleged violations of certain provisions of the Companies Act and SEBI Listing Regulations for non-payment of dividend. Pursuant to an order dated 12 March 2024 ("**Order**"), SEBI directed VEDL to pay CUHL ₹77.63 crores, that is simple interest at the rate of 18% per annum for delayed payment of dividend, due and payable to CUHL within 45 days of the Order and pursuant to its directions inter alia (a) restrained our Directors from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market in any manner, whatsoever, for a period of two months from the date of the Order; and (b) restrained our Director, Priya Agarwal Hebbar and certain others from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market for a period of one month from the date of the Order. Aggrieved by the Order, the Parties filed an appeal before SAT and subsequently, SAT granted a stay on the effect and operation of the Order subject to payment of 50% of the interest amount by VEDL to CUHL. The aforesaid payment of 50% of the interest amount was deposited by VEDL. The matter is currently pending before the SAT.

(iii) *SEBI v. Vedanta & Ors. (CA 25/26 of 2024) before the Supreme Court of India\**

SEBI issued a show cause notice ("**Notice**") to VEDL and others, alleging that pursuant to an investigation, it had observed that Cairn India Limited (now merged with VEDL) ("**CIL**") had made a misleading announcement in relation to a buyback without any intention to fulfil the same. Pursuant to the Notice, SEBI directed VEDL and others to show cause as to why (a) an enquiry shall not be held against them; and (b) penalty shall not be imposed under Section 15HB of the SEBI Act, 1992 for violation of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("**PFUTP Regulations**") and the Securities and Exchange Board of India (Buyback) Regulations, 1998 ("**Buyback Regulations**"). Subsequently, the Adjudicating Officer, SEBI ("**AO**") held VEDL to be in violation of the provisions of the PFUTP Regulations and Buyback Regulations ("**Order**") and imposed a penalty of ₹5.25 crores on VEDL for making misleading announcement in relation to a buyback of its shares. VEDL filed an appeal against the Order before the Securities Appellate Tribunal ("**SAT**") contending inter alia that it cannot be conclusively proved that VEDL made



such misleading announcement in relation to a buyback of its shares. Pursuant to its order, SAT set aside the Order ("**SAT Order**"). SEBI has filed an appeal before the Supreme Court of India challenging the SAT Order. The matter is currently pending.

(iv) *Adjudication Order under Section 15-I of Securities and Exchange Board of India Act, 1992, and Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995*

SEBI has passed an adjudication order dated June 30, 2023 against VEDL imposing a penalty of ₹ 30 lakhs for violation of Regulation 4(1)(c), 30(11) read with 30(12) and 46(3) of SEBI (LODR) Regulations, 2015 ("**LODR Regulations**"). The notice was issued as a result of a press release being inadvertently published on the letterhead of the Company stating that "Vedanta signs MoUs with Government of Gujarat to set up semiconductors and display fab units". VEDL has subsequently paid such penalty on July 13, 2023 in accordance with LODR Regulations.

(v) *Administrative Warning in the investigation pertaining to the suspected trading activities of certain entities in the scrip of Vedanta Limited*

VEDL received a letter from NSE on March 06, 2023, annexing therewith a letter dated February 29, 2024 issued by SEBI vide which an administrative warning had been issued to VEDL for violations under Sections 12A (a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (b), (c),(d), 4(1) & 4(2) (k) & (r) of SEBI (PFUTP) Regulations, 2013. VEDL was directed to place the said letter before its Board of Directors and take necessary corrective steps to strengthen the internal control for corporate announcement / press releases.

(vi) *Notice received from BSE Limited*

VEDL received an email from BSE on August 30, 2024 for imposition of fine of ₹ 10,000 plus GST for non-compliance with Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") pertaining to delay in submission of the notice of record date for the interest payment of non-convertible debentures (NCDs) under ISIN INE205A07253. The NCDs were listed in the month of July 2024. VEDL had received the listing approval at the same time when the filing for record date became due. Considering the overlap of timelines, the Stock Exchanges granted waiver of the said fine imposed on VEDL vide email dated November 5, 2024.

(vii) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notices dated December 14, 2023 from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") for non-compliance with Regulation 29 of SEBI Listing Regulations for delay in filing prior notice of Board Meeting for Q2 FY24 results with the stock exchanges for which a penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on December 19, 2023.

(viii) *Notice received from BSE Limited*



VEDL received a notice vide email dated March 31, 2022 from BSE Limited for non-compliance with the Regulation 54(2) of LODR Regulations for non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements. In this regard, a penalty of ₹ 45,000 plus GST was levied on VEDL and the same was paid on April 02, 2022.

(ix) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice from BSE Limited and National Stock Exchange Limited ("Stock Exchanges") dated October 16, 2020 for non-compliance with the Regulation 33 of LODR Regulations, 2015 for delay in submission of financial results for the quarter ended June 30, 2020. In this regard, a penalty of ₹ 90,000 plus GST had been levied by each of the Stock Exchanges. The same was paid by VEDL on October 20, 2020.

(x) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice dated November 17, 2020 and November 18, 2020 from BSE Limited and National Stock Exchange Limited ("Stock Exchanges") respectively w.r.t non-compliance with the Regulation 29(2)/ 29(3) of LODR Regulations, 2015 for delay in furnishing prior intimation about the meeting of Board of Directors for the quarter ended June 30, 2020. In this regard, a penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on November 19, 2020.

*\*The proceedings described under point C(i) and C(iii) have been included in table at paragraph A (Summary of Outstanding Litigations, Claims And Regulatory Action) under the column 'Statutory or Regulatory Proceedings' to calculate the number of such proceedings initiated against the Promoter*

#### **D. Brief details of outstanding criminal proceedings against Promoters\*:**

(i) *Factory Inspector v. Abhijit Pati (Manager) & D.D Jalan (Occupier) [2( C ) CC 937/14] before the Sub Divisional Judicial Magistrate, Jharsuguda*

The Assistant Director of Factories & Boilers, Jharsuguda Zone, Odisha ("Assistant Director") filed a criminal complaint before the Sub Divisional Judicial Magistrate, Jharsuguda, Odisha under Rule 13 of the Orissa Factories Rules, 1950 against certain employees of VEDL. The Assistant Director has alleged violations of Section 7-A(2)(a) of the Factories Act, 1948 and Rule 62 D of the Odisha Factories Rules, 1950 due to a fatal accident that took place at VEDL's factory in Bhurkamunda, Sripura, Jharsuguda. The matter is currently pending.

(ii) *Fatima v. TNPCB & Vedanta and Ors. (Crl. R C (MD) 251 of 2019) before the Madras High Court*

Fatima ("Complainant") filed a criminal petition against VEDL, our Director, Navin Agarwal, and others (collectively, "Accused") before the Court of the Judicial Magistrate No. III, Thoothukkudi, Tamil Nadu ("CJM") under Section 200 of the Code of Criminal Procedure, 1973 read with Section 15 of the Environment Protection Act, 1986. The Complainant alleged, inter





alia, that the Accused had failed to renew the consent and authorization for handling hazardous waste ("**Authorization**") for VEDL's copper smelter plant located at the SIPCOT Industrial Complex, Thoothukudi, Tamil Nadu ("**Copper Smelter Plant**") under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The CJM by way of an order dismissed the said petition on the ground that cases on the same issue were pending before the Madras High Court and the Supreme Court ("**Impugned Order**"). Aggrieved by the Impugned Order, the Complainant filed a criminal revision petition before the Madras High Court for setting aside the Impugned Order. The Complainant has alleged that inter alia VEDL's application for renewal of consent to operate was rejected due to failure of VEDL to conform to certain conditions as mentioned in the Authorization. The matter is which is currently pending.

(iii) *BALCO & Ors. v. State of Jharkhand & Ors. (WPCR 887/2023) before the Jharkhand High Court*

M/s Vassu Enterprises ("**Complainant**") entered into an agreement with BALCO for material handling, scrap for purchase of heavy equipments, housekeeping, loading/ unloading and other services ("**Contract**"). BALCO terminated the Contract for unsatisfactory compliance of contractual obligations by the Complainant, including failure to comply with statutory labour compliance requirements. Pursuant to the termination of the Contract, the Complainant filed a complaint ("**Complaint**") against BALCO, our Director, Anil Agarwal and others ("**Accused**") before the Court of Chief Judicial Magistrate, East Singhbhum, Jamshedpur ("**CJM**") under Sections 420, 406, 409, 120B and 34 of the Indian Penal Code, 1860 for alleged misappropriation and illegal withholding of equipment and machinery. The CJM disposed of the Complaint and subsequently, the Complainant filed a First Information Report ("**FIR**") under Section 154 of the Code of Criminal Procedure, 1973 ("**CrPC**"). BALCO has filed a criminal writ petition under Section 156(3) of the CrPC before the High Court of Jharkhand, Ranchi ("**High Court**"). Initially, the High Court vide its order held that no coercive steps shall be taken against the Accused during the pendency of the matter. Final hearing has been concluded in the matter and the same has been reserved for order. The Complainant has also filed an application ("**Application**") before the Jharkhand Micro, Small and Micro Enterprises Facilitation Council at Ranchi ("**MSME**") alleging delay in payment by BALCO and subsequently MSME issued a notice to BALCO. BALCO has filed its preliminary objection contending that the Complainant has filed the Application with ulterior motive to extort BALCO and also to malign the image of BALCO and apprised the MSME Council that the High Court has imposed a stay on the criminal complaint filed by the Complainant in relation to the same issue. The High Court vide its order dated 25 July 2024 has quashed the Criminal complaint and FIR filed by M/s Vassu against the directors of our Company/BALCO.

(iv) *Ajay Padia (Sun Industries) v. Anil Agrawal & Ors. (RCC No 99/2002) before the Judicial Magistrate Pune & Anil Agrawal & Ors. v. State of Maharashtra & Ors. (Criminal Application No. 1399/2008) before the High Court of Mumbai*

Ajaykumar Padia ("**Complainant**") filed a complaint against BALCO, our Directors, Anil Agarwal, Navin Agarwal, and others (collectively, "**Accused**") before the Court of Judicial Magistrate First Class, Pune ("**CJM**") for alleged offences under Sections 420, 34, 406 read with Section 109 of the Indian Penal Code, 1860 ("**IPC**"). The Complainant alleged, inter alia, that the



Accused have abetted, cheated and committed criminal breach of trust in respect of the deposit, commission and discount offered to the Complainant for the defective goods supplied by the Accused and caused wrongful loss to the Complainant. The CJM, inter alia, ordered investigation into the matter under Section 153(3) of the Code of Criminal Procedure, 1973. Pursuant to the investigation, the police investigated the matter and reported with the conclusion, inter alia, that the concerned matter is of a civil nature ("**Report**"). Thereafter, the Complainant approached the CJM, questioning the police report and subsequently, the CJM vide an order observed that the Accused acted with dishonest intention and therefore issued process against the Accused under Sections 420, 406 read with Section 34 of the IPC ("**Impugned Order**"). Aggrieved by the Impugned Order, our Directors, Anil Agarwal, Navin Agarwal and others filed a writ petition before the High Court of Judicature for Bombay ("**High Court**"). The High Court observed, inter alia, that an alternative remedy is available before the sessions court and disposed the petition. Pursuant to the order of the High Court, our Director, Anil Agarwal and others filed a criminal revision application before the Additional District and Sessions Judge, Pune ("**Sessions Judge**"). The Sessions Judge ruled against the Accused and upheld the Impugned Order. Subsequently, our Director, Anil Agarwal and others filed a criminal application before the High Court. The High Court has granted a stay on the trial court proceedings. The matter is currently pending.

(v) *Vedanta Ltd & ors v. State, Criminal Petition 9612/2021 & Conservator Forest Officer v. Sesa Sterlite & ors CC 662/2015*

The Forest Department, Government of Karnataka had registered forest case bearing FOC No.2/2014-2015 dated 15.04.2014 against VEDL and ex-employees under the provisions of the Karnataka Forest Act, 1963 for forming a road falling within the limits of Nirthadi Reserve Forest and for using the road for mining operations. The Court of Principle Civil Judge, Holalkere had passed order dated 03.08.2015 taking cognizance of the matter on the basis of criminal complaint and chargesheet filed. We have filed writ petition before the High Court of Karnataka before the High Court of Karnataka against the order dated 03.08.2015 on the ground that charges framed by Forest Authorities against us fall under the category of non-cognizable cases and non-cognizable cases cannot be registered without the permission of Magistrate and following procedure under Section 155 (2) of the Code of Criminal Procedure, 1973. The High Court has granted stay of all proceedings before the District Court till the next date of hearing. The matter is currently pending.

(vi) *Criminal Proceedings against employees of Vedanta (State of Odisha vs Rakesh Mohan – CT 277 of 2019 before Sub-Divisional Judicial Magistrate, Bhawanipatna, Odisha & CRLMC No. 58 of 2020 before Orissa High Court)*

FIRs were filed against certain employees of VEDL's Lanjigarh Unit ("Accused") pursuant to a strike incident that had occurred in Lanjigarh. The case was filed before the Sub-Divisional Judicial Magistrate Court, Bhawanipatna ("SDJM Court"). An application for anticipatory bail was filed before the Orissa High Court against the FIRs and VEDL received a favourable order which was later vacated by the Orissa High Court. VEDL approached the Orissa High Court under Section 482 of the Code of Criminal Procedure, 1973 praying for interim protection to the Accused which was granted by the Orissa High Court vide Order dated 03 March 2020 ("Interim





Order"). Thereafter, the Orissa High Court vacated the Interim Order vide its final order dated 21 April 2023 stating that all pleas may be taken before the SDJM Court at the appropriate stage. The matter is currently pending before the SDJM Court.

(vii) *Sterlite Industries Limited & Ors. v. State of Maharashtra & Anr. (Criminal Application No. 3609 of 2005)*

Pursuant to SEBI's order for alleged violation of regulation 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and unfair Trade Practices relating to Securities Market) Regulations, 1995 under point C(i) above, SEBI filed a criminal complaint against SIIL, VEDL's Director, Anil Agarwal and others before the Additional Metropolitan Magistrate, Esplanade in relation to the alleged violation. Securities Appellate Tribunal in appeal by SIIL set aside the order passed by SEBI accordingly, SIIL filed a criminal application before the Bombay High Court for stay of the criminal proceedings initiated by SEBI, which has been stayed by the Bombay High Court.

*\*Criminal proceedings involving SEBI or Stock Exchange(s) have been categorised under point D above.*

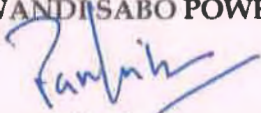
**ANY OTHER IMPORTANT INFORMATION**

**NIL**

**DECLARATION BY TSPL ("RESULTING COMPANY-2")**

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
TALWANDI SABO POWER LIMITED**

  
**Name: Mr. Pankaj Kumar Sharma**

**Designation: Director**

**DIN: 10277510**

**Address: Villa No. 47, Ganpati Enclave, Bhatinda -151001**

**Date: January 02, 2025**

**Place: Mansa**





### Annexure T3

#### DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

THIS DISCLOSURE DOCUMENT ("DOCUMENT") CONTAINS APPLICABLE INFORMATION PERTAINING TO THE UNLISTED COMPANY, MALCO ENERGY LIMITED, A WHOLLY OWNED SUBSIDIARY OF VEDANTA LIMITED AND THE SCHEME OF ARRANGEMENT BETWEEN VEDANTA LIMITED ("DEMERGED COMPANY" OR "VEDL"), VEDANTA ALUMINIUM METAL LIMITED ("VAML" OR "RESULTING COMPANY-1"), TALWANDI SABO POWER LIMITED ("TSPL" OR "RESULTING COMPANY-2"), MALCO ENERGY LIMITED ("MEL" OR "RESULTING COMPANY-3" OR "COMPANY"), VEDANTA IRON AND STEEL LIMITED ("VISL" OR "RESULTING COMPANY-4") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 READ WITH OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULES FRAMED THEREUNDER (HEREINAFTER REFERRED TO AS "SCHEME").

*Note: Pursuant to paragraphs 44, 46 and 51 of the Scheme of Arrangement between Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Vedanta Base Metals Limited ("VBML") and Resulting Company 4 and their respective shareholders and creditors ("Original Scheme"), the board of directors ("Board") of the Demerged Company have by way of their resolution dated December 20, 2024 and VBML and the Resulting Companies have by way of their resolutions dated December 23, 2024 decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies (as defined in the Scheme) have approved the updated Scheme, between the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.*

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") Circular NO.SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 read with Master Circular Bearing Number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI CIRCULARS") issued by the Securities and Exchange Board of India (SEBI). ("SEBI Circulars"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS 25 PAGES. PLEASE ENSURE THAT YOU  
HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of VEDL i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of VEDL are listed i.e. National Stock Exchange of India Limited ("NSE") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("BSE") i.e. [www.bseindia.com](http://www.bseindia.com).

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)





**MALCO ENERGY LIMITED**  
**Corporate Identification Number (CIN): U31300MH2001PLC428719,**  
**Date of Incorporation: 18<sup>th</sup> day of January, 2001**

Registered Office	Corporate Office	Contact Person	Email, Telephone and Website
C-103, Atul Projects-Corporate Avenue, New Link Road, Chakala, Andheri, (E), MIDC, Mumbai, Maharashtra, India, 400093	Same as registered office	Ms. Purna Halwasiya	E-mail: <a href="mailto:company.secretary@vedanta.co.in">company.secretary@vedanta.co.in</a> Telephone: +91 22 6643 4500 Website: -





## NAMES OF PROMOTER(S) OF THE COMPANY

**Vedanta Limited**

### Details of Offer to Public

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1) / 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

### Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto a maximum of 10 selling shareholders)

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

### Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.



*24/05/2024*



### RISKS IN RELATION TO THE FIRST OFFER

The Company is not offering any shares through Initial Public Offer, to the Public. Hence risk(s) in relation to first offer is **NOT APPLICABLE**.

### GENERAL RISKS

Investment in equity & equity related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to the Scheme. For taking any decision, investors must rely on their own examination of VEDL, MEL and the Scheme, including the risks involved. The equity shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Document. Specific attention of the investors is invited to the section "Internal Risk Factors" at page 13 of this Abridged Prospectus.

### SCHEME DETAILS AND PROCEDURE

The Scheme is proposed between the Demerged Company and Resulting Company 1, Resulting Company 2, Resulting Company 3, and Resulting Company 4 (hereinafter collectively referred to as "**Resulting Companies**") and their respective shareholders and creditors.

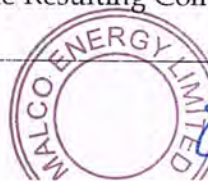
The Scheme is pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, in the manner provided for in the Scheme thereof.

The Board of Directors of Malco Energy Limited and Vedanta Limited in their respective meetings held on 13<sup>th</sup> October, 2023 and 29<sup>th</sup> September, 2023 respectively approved the Original Scheme.

The Scheme inter-alia provides for the Demerger of "Oil and Gas Undertaking" (as defined in the Scheme) to the **Resulting Company-3** and the consequent issuance of Equity Shares by the **Resulting Company-3** to all the shareholders of the Demerged Company.

The Scheme is further subject to approval from the shareholders and creditors of aforesaid companies, National Company Law Tribunal ("NCLT") and other statutory/regulatory authorities, as may be applicable.

Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Oil and Gas Undertaking (as defined in the Scheme) shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 3 on a going concern basis.





### Consideration under the Scheme:

The consideration for the demerger of the Oil and Gas Undertaking shall be the issue by the Resulting Company 3 of 1 (One) fully paid-up equity share of the Resulting Company 3 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company 3 New Equity Shares**").

The Resulting Company 3 New Equity Shares shall be in dematerialized form.

Upon the Scheme becoming effective and immediately prior to the allotment of the Resulting Company 3 New Equity Shares, the entire paid-up share capital of the Resulting Company 3 as on Effective Date ("**Resulting Company 3 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company 3, pursuant to Sections 230 to 232 of the Act and such other applicable provisions of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company 3 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.

Details of: (i) the basis for the Share Entitlement Ratio; (ii) the valuation report; and (iii) fairness opinion are available on the websites of the Demerged Company i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of the Demerged Company are listed i.e. National Stock Exchange of India Limited ("NSE") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("BSE") i.e. [www.bseindia.com](http://www.bseindia.com) ("**Stock Exchanges**").

### Listing of the Equity Shares of the Resulting Company 3:

The Resulting Company-3 New Equity Shares pursuant to the Scheme, will be listed and/or admitted to trading on the Stock Exchanges, subject to receipt of requisite approvals and in accordance with the SEBI Circular and other relevant provisions as may be applicable.

### Procedure:

The procedure with respect to public issue/ offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large, except to the shareholders of the Company. Hence, the processes and the procedure with respect to the Bid-cum- Application Form, RHP and General Information Document etc. are **NOT APPLICABLE**.

### PRICE INFORMATION OF BRLM's

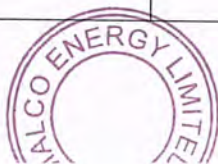




Issue Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark) - 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
NA				

Name of BRLM and contact details (telephone and email id)	Not applicable
Name of Syndicate Members	Not applicable
Name of Registrar to the Issue and contact details (telephone and email id)	Not applicable
Name of Statutory Auditor	S R B C & CO LLP Chartered Accountants 12th Floor, The Ruby 29 Senapati Bapat Marg Dadar (West) Mumbai-400028 Tel No. - +91 22 6819 8000 Email Id- Chintan.Ravasa@srb.in; anant.acharya@srb.in
Name of Credit Rating Agency and therating or grading obtained, if any	Not applicable
Name of Debenture trustee, if any.	Not applicable
Self-Certified Syndicate Banks	Not applicable
Non-Syndicate Registered Brokers	Not applicable
Details regarding website address(es) / link(s) from which the investor can obtainlist of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)	Not applicable

PROMOTERS OF THE ISSUER COMPANY			
Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1	Vedanta Limited	Corporate	VEDL is a company incorporated under the Companies Act, 1956 with CIN L13209MH1965PLC291394 and registered office situated at 1 <sup>st</sup> Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East) Mumbai 400093. VEDL is a diversified natural resource company engaged in the business of extraction, refining, manufacture and sale of various metals and minerals, generation and sale of power and other businesses including semiconductor



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PROMOTERS OF THE ISSUER COMPANY			
Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
			manufacturing, display glass manufacturing etc. The equity shares of VEDL are listed on BSE and NSE. The Listed Debt Securities of VEDL are listed on the BSE.

BUSINESS OVERVIEW AND STRATEGY			
<p><b>Company Overview:</b> Malco Energy Limited is a company incorporated under the Companies Act, 1956 bearing corporate identity number U31300MH2001PLC428719, is an unlisted public limited company (being a wholly-owned subsidiary of Vedanta Limited) and registered office of the Company situated at C-103, Atul Projects-Corporate Avenue, New Link Road, Chakala, Andheri, (E), Chakala MIDC, Mumbai, Maharashtra, India, 400093. The Equity Shares of the Company are currently not listed on any Stock Exchange(s).</p> <p>Resulting Company 3 is authorised by its Memorandum of Association to engage in the business of inter alia processing ferrous and non-ferrous metals and mining, refining and preparing of market ores, minerals, metals and substances of every kind and description and processing them.</p> <p><b>Product/Service Offering:</b> MEL is engaged in production and sale of nickel metal, nickel sulphate crystals, nickel sulphate solution, cobalt sulphate crystals, met coke and power along with by-products like sodium sulphate crystals &amp; manganese sulphate. The power plant at Mettur is presently not in operations.</p> <p><b>Revenue segmentation by product/ Service offering:</b></p> <ul style="list-style-type: none"> <li>- Nickel Metal and Nickel Sulphate</li> <li>- Cobalt and other by products like Sodium Sulphate, manganese Sulphate</li> <li>- Met Coke</li> </ul> <p><b>Geographies Served:</b></p> <ul style="list-style-type: none"> <li>- India</li> <li>- South Korea, UAE and Japan.</li> </ul> <p><b>Revenue segmentation by geographies:</b></p> <ul style="list-style-type: none"> <li>- Nickel metal, Cobalt sulphate and by-products are primarily sold in domestic market and nickel sulphate is sold in both domestic market &amp; also exported to Korea, UAE etc. Met Coke / Sesa Coke Gujarat has its market presence in domestic market.</li> </ul> <p><b>Key Performance Indicators: (As on September 30, 2024)</b></p> <ul style="list-style-type: none"> <li>- Revenue from Operations - INR 244.8 Crores</li> <li>- Other Operating and other income - INR 5.46 Crores</li> <li>- Profit/(Loss) after tax - INR (80.09) Crores</li> </ul> <p><b>Client Profile or Industries Served:</b></p> <ul style="list-style-type: none"> <li>- Foundry Coke- Casting, ROCKWOOL</li> <li>- BF Coke-Steel Industries, Pig Iron Industries, Soda ash industries, Zinc &amp; Led</li> <li>- Nut Coke- Ferro Alloy, Small Casting/ Retail</li> <li>- Coke breeze- Sinter Plants, Retail</li> <li>- Nickel Metal - Stainless Steel Industry</li> <li>- Nickel Sulphate Crystals - Electroplating &amp; Battery Industry</li> </ul>			



*Edwin Jayu*



- Nickel Sulphate Solution - Catalyst Industry
- Cobalt Sulphate Crystals - Animal Feed, Electroplating & Paint Industry
- Sodium Sulphate Crystals - Detergent Industry
- Manganese Sulphate Solution - Fertilizer & Ceramics Industry

**Revenue segmentation in terms of top 5/10 clients or Industries:**

- Nickel Segment's top 5 clients contribute to 46% & top 10 clients contribute to 65% of total revenue from total revenue of Nickel Segment in FY'24.
- Sesa Coke Gujarat (GNRE) top 5 clients contribute to 80% & rest of the clients contribute rest 20 % of total revenue of Sesa Coke Gujarat (GNRE) segment in FY'24

**Intellectual Property, if any:** Not Applicable

**Market Share:** Nickel segment has captured approximately 50% market share for nickel sulphate and around 7% for nickel cathode of domestic market. Sesa Coke Gujarat has captured approximately 3% of domestic market.

**Manufacturing plant, if any:** Nickel Segment is a refinery like structured plant which consists of raw material washing section, leaching section, solvent extraction system and crystal house/cell house. Sesa coke Gujarat has two operating units with both Drag and Pusher kind of batteries.

**Employee Strength:** Sesa Coke Gujarat has 23 employees on its roll and MEL Nickel division has 59 employees on it roll as on December 26, 2024.

BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
1.	Mr. Narayanaswamy Alampallam Ramakrishnan	Director	<b>Experience:</b> Mr. Narayanaswamy is a Chartered Accountant based in Mumbai. He has more than 41 years of experience in the areas of finance, accounting and running businesses. Mr. Narayanaswamy is a Bachelor of Commerce (B.Com.) from the University of Mumbai. He is a member of the Institute of Chartered Accountants of India. He consults for companies in accounting, financial management and information technology areas	<b>Indian Companies:</b> 1. IBIS Systems & Solutions Private Limited 2. Ferro Alloys Corporation Limited 3. Sesa Resources limited 4. Sesa Mining Corporation Limited 5. Sesa Iron And Steel Limited 6. Twin Star Technologies Limited



*Edwin Jeyaraj*



BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			across several industry verticals.  <b>Educational Qualification:</b>  He is a Bachelor of Commerce (B.Com.) from the University of Mumbai. He is a member of the Institute of Chartered Accountants of India.	<b>Foreign Companies:</b>  Vedanta Resources Limited
2.	Mr. Navin Kumar Jaju	Director	<b>Experience:</b> Mr. Navin Kumar Jaju joined Vedanta in March 2005 and has more than 15 years of experience in Finance, Accountancy, Audit, Taxation, Treasury and Corporate Governance. Prior to joining the Iron Ore Business of Vedanta, Mr. Jaju has worked in Group Companies i.e. HZL, BALCO & Corporate Office.  <b>Educational Qualification:</b>  He is B. Com graduate from St. Xavier's College and a qualified Chartered Accountant from the Institute of Chartered Accountants of India.	<b>Indian Companies:</b> 1. Sesa Resources Limited 2. Sesa Mining Corporation Limited 3. Sesa Community Development Foundation 4. Sterlite Iron and Steel Company Limited 5. Goa Maritime Private Limited 6. Desai Cement Company Private Limited 7. Njaju Management Private Limited.  <b>Foreign Companies:</b>  Western Cluster Limited
3.	Ms. Poovannan Sumathi	Director	<b>Experience:</b> Ms. Poovannan Sumathi has more than 2 decades of experience across various critical operational and strategic functions such as Operational Excellence, HSE & Sustainability, and Asset	<b>Indian Companies:</b> 1. ESL Steel Limited 2. Janhit Electoral Trust.



*Navin Jaju*



BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>Optimization. She has completed B.E EEE (Electrical and Electronics Engineer) from Regional Engineering College, Tiruchirapalli (Now it's NIT, Tiruchirappalli). She is a passionate leader with skilled expertise in areas of energy management, sustainability, environmental compliance, execution of strategic projects, and world-class maintenance best practices, etc.</p> <p><b>Educational Qualification:</b> She has completed B.E EEE (Electrical and Electronics Engineer) from Regional Engineering College, Tiruchirapalli (Now it's NIT, Tiruchirappalli).</p>	<p><b>Foreign Companies:</b></p> <p>Nil</p>

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

- Demerged Company has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.
- Each of the varied businesses carried on by the Demerged Company by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.
- The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.



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## OBJECTS PURSUANT TO THE SCHEME

- In order to lend enhanced focus to the operation of identified businesses, Demerged Company proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking.
- The following benefits shall accrue on demergers of the Aluminium Business (*as defined in the Scheme*), the Merchant Power Business (*as defined in the Scheme*), the Oil and Gas Business (*as defined in the Scheme*) and the Iron Ore Business (*as defined in the Scheme*):
  - creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;
  - enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;
  - each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;
  - enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;
  - enabling focused and sharper capital market access (debt and equity) and thereby unlocking the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, and the Iron Ore Undertaking and creating enhanced value for shareholders.
- The Scheme is in the interests of all stakeholders of VEDL, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.

Details of means of finance -Not Applicable

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable



*Devin Jaggi*



## OBJECTS PURSUANT TO THE SCHEME

**Terms of Issuance of Convertible Security, if any:** Not Applicable

**Name of monitoring agency, if any:** Not Applicable.

### Pre-scheme Shareholding Pattern of the RESULTING COMPANY-3 (MEL):

Sr. No.	Particulars	Pre-Scheme No. of Equity Shares	% of Holding Pre-Scheme
(A)	Promoter & Promoter Group	23,366,406	100%
(B)	Public	Nil	Nil
<b>Total</b>		<b>23,366,406</b>	<b>100%</b>

*Note: Upon the Scheme becoming effective, shareholders of Demerged Company will be allotted equity shares of the Resulting Company 3 in accordance with Clause 22 of the Scheme and therefore, will become equity shareholders of the Resulting Company 3. The Promoter and Promoter Group of the Demerged Company shall be the Promoter and Promoter group of the Resulting Company in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.*

## AUDITED FINANCIALS OF MEL

Audited financials of the MEL for the period ended March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2023, March 31<sup>st</sup> 2024 and Limited Reviewed Financials for the period ended September 30<sup>th</sup> 2024 are as mentioned below:

Standalone	(Rs. in Crores)			
	Sep 30, 2024	March 31 <sup>st</sup> , 2024	March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022
Revenue from operations (net)	244.88	615.75	533.72	214.32
Other Operating Income	3.25	31.18	4.39	-
Other Income	2.21	21.61	5.05	3.76
Total Income	250.34	668.54	543.16	218.08
Net Profit/ (loss) before tax	(80.09)	(117.42)	(266.87)	15.71
Net Profit/ (loss) after tax	(80.09)	(117.42)	(266.87)	15.71
Equity Share Capital	4.67	4.67	4.67	4.67
Reserves and Surplus	(6,313.37)	(6233.28)	(6120.43)	(5849.32)
Instruments entirely equity in nature- Compulsory Convertible Debentures	6135.45	6,135.45	6,135.45	6,135.45
Net Worth	(173.24)	(93.16)	19.69	290.8
Basic Earnings per share (Rs.)	(34.27)	(50.25)	(114.21)	6.72
Diluted Earnings per share (Rs.)	(34.27)	(50.25)	(17.21)	1.01
Return on net worth (%)	-*	-*	(1,355.4)%	5.4%
Net asset value per share (Rs.)	(74.14)	(39.87)	8.43	124.45



*Handwritten signature: Rajiv Jajji*



*\*Since both Net profit and Net worth are negative.*

**Notes:**

*Reserves and Surplus comprises of Security Premium and Retained Earnings.*

*Net worth comprises of Equity Share Capital, Reserves and Surplus and Instruments entirely equity in nature - compulsorily convertible debentures.*

*Basic and Diluted earnings per share have been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*

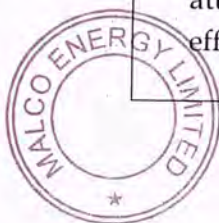
*Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*

*Net asset value per share has been calculated by adding the balance of Equity Share Capital, Reserves and Surplus and Instruments entirely equity in nature - compulsorily convertible debentures and dividing the same by number of shares outstanding.*

*MEL had issued 61,354,483 unsecured compulsory convertible debentures (CCDs) at Rs. 1000 each (including premium of Rs. 900 each). The CCDs carries coupon rate of 0 % and are convertible at the price of Rs. 466/- per share at the end of 10 years from the date of issue of CCDs or at such dates as may be mutually agreed between the CCD Holder and MEL.*

#### INTERNAL RISK FACTORS

- The proposed Scheme is subject to the approval of the NCLT, creditors, shareholders and other third-party approvals and consents. There is no assurance that these approvals and consents will be obtained and, accordingly, there is no assurance that the proposed Scheme will be consummated. If the proposed Scheme is not consummated, the financial, operational, strategic and other potential benefits mentioned in the Scheme will not be achieved
- The proposed Scheme may be implemented by the Board of Directors of the Demerged Company and Resulting Companies in separate Parts in accordance with the terms thereof. The proposed Scheme is subject to satisfaction of Conditions Precedent as provided under Clause 39 of the Scheme and each Part of the Scheme shall be made effective subject to satisfaction or waiver of such Conditions Precedent in terms of Clause 39.6 of the Scheme. Therefore, there is no assurance that each Part of the Scheme will be consummated at the same time and each Part of the Scheme may be consummated separately on satisfaction of the relevant Conditions Precedent provided under the Scheme.
- If the proposed Scheme is consummated, the economic benefits expected from the Scheme may still not be achieved. Some of the businesses have not operated as independent businesses, and may face new and unforeseen challenges from the disintegration, including (but not limited to) capital and debt allocation, cash flows maintenance, redeployment of employees, unforeseen liabilities, union issues, the diversion of resources and management attention from the existing business structure, any of which could result in a material adverse effect on the respective company's results of operations, cash flows and financial condition.



*Edwin Jeyi*



- Pursuant to the Scheme, as part of the Demerged Undertaking, requisite personnel operating the demerged business, will also be a part of the Resulting Company-3. The Resulting Company-3 cannot assure that it will be able to successfully foray in or continue to be profitable in the business. The inability to effectively develop and operate its business may have an adverse impact on the Resulting Company-3's financial conditions and result of operations. Further, the business is subject to government policies.
- There may be certain risks and uncertainty in the integration of business of Demerged Undertaking, which may impact the result of operations and profitability.
- An inability to manage the growth in scale of our operations could affect the business of the Resulting Company-3.
- Equity Shares to be issued pursuant to the Scheme shall be listed on Stock Exchanges, which would be subject to approvals from the said Stock Exchange(s) and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted. Listing of the equity shares does not guarantee that a trading market for the equity shares will develop.
- The resulting company-3 may have competition from existing players which may impact the growth of the Resulting Company-3.
- Changes in the regulatory environment in which the Resulting Company-3 operates could have a material adverse effect on its business, financial conditions, results of operations and prospects. The regulatory and policy environment in which the Resulting Company-3 operates is also evolving and subject to change which may adversely affect its business, results of operations and prospects, to the extent that the Resulting Company-3 is unable to suitably respond to and comply with any such change in applicable law and policy.
- Implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION AS AT OCTOBER 31, 2024- MEL

##### A. Total number of outstanding litigations against the Company and amount involved:

Name of the Entity	Tax Proceedings	Criminal Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Total Amount Involved (Rs. In Crore)*
Company						



*David Jeyi*



By the Company	15	Nil	8	Nil	5	512.77
Against the Company	Nil	Nil	5	Nil	Nil	24.7
<b>Directors**</b>						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By	719	2	20	Nil	7 #	34,878.399
Against Promoter	98	5	12	8	4 #	12,041.65
<b>Subsidiaries</b>						
By	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiarie	Nil	Nil	Nil	Nil	Nil	Nil

\*To the extent quantifiable.

\*\*[Litigation against Directors on personal level and as Directors in Companies other than MEL are not disclosed]

# Civil litigations involving the amount of INR 413 crores or more are considered as material.

**B. Brief details of top 5 material outstanding litigations against the Company and amount involved:**

\*To the extent quantifiable.

Sr. No.	Particulars	Litigation filed by	Current Status	Amount Involved (Amount in INR Crores)*
1.	TANGEDCO v. Ind Bharat and MEL (DFR 710 of 2023)  Differential Tariff Matter. The matter pertains to difference in tariff for the electricity injected by our unit MALCO Energy Limited ("MEL") to Tamil Nadu	TANGEDCO	Matter is to be taken up for final arguments.	24.7 Crores



*Edwin Jayi*



	<p>Generation and Distribution Company Limited ("TANGEDCO") during the period from June 2011 to September 2011. In 2021, the TNERC in RA (R.A.No.3 of 2020) filed by TANGEDCO ordered in our favor and fixed a tariff of Rs.5/- per unit for the electricity injected by OPG Power Generation Private Limited, M/s. Ind Bharat Power Gencom Ltd., and M/s. MALCO Energy Limited during the period June 2011 to September 2011. Further, TANGEDCO preferred RP of the said decision, which was dismissed in 2023 holding that there is no merit in the review petition. The Order already stands complied by the TANGEDCO with regard to one of the three identically situated generators (i.e OPG).</p>			
2.	<p>Ind Bharat v. TANGEDCO and MEL (Appeal No. 391 of 2024)</p> <p>Differential Tariff Matter. Ind Bharat filed contempt petition against TANGEDCO for non-compliance with above said Orders (R.A.No.3 of 2020) and same was dismissed by TNERC as the appeal filed by TANGEDCO is pending before APTEL.</p>	IND BHARAT	<p>TANGEDCO filed appeal against the TNERC Contempt Order.</p> <p>Matter is to be taken up for final arguments</p>	24.7 Crores
3.	<p>PTC v. MALCO Energy Limited (DFR 95 of 2024)</p> <p>D.R.P.No. 8 of 2016 was preferred by M/s.MALCO</p>	PTC	<p>PTC has preferred an appeal before APTEL.</p>	7.60 Crores



*Edwin deji*

Energy Limited praying for direction that the Tamil Nadu Generation and Distribution Corporation Limited, and M/s.PTC India Limited, to jointly and severally pay the petitioner at the rate of Rs.4.67 per unit, aggregating a sum of Rs.2,54,28,398/- for the power supplied by the petitioner to TANGEDCO covering the period 01.06.2010 to 03.06.2010 along with interest at the rate of 15% totalling an amount of Rs.5,09,32,835/- and further interest at 15% till the date of payment.

Vide Order dated 02.03.2021, TNERC held "6.16 the petition is allowed with regard to the cost of the power injected and we hold that the first and second respondent are jointly and severally liable to pay for the power injected by the petitioner into the grid of the second respondent for the period from 01.06.2010 to 30.06.2010. The first and second respondents are directed to calculate the units injected into the second respondent's grid by the petitioner from 01.06.2010 to 30.06.2010 and pay the applicable tariff to the petitioner within 30 days from the date of this order."

Further, RP No. 1/2021 was filed by PTC and RP No. 5/2021 was filed by TANGEDCO. Vide Order dated 12.12.2023, the Review Petitions R.P. No. 1 of

Matter is to be taken up for final arguments.



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	2021 and R.P. No. 5 of 2021 arising out of D.R.P. No. 8 of 2016 were dismissed.			
4.	<p>TANGEDCO v. MALCO Energy Limited (DFR 212 of 2024)</p> <p>The above said Orders of TNERC holding PTC and TANGEDCO jointly and severally to pay has been appealed by TANGEDCO before APTEL.</p>	TANGEDCO	Matter is to be taken up for final arguments.	7.60 Crores
5.	<p>TANGEDCO v. TNERC and MEL (DFR 297 of 2024)</p> <p>Start up power. Appeal filed against Order dated 29.12.23 in TA 52 of 2022 passed by TNERC.</p> <p>TANGEDCO, has issued supplemental bill on demand charges for a demand of 3 MVA for the start up power from 21.06.2013 to 01.2014. MALCO had approached Madras High Court wide WP 6382 of 2014 against which the Court has issued stay on 28.02.2014 against the demand subject to payment of 50% of the amount so demanded. Accordingly, MEL has paid Rs. 29.24 lakhs towards 50% of the demand till date.</p> <p>High Court had transferred the matter before TNERC, as Transfer Appeal No. 52 of 2022. Order passed in TA 52 of 2022 on 29.12.23 which allowed and has taken the balance</p>	TANGEDCO	<p>TANGEDCO has appealed this before APTEL.</p> <p>Matter is to be taken up for final arguments.s</p>	Nil



*Edwards Agui-*



	approach and the amount deposited as per HC directions shall be adjusted with the start up power charges. And 50% provision can be taken back on the books of account.			
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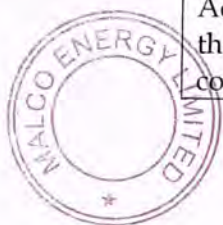
**C. Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoter in last 5 Financial years including outstanding action, if any:**

- (i) *Sterlite Industries (India) Limited v. Securities and Exchange Board of India (SEBI Appeal 20 of 2001) before the Bombay High Court*

The Securities Appellate Tribunal ("SAT") on the basis that inter alia there was insufficient material evidence to establish that Sterlite Industries India Limited (now merged with VEDL) ("SIIL") had, directly or indirectly, engaged in market manipulation allowed the Appeal filed by SIIL against the order passed by SEBI, under Section 24 read with Section 27 of the SEBI Act, 1992 to prohibit SIIL from accessing the capital markets for a period of two years and initiated proceedings for alleged violation of Regulations 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 against SIIL through its director including Anil Agarwal. SEBI had also initiated criminal proceedings against SIIL and its Directors, which proceedings on an application made by SIIL before the High Court of Judicature for Bombay ("Bombay High Court") has been stayed owing to setting aside of the SEBI order by SAT. SEBI has filed an appeal before the Bombay High Court against the SAT order which is pending adjudication.

- (ii) *Vedanta Limited & Ors. v. SEBI (SAT Appeal No. 202 of 2024) before the Securities Appellate Tribunal*

Cairn UK Holdings Limited ("CUHL") filed a complaint on the SEBI complaint redress system ("Complaint") alleging non-payment of dividend amounting to ₹666 crores by Cairn India Limited (now merged with VEDL) ("CIL") in respect of the equity shares held by CUHL in CIL. SEBI in 2017 disposed of the Complaint on the ground that the unpaid dividends had been paid to the Government of India pursuant to the recovery notice issued by the Deputy Commissioner of Income Tax and the said matter was pending before the relevant income tax authorities. CUHL filed an appeal before the Securities Appellate Tribunal ("SAT") challenging the disposal of the Complaint by SEBI. Subsequently, the SAT directed SEBI to reconsider the Complaint for violation of provisions of the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for non-payment of dividends. Basis re-examination, SEBI in 2019 disposed of the Complaint on the ground that inter alia there was absence of mens rea on the part of CIL, which is required to constitute an offence under Section 127 of the Companies Act ("Disposal of Complaint"). CUHL challenged the Disposal of Complaint before the SAT. The SAT observed that a prima-facie case was made out by CUHL and directed SEBI to investigate the alleged violations of the Companies Act and SEBI Listing Regulations within six months ("SAT Order"). SEBI filed an appeal before the Supreme Court and the Supreme Court upheld the SAT Order and extended the time for completing the enquiry. Thereafter, SEBI issued a show cause notice dated 6 June 2023 to VEDL,



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our Directors (current and erstwhile) (collectively, "**Parties**") to show cause as to why suitable directions should not be initiated for inter alia alleged violations of certain provisions of the Companies Act and SEBI Listing Regulations for non-payment of dividend. Pursuant to an order dated 12 March 2024 ("**Order**"), SEBI directed VEDL to pay CUHL ₹77.63 crores, that is simple interest at the rate of 18% per annum for delayed payment of dividend, due and payable to CUHL within 45 days of the Order and pursuant to its directions inter alia (a) restrained our Directors from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market in any manner, whatsoever, for a period of two months from the date of the Order; and (b) restrained our Director, Priya Agarwal Hebbar and certain others from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market for a period of one month from the date of the Order. Aggrieved by the Order, the Parties filed an appeal before SAT and subsequently, SAT granted a stay on the effect and operation of the Order subject to payment of 50% of the interest amount by VEDL to CUHL. The aforesaid payment of 50% of the interest amount was deposited by VEDL. The matter is currently pending before the SAT.

(iii) *SEBI v. Vedanta & Ors. (CA 25/26 of 2024) before the Supreme Court of India*

SEBI issued a show cause notice ("**Notice**") to VEDL and others, alleging that pursuant to an investigation, it had observed that Cairn India Limited (now merged with VEDL) ("**CIL**") had made a misleading announcement in relation to a buyback without any intention to fulfil the same. Pursuant to the Notice, SEBI directed VEDL and others to show cause as to why (a) an enquiry shall not be held against them; and (b) penalty shall not be imposed under Section 15HB of the SEBI Act, 1992 for violation of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("**PFUTP Regulations**") and the Securities and Exchange Board of India (Buyback) Regulations, 1998 ("**Buyback Regulations**"). Subsequently, the Adjudicating Officer, SEBI ("**AO**") held VEDL to be in violation of the provisions of the PFUTP Regulations and Buyback Regulations ("**Order**") and imposed a penalty of ₹5.25 crores on VEDL for making misleading announcement in relation to a buyback of its shares. VEDL filed an appeal against the Order before the Securities Appellate Tribunal ("**SAT**") contending inter alia that it cannot be conclusively proved that VEDL made such misleading announcement in relation to a buyback of its shares. Pursuant to its order, SAT set aside the Order ("**SAT Order**"). SEBI has filed an appeal before the Supreme Court of India challenging the SAT Order. The matter is currently pending.

(iv) *Adjudication Order under Section 15-I of Securities and Exchange Board of India Act, 1992, and Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995*

SEBI has passed an adjudication order dated June 30, 2023 against VEDL imposing a penalty of ₹ 30 lakhs for violation of Regulation 4(1)(c), 30(11) read with 30(12) and 46(3) of SEBI (LODR) Regulations, 2015 ("**LODR Regulations**"). The notice was issued as a result of a press release being inadvertently published on the letterhead of the Company stating that "Vedanta signs MoUs with Government of Gujarat to set up semiconductors and display fab units". VEDL has subsequently paid such penalty on July 13, 2023 in accordance with LODR Regulations.

(v) *Administrative Warning in the investigation pertaining to the suspected trading activities of certain entities in the scrip of Vedanta Limited*



*Carish Jaggi*



VEDL received a letter from NSE on March 06, 2023, annexing therewith a letter dated February 29, 2024 issued by SEBI vide which an administrative warning had been issued to VEDL for violations under Sections 12A (a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (b), (c), (d), 4(1) & 4(2) (k) & (r) of SEBI (PFUTP) Regulations, 2013. VEDL was directed to place the said letter before its Board of Directors and take necessary corrective steps to strengthen the internal control for corporate announcement / press releases.

(vi) *Notice received from BSE Limited*

VEDL received an email from BSE on August 30, 2024 for imposition of fine of ₹ 10,000 plus GST for non-compliance with Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") pertaining to delay in submission of the notice of record date for the interest payment of non-convertible debentures (NCDs) under ISIN INE205A07253. The NCDs were listed in the month of July 2024. VEDL had received the listing approval at the same time when the filing for record date became due. Considering the overlap of timelines, the Stock Exchanges granted waiver of the said fine imposed on VEDL vide email dated November 5, 2024.

(vii) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notices dated December 14, 2023 from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") for non-compliance with Regulation 29 of SEBI Listing Regulations for delay in filing prior notice of Board Meeting for Q2 FY24 results with the stock exchanges for which a penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on December 19, 2023.

(viii) *Notice received from BSE Limited*

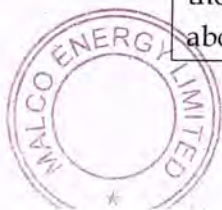
VEDL received a notice vide email dated March 31, 2022 from BSE Limited for non-compliance with the Regulation 54(2) of LODR Regulations for non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements. In this regard, a penalty of ₹ 45,000 plus GST was levied on VEDL and the same was paid on April 02, 2022.

(ix) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") dated October 16, 2020 for non-compliance with the Regulation 33 of LODR Regulations, 2015 for delay in submission of financial results for the quarter ended June 30, 2020. In this regard, a penalty of ₹ 90,000 plus GST had been levied by each of the Stock Exchanges. The same was paid by VEDL on October 20, 2020.

(x) *Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice dated November 17, 2020 and November 18, 2020 from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") respectively w.r.t non-compliance with the Regulation 29(2)/ 29(3) of LODR Regulations, 2015 for delay in furnishing prior intimation about the meeting of Board of Directors for the quarter ended June 30, 2020. In this regard, a



*Darsh Jafri*



penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on November 19, 2020.

*\*The proceedings described under point C(i) and C(iii) have been included in table at paragraph A (Summary of Outstanding Litigations, Claims And Regulatory Action) under the column 'Statutory or Regulatory Proceedings' to calculate the number of such proceedings initiated against the Promoter.*

**D. Brief details of outstanding criminal proceedings against Promoters\*:**

- (i) *Factory Inspector v. Abhijit Pati (Manager) & D.D Jalan (Occupier) [2( C ) CC 937/14] before the Sub Divisional Judicial Magistrate, Jharsuguda*

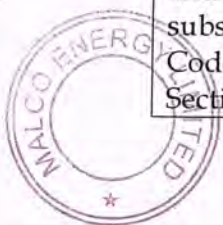
The Assistant Director of Factories & Boilers, Jharsuguda Zone, Odisha ("**Assistant Director**") filed a criminal complaint before the Sub Divisional Judicial Magistrate, Jharsuguda, Odisha under Rule 13 of the Orissa Factories Rules, 1950 against certain employees of VEDL. The Assistant Director has alleged violations of Section 7-A(2)(a) of the Factories Act, 1948 and Rule 62 D of the Odisha Factories Rules, 1950 due to a fatal accident that took place at VEDL's factory in Bhurkamunda, Sripura, Jharsuguda. The matter is currently pending.

- (ii) *Fatima v. TNPCB & Vedanta and Ors. (Crl. R C (MD) 251 of 2019) before the Madras High Court*

Fatima ("**Complainant**") filed a criminal petition against VEDL, our Director, Navin Agarwal, and others (collectively, "**Accused**") before the Court of the Judicial Magistrate No. III, Thoothukkudi, Tamil Nadu ("**CJM**") under Section 200 of the Code of Criminal Procedure, 1973 read with Section 15 of the Environment Protection Act, 1986. The Complainant alleged, inter alia, that the Accused had failed to renew the consent and authorization for handling hazardous waste ("**Authorization**") for VEDL's copper smelter plant located at the SIPCOT Industrial Complex, Thoothukkudi, Tamil Nadu ("**Copper Smelter Plant**") under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The CJM by way of an order dismissed the said petition on the ground that cases on the same issue were pending before the Madras High Court and the Supreme Court ("**Impugned Order**"). Aggrieved by the Impugned Order, the Complainant filed a criminal revision petition before the Madras High Court for setting aside the Impugned Order. The Complainant has alleged that inter alia VEDL's application for renewal of consent to operate was rejected due to failure of VEDL to conform to certain conditions as mentioned in the Authorization. The matter is which is currently pending.

- (iii) *BALCO & Ors. v. State of Jharkhand & Ors. (WPCR 887/2023) before the Jharkhand High Court*

M/s Vassu Enterprises ("**Complainant**") entered into an agreement with BALCO for material handling, scrap for purchase of heavy equipments, housekeeping, loading/ unloading and other services ("**Contract**"). BALCO terminated the Contract for unsatisfactory compliance of contractual obligations by the Complainant, including failure to comply with statutory labour compliance requirements. Pursuant to the termination of the Contract, the Complainant filed a complaint ("**Complaint**") against BALCO, our Director, Anil Agarwal and others ("**Accused**") before the Court of Chief Judicial Magistrate, East Singhbhum, Jamshedpur ("**CJM**") under Sections 420, 406, 409, 120B and 34 of the Indian Penal Code, 1860 for alleged misappropriation and illegal withholding of equipment and machinery. The CJM disposed of the Complaint and subsequently, the Complainant filed a First Information Report ("**FIR**") under Section 154 of the Code of Criminal Procedure, 1973 ("**CrPC**"). BALCO has filed a criminal writ petition under Section 156(3) of the CrPC before the High Court of Jharkhand, Ranchi ("**High Court**"). Initially,



*David Jato*



the High Court vide its order held that no coercive steps shall be taken against the Accused during the pendency of the matter. Final hearing has been concluded in the matter and the same has been reserved for order. The Complainant has also filed an application ("Application") before the Jharkhand Micro, Small and Micro Enterprises Facilitation Council at Ranchi ("MSME") alleging delay in payment by BALCO and subsequently MSME issued a notice to BALCO. BALCO has filed its preliminary objection contending that the Complainant has filed the Application with ulterior motive to extort BALCO and also to malign the image of BALCO and apprised the MSME Council that the High Court has imposed a stay on the criminal complaint filed by the Complainant in relation to the same issue. The High Court vide its order dated 25 July 2024 has quashed the Criminal complaint and FIR filed by M/s Vassu against the directors of our Company/BALCO.

- (iv) *Ajay Padia (Sun Industries) v. Anil Agrawal & Ors. (RCC No 99/2002) before the Judicial Magistrate Pune & Anil Agrawal & Ors. v. State of Maharashtra & Ors. (Criminal Application No. 1399/2008) before the High Court of Mumbai*

Ajaykumar Padia ("**Complainant**") filed a complaint against BALCO, our Directors, Anil Agarwal, Navin Agarwal, and others (collectively, "**Accused**") before the Court of Judicial Magistrate First Class, Pune ("**CJM**") for alleged offences under Sections 420, 34, 406 read with Section 109 of the Indian Penal Code, 1860 ("**IPC**"). The Complainant alleged, inter alia, that the Accused have abetted, cheated and committed criminal breach of trust in respect of the deposit, commission and discount offered to the Complainant for the defective goods supplied by the Accused and caused wrongful loss to the Complainant. The CJM, inter alia, ordered investigation into the matter under Section 153(3) of the Code of Criminal Procedure, 1973. Pursuant to the investigation, the police investigated the matter and reported with the conclusion, inter alia, that the concerned matter is of a civil nature ("**Report**"). Thereafter, the Complainant approached the CJM, questioning the police report and subsequently, the CJM vide an order observed that the Accused acted with dishonest intention and therefore issued process against the Accused under Sections 420, 406 read with Section 34 of the IPC ("**Impugned Order**"). Aggrieved by the Impugned Order, our Directors, Anil Agarwal, Navin Agarwal and others filed a writ petition before the High Court of Judicature for Bombay ("**High Court**"). The High Court observed, inter alia, that an alternative remedy is available before the sessions court and disposed the petition. Pursuant to the order of the High Court, our Director, Anil Agarwal and others filed a criminal revision application before the Additional District and Sessions Judge, Pune ("**Sessions Judge**"). The Sessions Judge ruled against the Accused and upheld the Impugned Order. Subsequently, our Director, Anil Agarwal and others filed a criminal application before the High Court. The High Court has granted a stay on the trial court proceedings. The matter is currently pending.

- (v) *Vedanta Ltd & ors v. State, Criminal Petition 9612/2021 & Conservator Forest Officer v. Sesa Sterlite & ors CC 662/2015*

The Forest Department, Government of Karnataka had registered forest case bearing FOC No.2/2014-2015 dated 15.04.2014 against VEDL and ex-employees under the provisions of the Karnataka Forest Act, 1963 for forming a road falling within the limits of Nirthadi Reserve Forest and for using the road for mining operations. The Court of Principle Civil Judge, Holalkere had passed order dated 03.08.2015 taking cognizance of the matter on the basis of criminal complaint and chargesheet filed. We have filed writ petition before the High Court of Karnataka before the High Court of Karnataka against the order dated 03.08.2015 on the ground that charges framed by Forest Authorities against us fall under the category of non-cognizable cases and non-



*Adwin Singh*



cognizable case cannot be registered without the permission of Magistrate and following procedure under Section 155 (2) of the Code of Criminal Procedure, 1973. The High Court has granted stay of all proceedings before the District Court till the next date of hearing. The matter is currently pending.

- (vi) *Criminal Proceedings against employees of Vedanta (State of Odisha vs Rakesh Mohan – CT 277 of 2019 before Sub-Divisional Judicial Magistrate, Bhawanipatna, Odisha & CRLMC No. 58 of 2020 before Orissa High Court)*

FIRs were filed against certain employees of VEDL's Lanjigarh Unit ("Accused") pursuant to a strike incident that had occurred in Lanjigarh. The case was filed before the Sub-Divisional Judicial Magistrate Court, Bhawanipatna ("SDJM Court"). An application for anticipatory bail was filed before the Orissa High Court against the FIRs and VEDL received a favourable order which was later vacated by the Orissa High Court. VEDL approached the Orissa High Court under Section 482 of the Code of Criminal Procedure, 1973 praying for interim protection to the Accused which was granted by the Orissa High Court vide Order dated 03 March 2020 ("Interim Order"). Thereafter, the Orissa High Court vacated the Interim Order vide its final order dated 21 April 2023 stating that all pleas may be taken before the SDJM Court at the appropriate stage. The matter is currently pending before the SDJM Court.

- (vii) *Sterlite Industries Limited & Ors. v. State of Maharashtra & Anr. (Criminal Application No. 3609 of 2005)*

Pursuant to SEBI's order for alleged violation of regulation 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and unfair Trade Practices relating to Securities Market) Regulations, 1995 under point C(i) above, SEBI filed a criminal complaint against SIIL, VEDL's Director, Anil Agarwal and others before the Additional Metropolitan Magistrate, Esplanade in relation to the alleged violation. Securities Appellate Tribunal in appeal by SIIL set aside the order passed by SEBI accordingly, SIIL filed a criminal application before the Bombay High Court for stay of the criminal proceedings initiated by SEBI, which has been stayed by the Bombay High Court.

*\*Criminal proceedings involving SEBI or Stock Exchange(s) have been categorised under point D above.*

#### ANY OTHER IMPORTANT INFORMATION

NIL

#### DECLARATION BY MEL ("RESULTING COMPANY-3")

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
MALCO ENERGY LIMITED

*David Jayi*





*Navin Kumar*



**Name: Mr. Navin Kumar**

**Designation: Director**

**DIN: 00669654**

**Address: Howrah A.C. Market, 14 Watkins Lane,  
D Block, 6th Floor, Howrah, West Bengal, 711101**

**Date: 07.01.2025**

**Place: Goa**

#### Annexure T4

### DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS

THIS DISCLOSURE DOCUMENT ("DOCUMENT") CONTAINS APPLICABLE INFORMATION PERTAINING TO THE UNLISTED COMPANY, VEDANTA IRON AND STEEL LIMITED, A WHOLLY OWNED SUBSIDIARY OF VEDANTA LIMITED AND THE SCHEME OF ARRANGEMENT BETWEEN VEDANTA LIMITED ("DEMERGED COMPANY" OR "VEDL"), VEDANTA ALUMINIUM METAL LIMITED ("VAML OR "RESULTING COMPANY-1"), TALWANDI SABO POWER LIMITED ("TSPL" OR "RESULTING COMPANY-2"), MALCO ENERGY LIMITED ("MEL" OR "RESULTING COMPANY-3"), VEDANTA IRON AND STEEL LIMITED ("VISL" OR "RESULTING COMPANY-4" OR "COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 READ WITH AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULES FRAMED THEREUNDER (HEREINAFTER REFERRED TO AS "SCHEME").

*Note: Pursuant to paragraphs 44, 46 and 51 of the Scheme of Arrangement between Demerged Company and Resulting Company 1 and Resulting Company 2 and Resulting Company 3 and Vedanta Base Metals Limited ("VBML") and Resulting Company 4 and their respective shareholders and creditors ("Original Scheme"), the board of directors ("Board") of the Demerged Company have by way of their resolution dated December 20, 2024 and VBML and the Resulting Companies have by way of their resolutions dated December 23, 2024, decided to not proceed with implementation of Part V (Demerger and Vesting of the Base Metals Undertaking) of the Original Scheme. Accordingly, the Board of the Demerged Company, VBML and the Resulting Companies (as defined in the Scheme) have approved the updated Scheme, between the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4.*

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") Circular NO.SEBI/HO/CFD/SSEP/CIR/P/2022/14 dated February 4, 2022 read with Master Circular Bearing Number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 ("SEBI CIRCULARS") issued by the Securities and Exchange Board of India (SEBI). ("SEBI Circulars"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS 23 PAGES. PLEASE ENSURE THAT YOU  
HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of VEDL i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of VEDL are listed i.e. National Stock Exchange of India Limited ("NSE") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("BSE") i.e. [www.bseindia.com](http://www.bseindia.com).

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*



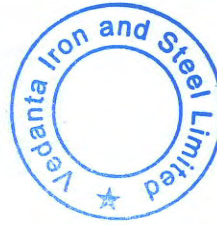
**VEDANTA IRON AND STEEL LIMITED**

**Corporate Identification Number (CIN):** U24109MH2023PLC411777,

**Date of Incorporation:** 10<sup>th</sup> day of October, 2023

Registered Office	Corporate Office	Contact Person	Email, Telephone and Website
C-103, Atul Projects, Corporate Avenue, New Link, Chakala MIDC, Mumbai - 400 093	Nil	Ms. Prerna Halwasiya	E-mail: <a href="mailto:comp.sect@vedanta.co.in">comp.sect@vedanta.co.in</a> Telephone: +91 22 6643 4500 Website: -

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## NAMES OF PROMOTER(S) OF THE COMPANY

Vedanta Limited

### Details of Offer to Public

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (by no. of shares or by amount in Rs)	Issue Under 6(1) / 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

### Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto a maximum of 10 selling shareholders)

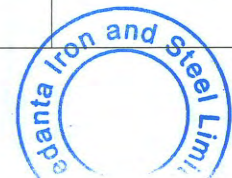
Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

### Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price- Highest Price (in Rs.)
Trailing Eighteen Month from the date	NA	NA	NA



of Abridged Prospectus			
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WACA: *Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.*

#### RISKS IN RELATION TO THE FIRST OFFER

The Company is not offering any shares through Initial Public Offer, to the Public. Hence risk(s) in relation to first offer is **NOT APPLICABLE**.

#### GENERAL RISKS

Investment in equity & equity related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to the Scheme. For taking any decision, investors must rely on their own examination of VEDL, VISL and the Scheme, including the risks involved. The equity shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Document. Specified attention of the investors is invited to the section "Internal Risk Factors" at page 14 of this Abridged Prospectus.

#### SCHEME DETAILS AND PROCEDURE

The Scheme is proposed between the Demerged Company and Resulting Company-1, Resulting Company-2, Resulting Company-3, and Resulting Company-4 (hereinafter collectively referred to as "**Resulting Companies**") and their respective shareholders and creditors.

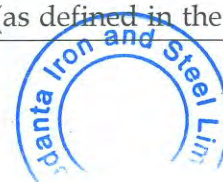
The Scheme is pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, in the manner provided for in the Scheme thereof.

The Board of Directors of Vedanta Iron and Steel Limited and Vedanta Limited in their respective meetings held on 13<sup>th</sup> October, 2023 and 29<sup>th</sup> September, 2023 approved the Original Scheme.

The Scheme inter-alia provides for the Demerger of "Iron Ore Undertaking" (as defined in the Scheme) to the Resulting Company-4 and the consequent issuance of equity shares by the Resulting Company-4 to all the shareholders of the Demerged Company.

The Scheme is further subject to approval from the shareholders and creditors of aforesaid companies, National Company Law Tribunal ("NCLT") and other statutory/regulatory authorities, as may be applicable.

Upon coming into effect of the Scheme, with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income Tax Act, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Iron Ore Undertaking (as defined in the Scheme)





shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company 4 on a going concern basis.

#### **Consideration under the Scheme:**

The consideration for the demerger of the Iron Ore Undertaking shall be the issue by the Resulting Company-4 of 1 (One) fully paid-up equity share of the Resulting Company-4 having face value of INR 1 (Indian Rupee One) each for every 1 (one) fully paid-up equity share of INR 1 (Indian Rupee One) each of the Demerged Company ("**Resulting Company-4 New Equity Shares**").

The Resulting Company-4 New Equity Shares shall be in dematerialized form.

Upon the Scheme becoming effective and immediately prior to the allotment of the Resulting Company-4 New Equity Shares, the entire paid-up share capital of the Resulting Company-4 as on Effective Date ("**Resulting Company-4 Cancelled Shares**") shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company-4, pursuant to Sections 230 to 232 of the Act and such other applicable provisions of the Act as an integral part of the Scheme. The order of the Tribunal sanctioning the Scheme shall be sufficient and no separate process or approval under the Act is required. Accordingly, the Resulting Company-4 shall not be required to separately comply with the applicable provisions of the Act including Section 66 of the Act.

**Details of: (i) the basis for the Share Entitlement Ratio; (ii) the valuation report; and (iii) fairness opinion are available on the websites of the Demerged Company i.e. [www.vedantalimited.com](http://www.vedantalimited.com) or the website of the stock exchange(s) where the Equity Shares of the Demerged Company are listed i.e. National Stock Exchange of India Limited ("NSE") i.e. [www.nseindia.com](http://www.nseindia.com) and BSE Limited ("BSE") i.e. [www.bseindia.com](http://www.bseindia.com) ("Stock Exchanges").**

#### **Listing of the Equity Shares of the Resulting Company-4:**

The Resulting Company-4 New Equity Shares pursuant to the Scheme, will be listed and/or admitted to trading on the Stock Exchanges, subject to receipt of requisite approvals and in accordance with the SEBI Circular and other relevant provisions as may be applicable.

#### **Procedure:**

The procedure with respect to public issue/ offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large, except to the shareholders of the Company. Hence, the processes and the procedure with respect to the Bid-cum- Application Form, RHP and General Information Document etc. are **NOT APPLICABLE**.





Issue Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark) - 30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180th calendar days from listing
NA				

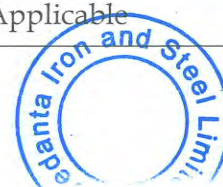
Name of BRLM and contact details (telephone and email id)	Not applicable
Name of Syndicate Members	Not applicable
Name of Registrar to the Issue and contact details (telephone and email id)	Not Applicable
Name of Statutory Auditor	<b>Haribhakti &amp; Co. LLP</b> Chartered Accountants 705, Leela Business Park, Andheri Kurla Road, Andheri (East), Mumbai City, Mumbai, Maharashtra, India, 400059 <b>Tel No.:</b> +91 22-66729998 <b>Email Id:</b> deepak.kabra@haribhakti.co.in
Name of Credit Rating Agency and the rating or grading obtained, if any	Not applicable
Name of Debenture trustee, if any.	Not applicable
Self-Certified Syndicate Banks	Not applicable
Non-Syndicate Registered Brokers	Not applicable
Details regarding website address(es) / link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)	Not applicable

④



PROMOTERS OF THE ISSUER COMPANY			
Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1	Vedanta Limited	Corporate	VEDL is a company incorporated under the Companies Act, 1956 with CIN L13209MH1965PLC291394 and registered office situated at 1 <sup>st</sup> Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East) Mumbai 400093. VEDL is one of the world's leading critical minerals, energy and technology companies spanning across India, South Africa, Namibia, Liberia, UAE, Saudi Arabia, Korea, Taiwan and Japan with significant operations in Oil & Gas, Zinc, Lead, Silver, Copper, Iron Ore, Steel, Nickel, Aluminium, Power & Glass Substrate and foraying into electronics and display glass manufacturing. The equity shares of VEDL are listed on BSE and NSE. The Listed Debt Securities of VEDL are listed on the BSE.

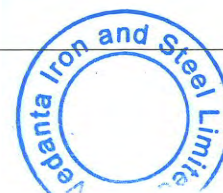
BUSINESS OVERVIEW AND STRATEGY
<p><b>Company Overview:</b> Vedanta Iron and Steel Limited is a company incorporated under the Companies Act, 2013 bearing corporate identity number U24109MH2023PLC411777, is an unlisted public limited company (a wholly-owned subsidiary of Vedanta Limited) and registered office of the Company situated at C-103 Atul Projects, Corporate Avenue New Link, Chakala MIDC, Mumbai, Maharashtra, India, 400093. The Equity Shares of the Company are currently not listed on any Stock Exchange(s).</p> <p>The Resulting Company-4 has been incorporated with the objective of inter alia carrying on business as explorers and miners of ferrous ores and minerals and manufacturers, exporters, importers, buyers, sellers and dealers in all kinds and description of iron and steel, their alloys and any other special steel group and their products, and all varieties of profiles and products whether forged, rolled, cast or drawn and all products intermediated and by products consequent to or obtained in the process of manufacture of above articles.</p>
<b>Product/Service Offering:</b> Nil
<b>Revenue segmentation by product/ Service offering:</b> Nil
<b>Geographies Served:</b> Not Applicable
<b>Revenue segmentation by geographies:</b> Not Applicable
<b>Key Performance Indicators:</b> Not Applicable
<b>Client Profile or Industries Served:</b> Not Applicable.
<b>Revenue segmentation in terms of top 5/10 clients or Industries:</b> Not Applicable





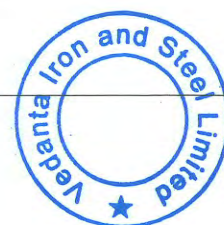
<b>Intellectual Property, if any:</b> Not Applicable
<b>Market Share:</b> Not Applicable
<b>Manufacturing plant, if any:</b> Not Applicable
<b>Employee Strength:</b> There are 3 directors appointed in VISL and there are no other employees as on date.

BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
1.	Mr. Sunil Gupta	Non-Executive Director	<p><b>Experience:</b></p> <p>Mr. Sunil Gupta serves as the Chief Operating Officer (COO) of the Aluminium business of Vedanta Limited and is Chief Executive Officer (CEO) of the Jharsuguda unit, which comprises the world's largest aluminium smelter and India's largest captive power plant.</p> <p>He oversees strategic operations across Vedanta's aluminium plants in Jharsuguda and Lanjigarh in Odisha and BALCO in Chhattisgarh, as well as the company's mining operations across both states. He has been instrumental in increasing Vedanta's aluminium production to 2.37 million tonnes per annum (MTPA).</p> <p>His responsibilities include expanding aluminium production, optimizing bauxite and coal resources, and integrating technology for value addition. Mr Gupta provides functional leadership for all of</p>	<p><b>Indian Companies:</b></p> <p>1. Vedanta Aluminium Metal Limited</p> <p><b>Foreign Companies:</b></p> <p>Nil</p>

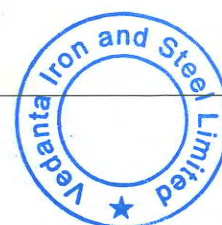




BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>Vedanta Aluminium's operational assets, maximizes the value of existing power assets, secures and develops a portfolio of high-quality, low-cost domestic mines to ensure vertical integration for bauxite and coal, and manages relationships with external stakeholders in Odisha and Chhattisgarh.</p> <p>He also drives Vedanta Aluminium's sustainability initiatives in line with the conglomerate's vision of achieving net zero carbon by 2050 or sooner.</p> <p><b>Educational Qualification:</b></p> <p>Bachelor of Engineering (Electrical).</p>	
2.	Mr. Anup Agarwal	Non-Executive Director	<p><b>Experience:</b></p> <p>Mr. Anup Agarwal is a Chartered Accountant and Cost &amp; Management Accountant having more than 27 years of Professional experience. He is associated with Vedanta Group for more than 22 years and presently working as a CFO – Aluminum Business. In his previous role with group he has worked as Senior Vice President-Corporate Finance, Chief Financial Officer for Sterlite Copper Division for 3 years, Talwandi Saboo Power Limited</p>	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Vedanta Base Metals Limited</li> <li>2. Vedanta Aluminium Metal Limited</li> <li>3. Vizag General Cargo Berth Private Limited</li> </ol> <p><b>Foreign Companies:</b></p> <p>Nil</p>



BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>for 5 years and have also held senior leadership stints at Jharsuguda Division and Bharat Aluminium Company Limited.</p> <p><b>Educational Qualification:</b> Chartered Accountant</p>	
3.	Mr. Pankaj Jha	Non-Executive Director	<p><b>Experience:</b></p> <p>Mr. Pankaj Jha serves as Chief Financial Officer of Jharsuguda division of Vedanta Limited having turnover of more than Rs. 35000 crore per annum. He leads the business having the world largest single location Smelter and India's only aluminium manufacturing unit in 1 million Tonne club. He has fostered a culture of innovation, leading to strategic financial gains and operational efficiencies across the business. He also spearheads Digital and IT portfolio and supports various start-up companies to showcase their ability in Vedanta and build future.</p> <p>He is qualified Chartered Accountant and Cost Accountant (with All India Rank). A growth oriented finance professional with 16+ years of global experience in strategy formulation, finance controller, budgeting, business planning, risk management,</p>	<p><b>Indian Companies:</b></p> <ol style="list-style-type: none"> <li>1. Raykal Aluminium Company Private Limited</li> <li>2. Vedanta Aluminium Metal Limited</li> </ol> <p><b>Foreign Companies:</b></p> <p>Nil</p>



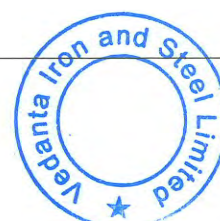


BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent / Wholetime / Executive / Nominee)	Experience & Educational Qualification	Other Directorship
			<p>accounting and consolidation, whistleblower investigations, protective intelligence and internal audits.</p> <p>Adaptable to change and flexible - Moved from Assurance function to CFO role. Benchmarking of the practices with objective of identifying newer areas in line with emerging risks, global practices and organization's vision &amp; mission. Technology enablement and use of data analytics.</p> <p><b>Educational Qualification:</b> B.Com, CA and CMA</p>	

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

- Demerged Company has interests in multiple businesses including metals, mining, and exploration of natural resources (zinc-lead-silver, iron ore, steel, copper, aluminium, nickel, and oil and gas) and power generation.
- Each of the varied businesses carried on by the Demerged Company by itself or through strategic investments in subsidiaries or through affiliate companies (including the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking) have significant potential for growth and profitability.
- The nature of risk and competition involved in each of these businesses, financial profiles and return ratios are distinct from others and consequently each of the abovementioned business undertakings is capable of attracting a different set of investors, lenders, strategic partners, and other stakeholders. The manner of handling and management of each of the abovementioned businesses is also distinct.





- In order to lend enhanced focus to the operation of identified businesses, Demerged Company proposes to segregate and organize these businesses as separate entities, through demergers of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking and the Iron Ore Undertaking.
- The following benefits shall accrue on demergers of the Aluminium Business (*as defined in the Scheme*), the Merchant Power Business (*as defined in the Scheme*), the Oil and Gas Business (*as defined in the Scheme*) and the Iron Ore Business (*as defined in the Scheme*):
  - creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;
  - enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;
  - each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;
  - enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;
  - enabling focused and sharper capital market access (debt and equity) and thereby unlocking the value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, and the Iron Ore Undertaking and creating enhanced value for shareholders.
- The Scheme is in the interests of all stakeholders of VEDL, Resulting Company-1, Resulting Company-2, Resulting Company-3 and Resulting Company-4.

**Details of means of finance –Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years:** Not Applicable

**Name of monitoring agency, if any:** Not Applicable

**Terms of Issuance of Convertible Security, if any:** Not Applicable



Name of monitoring agency, if any: Not Applicable

**Pre-scheme Shareholding Pattern of the Resulting Company-4 (VISL):**

Sr. No.	Particulars	Pre-Scheme No. of Equity Shares	% of Holding Pre-Scheme
(A)	Promoter & Promoter Group	1,00,000	100%
(B)	Public	Nil	Nil
	<b>Total</b>	<b>1,00,000</b>	<b>100%</b>

*Note: Upon the Scheme becoming effective, shareholders of Demerged Company will be allotted equity shares of the Resulting Company-4 in accordance with Clause 30 of the Scheme and therefore, will become equity shareholders of the Resulting Company-4. The Promoter and Promoter Group of the Demerged Company shall be the Promoter and Promoter group of the Resulting Company 4 in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.*

**AUDITED FINANCIALS OF VISL**

Audited Financials of VISL for the period ended March 31<sup>st</sup> 2024 and Limited Reviewed Financials for the period ended September 30<sup>th</sup> 2024 are as mentioned below:

(Rs. in Lakhs)

Standalone	September 30 <sup>th</sup> , 2024	March 31 <sup>st</sup> , 2024
Total Income from operations (net)	0.00	0.00
Net Profit/(loss) before tax and extraordinary items	(1.10)	(1.90)
Net Profit/(loss) after tax and extraordinary items	(1.10)	(1.90)
Equity Share Capital	1.00	1.00
Reserves and Surplus	(3.00)	(1.90)
Net Worth	(2.00)	(0.90)
Basic Earnings per share (Rs.)	(1.10)	(1.90)
Diluted Earnings per share (Rs.)	(1.10)	(1.90)
Return on net worth (%)	_ <sup>**</sup>	_ <sup>**</sup>
Net asset value per share (Rs.)	(2.00)	(0.90)

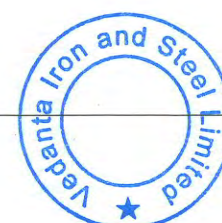
*\*Vedanta Iron and Steel Limited has been incorporated on October 10, 2023, and its first financial year commenced from the said date of incorporation and ended on March 31, 2024, as per Section 2(41) of the Companies Act, 2013. Hence, the Audited Financial Statements for the financial year ended March 31, 2023 and 2022 are not applicable.*

*\*\*There is no return on net worth, since both Net Profit and Net worth are negative.*

**Notes:**

*Reserves and Surplus comprises of retained earnings.*

*Net worth comprises of Equity Share Capital and Reserves and Surplus.*





*Basic and Diluted earnings per share have been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by number of shares outstanding.*

*Return on net worth % has been calculated by applying the following formula: Net Profit/ (Loss) after tax and extraordinary items divided by Net worth and multiplied by 100.*

*Net asset value per share has been calculated by adding the balance of Equity Share Capital and Reserves and Surplus and dividing the same by number of shares outstanding.*

#### INTERNAL RISK FACTORS

- The proposed Scheme is subject to the approval of the NCLT, creditors, shareholders and other third-party approvals and consents. There is no assurance that these approvals and consents will be obtained and, accordingly, there is no assurance that the proposed Scheme will be consummated. If the proposed Scheme is not consummated, the financial, operational, strategic and other potential benefits mentioned in the Scheme will not be achieved.
- The proposed Scheme may be implemented by the Board of Directors of the Demerged Company and Resulting Companies in separate Parts in accordance with the terms thereof. The proposed Scheme is subject to satisfaction of Conditions Precedent as provided under Clause 39 of the Scheme and each Part of the Scheme shall be made effective subject to satisfaction or waiver of such Conditions Precedent in terms of Clause 39.6 of the Scheme. Therefore, there is no assurance that each Part of the Scheme will be consummated at the same time and each Part of the Scheme may be consummated separately on satisfaction of the relevant Conditions Precedent provided under the Scheme.
- If the proposed Scheme is consummated, the economic benefits expected from the Scheme may still not be achieved. Some of the businesses have not operated as independent businesses, and may face new and unforeseen challenges from the disintegration, including (but not limited to) capital and debt allocation, cash flows maintenance, redeployment of employees, unforeseen liabilities, union issues, the diversion of resources and management attention from the existing business structure, any of which could result in a material adverse effect on the respective company's results of operations, cash flows and financial condition.
- Pursuant to the Scheme, as part of the Demerged Undertaking, requisite personnel operating the demerged business, will also be a part of the Resulting Company-4. The Resulting Company-4 cannot assure that it will be able to successfully foray in or continue to be profitable in the business. The inability to effectively develop and operate its business may have an adverse impact on the Resulting Company-4's financial conditions and result of operations. Further, the business is subject to government policies.
- There may be certain risks and uncertainty in the integration of business of Demerged Undertaking, which may impact the result of operations and profitability.



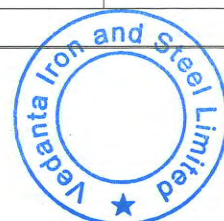


- An inability to manage the growth in scale of our operations could affect the business of the Resulting Company-4.
- Equity Shares to be issued pursuant to the Scheme shall be listed on Stock Exchanges, which would be subject to approvals from the said Stock Exchange(s) and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted. Listing of the equity shares does not guarantee that a trading market for the equity shares will develop.
- The Resulting Company-4 may have competition from existing players which may impact the growth of the Resulting Company-4.
- Changes in the regulatory environment in which the Resulting Company-4 operates could have a material adverse effect on its business, financial conditions, results of operations and prospects. The regulatory and policy environment in which the Resulting Company-4 operates is also evolving and subject to change which may adversely affect its business, results of operations and prospects, to the extent that the Resulting Company-4 is unable to suitably respond to and comply with any such change in applicable law and policy.
- Implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION  
AS AT OCTOBER 31, 2024 - VISL**

**A. Total number of outstanding litigations against the Company and amount involved:**

Name of the Entity	Tax Proceedings	Criminal Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Total Amount Involved (Rs. In Crore)*
<b>Company</b>						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the	Nil	Nil	Nil	Nil	Nil	Nil
<b>Directors**</b>						



By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the	Nil	Nil	Nil	Nil	Nil	Nil
<b>Promoter</b>						
By	719	2	20	Nil	7 #	34,878.399
Against Promoter	98	5	12	8	4 #	12,041.65
<b>Subsidiaries</b>						
By	Nil	Nil	Nil	Nil	Nil	Nil
Against Subsidiarie	Nil	Nil	Nil	Nil	Nil	Nil

\*To the extent quantifiable.

\*\*[Litigation against Directors on personal level and as Directors in Companies other than VISL are not disclosed]

# Civil litigations involving the amount of INR 413 crores or more are considered as material.

**B. Brief details of top 5 material outstanding litigations against the Company and amount involved:**

Sr. No.	Particulars	Litigation Filed by	Current Status	Amount Involved (Amount in INR Crores)*
Nil				

**C. Regulatory Action, if any - disciplinary action taken by SEBI or Stock Exchanges against the Promoters in last 5 Financial years including outstanding action, if any:**

- (i) *Sterlite Industries (India) Limited v. Securities and Exchange Board of India (SEBI Appeal 20 of 2001) before the Bombay High Court*

The Securities Appellate Tribunal ("SAT") on the basis that inter alia there was insufficient material evidence to establish that Sterlite Industries India Limited (now merged with VEDL) ("SIIL") had, directly or indirectly, engaged in market manipulation allowed the Appeal filed by SIIL against the order passed by SEBI, under Section 24 read with Section 27 of the SEBI Act, 1992 to prohibit SIIL from accessing the capital markets for a period of two years and initiated proceedings for alleged violation of Regulations 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 against SIIL through its director including Anil Agarwal. SEBI had also initiated criminal proceedings against SIIL and its Directors, which proceedings on an application made by SIIL before the High



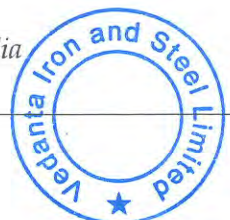


Court of Judicature for Bombay ("**Bombay High Court**") has been stayed owing to setting aside of the SEBI order by SAT. SEBI has filed an appeal before the Bombay High Court against the SAT order which is pending adjudication.

(ii) *Vedanta Limited & Ors. v. SEBI (SAT Appeal No. 202 of 2024) before the Securities Appellate Tribunal*

Cairn UK Holdings Limited ("**CUHL**") filed a complaint on the SEBI complaint redress system ("**Complaint**") alleging non-payment of dividend amounting to ₹666 crores by Cairn India Limited (now merged with VEDL) ("**CIL**") in respect of the equity shares held by CUHL in CIL. SEBI in 2017 disposed of the Complaint on the ground that the unpaid dividends had been paid to the Government of India pursuant to the recovery notice issued by the Deputy Commissioner of Income Tax and the said matter was pending before the relevant income tax authorities. CUHL filed an appeal before the Securities Appellate Tribunal ("**SAT**") challenging the disposal of the Complaint by SEBI. Subsequently, the SAT directed SEBI to reconsider the Complaint for violation of provisions of the Companies Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") for non-payment of dividends. Basis re-examination, SEBI in 2019 disposed of the Complaint on the ground that inter alia there was absence of mens rea on the part of CIL, which is required to constitute an offence under Section 127 of the Companies Act ("**Disposal of Complaint**"). CUHL challenged the Disposal of Complaint before the SAT. The SAT observed that a prima-facie case was made out by CUHL and directed SEBI to investigate the alleged violations of the Companies Act and SEBI Listing Regulations within six months ("**SAT Order**"). SEBI filed an appeal before the Supreme Court and the Supreme Court upheld the SAT Order and extended the time for completing the enquiry. Thereafter, SEBI issued a show cause notice dated 6 June 2023 to VEDL, our Directors (current and erstwhile) (collectively, "**Parties**") to show cause as to why suitable directions should not be initiated for inter alia alleged violations of certain provisions of the Companies Act and SEBI Listing Regulations for non-payment of dividend. Pursuant to an order dated 12 March 2024 ("**Order**"), SEBI directed VEDL to pay CUHL ₹77.63 crores, that is simple interest at the rate of 18% per annum for delayed payment of dividend, due and payable to CUHL within 45 days of the Order and pursuant to its directions inter alia (a) restrained our Directors from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market in any manner, whatsoever, for a period of two months from the date of the Order; and (b) restrained our Director, Priya Agarwal Hebbar and certain others from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market for a period of one month from the date of the Order. Aggrieved by the Order, the Parties filed an appeal before SAT and subsequently, SAT granted a stay on the effect and operation of the Order subject to payment of 50% of the interest amount by VEDL to CUHL. The aforesaid payment of 50% of the interest amount was deposited by VEDL. The matter is currently pending before the SAT.

(iii) *SEBI v. Vedanta & Ors. (CA 25/26 of 2024) before the Supreme Court of India*





SEBI issued a show cause notice ("**Notice**") to VEDL and others, alleging that pursuant to an investigation, it had observed that Cairn India Limited (now merged with VEDL) ("**CIL**") had made a misleading announcement in relation to a buyback without any intention to fulfil the same. Pursuant to the Notice, SEBI directed VEDL and others to show cause as to why (a) an enquiry shall not be held against them; and (b) penalty shall not be imposed under Section 15HB of the SEBI Act, 1992 for violation of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("**PFUTP Regulations**") and the Securities and Exchange Board of India (Buyback) Regulations, 1998 ("**Buyback Regulations**"). Subsequently, the Adjudicating Officer, SEBI ("**AO**") held VEDL to be in violation of the provisions of the PFUTP Regulations and Buyback Regulations ("**Order**") and imposed a penalty of ₹5.25 crores on VEDL for making misleading announcement in relation to a buyback of its shares. VEDL filed an appeal against the Order before the Securities Appellate Tribunal ("**SAT**") contending inter alia that it cannot be conclusively proved that VEDL made such misleading announcement in relation to a buyback of its shares. Pursuant to its order, SAT set aside the Order ("**SAT Order**"). SEBI has filed an appeal before the Supreme Court of India challenging the SAT Order. The matter is currently pending.

(iv) *Adjudication Order under Section 15-I of Securities and Exchange Board of India Act, 1992, and Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995*

SEBI has passed an adjudication order dated June 30, 2023 against VEDL imposing a penalty of ₹ 30 lakhs for violation of Regulation 4(1)(c), 30(11) read with 30(12) and 46(3) of SEBI (LODR) Regulations, 2015 ("**LODR Regulations**"). The notice was issued as a result of a press release being inadvertently published on the letterhead of the Company stating that "Vedanta signs MoUs with Government of Gujarat to set up semiconductors and display fab units". VEDL has subsequently paid such penalty on July 13, 2023 in accordance with LODR Regulations.

(v) *Administrative Warning in the investigation pertaining to the suspected trading activities of certain entities in the scrip of Vedanta Limited*

VEDL received a letter from NSE on March 06, 2023, annexing therewith a letter dated February 29, 2024 issued by SEBI vide which an administrative warning had been issued to VEDL for violations under Sections 12A (a), (b), (c) of SEBI Act, 1992 read with Regulations 3 (b), (c),(d), 4(1) & 4(2) (k) & (r) of SEBI (PFUTP) Regulations, 2013. VEDL was directed to place the said letter before its Board of Directors and take necessary corrective steps to strengthen the internal control for corporate announcement / press releases.

(vi) *Notice received from BSE Limited*

VEDL received an email from BSE on August 30, 2024 for imposition of fine of ₹ 10,000 plus GST for non-compliance with Regulation 60(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**") pertaining to delay in submission of the notice of record date for the interest payment of non-convertible debentures (NCDs) under ISIN INE205A07253. The NCDs were listed in the month of July 2024. VEDL had received the



listing approval at the same time when the filing for record date became due. Considering the overlap of timelines, the Stock Exchanges granted waiver of the said fine imposed on VEDL vide email dated November 5, 2024.

*(vii) Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notices dated December 14, 2023 from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") for non-compliance with Regulation 29 of SEBI Listing Regulations for delay in filing prior notice of Board Meeting for Q2 FY24 results with the stock exchanges for which a penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on December 19, 2023.

*(viii) Notice received from BSE Limited*

VEDL received a notice vide email dated March 31, 2022 from BSE Limited for non-compliance with the Regulation 54(2) of LODR Regulations for non-disclosure of extent and nature of security created and maintained with respect to secured listed NCDs in the financial statements. In this regard, a penalty of ₹ 45,000 plus GST was levied on VEDL and the same was paid on April 02, 2022.

*(ix) Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") dated October 16, 2020 for non-compliance with the Regulation 33 of LODR Regulations, 2015 for delay in submission of financial results for the quarter ended June 30, 2020. In this regard, a penalty of ₹ 90,000 plus GST had been levied by each of the Stock Exchanges. The same was paid by VEDL on October 20, 2020.

*(x) Notice received from BSE Limited and National Stock Exchange of India Limited*

VEDL received notice dated November 17, 2020 and November 18, 2020 from BSE Limited and National Stock Exchange Limited ("**Stock Exchanges**") respectively w.r.t non-compliance with the Regulation 29(2)/ 29(3) of LODR Regulations, 2015 for delay in furnishing prior intimation about the meeting of Board of Directors for the quarter ended June 30, 2020. In this regard, a penalty of ₹ 10,000 plus GST was levied by each of the Stock Exchanges. The same was paid by VEDL on November 19, 2020.

*\*The proceedings described under point C(i) and C(iii) have been included in table at paragraph A (Summary of Outstanding Litigations, Claims And Regulatory Action) under the column 'Statutory or Regulatory Proceedings' to calculate the number of such proceedings initiated against the Promoter.*

**D. Brief details of outstanding criminal proceedings against Promoters\*:**

*(i) Factory Inspector v. Abhijit Pati (Manager) & D.D Jalan (Occupier) [2( C ) CC 937014] before the*





The Assistant Director of Factories & Boilers, Jharsuguda Zone, Odisha ("**Assistant Director**") filed a criminal complaint before the Sub Divisional Judicial Magistrate, Jharsuguda, Odisha under Rule 13 of the Orissa Factories Rules, 1950 against certain employees of VEDL. The Assistant Director has alleged violations of Section 7-A(2)(a) of the Factories Act, 1948 and Rule 62 D of the Odisha Factories Rules, 1950 due to a fatal accident that took place at VEDL's factory in Bhurkamunda, Sripura, Jharsuguda. The matter is currently pending.

(ii) *Fatima v. TNPCB & Vedanta and Ors. (Crl. R C (MD) 251 of 2019) before the Madras High Court*

Fatima ("**Complainant**") filed a criminal petition against VEDL, our Director, Navin Agarwal, and others (collectively, "**Accused**") before the Court of the Judicial Magistrate No. III, Thoothukkudi, Tamil Nadu ("**CJM**") under Section 200 of the Code of Criminal Procedure, 1973 read with Section 15 of the Environment Protection Act, 1986. The Complainant alleged, inter alia, that the Accused had failed to renew the consent and authorization for handling hazardous waste ("**Authorization**") for VEDL's copper smelter plant located at the SIPCOT Industrial Complex, Thoothukudi, Tamil Nadu ("**Copper Smelter Plant**") under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The CJM by way of an order dismissed the said petition on the ground that cases on the same issue were pending before the Madras High Court and the Supreme Court ("**Impugned Order**"). Aggrieved by the Impugned Order, the Complainant filed a criminal revision petition before the Madras High Court for setting aside the Impugned Order. The Complainant has alleged that inter alia VEDL's application for renewal of consent to operate was rejected due to failure of VEDL to conform to certain conditions as mentioned in the Authorization. The matter is which is currently pending.

(iii) *BALCO & Ors. v. State of Jharkhand & Ors. (WPCR 887/2023) before the Jharkhand High Court*

M/s Vassu Enterprises ("**Complainant**") entered into an agreement with BALCO for material handling, scrap for purchase of heavy equipments, housekeeping, loading/ unloading and other services ("**Contract**"). BALCO terminated the Contract for unsatisfactory compliance of contractual obligations by the Complainant, including failure to comply with statutory labour compliance requirements. Pursuant to the termination of the Contract, the Complainant filed a complaint ("**Complaint**") against BALCO, our Director, Anil Agarwal and others ("**Accused**") before the Court of Chief Judicial Magistrate, East Singhbhum, Jamshedpur ("**CJM**") under Sections 420, 406, 409, 120B and 34 of the Indian Penal Code, 1860 for alleged misappropriation and illegal withholding of equipment and machinery. The CJM disposed of the Complaint and subsequently, the Complainant filed a First Information Report ("**FIR**") under Section 154 of the Code of Criminal Procedure, 1973 ("**CrPC**"). BALCO has filed a criminal writ petition under Section 156(3) of the CrPC before the High Court of Jharkhand, Ranchi ("**High Court**"). Initially, the High Court vide its order held that no coercive steps shall be taken against the Accused during the pendency of the matter. Final hearing has been concluded in the matter and the same has been reserved for order. The Complainant has also filed an application ("**Application**") before the Jharkhand Micro, Small and Micro Enterprises Facilitation Council at Ranchi





("MSME") alleging delay in payment by BALCO and subsequently MSME issued a notice to BALCO. BALCO has filed its preliminary objection contending that the Complainant has filed the Application with ulterior motive to extort BALCO and also to malign the image of BALCO and apprised the MSME Council that the High Court has imposed a stay on the criminal complaint filed by the Complainant in relation to the same issue. The High Court vide its order dated 25 July 2024 has quashed the Criminal complaint and FIR filed by M/s Vassu against the directors of our Company/BALCO.

(iv) *Ajay Padia (Sun Industries) v. Anil Agrawal & Ors. (RCC No 99/2002) before the Judicial Magistrate Pune & Anil Agrawal & Ors. v. State of Maharashtra & Ors. (Criminal Application No. 1399/2008) before the High Court of Mumbai*

Ajaykumar Padia ("**Complainant**") filed a complaint against BALCO, our Directors, Anil Agarwal, Navin Agarwal, and others (collectively, "**Accused**") before the Court of Judicial Magistrate First Class, Pune ("**CJM**") for alleged offences under Sections 420, 34, 406 read with Section 109 of the Indian Penal Code, 1860 ("**IPC**"). The Complainant alleged, inter alia, that the Accused have abetted, cheated and committed criminal breach of trust in respect of the deposit, commission and discount offered to the Complainant for the defective goods supplied by the Accused and caused wrongful loss to the Complainant. The CJM, inter alia, ordered investigation into the matter under Section 153(3) of the Code of Criminal Procedure, 1973. Pursuant to the investigation, the police investigated the matter and reported with the conclusion, inter alia, that the concerned matter is of a civil nature ("**Report**"). Thereafter, the Complainant approached the CJM, questioning the police report and subsequently, the CJM vide an order observed that the Accused acted with dishonest intention and therefore issued process against the Accused under Sections 420, 406 read with Section 34 of the IPC ("**Impugned Order**"). Aggrieved by the Impugned Order, our Directors, Anil Agarwal, Navin Agarwal and others filed a writ petition before the High Court of Judicature for Bombay ("**High Court**"). The High Court observed, inter alia, that an alternative remedy is available before the sessions court and disposed the petition. Pursuant to the order of the High Court, our Director, Anil Agarwal and others filed a criminal revision application before the Additional District and Sessions Judge, Pune ("**Sessions Judge**"). The Sessions Judge ruled against the Accused and upheld the Impugned Order. Subsequently, our Director, Anil Agarwal and others filed a criminal application before the High Court. The High Court has granted a stay on the trial court proceedings. The matter is currently pending.

(v) *Vedanta Ltd & ors v. State, Criminal Petition 9612/2021 & Conservator Forest Officer v. Sesa Sterlite & ors CC 662/2015*

The Forest Department, Government of Karnataka had registered forest case bearing FOC No.2/2014-2015 dated 15.04.2014 against VEDL and ex-employees under the provisions of the Karnataka Forest Act, 1963 for forming a road falling within the limits of Nirthadi Reserve Forest and for using the road for mining operations. The Court of Principle Civil Judge, Holalkere had passed order dated 03.08.2015 taking cognizance of the matter on the basis of criminal complaint and chargesheet filed. We have filed writ petition before the High Court of Karnataka before the





High Court of Karnataka against the order dated 03.08.2015 on the ground that charges framed by Forest Authorities against us fall under the category of non-cognizable cases and non-cognizable case cannot be registered without the permission of Magistrate and following procedure under Section 155 (2) of the Code of Criminal Procedure, 1973. The High Court has granted stay of all proceedings before the District Court till the next date of hearing. The matter is currently pending.

- (vi) *Criminal Proceedings against employees of Vedanta (State of Odisha vs Rakesh Mohan – CT 277 of 2019 before Sub-Divisional Judicial Magistrate, Bhawanipatna, Odisha & CRLMC No. 58 of 2020 before Orissa High Court)*

FIRs were filed against certain employees of VEDL's Lanjigarh Unit ("Accused") pursuant to a strike incident that had occurred in Lanjigarh. The case was filed before the Sub-Divisional Judicial Magistrate Court, Bhawanipatna ("SDJM Court"). An application for anticipatory bail was filed before the Orissa High Court against the FIRs and VEDL received a favourable order which was later vacated by the Orissa High Court. VEDL approached the Orissa High Court under Section 482 of the Code of Criminal Procedure, 1973 praying for interim protection to the Accused which was granted by the Orissa High Court vide Order dated 03 March 2020 ("Interim Order"). Thereafter, the Orissa High Court vacated the Interim Order vide its final order dated 21 April 2023 stating that all pleas may be taken before the SDJM Court at the appropriate stage. The matter is currently pending before the SDJM Court.

- (vii) *Sterlite Industries Limited & Ors. v. State of Maharashtra & Anr. (Criminal Application No. 3609 of 2005)*

Pursuant to SEBI's order for alleged violation of regulation 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and unfair Trade Practices relating to Securities Market) Regulations, 1995, SEBI filed a criminal complaint against SIIL, VEDL's Director, Anil Agarwal and others before the Additional Metropolitan Magistrate, Esplanade in relation to the alleged violation. Securities Appellate Tribunal in appeal by SIIL set aside the order passed by SEBI accordingly, SIIL filed a criminal application before the Bombay High Court for stay of the criminal proceedings initiated by SEBI, which has been stayed by the Bombay High Court.

*\*Criminal proceedings involving SEBI or Stock Exchange(s) have been categorised under point D above.*

**ANY OTHER IMPORTANT INFORMATION AS PER THE MERCHANT BANKER**

**NIL**

**DECLARATION BY VISL ("RESULTING COMPANY-4")**



We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
VEDANTA IRON AND STEEL LIMITED**

**Name: Mr. Anup Agarwal**

**Designation: Non-Executive Director**

**DIN: 08551388**

**Address: WHA-033, Westend Heights,**

**DLF Phase -5, Chakarpur,**

**Gurgaon, Haryana - 122002**

**Date: January 02, 2025**

**Place: New Delhi**





## Annexure U

### DETAILS OF ONGOING ADJUDICATION & RECOVERY PROCEEDINGS, PROSECUTION INITIATED, AND ALL OTHER ENFORCEMENT ACTION TAKEN AGAINST VEDANTA LIMITED ("COMPANY" / "VEDL"), ITS PROMOTERS AND DIRECTORS

Details of ongoing litigation, adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Company, its promoters and directors in the last five Financial Years as on October 31, 2024.

#### A. Action taken by Regulatory or Statutory Authorities

- (i) Sterlite Industries (India) Limited v. Securities and Exchange Board of India (SEBI Appeal 20 of 2001) before the Bombay High Court

The Securities Appellate Tribunal (SAT) on the basis that inter alia there was insufficient material evidence to establish that Sterlite Industries India Limited (now merged with our Company) ("SIL") had, directly or indirectly, engaged in market manipulation allowed the Appeal filed by SIL against the order passed by SEBI, under Section 24 read with Section 27 of the Securities and Exchange Board of India Act, 1992, to prohibit SIL from accessing the capital markets for a period of two years and initiated proceedings for alleged violation of Regulations 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 against SIL through its director including Anil Agarwal. SEBI had also initiated criminal proceedings against SIL and its Directors, which proceedings on an application made by SIL before the High Court of Judicature for Bombay ("**Bombay High Court**") has been stayed owing to setting aside of the SEBI order by SAT. SEBI has filed an appeal before the Bombay High Court against the SAT order which is pending adjudication.

- (ii) Vedanta Limited v. Special Director, Directorate of Enforcement (FPA-FE-957/MUM/2008) before the Appellate Tribunal under SAFEMA at New Delhi

The Special Director, Enforcement Directorate ("**Adjudicating Authority**") vide an order imposed a penalty of ₹ 20 crores on Sterlite Industries India Limited (now merged with our Company) ("SIL") and ₹ 5 crores each on Navin Agarwal and Anil Agarwal alleging violation of Section 8(1) of the Foreign Exchange Regulation Act, 1973 ("**Act**") for acquiring and transferring foreign exchange equivalent amounting to ₹208 crores into an overseas entity, without prior approval of the RBI ("**Order**"). Our Company, Anil Agarwal and Navin Agarwal have challenged the Order before the Appellate Tribunal under SAFEMA at New Delhi ("**Appellate Authority**"). The Appellate Authority granted waiver of the pre-deposit of the penalty imposed on the Parties as the Appellate Authority could not find any prima facie evidence relied upon by the Adjudicating Authority to conclusively prove the above charges. The matter is currently pending.

- (iii) Vedanta Limited & Ors. v. SEBI (SAT Appeal No. 202 of 2024) before the Securities Appellate Tribunal

Cairn UK Holdings Limited ("**CUHL**") filed a complaint on the SEBI complaint redress system ("**Complaint**") alleging non-payment of dividend amounting to ₹666 crores by Cairn India Limited (now merged with our Company) ("**CIL**") in respect of the equity shares held by CUHL in CIL. SEBI in 2017 disposed of the Complaint on the ground that the unpaid dividends had been paid to the Government of India pursuant to the recovery notice issued by the Deputy Commissioner of Income Tax and the said matter was pending before the relevant income tax authorities. CUHL filed an appeal before the Securities Appellate Tribunal ("**SAT**") challenging the disposal of the Complaint by SEBI. Subsequently, the SAT directed SEBI to reconsider the Complaint for violation of provisions of the Companies Act, 2013 ("**Companies Act**") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") for non-payment of dividends. Basis re-examination, SEBI in 2019 disposed of the Complaint on the ground that inter alia there was absence of *mens rea* on the part of CIL, which is required to constitute an offence under Section 127 of the Companies Act ("**Disposal of Complaint**"). CUHL challenged the Disposal of Complaint before the SAT. The SAT observed that a *prima-facie* case was made out by CUHL and directed SEBI to investigate the alleged violations of the Companies Act and SEBI Listing Regulations within six months ("**SAT Order**"). SEBI filed an appeal before the Supreme Court of India which upheld the SAT Order and extended the time for completing the enquiry. Thereafter, SEBI issued a show cause notice dated 6 June 2023 to our Company, our Directors (current and erstwhile) (collectively, "**Parties**") to show cause as to why suitable directions should not be initiated for *inter alia* alleged violations of certain provisions of the Companies Act and



*Handwritten signature in blue ink.*



SEBI Listing Regulations for non-payment of dividend. Pursuant to an order dated 12 March 2024 ("**Order**"), SEBI directed our Company to pay CUHL ₹77.63 crores, that is simple interest at the rate of 18% per annum for delayed payment of dividend, due and payable to CUHL within 45 days of the Order and pursuant to its directions *inter alia* (a) restrained our Directors from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market in any manner, whatsoever, for a period of two months from the date of the Order; and (b) restrained our Director, Priya Agarwal Hebbbar and certain others from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with securities market for a period of one month from the date of the Order. Aggrieved by the Order, the Parties filed an appeal before SAT and subsequently, SAT granted a stay on the effect and operation of the Order subject to payment of 50% of the interest amount by our Company to CUHL. The aforesaid payment of 50% of the interest amount was deposited by our Company. The matter is currently pending before the SAT.

- (iv) SEBI v. Vedanta & Ors. (CA 25/26 of 2024) before the Supreme Court of India

SEBI issued a show cause notice ("**Notice**") to our Company and others, alleging that pursuant to an investigation, it had observed that Cairn India Limited (now merged with our Company) ("**CIL**") had made a misleading announcement in relation to a buyback without any intention to fulfil the same. Pursuant to the Notice, SEBI directed our Company and others to show cause as to why (a) an enquiry shall not be held against them; and (b) penalty shall not be imposed under Section 15HB of the Securities and Exchange Board of India Act, 1992 for violation of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 ("**PFUTP Regulations**") and the Securities and Exchange Board of India (Buyback) Regulations, 1998 ("**Buyback Regulations**"). Subsequently, the Adjudicating Officer, SEBI ("**AO**") held our Company to be in violation of the provisions of the PFUTP Regulations and Buyback Regulations ("**Order**") and imposed a penalty of ₹5.25 crores on our Company for making a misleading announcement in relation to a buyback of its shares. Our Company filed an appeal against the Order before the Securities Appellate Tribunal ("**SAT**") contending *inter alia* that it cannot be conclusively proved that our Company made such misleading announcement in relation to a buyback of its shares. Pursuant to its order, SAT set aside the Order ("**SAT Order**"). SEBI has filed an appeal before the Supreme Court of India challenging the SAT Order. The matter is currently pending.

- (v) Vedanta Limited v. District Collector (WA 1228/ 2023) before the Madras High Court

The District Collector, Salem ("**District Collector**") issued a notice to our Company ("**Demand Notice**") directing our Company to pay an amount of ₹42.92 crores as annual compensation towards surface rights over government Poramboke lands, for the period from 1997 to 2016. Our Company challenged the Demand Notice by filing a writ petition ("**Petition**") before the Madras High Court, contending that the Demand Notice was in violation of Section 13(2)(j) of the Mines and Minerals (Development & Regulation) Act, 1957 ("**Act**") read with Rule 27(1)(t) of the Mineral Concession Rules, 1960 ("**Rules**"), which prescribe that the State Government is not to be compensated for the use of surface of the land by the lessee in case of a government land put for mining operations. However, the Madras High Court dismissed the Petition and allowed our Company to issue a representation to the District Collector in respect of the quantum of the demand in the Demand Notice ("**Impugned Order**"). The representation was furnished, but as on date no action has been taken to revise or revoke the Demand Notice. Our Company has filed an appeal before the Madras High Court challenging the Impugned Order. The High Court passed interim direction to issue pit passes subject to the outcome of the writ appeals and the writ petitions. The matter is currently pending.

- (vi) Vedanta Limited v. District Collector (WP 4341 OF 2024) before the Madras High Court

Our Company has also received two demand notices from the District Collector, Namakkal District, Tamil Nadu and the Assistant Director, Department of Geology and Mining, Namakkal District, respectively, towards compensation for surface rights in relation to the currently non-operational bauxite mining leases of our Company from the period since 1967 to 2019 for ₹14.6 crores ("**Impugned Notices**"). Our Company has challenged these Impugned Notices by filing a writ petition before the Madras High Court ("**Writ Petition**") on the ground that *inter alia* the Impugned Notices are in violation of Section 13(2)(j) of the Act read with Rule 27(1)(t) of the Mineral Concession Rules, 1960. The High Court ordered to tag the Writ Petition along with the matter - Vedanta Limited v. District Collector (WA 1228/ 2023 before the Madras High Court) which is pending on the subject matter. The matter is currently pending.

- (vii) Vedanta Limited v. State of Odisha [WP (C) No. 17332 of 2019] before the Orissa High Court



*Devon Agni -*



The Principal Secretary, Government of Odisha, Revenue and Disaster Management Department issued an order directing the Collector, Jharsuguda to, inter alia, withdraw the permission granted to Vedanta Aluminum Limited (now merged into our Company) ("**Petitioner**") to fill fly ash over plot number 188 of Mouza-Bhurkamunda, Odisha ("**Plot**") and cause eviction of the Petitioner from the said land ("**PS Order**"). The District Office, Jharsuguda (Revenue Section) also issued an order, inter alia, withdrawing the permission granted to the Petitioner for filling fly ash over the Plot ("**DO Order**"). Aggrieved by the PS Order and the DO Order, the Petitioner has filed a writ petition before the Orissa High Court. The matter is currently pending.

- (viii) Action by State Pollution Control Board, Odisha on Vedanta Limited's Jharsuguda Unit

State Pollution Control Board, Odisha ("**SPCB, Odisha**") has issued notice dated 4 November 2024 ("**Notice**") alleging that our Company's Jharsuguda Unit ("**Unit**") has failed to comply with the guidelines of SPCB, Odisha for reclamation of low lying areas and abandoned quarry with ash, as stipulated in the conditions under the consent to operate granted for filling of fly ash in abandoned quarry at Amapalli, Lakhanpur, Jharsuguda, and the guidelines for disposal/utilization of fly ash for reclamation of low-lying areas and in stowing of abandoned mines/quarries prescribed by the Central Pollution Control Board, New Delhi. Vide the Notice, the SPCB, Odisha has suspended the permission granted to the Unit for filling the abandoned quarry at Amapalli with fly ash. The Unit has responded to the notice and the matter is currently pending.

- (ix) Vedanta Limited v. Directorate of Mines and Geology & 2 Ors. WP No. 2569 of 2024 (F) before High Court of Bombay at Goa

Writ petition ("**Petition**") was preferred against the Mamlatdar of Tiswadi – Panaji, Goa ("**Respondent**") owing to its failure to consider our Company's ("**Petitioner**") representations dated 11 September 2018, 29 June 2021, 18 September 2022, and 04 March 2024, seeking adjustment of certain sums which are lawfully due to the Petitioner from the Respondent, as against the sums allegedly due from the Petitioner to the Respondent. It is the Petitioner's case that once such sums are adjusted, no amount is in fact due from the Petitioner to the Respondent as the said sum exceeds the principal amount payable under the order/demand notice dated 28 August 2018. Whilst the Petitioner's representations seeking reconciliation remain pending, without any consideration, the Respondent had initiated revenue recovery proceedings. During the proceedings, the Petitioner had informed the Respondent about the pending representation seeking reconciliation before Directorate of Mines & Geology, however, the Respondent informed banks to freeze the Petitioner's accounts. Hence, the Petitioner had to file the Petition. The High Court of Bombay at Goa ("**High Court**") has ordered the Petitioner to deposit a Bank Guarantee of INR 50 crores with the Registrar, High Court. The matter is pending before the High Court. In the meantime, the Respondent has issued letters withdrawing the bank account freezing instructions to the banks.

## B. Material Commercial Disputes

### a. Material Civil Litigations

- (i) Gujarat Gas Limited v. Vedanta Limited & Ors. before the arbitral tribunal

Our Company, ONGC and Invenire ("**Respondents**") entered into certain agreements with Gujarat Gas Limited ("**Gujarat Gas**") for the sale of gas produced from the CB-OS/2 block ("**Agreements**"). Gujarat Gas initiated arbitration proceedings against the Respondents alleging breach of the Agreements by the Respondents in relation to, *inter alia*, sale of gas from the CB-OS/2 block to third parties, reduction of allocation of gas from CB-OS/2 Block to Gujarat Gas and the failure of the Respondents to notify Gujarat Gas of plans to develop new oil wells. Gujarat Gas has claimed approximately ₹ 1120 crores as damages from the Respondents for the breach of the Agreements. The Respondents filed a counter claim seeking *alia* USD 86.77 million on account of price revision under the Agreements. The matter is currently pending.

- (ii) Vedanta Limited & Cairn Energy Hydrocarbon Limited v. Union of India [PCA Case No 2020-39] & [OMP (Comm) 125/2024, ARB. A. (COMM.) - 31/2024] before the Delhi High Court

The Government of India ("**Gol**") entered into a production sharing contract ("**PSC**") with Oil and Natural Gas



*David Jeyi -*



Corporation and Shell India Production Development ("SIPD") for, *inter alia*, carrying out exploration, discovery, development and production of petroleum resources on the Rajasthan block RJ-ON-90/1 and subsequently, our Company acquired SIPD's interest in the PSC. The Gol demanded payment from our Company on the basis of the audit carried out by the Gol in terms of the PSC ("**Audit Exceptions**"). Our Company invoked arbitration proceedings against the Gol regarding, *inter alia*, recovery of exploration, development, and production costs. Further, our Company challenged the demand of payment of dues arising out of Audit Exceptions. The Gol filed a counterclaim demanding, *inter alia*, ₹8,596.80 crores on the basis of its Audit Exceptions. Pursuant to its order, the arbitral tribunal ("**Tribunal**") decided in our Company's favour on substantial issues and *inter alia* dismissed the Gol's counterclaim to enforce the Audit Exceptions. The Tribunal passed a final partial award regarding the interpretation of the PSC and observed, *inter alia*, that the audit exceptions pertaining to the allocation of development costs, production costs, exploration costs are unenforceable and provided that if the parties could not agree on precise figures for the quantum of costs, then the Tribunal would provide appropriate directions ("**Final Partial Award**"). Subsequently, the Gol applied before the Tribunal for injunctive relief under Section 17 of the Arbitration and Conciliation Act, 1996 ("**Arbitration Act**") against unilateral deductions. The Tribunal held, *inter alia*, that unilateral deductions do not amount to unilaterally settling quantum and the accounts at issue did not violate the Final Partial Award, therefore the requests made by the Gol for restraining our Company from implementing the Final Partial Award would not meet the threshold for harm to the Gol required for injunctive relief ("**Impugned Order**"). Aggrieved by the Impugned Order, the Gol filed an appeal before the Delhi High Court under Section 37 of the Arbitration Act. Separately, Gol also filed an application before the Delhi High Court under Section 34 of the Arbitration Act seeking the setting aside of the Final Partial Award. The matter is currently pending.

- (iii) Vedanta Limited & Anr. v. UOI & Ors. (SLP (C)11123/2021) before the Supreme Court of India

The Government of India ("**Gol**") entered into a production sharing contract ("**PSC**") with the Oil and Natural Gas Corporation and Shell India Production Development ("**SIPD**") in relation to, *inter alia*, carrying out petroleum-related operations on the Rajasthan block and subsequently, our Company acquired SIPD's interest in the PSC. As per the PSC, in case commercial production of natural gas continued beyond the term of the PSC, the PSC would get extended for a further period of 10 years. In light of this, our Company filed a writ petition before the Delhi High Court seeking an extension of the PSC, however, the Gol introduced an extension policy revising the terms of the PSC and insisted on an increase in the share of profit payable to the Gol ("**Extension Policy**"). The Gol also called upon our Company to submit a formal application ("**Application**") in accordance with the Extension Policy to seek extension of the PSC. Our Company submitted the Application but challenged the applicability of the Extension Policy contending that the extension of the PSC was a contractual right under the PSC which could not be altered by the Extension Policy. Pursuant to an order, the Delhi High Court held that the Extension Policy was contrary to the terms of the PSC ("**Order I**"). Aggrieved by the Order I, the Gol filed an appeal ("**Appeal**") before the Division Bench of the Delhi High Court ("**Division Bench**"). The Division Bench *vide* its order ("**Order II**") set aside the Order I and held that the Extension Policy was the "applicable law" and that the Application would be extended under the Extension Policy. Aggrieved by the Order II, our Company filed a special leave petition ("**Special Leave Petition**") before the Supreme Court of India. Pending the Special Leave Petition, PSC has been extended for a period of 10 years with effect from 15 May 2020. The matter is currently pending.

- (iv) Vedanta Limited v. Gujarat State Petroleum Corporation Limited (Arbitration Petition no. 853 of 2023) before the Delhi High Court

Our Company issued a Notice Inviting Offer ("**NIO**") and a Request for Proposal ("**RFP**") inviting companies to offtake all or a portion of auctioned gas volumes available for sale from the gas block in Barmer, Rajasthan ("**Rajasthan Block**"). Pursuant to the e-auction process, Gujarat State Petroleum Corporation Limited ("**GSPC**") along with four other bidders emerged as the successful bidder. However, GSPC denied its obligation to sign the gas sales agreement ("**GSA**"), abide by the terms of the GSA and offtake the gas at bid price i.e., 20.3% average brent price of crude oil and rather offered to offtake the bid volume of 1,907,543 standard cubic meters per day of gas at the price of 14.1% average brent price of crude oil with effect from 1 April 2023. Our Company entered into a without prejudice interim arrangement in order to avoid loss/wastage of natural gas. Subsequently, our Company initiated arbitration proceedings against GSPC and issued notice invoking arbitration appointing nominee arbitrator, however, GSPC refused to appoint their nominee arbitrator. Thereafter, our Company has filed an application under Section 11(6) of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi. The matter is currently pending.

- (v) Vedanta Limited & Anr. v. Government of India (O.M.P.(EFA)(COMM.) 5/2017) before the Delhi High Court

Our Company along with Ravva Oil Singapore ("**ROS**") (constituents of the contractor parties) are involved in



*David Singh*



a dispute against the Government of India ("GOI") relating to the recovery of contractual costs in terms of calculation of payments that the Contractor Parties were required to make in connection with the Ravva Block. The Ravva Block production sharing contract ("PSC") obliges the Contractor Parties to pay a proportionate share of ONGC's exploration, development, production and contract costs in consideration for ONGC's payment of costs related to construction and other activities it conducted in Ravva prior to the effective date of the Ravva Block PSC (the "ONGC Carry"). The question as to how the ONGC Carry was to be recovered and calculated, along with other issues, was submitted to an arbitral tribunal having its seat at Malaysia ("International Arbitration Tribunal") in August 2002 which rendered a decision on the ONGC Carry in favour of the Company & ROS ("Claimants") whereas four other issues were decided in favour of GOI in October 2004 (the "Partial Award").

The GOI then proceeded to challenge the International Arbitration Tribunal's decision in relation to the ONGC Carry issue before the Malaysian courts, as Kuala Lumpur was the seat of the arbitration. On 11 October 2011, the Federal Court of Malaysia adjudicated the matter and upheld the Partial Award. Per the decision of the International Arbitration Tribunal with regards to Partial Award, the Claimants and the GOI were required to arrive at a quantification of the sums relating to each of the issues under the Partial Award. Also, the International Arbitration Tribunal retained the jurisdiction for determination of any remaining issues in the matter. Pursuant to the decision of the Federal Court of Malaysia, the Claimants approached the Ministry of Petroleum and Natural Gas ("MoPNG") to implement the Partial Award while reconciling the statement of accounts as outlined in the Partial Award. GOI failed to implement the Partial Award by way of reconciling accounts as provided in the Partial Award. However, on 10 July 2014, the MoPNG issued a show cause notice alleging that since the Partial Award had not been enforced the profit petroleum share of the GOI had been short paid. The MoPNG threatened to recover that amount from the sale proceeds payable by the oil marketing companies to the Contractor Parties. The Contractor Parties replied to the show cause notice taking various legal contentions.

As the Partial Award did not quantify the sums, the Claimants approached the same International Arbitration Tribunal to pass a final award in the subject matter since the International Arbitration Tribunal had retained the jurisdiction to do so. The International Arbitration Tribunal was reconstituted, and the final award was passed on 26 October 2016, in the Company's favour upholding that no further amounts are due from the Claimants. The final award specifies that each party should bear the arbitration costs equally ("Final Award"). The GOI had, in parallel, challenged the final award that was dismissed by the High Court of Malaysia on 8 January 2018. The GOI then appealed before the Malaysian Court of Appeal which was dismissed on 27 September 2018. The GOI further appealed against the decision of the Malaysian Court of Appeal before the Federal Court of Malaysia which was also dismissed on 28 February 2019.

Meanwhile, our Company filed a petition before the High Court of Delhi for the enforcement of the Partial Award and Final Award on 22 May 2017. In connection with the arbitration proceedings on issues related to the cost recovery of the Ravva Block, our Company received an order dated 22 October 2018 from the GOI, directing the OMCs (who are the petroleum off-takers for Ravva) to divert the sale proceeds to the GOI's account. The GOI alleged that the Ravva Joint Operating Partners had short paid profit petroleum of USD 314 million (Company's oil and gas business share being approximately USD 64 million for the ONGC Carry issue). Against an interim application filed before the High Court of Delhi by our Company and ROS sought the stay of such action from the GOI, the High Court of Delhi vide its order dated 29 October 2018 directed the said OMCs to deposit sales proceeds in the High Court of Delhi. However, our Company and ROS were given the liberty to seek withdrawal of the proportionate amounts from the High Court of Delhi upon furnishing a bank guarantee of commensurate value. Our Company deposited the bank guarantees and withdrew the amounts deposited by the OMCs before the High Court of Delhi. The High Court of Delhi directed that all future sale proceeds in respect of the Ravva Block PSC are to be paid directly to our Company by the OMCs with effect from 5 June 2020. Our Company has filed an application for vacation of interim arrangement dated 29 October 2018 in January 2023. The matter is currently pending.

(vi) GRIDCO v. Vedanta Limited & Ors. (Civil Appeal No. 465/2022) before the Supreme Court of India

Our Company entered into a consolidated power purchase agreement ("PPA") with the Grid Corporation of Odisha ("GRIDCO") for the supply of power from our Company's power plant located in Jharsuguda, Odisha. Our Company filed a petition before the Odisha Electricity Regulatory Commission ("OERC") under Section 86(1) of the Electricity Act, 2003 for adjudication of disputes between our Company and GRIDCO regarding, *inter alia*, payment of outstanding dues and execution of the revised PPA ("Petition"). The OERC dismissed the Petition, *inter alia*, on the grounds that the matter for payment of outstanding disputes was pending before the Supreme Court of India and the revised PPA was to be considered for approval after the *sub judice* matter had been settled by the OERC ("Impugned Order"). Aggrieved by the Impugned Order, our Company filed



*Edwin Jayi -*



an appeal before the Appellate Tribunal for Electricity ("APTEL"). APTEL dismissed the appeal and observed, *inter alia*, that the entire issue was covered by previous judgments of APTEL and ordered GRIDCO to make payments amounting to ₹ 448.90 crores to our Company for supply of power from 2010 to 2016 ("**Appellate Judgement**"). Aggrieved by the Appellate Judgement, GRIDCO has filed an appeal before the Supreme Court of India under Section 125 of the Electricity Act, 2003. The appeal is currently pending.

- (vii) Vedanta Limited v. GRIDCO & Ors. (DFR No. 296 of 2020) and GRIDCO v. Vedanta Limited and Ors. (DFR No. 476 of 2021) before the Appellate Tribunal for Electricity

GRIDCO also filed an application before the OERC under Section 86(1)(f) of the Electricity Act, 2003 for resolution of disputes regarding, *inter alia*, definition of marginal sources and priority of marginal sources and calculations of annual fixed charges and capacity charges. The OERC observed, *inter alia*, that marginal source should include un-requisitioned power from the interstate generating station, power overdrawn under demand side management and power drawn from the Indian Energy Exchange Limited, and directed both parties to make amendments to the PPA keeping in view the directions given by the OERC *vide* its order ("**OERC Order**"). Aggrieved by the OERC Order, our Company filed an appeal before APTEL under Section 111 of the Electricity Act, 2003. GRIDCO also filed a cross appeal before APTEL against the OERC Order on the grounds of short supply of power by our Company and incorporation of the penalty clause in the PPA. The matter is currently pending.

- (viii) Vedanta Limited v. Orissa Mining Corporation & Ors. (WP (C) 9617/2023) before the Orissa High Court

Our Company filed a writ petition against Odisha Mining Corporation Limited ("**OMC**") before the Orissa High Court ("**High Court**") challenging the unilateral application of Rule 45 of the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016 ("**MCR Rules**") in fixing the price of bauxite. Our Company contended that Rule 45 of the MCR Rules is not applicable to the sale of bauxite and accordingly, OMC shall supply the agreed quantity of bauxite in accordance with, *inter alia*, the sales agreements between our Company and OMC ("**Agreement**"). The High Court passed an interim order directing OMC to supply the agreed quantity of bauxite at ₹ 1,000 per metric tonne (excluding the Royalty and others) subject to the final outcome of the petition. An undertaking was given in this regard. The matter is currently pending, and the interim order is continuing.

- (ix) Vedanta Limited v. Union of India (OMP (Comm) No. 208/2020) before the High Court of Delhi

Our Company entered into a share purchase agreement ("**SPA**") with the Union of India ("**Respondent**") and BALCO on 2 March 2001 ("**Closing Date**") to purchase 51% of the issued, subscribed and paid-up capital of BALCO. Pursuant to the SPA, our Company entered into a shareholders agreement ("**SHA**") with the Respondent and BALCO on the Closing Date. Under Clause 5.8 of the SHA, the Petitioner had a right to issue a call notice ("**Call Notice**") upon the expiry of the third anniversary of the Closing Date or any time thereafter, pursuant to which the Respondent was under an obligation to sell its entire existing shareholding to our Company. Upon expiry of the Closing Date, our Company issued the Call Notice to the Respondent. At the request of the Respondent, our Company agreed to extend the time of sale of the shareholding of the Respondent in BALCO until March 2006. Basis the report prepared by a valuer, the Respondent determined the value of the shares to be sold at ₹101.65 per share. In the interest of an expeditious sale of the Respondent's shares, our Company issued a cheque for an amount of ₹1,098.90 crores to the Respondent, subject to final determination in arbitration. In view of the defaults and delays by the Respondent, our Company issued a notice to the Respondent which entitled the Petitioner to purchase shares at a lower price ("**Demand Notice**"). The Respondent replied to the Demand Notice and argued that Clause 5.8 of the SHA is violative of Section 111A of the Companies Act, 1956 ("**Companies Act**"). Upon the failure of the parties to resolve the dispute through mediation and negotiation, the matter was referred to an arbitral tribunal ("**Arbitral Tribunal**"). The Arbitral Tribunal held, *inter alia*, that Clause 5.8 of the SHA was void, ineffective and inoperative by virtue of being violative of Section 111A of the Companies Act ("**Award**"). Aggrieved by the Award, our Company and the Respondent have respectively filed a petition before the High Court of Delhi objecting to the Award. The matter is currently pending.

**b. Other litigations considered material by our Company**

- (i) OERC v. Vedanta Aluminium Limited (Civil Appeal No. 5467 of 2013) before the Supreme Court of India

In 2010, the Odisha State Commission ("**State Commission**") approved the Orissa Electricity Regulatory Commission (Renewable and Co-generation Purchase Obligation and its Compliance) Regulations, 2010 ("**RCPO**")



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**Regulations**"). Under the RCPO Regulations, every obligated entity was to purchase not less than 5% of its total annual energy consumption from co-generation and renewable energy sources from Fiscal Year 2012. Bhushan Steel and Power Limited filed a petition before the State Commission praying for relaxation from the RCPO Regulations. In order to have a comprehensive hearing, the State Commission decided to hear the power generating entities in the state, including Vedanta Aluminum Limited (now merged into our Company) ("**Appellant**"). With a view to take a common decision on the applicability of the RCPO Regulations, the State Commission initiated *suo motu* proceedings on fulfilling the renewable purchase obligation under the RCPO Regulations and decided to hear the obligated entities in Odisha ("**Suo-Motu Proceedings**"). The Appellant was impleaded as a party to the *Suo-Motu* Proceedings by the State Commission. The Appellant objected to the applicability of the RCPO Regulations on the grounds that, *inter alia*, the direction of the State Commission that captive plants and open access consumers should compulsorily purchase renewable energy is beyond the jurisdiction of the State Commission and alternatively, sought exemption from the RCPO Regulations. The State Commission held, *inter alia*, that reopening of issues with respect to various provisions of the RCPO Regulations cannot be entertained as it would amount to re-opening of the issues that have been previously decided by the State Commission and rejected the submissions made by the Appellant ("**Impugned Order**"). Aggrieved by the Impugned Order, the Appellant filed an appeal before the Appellate Tribunal for Electricity, New Delhi ("**APTEL**"). APTEL observed, *inter alia*, that the State Commission had failed to follow the rationale laid down by APTEL and set aside the Impugned Order ("**Impugned Judgment**"). Aggrieved by the Impugned Judgment, the State Commission filed a special leave petition before the Supreme Court of India. The matter is currently pending.

- (ii) Satyanarayan Rao v. Union of India (Appeal No. 24 of 2022) before the NGT Kolkata

Satyanarayan Rao ("**Complainant**") filed an appeal before the National Green Tribunal, Eastern Zone Bench at Kolkata (the "**Tribunal**") against the environmental clearance ("**EC**") granted to our Company's plant located in Bhurkamunda District Jharsuguda, Odisha ("**Plant**") by the Ministry of Environment, Forest and Climate Change ("**MoEF**") for expansion of the Plant's aluminum smelter production capacity. The Complainant argued that the EC granted to our Company was invalid on the grounds that, *inter alia*, the expert appraisal committee ("**EAC**") had failed to verify facts with respect to encroachment on forest lands by the project proponent and the EAC had failed to conduct a fresh public consultation regarding the EC granted to the Plant. The Tribunal dismissed the appeal on the grounds of insufficient cause for the condonation of delay for 39 days from the date of communication of the EC and 59 days from the grant of EC ("**Impugned Judgement**"). Aggrieved by the Impugned Judgment, the Complainant filed an appeal before the Supreme Court of India. The Supreme Court of India has remanded the matter to the Tribunal. The matter is currently pending.

*Edwin Jeyu*





- (iii) OPTCL v. OERC & Ors. [DFR no. 554/2023(Appeal no.907/2023)] before the Appellate Tribunal for Electricity

The Odisha Electricity Regulatory Commission ("**OERC**") vide a tariff order approved a retail supply tariff for the financial year 2022 for all its distribution utilities in Odisha ("**Tariff Order**"). As per the Tariff Order, only 20% of the transmission and wheeling charge was payable by an open access consumer drawing power from renewable source except biomass power plant and co-generation ("**Consumers**"). Odisha Power Transmission Corporation Limited ("**OPTCL**") filed a petition before OERC seeking to allow to levy 100% transmission charges to all Consumers. Our Company and others were impleaded as parties to the proceedings. OERC passed an order withdrawing all concession charges given to Consumers for the Financial Year 2023 ("**Order I**"). Pursuant to the Order I, OPTCL retrospectively applied Order I and levied 100% transmission charges for Consumers for the financial years 2021 and 2022 ("**Charges**"). OERC held the Charges to be illegal ("**Order II**"). Subsequently, OPTCL has challenged Order II before the Appellate Tribunal for Electricity, New Delhi. The matter is currently pending.

- (iv) Vedanta Limited v. OERC & Ors. (Appeal no. 851 of 2023) before the Appellate Tribunal for Electricity

Our Company operates captive power generating plants ("**CGP**") in Odisha for self-consumption. T.P. Western Odisha Distribution Limited ("**TPWODL**") issued demand notices and invoices to our Company demanding payment of cross subsidy charges for the Financial Year 2016 ("**Notices**"). Our Company challenged the Notices before the Odisha Electricity Regulatory Commission ("**OERC**") contending that *inter alia* CGP is exempt from the payment of cross subsidy charges. OERC observed that our Company lost its CGP status in Financial Year 2016 and directed our Company to make the payment in terms of the Notices ("**Order**"). Thereafter, TPWODL issued a revised notice demanding payment of cross subsidy charges ("**Revised Notice**"). Our Company has challenged the Order before the Appellate Tribunal for Electricity, New Delhi on the ground that *inter alia*, our Company was not granted a fair hearing and that the CGP status was wrongfully denied to our Company. The matter is currently pending.

- (v) Vedanta Limited v. OERC & Ors. (Appeal 509/ 2023) before the Appellate Tribunal For Electricity

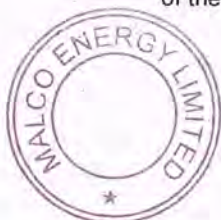
Our Company entered into a consolidated power purchase agreement ("**PPA**") with the Grid Corporation of Odisha Limited ("**GRIDCO**") for supplying 25% of the energy produced from the coal fired power plant ("**Power Plant**") located in Jharsuguda, Odisha at full tariff. Our Company filed a petition before the Odisha Electricity Regulatory Commission ("**OERC**") to convert its four units of the power plant from independent power plants ("**IPP**") to captive generating plants ("**CGP**"). The OERC passed an order, *inter alia*, allowing the conversions of three units of the Power Plant to CGP but held that the remaining unit ("**Unit-II**") of the Power Plant will continue to remain an IPP and connected to the state grid ("**Impugned Order**"). Aggrieved by the Impugned Order, our Company filed a review petition before the OERC for allowing the conversion of Unit-II from IPP to CGP. The OERC passed an order allowing Unit-II to normally operate as CGP subject to certain conditions, including but not limited to operating Unit-II as IPP if GRIDCO requires power from our Company for state consumption and has given a three month notice for the same ("**Review Order**"). Aggrieved by the Review Order, GRIDCO filed an appeal before the Appellate Tribunal for Electricity, New Delhi ("**APTEL**"). APTEL set aside the Review Order on the sole ground that OERC had not indicated the reasons for reviewing the Impugned Order and ordered OERC to pass a fresh order ("**APTEL Order**"). In compliance with the APTEL Order, the OERC undertook the matter for hearing and held, *inter alia*, that in compliance with the PPA and the Impugned Order, Unit-II of the Power Plant will not convert from IPP to CGP ("**Final Order**"). Aggrieved by the Final Order, our Company has filed an appeal before APTEL. The matter is currently pending.

- (vi) Fatima v. State of Tamil Nadu (WP 21547/2019) before the Madras High Court

Fatima (the Complainant) filed writ petition against the State of Tamil Nadu, our Company and others before the High Court of Madras ("**High Court**") seeking, *inter alia*, a writ of mandamus directing the State of Tamil Nadu ("**State**"), the Tamil Nadu State Pollution Control Board ("**TNPCB**") and the District Collector, Thoothukudi District, Tamil Nadu to demolish the Copper Smelter Plant and restore the site to its previous state by remediating the environment, including the soil and water. In relation to the writ petition, the High Court issued an order impleading the Central Pollution Control Board as a party to the writ petition. The matter is currently pending.

- (vii) National Confederation of Officers Association & Ors. v. Union of India & Ors. (WP (C) 229 of 2014) before the Supreme Court of India

Pursuant to the Government of India's ("**Gol**") policy of disinvestment, Sterlite Opportunities & Ventures Limited (now merged with our Company) ("**SOVL**") acquired 26% of the equity share capital of HZL from the Gol. In terms of the shareholders' agreement ("**SHA**"), SOVL had two call options to purchase the equity shares held by Gol in



*Edison Jaggi -*



HZL. SOVL exercised the first call option on 29 August 2003 and acquired an additional 18.9% of HZL's issued share capital. SOVL exercised its second call option in 2009, however, the same was refused by the Gol. Consequently, SOVL initiated arbitral proceedings for enforcing its rights under the SHA to exercise the call options and to purchase the remaining equity shares held by the Gol in HZL. Separately, a writ petition ("**Petition**") was filed before the Supreme Court of India ("**Supreme Court**") questioning the decision of Gol to divest its shareholding in HZL. The Supreme Court disposed off the Petition and allowed the Gol's proposal to divest its entire shareholding in HZL in the open market in accordance with the applicable law and directed the Central Bureau of Investigation of India to register a regular case ("**CBI Enquiry**") in relation to the process followed by Gol for the disinvestment of HZL ("**Order**") and submit reports every quarter. Pursuant to the Order, our Company has withdrawn the arbitration claim, which has been accepted by the arbitration tribunal. Our Company also filed a miscellaneous application ("**Application**") before the Supreme Court on the grounds that the Gol had not divested its remaining shareholding HZL. The Application was subsequently disposed off by the Supreme Court. The CBI Enquiry is currently pending.

- (viii) CIT v. Sesa Goa & MCA v. Sesa Goa [SLP 15294-15295 of 2013 / CA 18480-18481 of 2017; SLP 18902-18903 of 2013 / CA 18482-18483 of 2017; SLP 9599 of 2014 / SLP 7767 of 2017] before the Supreme Court of India

The Commissioner of Income Tax ("**CIT**") had filed an intervention application before the Bombay High Court objecting to the scheme of amalgamation and arrangement ("**Scheme**") amongst Ekaterina Limited, Sterlite Industries (India) Limited, Madras Aluminum Company Limited, Sterlite Energy Limited, Vedanta Aluminum Limited and our Company on the grounds that by virtue of the Scheme the entire tax liability of our Company would be wiped out and refunded to it. However, the Bombay High Court passed an order stating that the Central Government and the income tax authorities do not have the power to intervene or to be heard on any scheme which is filed for seeking sanction. Aggrieved by the High Court's order, the CIT and the Ministry of Corporate Affairs have filed separate special leave petitions against the Bombay High Court order before the Supreme Court of India. The matters are currently pending.

- (ix) State of Karnataka v. NMDC & Others (SLP 6219-6313/2016) and State of Karnataka v. Vedanta Limited (SLP 4329-4386 /2018) before the Supreme Court of India

Our Company and others ("**Petitioners**") filed separate writ petitions ("**Writ Petitions**") before the High Court of Karnataka ("**High Court**"), against the State of Karnataka ("**State**"), challenging the imposition and legal validity of the forest development tax ("**FDT**") under the Karnataka Forest (Amendment) Act, 2008 ("**Amendment Act**"). The High Court asked us to deposit 50% of the FDT till the pendency of the writ petition. We made an application against the order of the High Court seeking modification of this order dated 19 August 2009. However, the application was not taken up for hearing. Subsequently, we filed Special Leave Petition before the Supreme Court of India ("**Supreme Court**") against the order of the High Court. In November 2009, the Supreme Court ordered the High Court to dispose the application for modification of the order given in August 2009 and ordered our Company to furnish a bank guarantee towards payment of the FDT. In April 2010, the High Court made an interim arrangement for payment of 50% of the FDT amount pending disposal of the writ petition and pay 25.0% of the demand in cash and furnish a bank guarantee for the remaining 25%. On 3 December 2015, the High Court passed its final order in our favour by quashing the FDT notification and directing a refund of the amount collected from mining leases other than state government owned companies ("**Impugned Judgment I**"). Aggrieved by the Impugned Judgment I, the State filed a special leave petition before the Supreme Court. In the interim, the Supreme Court has stayed the refund of the forest development tax amount as ordered by the High Court.

Meanwhile, the State issued the Karnataka Forest Development (Amendment) Act, 2016 (the "**Amendment Act**") to validate the earlier law, making certain amendments with retroactive effect. The Amendment Act has also changed the nomenclature of "Forest Development Tax" to "Forest Development fee ("**FDF**")" with retroactive effect, since the court had previously declared that FDT was a tax and not a fee, as claimed by the State. The validity of the Amendment Act was challenged by our Company by way of a writ petition before the High Court. The High Court passed an interim order directing for furnishing bank guarantee for 25% of the demand in relation to future transactions in favor of the State and the State was restrained from collecting Forest Development Fee till the disposal of the writ petition. The High Court, on 4 October 2017, struck down the Amendment Act directing refund of the amounts collected. ("**Impugned Judgment II**")

On 13 March 2018, the Supreme Court, in the appeal filed by State against the Impugned Judgment II, has stayed the refund of the amount collected as FDF. On 21 March 2018, the Supreme Court directed that appeals against both the FDT and FDF matters will be heard together. The matter is currently pending.

- (x) Vedanta Limited, BBSR v. Union of India & Ors. (NALCO) [W.P. (c) 21287/ 2023] before the Orissa High Court



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Our Company filed a writ petition ("**Petition**") before the Supreme Court of India challenging the arbitrary and discriminatory conditions imposed by the National Aluminum Company ("**NALCO**") in its tender (bid invitation) ("**Tender Document**") for the sale of processed bauxite. The Supreme Court of India held that there was no reason to entertain the Petition under Article 32 of the Indian Constitution and opined that the Petitioner may avail their legal remedies before the Orissa High Court ("**High Court**") in accordance with the law ("**SC Order**"). Pursuant to the SC Order, the Petitioner filed a writ petition before the High Court challenging the validity of the Tender Document. The matter is currently pending.

**Note:** The above proceedings are material civil disputes in accordance with the Company's Policy for determination of Materiality for Fair Disclosure of Material Events / Unpublished Price Sensitive Information to Stock Exchange(s) and Archival Policy (effective from July 14, 2023). Apart from the details given above, the Company, its directors and / or promoters is / are involved in various other legal proceedings / matters, from time to time, arising in the ordinary course (of the business of the Company) or arising in the ordinary course of the business of the Company / Group entities in which its directors and / or promoters are associated.

### C. Criminal Proceedings

- (i) Factory Inspector v. Abhijit Pati (Manager) & D.D Jalan (Occupier) [2( C ) CC 937/14] before the Sub Divisional Judicial Magistrate, Jharsuguda

The Assistant Director of Factories & Boilers, Jharsuguda Zone, Odisha ("**Assistant Director**") filed a criminal complaint before the Sub Divisional Judicial Magistrate, Jharsuguda, Odisha under Rule 13 of the Orissa Factories Rules, 1950 against certain employees of our Company. The Assistant Director has alleged violations of Section 7-A(2)(a) of the Factories Act, 1948 and Rule 62 D of the Odisha Factories Rules, 1950 due to a fatal accident that took place at our Company's factory in Bhurkamunda, Sripura, Jharsuguda. The matter is currently pending.

- (ii) Sterlite Industries Limited & Ors. v. State of Maharashtra & Anr. (Criminal Application No. 3609 of 2005)

Pursuant to SEBI's order for alleged violation of Regulations 4(a) and 4(d) of the SEBI (Prohibition of Fraudulent and unfair Trade Practices relating to Securities Market) Regulations, 1995, SEBI filed a criminal complaint against Sterlite Industries India Limited (now merged with our Company) ("**SIIL**"), our Director, Anil Agarwal and others before the Additional Metropolitan Magistrate, Esplanade in relation to the alleged violation. Securities Appellate Tribunal in appeal by SIIL set aside the order passed by SEBI accordingly, SIIL filed a criminal application before the Bombay High Court for stay of the criminal proceedings initiated by SEBI, which has been stayed by the Bombay High Court.

- (iii) Fatima v. TNPCB & Vedanta and Ors. (Crl. R C (MD) 251 of 2019) before the Madras High Court

Fatima ("**Complainant**") filed a criminal petition against our Company, our Director, Navin Agarwal, and others (collectively, "**Accused**") before the Court of the Judicial Magistrate No. III, Thoothukkudi, Tamil Nadu ("**CJM**") under Section 200 of the Code of Criminal Procedure, 1973 read with Section 15 of the Environment Protection Act, 1986. The Complainant alleged, *inter alia*, that the Accused had failed to renew the consent and authorization for handling hazardous waste ("**Authorization**") for our Company's copper smelter plant located at the SIPCOT Industrial Complex, Thoothukudi, Tamil Nadu ("**Copper Smelter Plant**") under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. The CJM by way of an order dismissed the said petition on the ground that cases on the same issue were pending before the Madras High Court and the Supreme Court ("**Impugned Order**"). Aggrieved by the Impugned Order, the Complainant filed a criminal revision petition before the Madras High Court for setting aside the Impugned Order. The Complainant has alleged that *inter alia* our Company's application for renewal of consent to operate was rejected due to failure of our Company to conform to certain conditions as mentioned in the Authorization. The matter is currently pending.

- (iv) BALCO & Ors. v. State of Jharkhand & Ors. (WPCR 887/2023) before the Jharkhand High Court

M/s Vassu Enterprises ("**Complainant**") entered into an agreement with BALCO for material handling, scrap for purchase of heavy equipments, housekeeping, loading/ unloading and other services ("**Contract**"). BALCO terminated the Contract for unsatisfactory compliance of contractual obligations by the Complainant, including failure to comply with statutory labour compliance requirements. Pursuant to the termination of the Contract, the Complainant filed a complaint ("**Complaint**") against BALCO, our Director, Anil Agarwal and others



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("Accused") before the Court of Chief Judicial Magistrate, East Singhbhum, Jamshedpur ("CJM") under Sections 420, 406, 409, 120B and 34 of the Indian Penal Code, 1860 for alleged misappropriation and illegal withholding of equipment and machinery. The CJM disposed of the Complaint and subsequently, the Complainant filed a First Information Report ("FIR") under Section 154 of the Code of Criminal Procedure, 1973 ("CrPC"). BALCO has filed a criminal writ petition under Section 156(3) of the CrPC before the High Court of Jharkhand, Ranchi ("High Court"). Initially, the High Court *vide* its order held that no coercive steps shall be taken against the Accused during the pendency of the matter. Final hearing has been concluded in the matter and the same has been reserved for order. The Complainant has also filed an application ("Application") before the Jharkhand Micro, Small and Micro Enterprises Facilitation Council at Ranchi ("MSME") alleging delay in payment by BALCO and subsequently MSME issued a notice to BALCO. BALCO has filed its preliminary objection contending that the Complainant has filed the Application with ulterior motive to extort BALCO and also to malign the image of BALCO and apprised the MSME Council that the High Court has imposed a stay on the criminal complaint filed by the Complainant in relation to the same issue. The High Court *vide* its order dated 25 July 2024 has quashed the Criminal complaint and FIR filed by M/s Vassu against the directors of our Company/BALCO.

- (v) Ajay Padia (Sun Industries) v. Anil Agrawal & Ors. (RCC No 99/2002) before the Judicial Magistrate Pune & Anil Agrawal & Ors. v. State of Maharashtra & Ors. (Criminal Application No. 1399/2008) before the High Court of Mumbai

Ajaykumar Padia ("Complainant") filed a complaint against BALCO, our Directors, Anil Agarwal, Navin Agarwal, and others (collectively, "Accused") before the Court of Judicial Magistrate First Class, Pune ("CJM") for alleged offences under Sections 420, 34, 406 read with Section 109 of the Indian Penal Code, 1860 ("IPC"). The Complainant alleged, *inter alia*, that the Accused have abetted, cheated and committed criminal breach of trust in respect of the deposit, commission and discount offered to the Complainant for the defective goods supplied by the Accused and caused wrongful loss to the Complainant. The CJM, *inter alia*, ordered investigation into the matter under Section 153(3) of the Code of Criminal Procedure, 1973. Pursuant to the investigation, the police investigated the matter and reported with the conclusion, *inter alia*, that the concerned matter is of a civil nature ("Report"). Thereafter, the Complainant approached the CJM, questioning the police report and subsequently, the CJM *vide* an order observed that the Accused acted with dishonest intention and therefore issued process against the Accused under Sections 420, 406 read with Section 34 of the IPC ("Impugned Order"). Aggrieved by the Impugned Order, our Directors, Anil Agarwal, Navin Agarwal and others filed a writ petition before the High Court of Judicature for Bombay ("High Court"). The High Court observed, *inter alia*, that an alternative remedy is available before the sessions court and disposed the petition. Pursuant to the order of the High Court, our Director, Anil Agarwal and others filed a criminal revision application before the Additional District and Sessions Judge, Pune ("Sessions Judge"). The Sessions Judge ruled against the Accused and upheld the Impugned Order. Subsequently, our Director, Anil Agarwal and others filed a criminal application before the High Court. The High Court has granted a stay on the trial court proceedings. The matter is currently pending.

*Navin Agarwal*





- (vi) Criminal Proceedings against employees of Vedanta (State of Odisha vs Rakesh Mohan – CT 277 of 2019 before Sub-Divisional Judicial Magistrate, Bhawanipatna, Odisha & CRLMC No. 58 of 2020 before Orissa High Court)

First Information Reports ("FIRs") were filed against certain employees of our Company's Lanjigarh Unit ("Accused") pursuant to a strike incident that had occurred in Lanjigarh. The case was filed before the Sub-Divisional Judicial Magistrate Court, Bhawanipatna ("SDJM Court"). An application for anticipatory bail was filed before the Orissa High Court ("High Court") against the FIRs and our Company received a favourable order which was later vacated by the High Court. Our Company approached the High Court under Section 482 of the Code of Criminal Procedure, 1973 praying for interim protection to the Accused which was granted by the High Court vide Order dated 03 March 2020 ("Interim Order"). Thereafter, the High Court vacated the Interim Order vide its final order dated 21 April 2023 stating that all pleas may be taken before the SDJM Court at the appropriate stage. The matter is currently pending before the SDJM Court.

- (vii) Vedanta Ltd & ors v. State, Criminal Petition 9612/2021 & Conservator Forest Officer v. Sesa Sterlite & ors CC 662/2015

The Forest Department, Government of Karnataka had registered forest case bearing FOC No.2/2014-2015 dated 15 April 2014 against our Company and ex-employees under the provisions of the Karnataka Forest Act, 1963 for forming a road falling within the limits of Nirthadi Reserve Forest and for using the road for mining operations. The Court of Principle Civil Judge, Holalkere ("District Court") had passed order dated 03 August 2015 ("Order") taking cognizance of the matter on the basis of the criminal complaint and chargesheet filed. Our Company filed writ petition before the High Court of Karnataka ("High Court") against the Order on the ground that charges framed by Forest Authorities against our Company fall under the category of non-cognizable cases and non-cognizable cases cannot be registered without the permission of the magistrate and following procedure under Section 155 (2) of the Code of Criminal Procedure, 1973. The High Court has granted stay of all proceedings before the District Court till the next date of hearing. The matter is currently pending.

#### D. Direct Tax Litigation

##### a. Material Direct Tax Litigations having exposure above materiality threshold i.e., ₹ 400 crores (as per SEBI LODR Regulations):

- (i) For the assessment year 2010-2011 ("Assessment Year"), the Assistant Commissioner of Income Tax, Panaji, Goa ("Assessing Officer") issued a notice to our Company for reopening the case under Section 148 of the Income Tax Act, 1961 ("Act") for the Assessment Year. The Assessing Officer furnished reasons for reopening the case on account of, examination of deductions claimed under Section 10B of the Act, pricing for iron ore exported basis the report of the Justice M.B. Shah Commission on mining, among others, tax claims of which aggregated to ₹ 565 crores ("Assessment Notice"). Aggrieved by the Assessment Notice, our Company has filed a writ petition before the Bombay High Court of Bombay at Goa. The matter is currently pending.
- (ii) For the assessment year 2011-2012 ("Assessment Year"), our Company filed income tax return before the income tax authorities. The Joint Commissioner of Income Tax, Panaji, Goa ("Assessing Officer") passed an order against our Company under Section 143(3) of the Act disallowing certain claims, expenses under Section 14A of the Act, demurrage charges, additional depreciation, deductions under Section 10-B of the Act, among others, tax claims of which aggregated to ₹ 618 crores ("Assessment Order"). Aggrieved by the Assessment Order, our Company has filed an appeal before the Commissioner of Income Tax (Appeals), Panaji, Goa. The matter is currently pending.
- (iii) For the assessment year 2012-2013 ("Assessment Year"), our Company filed income tax return before the income tax authorities under the provisions of the Income Tax Act, 1961 ("Act"). The Assistant Commissioner of Income Tax, Panaji, Goa ("Assessing Officer") passed an order against our Company under Section 143(3) read with Section 144C(13) of the Act. The Assessing Officer disallowed certain claims, expenses under Section 14A of the Act, provisions made for liabilities, demurrage charges, among others, tax claims of which aggregated to ₹ 1,016 crores ("Assessment Order"). Aggrieved by the Assessment Order, our Company has filed an appeal before the Income Tax Appellate Tribunal, Panaji, Goa. The matter is currently pending.



*Edwin Jafu -*



- (iv) For the assessment year 2013-2014 ("**Assessment Year**"), our Company filed income tax return before the income tax authorities under the provisions of the Income Tax Act, 1961 ("**Act**"). The Assistant Commissioner of Income Tax, Panaji, Goa ("**Assessing Officer**") passed an order against our Company under Section 143(2) read with Sections 92CA and 144C (3), 144C(4) of the Act. The Assessing Officer disallowed certain claim, expenses under Section 14A of the Act, demurrage charges, additional depreciation, claim of losses, among others, tax claims of which aggregated to ₹ 873 crores ("**Assessment Order**"). Aggrieved by the Assessment Order, our Company has filed an appeal before the Commissioner of Income Tax (Appeals). The matter is currently pending.
- (v) For the assessment year 2014-2015 ("**Assessment Year**"), our Company filed return before the income tax authorities under the provisions of the Income Tax Act, 1961 ("**Act**"). The Assistant Commissioner of Income Tax, New Delhi passed an order against our Company under Section 143(3) read with Section 144C(13) of the Act and disallowed certain claims, expenses under Section 14A of the Act, additional depreciation, CSR expenses, and added certain receivables, among others, tax claims of which aggregated to ₹ 935 crores ("**Assessment Order**"). Aggrieved by the Assessment Order, our Company filed an appeal before the Income Tax Appellate Tribunal ("**ITAT**"). The ITAT, *inter alia*, allowed the claim for expenses under Section 14A of the Act and partly allowed the appeal ("**ITAT Order**"). Aggrieved by the ITAT Order, our Company filed an appeal before the High Court of Delhi ("**High Court**"). The High Court partly admitted the appeal and on certain other claims remanded the matter to ITAT. The matter is currently pending.
- (vi) For the assessment year, 2015-2016 ("**Assessment Year**"), our Company filed return before the income tax authorities, under the provisions of the Income Tax Act, 1961 ("**Act**"). The National Faceless Assessment Centre, Income Tax Department, under Section 143(3) read with Section 144B of the Act, disallowed certain expenses, claim of deduction under Section 14A, additional depreciation, expenditure incurred on iron ore mines, among others, tax claims of which aggregated to ₹1,140 crores ("**Assessment Order**"). Aggrieved by the Assessment Order, our Company filed an appeal before the Income Tax Appellate Tribunal. The matter is currently pending.

**b. Total Direct Tax Litigations**

S. No.	No. of Cases	Amount in dispute/ demanded (in ₹Crore)*
1.	125	10,563

\* To the extent quantifiable.

**E. Indirect Tax Litigation**

**a. Total Indirect Tax Litigations**

S. No.	No. of Cases	Amount in dispute/ demanded (in ₹Crore)*
1.	692	10,624

\* To the extent quantifiable.



*Handwritten signature in blue ink.*



The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Details to be submitted by Vedanta Limited, in case of demerger where there is no change in shareholding pattern of Demerged Company and the Resulting Companies (i.e., mirror shareholding)**

1. This Certificate is issued in accordance with the terms of our agreement with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying Statement showing Details to be submitted by the company in case of demerger where there is no change in shareholding pattern of Demerged Company and the Resulting Companies (i.e., mirror shareholding) including:
  - (i) Details of assets, liability, revenue and net worth of the Companies involved in the scheme, both pre and post scheme of arrangement;
  - (ii) Assets, liability, revenue and net worth of the demerged undertakings along with a write up on the history of the demerged undertakings;
  - (iii) Comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged entity in last three financial years; and
  - (iv) Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement;

(hereinafter referred collectively as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal for the purposes of the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

#### **Management's Responsibility**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the "Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.



4. The management is also responsible for ensuring that the Company complies with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme.

**Auditor's Responsibility**

5. Pursuant to the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, it is our responsibility to provide whether:

- (i) the details of Pre Scheme assets, liabilities, net worth and revenue of the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 as at and for the half year ended 30 September 2024 have been accurately extracted from the unaudited financial statements of Vedanta Limited for the half year ended 30 September 2024, unaudited financial statements of Resulting Company 1 for the half year ended 30 September 2024, unaudited financial statements of Resulting Company 2 for the half year ended 30 September 2024, unaudited financial statements of Resulting Company 3 for the half year ended 30 September 2024, and unaudited financial statements of Resulting Company 4 for the half year ended 30 September 2024 respectively, and pre Scheme revenue of the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 for the financial year ended 31 March 2024 have been accurately extracted from the audited financial statements of these companies for the year ended 31 March 2024;
- (ii) the details of assets, liabilities, net worth and revenue of the Demerged Undertakings as at and for the half year ended 30 September 2024 have been accurately extracted from the accounting records and books of accounts basis which the unaudited financial statements of the Company for the half year ended 30 September 2024 are prepared and agreed to and revenue of the Demerged Undertakings for the financial year ended 31 March 2024 have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2024;
- (iii) the details of Post Scheme assets, liabilities and net worth of the Demerged Company and Resulting Companies as at 30 September 2024 have been accurately computed in accordance with the Scheme;
- (iv) the amounts in the Statement that form part of the Net Worth computation of the Company for the financial years 2023-24, 2022-23 and 2021-22 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, respectively;
- (v) the computation of net worth is arithmetically correct;
- (vi) the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
- (vii) the allocation of Net Worth amongst demerged undertakings is arithmetically correct;



- (viii) the amounts of turnover of the demerged undertakings for the financial years 2023-24, 2022-23 and 2021-22 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, respectively;
  - (ix) the percentage wise contribution of the demerged undertakings to the total net worth and turnover of the Company is arithmetically correct;
  - (x) details of the History of Demerged undertakings are in conformity with historical annual reports of the Company, business understanding and as certified by the management; and
  - (xi) rationale for arriving at the Swap ratio for issuance of shares in the Scheme is in conformity with the report obtained by the Company from the independent valuer.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- (i) agreed the amounts in the Statement to the unaudited financial statements of the Company for the period ended 30 September 2024 and audited financial statements of the Company for the years ended 31 March 2024 and 31 March 2023 and other underlying records forming part of unaudited/ audited financial statements of the Company, so far it relates to the Company and demerged undertakings;
  - (ii) agreed the amounts in the Statement to the unaudited financial statements of the Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 for the half year ended 30 September 2024 and audited financial statements for the year ended 31 March 2024, respectively and other underlying records forming part of these unaudited financial statements of the Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4, so far it relates to the Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4;
  - (iii) obtained the Scheme and ensure the Post Scheme numbers included in the Statement are computed in accordance with the Scheme;
  - (iv) obtained the report of the independent valuer and examined whether rationale for arriving at the Swap ratio for issuance of shares in the Scheme included in the statement is in conformity with the valuation reports;
  - (v) verified that details of the History of Demerged undertakings are in conformity with historical annual reports of the Company.



- (vi) Tested the arithmetical and clerical accuracy of the Statement;
- (vii) Performed necessary inquiries with the management and obtained necessary representations.

#### Opinion

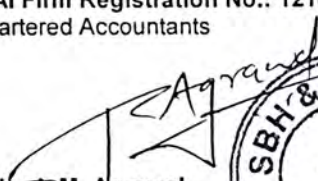
9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
  - (i) the details of Pre Scheme assets, liabilities, net worth and revenue of the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 as at and for the half year ended 30 September 2024 have been accurately extracted from the unaudited financial statements of Vedanta Limited for the half year ended 30 September 2024, unaudited financial statements of Resulting Company 1 for the half year ended 30 September 2024, unaudited financial statements of Resulting Company 2 for the half year ended 30 September 2024, unaudited financial statements of Resulting Company 3 for the half year ended 30 September 2024 and unaudited financial statements of Resulting Company 4 for the half year ended 30 September 2024 respectively, and pre Scheme revenue of the Demerged Company, Resulting Company 1, Resulting Company 2, Resulting Company 3 and Resulting Company 4 for the financial year ended 31 March 2024 have been accurately extracted from the audited financial statements of these companies for the year ended 31 March 2024;
  - (ii) the details of assets, liabilities, net worth and revenue of the Demerged Undertakings as at and for the half year ended 30 September 2024 have been accurately extracted from the accounting records and books of accounts basis which the unaudited financial statements of the Company for the half year ended 30 September 2024 are prepared and agreed to and revenue of the Demerged Undertakings for the financial year ended 31 March 2024 have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2024;
  - (iii) the details of Post Scheme assets, liabilities and net worth of the Demerged Company and Resulting Companies as at 30 September 2024 have been accurately computed in accordance with the Scheme;
  - (iv) the amounts in the Statement that form part of the Net Worth computation of the Company for the financial years 2023-24, 2022-21 and 2021-22 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, respectively;
  - (v) the computation of net worth is arithmetically correct;
  - (vi) the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - (vii) the allocation of Net Worth amongst demerged undertakings is arithmetically correct;
  - (viii) the amounts of turnover of the demerged undertakings for the financial years 2023-24, 2022-23 and 2021-22 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2024, 31 March 2023 and 31 March 2022, respectively;
  - (ix) the percentage wise contribution of the demerged undertakings to the total net worth and turnover of the Company is arithmetically correct;

- (x) details of the History of Demerged undertakings are in conformity with historical annual reports of the Company, business understanding and as certified by the management; and
- (xi) rationale for arriving at the Swap ratio for issuance of shares in the Scheme is in conformity with the report obtained by the Company from the independent valuer.

**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

  
Rakesh M. Agrawal  
Partner

Membership No.: 124943

UDIN: 25124943

Place: Bhiwandi

Date: 02 January 2025



BMGYAT3900



Annexure to the Certificate dated 02 January 2025 issued by SBH & CO regarding Explanatory Statement accompanying the Notices convening meeting of the equity shareholders, secured creditors and unsecured creditors of Vedanta Limited pursuant to the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal for the purposes of the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

**I. Details of assets, liability, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement**

**PRE SCHEME**

Particulars	Vedanta Limited	Talwandi Sabo Power Limited	Malco Energy Limited	Vedanta Aluminium Metal Limited	Vedanta Iron and Steel Limited
Assets*	1,59,555	10,288	1,023	0.02	0.02
Liabilities*	84,214	6,683	1,196	0.04	0.04
Net Worth*	46,533	3,606	(172)	(0.02)	(0.02)
Revenue for the half year ended 30 September 2024	34,390	2,843	242	-	-
Revenue for the year ended 31 March 2024	69,663	5,267	616	-	-

\*As at 30 September 2024

**POST SCHEME\*\***

(Rs in Crores)

Particulars	Talwandi Sabo Power Limited	Malco Energy Limited	Vedanta Aluminium Metal Limited	Vedanta Iron and Steel Limited	Vedanta Limited (Residual)
Assets	18,780	29,154	55,331	7,173	62,254
Liabilities#	7,367	15,647	50,366	4,388	16,149
Net Worth	8,206	13,507	4,965	2,785	43,230

\*\* Adjustments for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 September 2024. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

# Adjustments for the effect of demerger is provisional and is calculated based on the ongoing discussion with the lenders.

**Notes:**

Net worth is calculated as defined under section 2(57) of the Companies Act, 2013:

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394





unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.”

**II. A) Assets, liability, revenue and net worth of the demerged undertakings along with a write up on the history of the demerged undertakings**

(Rs in Crores)

Particulars	Aluminium Undertaking	Merchant Power Undertaking	Oil and Gas Undertaking	Iron Ore Undertaking
Assets*	55,331	8,492	28,131	7,173
Liabilities*	50,366	684	14,451	4,388
Net Worth**	3,066	4,822	8,449	1,720
Revenue for the half year ended 30 September 2024	20,309	491	3,218	2,446
Revenue for the year ended 31 March 2024	35,743	730	9,555	8,647

\*Indicative numbers as at 30 September 2024 based on respective undertakings' provisional financial statements

\*\* Net Worth of Vedanta Limited apportioned basis the Net Assets of the respective Demerged undertakings as at 30 September 2024

**B) History of the Demerged Undertakings**

**a. ALUMINIUM UNDERTAKING**

Vedanta's aluminium business is in Chhattisgarh and Odisha. Vedanta operates the business in the state of Chhattisgarh through BALCO, and aluminium operations in Odisha is a division of Vedanta Limited. Vedanta's primary products in this business segment are aluminium ingots, wire rods, billet and rolled products.

Vedanta Limited has a 51.0% ownership interest in BALCO as of 31 March 2024 and the remaining 49.0% is held by the GoI. BALCO's operations at Chhattisgarh include 245,000 TPA aluminum smelter, and a 325,000 TPA aluminium smelter, fabrication facilities, 1410 MW captive power plant (270 MW under suspension), 600MW independent power plant, an alumina refinery (operations of which have been suspended since September 2009), two bauxite mines (operations currently being suspended), the Chotia coal block (operated and exhausted the coal reserves) and an unexplored coal block – Barra.

Vedanta's aluminium operations in Odisha were earlier operated through Vedanta Aluminium Limited, which has since merged with Vedanta Limited pursuant to the reorganization transactions. Vedanta Limited's operations in Odisha include a 3.5 MTPA alumina refinery at Lanjigarh, with associated 140 MW captive power plant. In addition, Vedanta has a greenfield 0.55 MTPA aluminium smelter, together with an associated 1,215 MW captive power plant (nine units with a capacity of 135 MW each). Vedanta Limited also has another 1.25 MTPA aluminium smelter in Jharsuguda which is the SEZ unit, with associated 1,800 MW (three units of 600 MW) coal-based captive power plant. This facility initially commenced production on 1 December 2015. Vedanta has a total capacity of 1930 pots (608 pots in plant 1 and 1322 pots in plant 2). Vedanta also has a captive mine at Jamkhani which has a capacity of 2.6 MTPA.



**VEDANTA LIMITED**

REGISTERED OFFICE: Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394



**b. MERCHANT POWER UNDERTAKING**

Merchant Power Undertaking of Vedanta Limited (VEDL) comprises of the following:

**i) 600 MW Thermal Power Plant at Jharsuguda, Odisha**

- The company currently operates 600 MW thermal coal-based commercial power facility at Jharsuguda and it has a power purchase agreement with GRIDCO Limited, a state-owned undertaking of the state government of Odisha ("GRIDCO").

**ii) Talwandi Sabo Power Limited**

- TSPL is a wholly-owned subsidiary of Vedanta Limited and operates a 1980 MW coal-based thermal power plant at Mansa, Punjab which was acquired by Vedanta in September 2008 through an International Competitive Bidding Process for sale of its power to PSPCL under a 25-year PPA.

**iii) Athena Chhattisgarh Power Limited**

- 1200 MW thermal power plant being set up by erstwhile Athena Chhattisgarh Power Limited (ACPL) was acquired by Vedanta Limited under the liquidation proceedings of IBC through NCLT vide order dated 17<sup>th</sup> July 2023.
- The first 600 MW unit is ~ 80% completed whereas second unit is ~20% complete. Entire 1200 MW project is estimated to be fully complete by FY 2026.

**iv) Meenakshi Energy Limited**

- Meenakshi Energy Limited (MEL) has set up a 1000 MW coal-based power plant in Nellore district of Andhra Pradesh.
- CIRP proceedings started against MEL wherein Vedanta Limited's resolution plan for acquisition of MEL under the CIRP, in accordance with the provisions of the IBC was approved by NCLT in August 2023.
- Entire capacity is expected to be made fully operational by March 2024.

**c. OIL AND GAS UNDERTAKING**

- Vedanta's oil and gas business is primarily owned and operated by Vedanta Limited and its subsidiary, CIHL (Jersey). The oil and gas business segment has a diversified asset base with 62 blocks in India. The blocks are primarily located across the Indian basins in Barmer, Krishna-Godavari, Cambay, Assam, Gujarat Kutch and Cauvery.
- Vedanta's oil and gas business is primarily engaged in the business of exploration, development and production of crude oil, gas and related by-products.
- Vedanta Limited's operatorship and participating interest for all oil and natural gas blocks is either through production sharing contracts or revenue sharing contracts. Blocks contributing to majority of production are:

SI No.	Name of block	Location
1.	RJ-ON-90/1	Rajasthan
2.	Ravva oil and gas field	Offshore Andhra Pradesh

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Sl No.	Name of block	Location
3.	CB/OS – 2	Gujarat
4.	KG-ONN-2003/1	Andhra Pradesh
5.	CB-ONHP-2017/2 (Jaya)	Cambay

**a. Rajasthan, RJ-ON-90/1 block, Barmer Basin (operator, 70.0% participating interest)**

- The Rajasthan, RJ-ON-90/1 (the "Rajasthan Block") is an onshore block. Vedanta Limited holds 35% participating interest in the Rajasthan Block and the remaining 35% interest being held by Cairn Energy Hydrocarbons Limited (UK), which is a wholly-owned subsidiary of Vedanta Limited. Vedanta's joint operation partner, ONGC, has a 30% participating interest. Pursuant to GOI's approval for extension vide letter dated 26 October 2018, the parties to RJ PSC have executed the addendum for PSC extension for 10 years from 15 May 2020 to 14 May 2030 on 27 October 2022.

**b. Cambay, CB/OS-2 block, Cambay Basin (operator, 40.0% participating interest)**

- The Cambay CB/OS-2 (the "Cambay Block") is an offshore block which is located in the Cambay Basin of the state of Gujarat in western India. The operations of Vedanta's oil and gas business in the Cambay Block are centered on the Lakshmi and Gauri oil and gas fields and the CB-X development area. Vedanta's oil and gas business, along with its Joint venture partners ONGC (50%) and Invenire Energy Private Limited (10%), commenced its gas production from the Lakshmi gas field in 2002 and from the Gauri field in 2004. Production of co-mingled crude oil, which consists of crude oil plus condensate, from the Gauri field commenced in 2005. The Cambay Block PSC was originally valid until 2023, and the extension application was filed by the Cambay Joint Operating Partners under MoPNG Policy dated 7 April 2017 (the "Pre-NELP Extension Policy") for the grant of extension to the PSC, for a period of ten years beyond the existing PSC period (i.e., till 29 June 2033), to commercially monetize the remaining resources. However, whilst waiting for extension to be granted, the GoI allowed petroleum operations in Cambay Block until the earlier of the execution of the Cambay PSC addendum or September 29, 2024. as of date, discussions are on with GoI for extension of the block.

**c. Ravva, PKGM-1 block, Krishna-Godavari Basin, Eastern India (operator, 22.5% participating interest)**

- Vedanta's oil and gas business production operations in the Krishna-Godavari Basin are centered on the Ravva PKGM-1 (the "Ravva Block"), lying off the coast of Andhra Pradesh in Eastern India. Developed in partnership with ONGC, Videocon Industries Limited and Ravva Oil Singapore, Vedanta's oil and gas business became the operator of Ravva Block in 1996. As of date, Vedanta Limited held a 22.5% working interest in the Ravva Block with the remaining interests currently held by ONGC (40.0%), Videocon Industries Limited (25.0%) and Ravva Oil Singapore (12.5%) (together the "Ravva Joint Operating Partners"). The Ravva Block PSC was originally valid until 27 October 2019 and was extended for 10 years by the GoI in accordance with the provision of the "Policy on the Grant of the extension to PSC signed by Government awarding small, medium sized and discovered field to private joint ventures".

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CIN: L13209MH1965PLC291394



dated 28 March 2016. The PSC addendum recording this extension has been executed by all parties.

**d. KG Onshore, KG-ONN-2003/1, Krishna-Godavari Basin (49.0% participating interest)**

- The onshore block KG-ONN-2003/1, located in the Krishna-Godavari basin in the state of Andhra Pradesh, was awarded in NELP V round to a joint venture between Vedanta Limited and ONGC. Vedanta Limited's oil and gas business and ONGC entered into a PSC on 23 September 2005 (the "KG-ONN-2003/1 PSC"). Vedanta Limited—oil and gas business has 49% participating interest in the block as a non operator.

**e. KG Offshore, KG-OSN-2009/3, Krishna-Godavari Basin (operator, 100.0% participating interest)**

- The block is currently in the initial exploration phase and several extensions were sought due to delays and access restrictions imposed by Ministry of Defence. Further, due to the COVID-19 pandemic, force majeure was invoked in the block on the grounds that the pandemic made it impossible to conduct petroleum operations. Vedanta's oil and gas business applied for the surrender of the block due to the absence to the limited access, rendering petroleum operations impossible to be carried out. As of the date, discussions with the DGH on this matter are still ongoing.

**f. Open Acreage Licensing Policy (100% participating interest)**

- Under the OALP, revenue-sharing contracts have been signed for 41 blocks in October 2018 and for 10 exploration blocks as part of the OALP Round II and III in July 2019. These blocks offer a rich conventional and unconventional resource play. Of 51 blocks, five onshore blocks in the Krishna-Godavari region have been relinquished during Fiscal Year 2023. The secured blocks increased the acreage of Vedanta's oil and gas business by approximately > 50,000 sq km.
- The company intend to continue the exploration across Rajasthan, Cambay, and North-east in Fiscal Year 2025 to unlock the full potential of the OALP blocks.

**g. Discovered Small Fields and Coal Bed Methane (100% participating interest)**

- Vedanta's oil and gas business has won two discovered small fields in DSF Round II named as Hazarigaon and Kaza gas field located in Assam and Krishna-Godavari basins respectively. These discovered fields are providing synergy to existing Vedanta's oil and gas business blocks in the vicinity.
- During Fiscal Year 2023, Vedanta's oil and gas business secured further eight blocks in the DSF Round III bid and one block in special coal bed methane round bid in 2021.



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#### d. IRON ORE UNDERTAKING

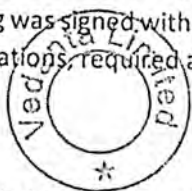
Vedanta's iron ore business includes exploration, mining and processing of iron ore and comprises operations in India and Liberia.

- **Vedanta Limited:** Vedanta Limited operates Vedanta's iron ore business in Goa, Maharashtra and Karnataka, India.
- **Western Cluster Limited:** WCL was incorporated in Liberia and is headquartered in Monrovia, Liberia. WCL's assets include development rights to the Western Cluster, a network of iron ore deposits in West Africa.
- Vedanta's iron ore business includes exploration, mining and processing of iron ore and comprises operations in India and Liberia.
- In addition, Vedanta Limited also operates two waste heat recovery plants of 30 MW and 35 MW, respectively in Goa.
- Vedanta's mining operations are carried out in the states of Goa and Karnataka, both of which became subject to suspension of mining activities due to alleged environmental and other violations by miners, which has adversely impacted the production of iron ore since August 2011. The suspension was imposed by the State Government of Goa and this suspension was upheld by the Supreme Court of India on the mining activities in the state of Goa from September 2012 to April 2014. Following the Supreme Court of India's order in April 2014, High Court of Bombay at Goa in August 2014 pronounced the order to renew mining leases in Goa. The MoEF and the state government also revoked their suspension orders subject to limits imposed by the Supreme Court of India, for renewal of the leases and consent to operate from the State Government of Goa. In August 2015, the mining operations resumed in the principal mines after completion of necessary statutory formalities and fulfilment of conditions annexed by Supreme Court of India and the State Government of Goa. The Supreme Court of India passed its final order in the matter on 7 February 2018 wherein it set aside the second renewal of the mining leases granted by the State of Goa. The Supreme Court of India directed all lease holders operating under a second renewal to stop all mining operations with effect from 16 March 2018 until fresh mining leases (not fresh renewals or other renewals) and fresh environmental clearances are granted under the Mines and Minerals (Development and Regulation) (MMDR) Act. The mining leases are presently being granted in the State of Goa through auction route.
- Operations in Karnataka resumed from 28 February 2015 after receiving all statutory clearances.
- Vedanta Limited won the Bicholim and Cudnem mines in the Goa State Government e-auction and a composite license for Sasoli Iron Ore Block in Maharashtra. The letter of intent was received in January 2023, July 2023 and December 2023, respectively.
- On 25 July 2011, Vedanta Limited acquired a 51.0% ownership interest in Western Cluster Limited (WCL), a Liberian iron ore exploration company which was a wholly-owned subsidiary of Elenilto Minerals and Mining LLC ("Elenilto"), for a cash consideration of \$90.0 million. On 20 December 2012, Vedanta Limited acquired the remaining 49.0% of the outstanding common shares of WCL from Elenilto for a cash consideration of \$33.5 million. However, due to the outbreak of Ebola in Liberia, Vedanta Limited's project was temporarily suspended in August 2014 as the staff had to be evacuated. Since then, iron ore prices have fallen significantly, due to which it was considered not viable to resume operations. In April 2022, a memorandum of understanding was signed with government of Liberia which settles matters such as outstanding financial obligations, required approvals, etc. In June 2022, the Environment Protection Agency

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(EPA) permit was received to commence mining operations. Mining Operations have started in the same month at Bomi mines.

- Goa Energy Limited, which merged into Vedanta Limited on 24 March 2015, owned one of the 30 MW waste heat recovery power plants in Goa which generates power from the waste gases of the metallurgical coke plant and blast furnace.
- In October 2015, Vedanta Limited proposed to the State of Jharkhand to set up a 1 mtpa pig iron plant in Jharkhand, for Dhobil mining lease. On 6 May 2016, a memorandum of understanding for the first phase was signed between the State Government of Jharkhand and Vedanta Limited to set up a 1 mtpa hot metal plant. Further on 1 November 2017, the memorandum of understanding for the second phase was signed. The exploration drilling in the lease area commenced in May 2017 and a report was submitted to the State Government of Jharkhand in October 2017. The exploration report was examined by a technical committee comprising experts from Geological Survey of India, IBM and state geology and mining departments. In March 2018, the technical committee approved the report for issuing of letter of intent to Vedanta Limited for grant of a mining lease for Dhobil iron ore mine. In March 2021, the GoI amended the MMDR Act, which nullified Vedanta's claim for mining lease in the Dhobil iron ore deposit. Vedanta Limited challenged the removal of its rights over the lease. Vedanta Limited is still awaiting the letter of intent to further carry on the process.

**III. Comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged entity in last three financial years**

(Rs in Crores, except as stated)

Particulars	Financial Year	Net Worth*	% to total	Turnover	% to total
<b>Demerged undertakings:</b>					
Aluminium Undertaking	2023-24	7,988	22%	35,744	51%
	2022-23	13,493	35%	39,950	60%
	2021-22	17,801	36%	38,371	61%
Merchant Power Undertaking	2023-24	3,198	9%	730	1%
	2022-23	2,902	7%	827	1%
	2021-22	3,073	6%	569	1%
Oil and Gas Undertaking	2023-24	4,969	13%	9,555	14%
	2022-23	5,427	14%	8,137	12%
	2021-22	7,583	15%	6,622	10%
Iron Ore Undertaking	2023-24	1,067	3%	8,647	12%
	2022-23	430	1%	5,928	9%
	2021-22	(114)	0%	6,143	10%
<b>Other undertakings:</b>					
Residual Vedanta	2023-24	19,589	53%	14,988	22%
	2022-23	16,853	43%	12,351	18%
	2021-22	21,027	43%	11,096	18%

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Total	2023-24	36,811	100%	69,664	100%
	2022-23	39,105	100%	67,193	100%
	2021-22	49,370	100%	62,801	100%

*\* Net Worth of Vedanta Limited as per audited financial statements for the respective financial years apportioned basis the Net Assets of the respective Demerged undertakings.*

**IV. Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement**

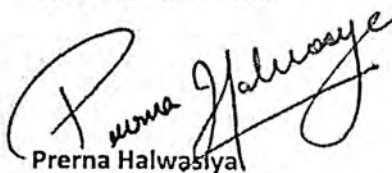
**Rationale for the 1:1 share entitlement ratio under the Scheme**

Upon the scheme being effective, the shareholding pattern of Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") will be identical. All the shareholders of Demerged Company would also become the shareholders of Resulting Companies and every shareholder of Demerged Company will hold same percentage of equity ownership in Resulting Companies as owns in Demerged Company and accordingly their shareholding in Resulting Companies would mirror their existing shareholding in Demerged Company prior to the Scheme.

Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Resulting Companies shall be identical to that of Demerged Company. The beneficial economic interest of Demerged Company's shareholders in Resulting Companies will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the proposed demerger will be value-neutral to the Demerged Company's shareholders.

Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary.

For Vedanta Limited



Prerna Halwasiya

Company Secretary & Compliance Officer  
ACS: A20856



Place: New Delhi

Date: 02 January 2025



**VEDANTA LIMITED**

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The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Statement of Computation of Pre and Post Scheme  
Net worth of Vedanta Limited as at 30 September 2024**

1. This Certificate is issued in accordance with the terms of our agreement with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying Statement of Net Worth as at 30 September 2024 of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal for the purposes of the Scheme of Arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility for the Statement**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the "Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme.

**Auditor's Responsibility**

5. Pursuant to the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, it is our responsibility to provide whether:
  - (i) the amounts in the Statement that form part of the Pre-Scheme Net Worth computation as at 30 September 2024 have been accurately extracted from the unaudited financial statements for the period ended 30 September 2024;



- (ii) the amounts in the Statement that form part of the Post Scheme Net Worth computation as at 30 September 2024 have been accurately computed in accordance with the Scheme;
  - (iii) the computation of net worth in the statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- i. Agreed the amounts in the attached Statement, to the unaudited financial statements of the Company as at and for the period ended 30 September 2024 and other underlying records forming part of unaudited financial statements of the Company, as referred in paragraph 5 above;
  - ii. Verified the arithmetical and clerical accuracy of the Statement;
  - iii. Agreed the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - iv. Obtained the Scheme and observed that the net assets/liabilities to be transferred under the Scheme is calculated in accordance with the Scheme; and
  - v. Obtained necessary representations from management.

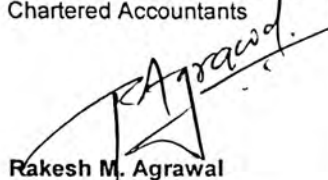
#### Opinion

9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
- (i) the amounts in the Statement have been accurately extracted from the unaudited books of account of the Company for the period ended 30 September 2024;
  - (ii) the post scheme Net worth as adjusted for the effect of demerger based on provisional net carrying value of demerged undertakings is in accordance with the Scheme;
  - (iii) the computation of pre-scheme and post scheme net worth in the Statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.

Restriction on Use

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

  
Rakesh M. Agrawal  
Partner

Membership No.: 124943

UDIN: 25124943BMGYAR8859

Place: Bhiwandi

Date: 02 January 2025





Annexure to the Certificate dated 02 January 2025 Issued by SBH & CO regarding computation of Provisional Pre-Demerger and Post-Demerger Net Worth of Vedanta Limited as at 30 September 2024 for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Name of the Company: Vedanta Limited

Statement of Net Worth as at 30 September 2024

(Rs in Crores)

Particulars	Pre-demerger	Post-demerger <sup>#</sup>
Issued, subscribed and paid-up equity share capital	391	391
<b>Reserves &amp; Surplus:</b>		
Securities Premium	27,424	24,121
Capital Redemption Reserve (including Preference Share Redemption Reserve)	3,125	3,125
General Reserve	12,587	12,587
Retained earnings/ Surplus in Statement of Profit and Loss	2,755	2,755
Share based Payment Reserve	251	251
<b>Net Worth as at 30 September 2024</b>	<b>46,533</b>	<b>43,230</b>

<sup>#</sup> Net worth adjusted for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 September 2024. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

Notes:

- For the purpose of preparation of aforesaid statement of net worth, net worth is calculated as defined under section 2(57) of the Companies Act, 2013.

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation."

For Vedanta Limited

Prerna Halwasiya

Company Secretary & Compliance Officer  
ACS: A20856



Place: New Delhi  
Date: 02 January 2025

#### VEDANTA LIMITED

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The Board of Directors  
Vedanta Aluminium Metal Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Statement of Computation of Pre and Post Scheme  
Net worth of Vedanta Aluminium Metal Limited as at 30 September 2024**

1. This Certificate is issued in accordance with the terms of our agreement with Vedanta Aluminium Metal Limited (hereinafter the "Resulting Company 1" or the "Company").
2. The accompanying Statement of Net Worth as at 30 September 2024 of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal for the purposes of the Scheme of Arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility for the Statement**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme.

**Auditor's Responsibility**

5. Pursuant to the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, it is our responsibility to provide whether:
  - (i) the amounts in the Statement that form part of the Pre Scheme Net Worth computation as at 30 September 2024 have been accurately extracted from the unaudited financial statements for the period ended 30 September 2024;
  - (ii) the amounts in the Statement that form part of the Post Scheme Net Worth computation as at 30 September 2024 have been accurately computed in accordance with the Scheme;
  - (iii) the computation of net worth in the statement is arithmetically correct; and



- (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- Agreed the amounts in the attached Statement, to the unaudited financial statements of the Company as at and for the period ended 30 September 2024 and other underlying records forming part of unaudited financial statements of the Company, as referred in paragraph 5 above;
  - Verified the arithmetical and clerical accuracy of the Statement;
  - Agreed the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - Obtained the Scheme and observed that the net assets/liabilities to be transferred under the Scheme is calculated in accordance with the Scheme; and
  - Obtained necessary representations from management.

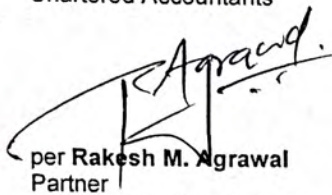
**Opinion**

9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
- the amounts in the Statement have been accurately extracted from the unaudited books of account of the Company for the period ended 30 September 2024;
  - the post scheme Net worth as adjusted for the effect of demerger based on provisional net carrying value of demerged undertakings is in accordance with the Scheme;
  - the computation of pre-scheme and post scheme net worth in the Statement is arithmetically correct; and
  - the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.

**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

  
per Rakesh M. Agrawal  
Partner



Membership No.: 124943

UDIN: 25124943BM6YAQ4708

Place: Bhiwandi

Date: 02 January 2025



## VEDANTA ALUMINIUM METAL LIMITED

Annexure to the Certificate dated 02 January 2025 issued by SBH & CO regarding computation of Provisional Pre-Demerger and Post-Demerger Net Worth of Vedanta Aluminium Metal Limited as at 30 September 2024 for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Name of the Company:** Vedanta Aluminium Metal Limited

**Statement of Net Worth as at 30 September 2024**

(Rs in Crores)

Particulars	Pre-demerger	Post-demerger <sup>#</sup>
Issued, subscribed and paid-up equity share capital	0.01	391
<b><u>Reserves &amp; Surplus:</u></b>		
Securities Premium	-	4,573
Retained earnings/ Deficit in Statement of Profit and Loss	(0.03)	(0.03)
<b>Net Worth as at 30 September 2024</b>	<b>(0.02)</b>	<b>4,964</b>


<sup>#</sup> Net worth adjusted for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 September 2024. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

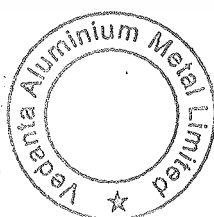
**Notes:**

- For the purpose of preparation of aforesaid statement of net worth, net worth is calculated as defined under section 2(57) of the Companies Act, 2013.

*"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation."*

**For Vedanta Aluminium Metal Limited**

  
**Pankaj Jha**  
Director



Place: *Thersuguda*  
Date: *2nd Jan 2025*

The Board of Directors  
Talwandi Sabo Power Limited  
Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Statement of Computation of Pre and Post Scheme  
Net worth of Talwandi Sabo Power Limited as at 30 September 2024**

1. This Certificate is issued in accordance with the terms of our agreement with Talwandi Sabo Power Limited (hereinafter the "Resulting Company 2" or the "Company").
2. The accompanying Statement of Net Worth as at 30 September 2024 of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal for the purposes of the Scheme of Arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility for the Statement**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the "Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme.

**Auditor's Responsibility**

5. Pursuant to the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, it is our responsibility to provide whether:
  - (i) the amounts in the Statement that form part of the Pre Scheme Net Worth computation as at 30 September 2024 have been accurately extracted from the unaudited financial statements for the period ended 30 September 2024;



- (ii) the amounts in the Statement that form part of the Post Scheme Net Worth computation as at 30 September 2024 have been accurately computed in accordance with the Scheme;
  - (iii) the computation of net worth in the statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- i. Agreed the amounts in the attached Statement, to the unaudited financial statements of the Company as at and for the period ended 30 September 2024 and other underlying records forming part of unaudited financial statements of the Company, as referred in paragraph 5 above;
  - ii. Verified the arithmetical and clerical accuracy of the Statement;
  - iii. Agreed the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - iv. Obtained the Scheme and observed that the net assets/liabilities to be transferred under the Scheme is calculated in accordance with the Scheme; and
  - v. Obtained necessary representations from management.

**Opinion**

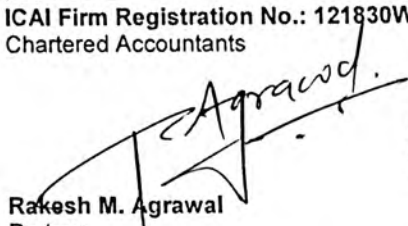
9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
- (i) the amounts in the Statement have been accurately extracted from the unaudited books of account of the Company for the period ended 30 September 2024;
  - (ii) the post scheme Net worth as adjusted for the effect of demerger based on provisional net carrying value of demerged undertakings is in accordance with the Scheme;
  - (iii) the computation of pre-scheme and post scheme net worth in the Statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.



**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

  
Rakesh M. Agrawal  
Partner

Membership No.: 124943

UDIN: 25124943BMGYAP8261

Place: Bhiwandi

Date: 02 January 2025



Annexure to the Certificate dated 02 January 2025 Issued by SBH & CO regarding computation of Provisional Pre-Demerger and Post-Demerger Net Worth of Talwandi Sabo Power Limited as at 30 September 2024 for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Name of the Company: Talwandi Sabo Power Limited

Statement of Net Worth as at 30 September 2024

(Rs in Crores)

Particulars	Pre-demerger	Post-demerger <sup>#</sup>
Issued, subscribed and paid-up equity share capital	3,207	3,910
<b>Reserves &amp; Surplus:</b>		
Securities Premium	-	3,898
Retained earnings/ Surplus in Statement of Profit and Loss	399	399
<b>Net Worth as at 30 September 2024</b>	<b>3,606</b>	<b>8,207</b>

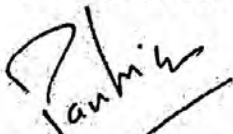
<sup>#</sup> Net worth adjusted for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 September 2024. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

Notes:

- For the purpose of preparation of aforesaid statement of net worth, net worth is calculated as defined under section 2(57) of the Companies Act, 2013.

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation."

For Talwandi Sabo Power Limited

  
Pankaj Kumar Sharma  
Director



Place: Mansa  
Date: 02.01.2025

TALWANDI SABO POWER LIMITED

Site Office: Village Banwala, Mansa - Talwandi Sabo Road, Mansa, Punjab, India, 151302

Registered Office Address: 1<sup>st</sup> Floor, C wing, Unit 103, Corporate Avenue Atul Projects, Chakala, Andheri (East), Mumbai, Maharashtra, 400093

Tel. 91-1659-248000 | Telefax: 01659-248083 website: [www.tsplindia.co](http://www.tsplindia.co)

CIN NO. U40101MH2007PLC433557



The Board of Directors  
MALCO Energy Limited  
Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Statement of Computation of Pre and Post Scheme  
Net worth of MALCO Energy Limited as at 30 September 2024**

1. This Certificate is issued in accordance with the terms of our agreement with MALCO Energy Limited (hereinafter the "Resulting Company 3" or the "Company").
2. The accompanying Statement of Net Worth as at 30 September 2024 of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal for the purposes of the Scheme of Arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility for the Statement**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme.

**Auditor's Responsibility**

5. Pursuant to the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, it is our responsibility to provide whether:



- (i) the amounts in the Statement that form part of the Pre Scheme Net Worth computation as at 30 September 2024 have been accurately extracted from the unaudited financial statements for the period ended 30 September 2024;
  - (ii) the amounts in the Statement that form part of the Post Scheme Net Worth computation as at 30 September 2024 have been accurately computed in accordance with the Scheme;
  - (iii) the computation of net worth in the statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- i. Agreed the amounts in the attached Statement, to the unaudited financial statements of the Company as at and for the period ended 30 September 2024 and other underlying records forming part of unaudited financial statements of the Company, as referred in paragraph 5 above;
  - ii. Verified the arithmetical and clerical accuracy of the Statement;
  - iii. Agreed the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - iv. Obtained the Scheme and observed that the net assets/liabilities to be transferred under the Scheme is calculated in accordance with the Scheme; and
  - v. Obtained necessary representations from management.

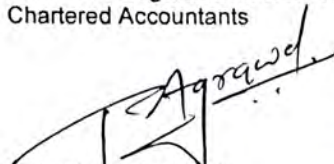
#### Opinion

9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
- (i) the amounts in the Statement have been accurately extracted from the unaudited books of account of the Company for the period ended 30 September 2024;
  - (ii) the post scheme Net worth as adjusted for the effect of demerger based on provisional net carrying value of demerged undertakings is in accordance with the Scheme;
  - (iii) the computation of pre-scheme and post scheme net worth in the Statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.

**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

  
Rakesh M. Agrawal  
Partner

Membership No.: 124943

UDIN: 25124943 BMG YAO 2572

Place: Bhiwandi

Date: 02 January 2025





Annexure to the Certificate dated 02 January 2025 issued by SBH & CO regarding computation of Provisional Pre-Demerger and Post-Demerger Net Worth of Malco Energy Limited as at 30 September 2024 for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Name of the Company: Malco Energy Limited

Statement of Net Worth as at 30 September 2024

(Rs in Crores)		
Particulars	Pre-demerger	Post-demerger <sup>#</sup>
Issued, subscribed and paid-up equity share capital	5	391
Compulsorily & mandatorily convertible debentures which are convertible within a period of 10 years from the date of issue	6,135	6,135
<b>Reserves &amp; Surplus:</b>		
Securities Premium	100	6,981
Retained earnings/ Surplus in Statement of Profit and Loss	(6,412)	-
<b>Net Worth as at 30 September 2024</b>	<b>(172)</b>	<b>13,507</b>

<sup>#</sup> Net worth adjusted for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 September 2024. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

Notes:

- For the purpose of preparation of aforesaid statement of net worth, net worth is calculated as defined under section 2(57) of the Companies Act, 2013.

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation."

For Malco Energy Limited

Navin Kumar Jaju  
Director



Place: Goa  
Date: 02/01/2025



MALCO Energy Limited

Registered Office: C-103, ATUL PROJECTS-CORPORATE AVENUE, NEW LINK ROAD, CHAKALA, ANDHERI, (E), Chakala Midc, Mumbai, Mumbai, Maharashtra, India, 400093  
CIN: U31300MH2001PLC428719  
[www.vedantalimited.com](http://www.vedantalimited.com)  
T-022 6643 4500



The Board of Directors  
Vedanta Iron and Steel Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Statement of Computation of Pre and Post Scheme  
Net worth of Vedanta Iron and Steel Limited as at 30 September 2024**

1. This Certificate is issued in accordance with the terms of our agreement dated with Vedanta Iron and Steel Limited (hereinafter the "Resulting Company 4" or the "Company").
2. The accompanying Statement of Net Worth as at 30 September 2024 of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal for the purposes of the Scheme of Arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility for the Statement**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme.

**Auditor's Responsibility**

5. Pursuant to the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal, it is our responsibility to provide whether:
  - (i) the amounts in the Statement that form part of the Pre Scheme Net Worth computation as at 30 September 2024 have been accurately extracted from the unaudited financial statements for the period ended 30 September 2024;
  - (ii) the amounts in the Statement that form part of the Post Scheme Net Worth computation as at 30 September 2024 have been accurately computed in accordance with the Scheme;



- (iii) the computation of net worth in the statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- i. Agreed the amounts in the attached Statement, to the unaudited financial statements of the Company as at and for the period ended 30 September 2024 and other underlying records forming part of unaudited financial statements of the Company, as referred in paragraph 5 above;
  - ii. Verified the arithmetical and clerical accuracy of the Statement;
  - iii. Agreed the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - iv. Obtained the Scheme and observed that the net assets/liabilities to be transferred under the Scheme is calculated in accordance with the Scheme; and
  - v. Obtained necessary representations from management.

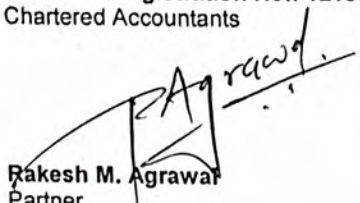
**Opinion**

9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
- (i) the amounts in the Statement have been accurately extracted from the unaudited books of account of the Company for the period ended 30 September 2024;
  - (ii) the post scheme Net worth as adjusted for the effect of demerger based on provisional net carrying value of demerged undertakings is in accordance with the Scheme;
  - (iii) the computation of pre-scheme and post scheme net worth in the Statement is arithmetically correct; and
  - (iv) the computation in the Statement is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act.

**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the requirements of the order dated November 21, 2024 of the Hon'ble National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

  
Rakesh M. Agrawal  
Partner

Membership No.: 124943

UDIN: 25124943BMGYAS7750

Place: Bhiwandi

Date: 02 January 2025



H.O. : 1A-(I), First Floor, Gulmohar Apartment, 2420 East Street, Camp, Pune 411 001, INDIA | +91 20 2634 4610 / 2633 4610 | ca.sbh.co@gmail.com  
Br.off. : 307, Agrawal Society Building, Nazrana Compound, Bhiwandi, Dist. Thane. | +91 98220 40578 / 82370 40578 | r\_m\_agrawal@hotmail.com

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www.sbhco.in





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## VEDANTA IRON AND STEEL LIMITED

Annexure to the Certificate dated 02 January 2025 issued by SBH & CO regarding computation of Provisional Pre-Demerger and Post-Demerger Net Worth of Vedanta Iron and Steel Limited as at 30 September 2024 for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Iron and Steel Limited ("Resulting Company 4") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Name of the Company: Vedanta Iron and Steel Limited

Statement of Net Worth as at 30 September 2024

(Rs in Crores)

Particulars	Pre-demerger	Post-demerger <sup>#</sup>
Issued, subscribed and paid-up equity share capital	0.01	391
<b><u>Reserves &amp; Surplus:</u></b>		
Securities Premium	-	2,394
Retained earnings/ Deficit in Statement of Profit and Loss	(0.03)	
<b>Net Worth as at 30 September 2024</b>	<b>(0.02)</b>	<b>2,785</b>

<sup>#</sup> Net worth adjusted for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 September 2024. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

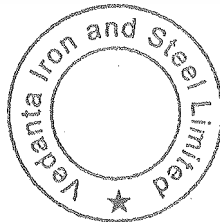
Notes:

- For the purpose of preparation of aforesaid statement of net worth, net worth is calculated as defined under section 2(57) of the Companies Act, 2013.

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation."

For Vedanta Iron and Steel Limited

  
Pankaj Jha  
Director



Place: Sharnugoda  
Date: 2<sup>nd</sup> Jan 2025

Registered Address: Unit 103, 1st Floor, Corporate Avenue, Atul Project, Chakala, Andheri (East), Mumbai – 400093

Phone - 022 6643 4500, CIN: U24109MH2023PLC411777, Email: [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

To  
Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East)  
Mumbai – 400 051

Date: October 19, 2023

**Scrip Code: VEDL**

**Sub: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

Dear Sir/ Madam,

In connection with the captioned subject, we hereby enclose the documents as per the attached Appendix as part of the application for seeking your approval under Regulation 37 of Listing Regulations.

The details of payment of processing fee for NSE and SEBI is set out below:

Entity	Date of Payment	UTR Details	Amount (₹)
NSE	October 11, 2023	RTGS/ICICR42023101100522117/IBKL0001000/	4,32,000.00
SEBI	October 13, 2023	NEFT:000140433637/ICIC0000104/AVEP	5,90,005.90

You are requested to kindly take this on record.

In case you require any clarifications, please feel free to contact us.

Thanking You

Yours sincerely  
**For Vedanta Limited**



Prerna Halwasiya  
Company Secretary & Compliance Officer



Encl.: As above



# APPENDIX

S.No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
1.	Certified copy of the Draft Scheme of Arrangement. (pdf & Machine readable)	Annexure 1
2.	Valuation Report from a registered valuer as per Para (A)(4) of Part I of SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and amendment thereof ("SEBI Master Circular") along with the Computation of Fair Share Exchange Ratio as mentioned in the format enclosed in Annexure A.  Certified copy of confirmation stating that no material event impacting the valuation has occurred during the intervening period of filing the scheme documents with Stock Exchange and period under consideration for valuation.	Annexure 2 <ul style="list-style-type: none"> <li>(Share Entitlement Report(s): Annexure 2.1 – 2.5)</li> <li>(Confirmation by Company Secretary: Annexure 2.6)</li> </ul>
3.	Fairness opinion by independent SEBI registered merchant banker on valuation of assets / shares done by the valuer for the listed entity and unlisted entity, as per Para (A)(2)(d) of Part I of SEBI Master Circular.	Annexure 3 (Annexure 3.1 – 3.5)
4.	Report from the Committee of Independent Directors recommending the draft scheme taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the listed entity, as per para (A)(2)(i) of Part I of SEBI Master Circular.	Annexure 4
5.	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above as per Para (A)(2)(c) of Part I of SEBI Master Circular. The Audit Committee report shall also comment on the following: <ul style="list-style-type: none"> <li>Need for the merger/demerger/amalgamation/arrangement.</li> <li>Rationale of the scheme.</li> <li>Synergies of business of the entities involved in the scheme.</li> <li>Impact of the scheme on the shareholders.</li> </ul> Cost benefit analysis of the scheme.	Annexure 5
6.	Certified copy of Shareholding pattern in accordance with Regulation 31 (1) of the SEBI (LODR) Regulations, 2015 - for pre and post scheme of arrangement of all the companies involved in the scheme in Landscape mode. <b>(With PAN for the Exchange record)</b>	Annexure 6 (Annexure 6.1 – 6.6)
7.	Certified copy of Shareholding pattern in accordance with Regulation 31 (1) of the SEBI (LODR) Regulations, 2015 - for pre and post scheme of arrangement of all the companies involved in the scheme in Landscape mode. <b>(Without PAN for disseminating the same on the Exchange website, kindly do not attach shareholding pattern with PAN in this TAB.)</b>	Annexure 7 (Annexure 7.1 – 7.6)
8.	Audited financials of last 3 years (Audited financials not being more than 6 months old) of unlisted company as mentioned in the format enclosed in <b>Annexure B</b> .	Annexure 8 <ul style="list-style-type: none"> <li><b>For Demerged Company:</b> <ul style="list-style-type: none"> <li>Financials for last 3 financial year: Annexure 8A.1- 8A.3</li> <li>Results for quarter ended June 30, 2023: Annexure 8A.4</li> <li>Summary of Financials as per format prescribed: Annexure 8A.5</li> </ul> </li> <li><b>For Resulting Company 2:</b> <ul style="list-style-type: none"> <li>Financials for last 3 financial year: Annexure 8B.1- 8B.3</li> </ul> </li> </ul>



## VEDANTA LIMITED

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394



S.No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
		<ul style="list-style-type: none"> <li>➤ Financials for quarter ended June 30, 2023: Annexure 8B.4</li> <li>➤ Summary of Financials as per format prescribed: Annexure 8B.5</li> <li>• <u>For Resulting Company 3:</u> <ul style="list-style-type: none"> <li>➤ Financials for last 3 financial year: Annexure 8C.1-8C.3</li> <li>➤ Financials for quarter ended June 30, 2023: Annexure 8C.4</li> <li>➤ Summary of Financials as per format prescribed: Annexure 8C.5</li> </ul> </li> <li>• Since Resulting Company 1, 4 and 5 are newly incorporated companies, hence this point is not applicable for them</li> </ul>
9.	Statutory Auditor's certificate confirming the compliance of the accounting treatment as specified in Para (A)(5) of Part I of SEBI Master Circular. (Format enclosed in <b>Annexure C</b> ).	Annexure 9 (Annexure 9.1 – 9.6)
10.	If as per the company, approval from the public shareholders through e-voting, as required under Para (A)(10)(b) of Part I of SEBI Master Circular, is not applicable then as required under Para (A)(10)(c) of Part I of SEBI Master Circular, submit the following: (i). An undertaking certified by the auditor clearly stating the reasons for non-applicability of Para 10(a). (ii). Certified copy of Board of Director's resolution approving the aforesaid auditor certificate.	Annexure 10 (Annexure 10.1-10.2)
11.	No Objection Certificate (NOC) from the lending scheduled commercial banks/financial institutions/debenture trustees.	Annexure 11
12.	Confirmation which states that all past defaults of listed debt obligations of the entities are forming part of the scheme.	Annexure 12
13.	Detailed compliance report as per Para (A)(2)(h) of Part I of SEBI Master Circular. (Format enclosed in <b>Annexure D</b> ).	Annexure 13
14.	Pricing certificate from the PCA/PCS/Statutory Auditor of the listed company as per Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, if the allotment of shares is proposed to be made to a selected group of shareholders or to the shareholders of unlisted companies pursuant to scheme of arrangement.	Not Applicable
15.	Kindly provide the certified copies of the Board resolution approving the scheme of all the Companies involved in the Scheme.	Annexure 14 (Annexure 14.1-14.6)

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S.No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
16.	Brief details of the transferee/ resulting and transferor/ demerged companies as per the format enclosed at <b>Annexure E</b> .	Annexure 15
17.	Confirmation by the Company as per format enclosed as <b>Annexure F</b> .	Annexure 16
18.	Documents to be submitted by Resulting / Transferee Company proposed to be listed pursuant to the scheme: Confirmation / Details by company secretary as per <b>Annexure G</b> .	Annexure 17 (Annexure 17.1-17.5)
19.	In case of scheme of demerger, additional documents as per <b>Annexure H</b> are to be submitted.	Annexure 18
20.	In case NSE is the DSE, kindly provide the documents/undertaking as per <b>Annexure I</b> .	Not Applicable
21.	Report on the unpaid dues as on the application date as per Para (A)(7)(c) of Part I of SEBI Master Circular.	Annexure 19
22.	Pre & post scheme Networth calculated as per SEBI (LODR) Regulations, 2015, along with the detailed working, of all the Companies involved in the Scheme. Companies are required to submit Certificate from Statutory Auditors / Practicing Chartered Accountants / Practicing Company Secretary.)	Annexure 20 (Annexure 20.1 – 20.6)
23.	Undertaking from the listed entity:  “in the explanatory statement to be forwarded by the company to the shareholders u/s 230 or accompanying a proposed resolution to be passed u/s 66 of the Companies Act 2013, it shall disclose the pre and post scheme (expected) capital structure and shareholding pattern, the “fairness opinion” obtained from an Independent merchant banker, information about unlisted companies involved in the scheme as per the format provided for abridged prospectus of the SEBI ICDR Regulations, the Complaint report and the observation letter issued by the stock exchange”	Annexure 21
24.	Confirmation from all the companies involved in the scheme regarding the following:  a. The Company, its promoters or Directors have never been declared as wilful defaulter as per RBI Circular Ref. No. RBI/2015-16/100 DBR.No.CID.BC.22/20.16.003/2015-16 dated July 1, 2015 by the Banks. b. The Company, its promoters or Directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority from, directly or indirectly, acquiring the said securities. c. The Company, its promoters or Directors do not have direct or indirect relation with the companies, its promoters and whole-time directors, which are compulsorily delisted by any recognised stock exchange.	Annexure 22 (Annexure 22.1-22.6)
25.	In case Non-convertible Redeemable Preference Shares (NCRPS) / Non-Convertible Debentures (NCDs) are proposed to be issued to the shareholders of the listed entity and are to be listed, the Company shall submit an undertaking as per format attached in <b>Annexure J</b> confirming compliance with the requirements of Para (A)(12)(A) of Part I of SEBI Master Circular.	Not Applicable
26.	Complaints Report as per Para 1(A)(6) of Part I of SEBI Master Circular, as per format enclosed at <b>Annexure K</b> of the checklist. (Kindly submit the complaints report on NEAPS under Application Attachment tab there by selecting Complaints Report from the drop down list. Complaints Report to be submitted post completion of 21 days from the date of uploading of scheme documents on the Exchange's website within the stipulated timeframe as provided in SEBI LODR regulations).	Will be submitted within specified timelines
27.	Status with respect to compliance of each point of Observation Letter on draft scheme of arrangement along with the relevant supporting, as per format enclosed at <b>Annexure L</b> of the checklist (the same is to be filed after receiving observation letter from the Exchange on the following path on NEAPS: Issue > Scheme of arrangement>Reg 37(1) of SEBI LODR, 2015>Seeking Observation letter to Compliance Status).	Not Applicable

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S.No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks																																										
28.	Kindly provide the applicable NoC/Clearance from the respective sectorial regulators, if applicable to any of the Companies involved in the scheme. If not applicable, you are requested to provide an undertaking confirming the same.	Annexure 23 (Annexure 23.1-23.6)																																										
29.	Kindly provide additional documents and undertakings as per <b>Annexure M</b> . <b>Kindly submit the same under the tab Additional Attachment</b>	Annexure M1 – M20 (Detailed in table at end)																																										
30.	<p>Processing fees (<b>Non-Refundable</b>) (Payment of processing fees shall be made in the same virtual bank account in which the Company makes payment of its Annual Listing Fees, for details of your Virtual bank account kindly refer last page of Invoice of Annual Listing Fees):</p> <p>a) Payable to Exchange = Rs. 4,00,000/-plus applicable taxes. (for Main Board)  Payable to Exchange = Rs. 2,00,000/-plus applicable taxes. (for SME Emerge)</p> <p>Payable to SEBI (bank account details mentioned below) at the rate of 0.1% of the paid-up share capital of the listed / transferee / resulting company, whichever is higher, post sanction of the proposed scheme, subject to a cap of Rs. 5,00,000/- plus applicable taxes.</p> <p><b>Bank account details for SEBI Processing Fees:</b></p> <table border="1"> <tr> <td>1.</td><td>Name of the Account (pay to name):</td><td>Securities and Exchange Board of India</td></tr> <tr> <td>2.</td><td>Particulars of Bank Account</td><td></td></tr> <tr> <td>a)</td><td>Name of the Bank</td><td>ICICI Bank Ltd</td></tr> <tr> <td>b)</td><td>IFSC/RTGS Code No.</td><td>ICIC0000106</td></tr> <tr> <td>c)</td><td>Type of Account (S.B., Current or Cash Credit with Code)</td><td>Current Account</td></tr> <tr> <td>d)</td><td>Account No. (As appearing on cheque Book)</td><td>SEBIRCCFDSchemeFEE</td></tr> <tr> <td>e)</td><td>Complete Name of the remitter entity /</td><td></td></tr> <tr> <td>f)</td><td>Address of the entity / person</td><td></td></tr> <tr> <td>g)</td><td>Date of Remittance</td><td></td></tr> <tr> <td>h)</td><td>GST amount (Rs.)</td><td></td></tr> <tr> <td>i)</td><td>Transaction Reference no.</td><td></td></tr> <tr> <td>j)</td><td>GST Registration number</td><td></td></tr> <tr> <td>k)</td><td>Name as appearing in GST Registration</td><td></td></tr> <tr> <td>l)</td><td>Whether Bank is participating in NEFT or</td><td>Yes</td></tr> </table> <p><b>NOTE: Processing Fees shall be payable to Exchange and SEBI only through online mode.</b></p>	1.	Name of the Account (pay to name):	Securities and Exchange Board of India	2.	Particulars of Bank Account		a)	Name of the Bank	ICICI Bank Ltd	b)	IFSC/RTGS Code No.	ICIC0000106	c)	Type of Account (S.B., Current or Cash Credit with Code)	Current Account	d)	Account No. (As appearing on cheque Book)	SEBIRCCFDSchemeFEE	e)	Complete Name of the remitter entity /		f)	Address of the entity / person		g)	Date of Remittance		h)	GST amount (Rs.)		i)	Transaction Reference no.		j)	GST Registration number		k)	Name as appearing in GST Registration		l)	Whether Bank is participating in NEFT or	Yes	As detailed in cover letter
1.	Name of the Account (pay to name):	Securities and Exchange Board of India																																										
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31.	Name & Designation of the Company Secretary: Telephone Nos. (landline & mobile): Email ID.:	Annexure 24																																										


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CIN: L13209MH1965PLC291394



**Additional documents and undertakings as per Annexure M**

S.No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
1.	Apportionment of losses of the listed company among the companies involved in the scheme.	Annexure M1
2.	Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).	Annexure M2
3.	Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	Annexure M3
4.	Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.	Annexure M4
5.	Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Annexure M5
6.	Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Annexure M6
7.	The built up of the accumulated losses over the years, certified by CA.	Annexure M7
8.	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Annexure M8
9.	Details of shareholding of companies involved in the scheme at each stage, in case of composite scheme.	Annexure M9
10.	Whether the Board of unlisted company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof. If not, provide the reasons thereof.	Not Applicable
11.	List of comparable companies considered for comparable companies' multiple method.	Annexure M10
12.	Share Capital built-up in case of scheme of arrangement involving unlisted entity/entities, certified by CA.	Annexure M11 (Annexure M11.1-M11.6)
13.	Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme.	Annexure M12
14.	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Annexure M13
15.	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Annexure M14
16.	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Annexure M15
17.	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Annexure M16
18.	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	Annexure M17
19.	Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.	Not Applicable
20.	Confirmation from valuer that the valuation done in the scheme is in accordance with applicable valuation standards.	Annexure M18
21.	Confirmation from Company that the scheme is in compliance with the applicable securities laws.	Annexure M19
22.	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Annexure M20



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CIN: L13209MH1965PLC291394

October 17, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In connection with the above application, please find below response with regard to apportionment of losses of the listed company among the companies involved in the scheme.

Response:

As of 31st March, 2023, the demerged company does not have any carried forward business losses under the Income-tax Act. Appointed Date of proposed demerger as defined under the Scheme means the Effective Date of respective demerger as mentioned below:

*"Appointed Date" in respect of any of Parts II to VI of the Scheme, shall mean the Effective Date in respect of such Part of the Scheme, and the Appointed Date for each of the Parts II to VI of the Scheme may be a different date;*

Hence, tax losses (if any) of the demerged company as on the Appointed Date shall be apportioned amongst the companies involved in the scheme in accordance with Section 72A or any other applicable provisions of the Income-tax Act.

For Vedanta Limited



Purna Halwasiya

Company Secretary & Compliance Officer  
ACS: 20856



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CIN: L132O9MH1965PLC291394



The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Details to be submitted by Vedanta Limited, in case of demerger where there is no change in shareholding pattern of Demerged Company and the Resulting Companies (i.e., mirror shareholding)**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying Statement showing Details to be submitted by the company in case of demerger where there is no change in shareholding pattern of Demerged Company and the Resulting Companies (i.e., mirror shareholding) including:
  - (i) Details of assets, liability, revenue and net worth of the Companies involved in the scheme, both pre and post scheme of arrangement;
  - (ii) Assets, liability, revenue and net worth of the demerged undertakings along with a write up on the history of the demerged undertakings;
  - (iii) Comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged entity in last three financial years; and
  - (iv) Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement;

(hereinafter referred collectively as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of stock exchanges for filing along with Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the "Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.



4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

#### **Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide whether:
- (i) the details of Pre Scheme assets, liabilities, net worth and revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 as at and for the quarter ended 30 June 2023 have been accurately extracted from the unaudited financial statements of Vedanta Limited for the three months ended 30 June 2023, audited financial statements of Resulting Company 2 for the three months ended 30 June 2023 and audited financial statements of Resulting Company 3 for the three months ended 30 June 2023, respectively, and pre Scheme revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of these companies for the year ended 31 March 2023;
  - (ii) the details of assets, liabilities, net worth and revenue of the Demerged Undertakings as at and for the quarter ended 30 June 2023 have been accurately extracted from the accounting records and books of accounts basis which the unaudited financial statements of the Company for the three months ended 30 June 2023 are prepared and agreed to and revenue of the Demerged Undertakings for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2023;
  - (iii) the details of Post Scheme assets, liabilities and net worth of the Demerged Company and Resulting Companies as at 30 June 2023 have been accurately computed in accordance with the Scheme;
  - (iv) the amounts in the Statement that form part of the Net Worth computation of the Company for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;
  - (v) the computation of net worth is arithmetically correct;
  - (vi) the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - (vii) the allocation of Net Worth amongst demerged undertakings is arithmetically correct;
  - (viii) the amounts of turnover of the demerged undertakings for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;

- (ix) the percentage wise contribution of the demerged undertakings to the total net worth and turnover of the Company is arithmetically correct;
  - (x) details of the History of Demerged undertakings are in conformity with historical annual reports of the Company, business understanding and as certified by the management; and
  - (xi) rationale for arriving at the Swap ratio for issuance of shares in the Scheme is in conformity with the report obtained by the Company from the independent valuer.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- (i) agreed the amounts in the Statement to the unaudited financial statements of the Company for the period ended 30 June 2023 and audited financial statements of the Company for the years ended 31 March 2023 and 31 March 2022 and other underlying records forming part of unaudited/ audited financial statements of the Company, so far it relates to the Company and demerged undertakings;
  - (ii) agreed the amounts in the Statement to the audited financial statements of the Resulting Company 2 and Resulting Company 3 for the three months ended 30 June 2023 and year ended 31 March 2023, respectively and other underlying records forming part of these audited financial statements of the Resulting Company 2 and Resulting Company 3, so far it relates to the Resulting Company 2 and Resulting Company 3;
  - (iii) obtained the Scheme and ensure the Post Scheme numbers included in the Statement are computed in accordance with the Scheme;
  - (iv) obtained the report of the independent valuer and examined whether rationale for arriving at the Swap ratio for issuance of shares in the Scheme included in the statement is in conformity with the valuation reports;
  - (v) verified that details of the History of Demerged undertakings are in conformity with historical annual reports of the Company.
  - (vi) Tested the arithmetical and clerical accuracy of the Statement;
  - (vii) Performed necessary inquiries with the management and obtained necessary representations.



## Opinion

9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
- (i) the details of Pre Scheme assets, liabilities, net worth and revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 as at and for the quarter ended 30 June 2023 have been accurately extracted from the unaudited financial statements of Vedanta Limited for the three months ended 30 June 2023, audited financial statements of Resulting Company 2 for the three months ended 30 June 2023 and audited financial statements of Resulting Company 3 for the three months ended 30 June 2023 respectively, and pre Scheme revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of these companies for the year ended 31 March 2023;
  - (ii) the details of assets, liabilities, net worth and revenue of the Demerged Undertakings as at and for the quarter ended 30 June 2023 have been accurately extracted from the accounting records and books of accounts basis which the unaudited financial statements of the Company for the three months ended 30 June 2023 are prepared and agreed to and revenue of the Demerged Undertakings for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2023;
  - (iii) the details of Post Scheme assets, liabilities and net worth of the Demerged Company and Resulting Companies as at 30 June 2023 have been accurately computed in accordance with the Scheme;
  - (iv) the amounts in the Statement that form part of the Net Worth computation of the Company for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;
  - (v) the computation of net worth is arithmetically correct;
  - (vi) the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - (vii) the allocation of Net Worth amongst demerged undertakings is arithmetically correct;
  - (viii) the amounts of turnover of the demerged undertakings for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;
  - (ix) the percentage wise contribution of the demerged undertakings to the total net worth and turnover of the Company is arithmetically correct;



- (x) details of the History of Demerged undertakings are in conformity with historical annual reports of the Company, business understanding and as certified by the management; and
- (xi) rationale for arriving at the Swap ratio for issuance of shares in the Scheme is in conformity with the report obtained by the Company from the independent valuer.

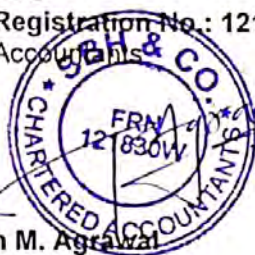
**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

**For SBH & CO**

**ICAI Firm Registration No.: 121830W**

Chartered Accountants



per **Rakesh M. Agrawal**  
Partner

Membership No.: 124943

UDIN: 23124943BGXZLN2341

Place: Bhiwandi

Date: 18 October 2023

Annexure to the Certificate dated 18 October 2023 issued by SBH & CO regarding application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

**I. Details of assets, liability, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement**

**PRE SCHEME**

(Rs in Crores)

Particulars	Vedanta Limited	Talwandi Sabo Power Limited	Malco Energy Limited
Assets*	1,51,334	11,364	895
Liabilities*	86,933	8,356	924
Net Worth*	35,647	3,008	(28)
Revenue for the quarter ended 30 June 2023	15,665	1,377	148
Revenue for the year ended 31 March 2023	67,193	5,746	534

\*As at 30 June 2023

**POST SCHEME**

(Rs in Crores)

Particulars	Talwandi Sabo Power Limited	Malco Energy Limited	Vedanta Aluminium Metal Limited	Vedanta Base Metals Limited	Vedanta Iron and Steel Limited	Vedanta Limited (Residual)
Assets**	18,493	28,183	56,562	5,178	5,927	49,250
Liabilities**	10,751	20,641	36,563	4,540	5,228	18,490
Net Worth**	4,535	7,542	19,999	638	699	27,941

\*\* Adjustments for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 June 2023. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

**Notes:**

Net worth is calculated as defined under section 2(57) of the Companies Act, 2013:

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation."



**VEDANTA LIMITED**

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**II. A) Assets, liability, revenue and net worth of the demerged undertakings along with a write up on the history of the demerged undertakings**

(Rs in Crores)

Particulars	Aluminium Undertaking	Merchant Power Undertaking	Oil and Gas Undertaking	Base Metals Undertaking	Iron Ore Undertaking
Assets*	56,562	7,129	27,288	5,178	5,927
Liabilities*	36,563	2,395	19,717	4,540	5,228
Net Worth**	11,070	2,620	4,191	353	387
Revenue for the quarter ended 30 June 2023	8,752	161	1,546	3,317	1,889
Revenue for the year ended 31 March 2023	39,950	827	8,137	12,351	5,928

\*Indicative numbers as at 30 June 2023 based on respective undertakings' provisional financial statements

\*\* Net Worth of Vedanta Limited apportioned basis the Net Assets of the respective Demerged undertakings as at 30 June 2023

**B) History of the Demerged Undertakings**

**a. ALUMINIUM UNDERTAKING**

Vedanta's aluminium business is in Chhattisgarh and Odisha. Vedanta operates the business in the state of Chhattisgarh through BALCO, and aluminium operations in Odisha is a division of Vedanta Limited. Vedanta's primary products in this business segment are aluminium ingots, wire rods, billet and rolled products.

Vedanta Limited has a 51.0% ownership interest in BALCO as of 31 March 2023 and the remaining 49.0% is held by the GoI. BALCO's operations include two bauxite mines (operations currently being suspended), the Chotia coal block, a 1,410 MW captive power plant, 600MW independent power plant, an alumina refinery, a 245,000 TPA aluminium smelter, and a 325,000 TPA aluminium smelter and the fabrication facilities in Chhattisgarh.

Vedanta's aluminium operations in Odisha were earlier operated through Vedanta Aluminium Limited, which has since merged with Vedanta Limited pursuant to the reorganization transactions. Vedanta Limited's operations in Odisha include a 2 MTPA alumina refinery at Lanjigarh, with associated 90 MW captive power plant. In addition, Vedanta has a greenfield 0.55 MTPA aluminium smelter, together with an associated 1,215 MW captive power plant (nine units with a capacity of 135 MW each). Vedanta Limited also has another 1.25 MTPA aluminium smelter in Jharsuguda which is the SEZ unit, with associated 1,800 MW (three units of 600 MW) coal-based captive power plant. This facility initially commenced production on 1 December 2015. This facility is in the process of being ramped up to increase its total capacity to 1.8 MTPA.



**MERCHANT POWER UNDERTAKING**

Merchant Power Undertaking of Vedanta Limited (VEDL) comprises of the following:

**600 MW Thermal Power Plant at Jharsuguda, Odisha**

- The company currently operates 600 MW thermal coal-based commercial power facility at Jharsuguda and it has a power purchase agreement with GRIDCO Limited, a state-owned undertaking of the state government of Odisha ("GRIDCO").

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**ii) Talwandi Sabo Power Limited**

- TSPL is a wholly-owned subsidiary of Vedanta Limited and operates a 1980 MW coal-based thermal power plant at Mansa, Punjab which was acquired by Vedanta in September 2008 through an International Competitive Bidding Process for sale of its power to PSPCL under a 25-year PPA.

**iii) Athena Chhattisgarh Power Limited**

- 1200 MW thermal power plant being set up by erstwhile Athena Chhattisgarh Power Limited (ACPL) was acquired by Vedanta Limited under the liquidation proceedings of IBC through NCLT vide order dated 17th July, 2023.
- The first 600 MW unit is ~80% completed whereas second unit is ~20% complete. Entire 1200 MW project is estimated to be fully complete by FY 2025.

**iv) Meenakshi Energy Limited**

- Meenakshi Energy Limited (MEL) has set up a 1000 MW coal-based power plant in Nellore district of Andhra Pradesh.
- CIRP proceedings started against MEL wherein Vedanta Limited's resolution plan for acquisition of MEL under the CIRP, in accordance with the provisions of the IBC was approved by NCLT in August 2023.
- Entire capacity is expected to be made fully operational by March 2024.

**c. OIL AND GAS UNDERTAKING**

- Vedanta's oil and gas business is primarily owned and operated by Vedanta Limited and its subsidiary, CIHL (Jersey). The oil and gas business segment has a diversified asset base with 62 blocks in India. The blocks are primarily located across the Indian basins in Barmer, Krishna-Godavari, Cambay, Assam, Gujarat Kutch and Cauvery.
- Vedanta's oil and gas business is primarily engaged in the business of exploration, development and production of crude oil, gas and related by-products.
- Vedanta Limited's operatorship and participating interest for all oil and natural gas blocks is through either production sharing contracts or revenue sharing contracts. Blocks contributing to majority of the production are:

SI No.	Name of block	Location
1.	RJ-ON-90/1	Rajasthan
2.	Ravva oil and gas field	Offshore Andhra Pradesh
3.	CB/OS - 2	Gujarat
4.	KG-ONN-2003/1	Andhra Pradesh
5.	KG-OSN-2009/3	Andhra Pradesh


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**a. Rajasthan, RJ-ON-90/1 block, Barmer Basin (operator, 70.0% participating interest)**

- The Rajasthan, RJ-ON-90/1 (the "Rajasthan Block") is an onshore block. Vedanta Limited holds 35% participating interest in the Rajasthan Block and the remaining 35% interest being held by Cairn Energy Hydrocarbons Limited (UK), which is a wholly-owned subsidiary of Vedanta Limited. Vedanta's joint operation partner, ONGC, has a 30% participating interest. Pursuant to GOI's approval for extension vide letter dated 26 October 2018, the parties to RJ PSC have executed the addendum for PSC extension for 10 years from 15 May 2020 to 14 May 2030 on 27 October 2022.

**b. Cambay, CB/OS-2 block, Cambay Basin (operator, 40.0% participating interest)**

- The Cambay CB/OS-2 (the "Cambay Block") is an offshore block which is located in the Cambay Basin of the state of Gujarat in western India. The operations of Vedanta's oil and gas business in the Cambay Block are centered on the Lakshmi and Gauri oil and gas fields and the CB-X development area. Vedanta's oil and gas business, along with its Joint venture partners ONGC (50%) and Tata Petrodyne Limited (10%), commenced its gas production from the Lakshmi gas field in 2002 and from the Gauri field in 2004. Production of co-mingled crude oil, which consists of crude oil plus condensate, from the Gauri field commenced in 2005. Cambay PSC runs until 2023 unless it is terminated earlier in accordance with its terms and may be extended for a further period not exceeding five years, provided that in the event of commercial production of non-associated natural gas the Cambay PSC may be extended for period not exceeding 35 years from the 30 June 1998. The extension application has been filed by the Cambay Joint Operating Partners under MoPNG Policy dated 7 April 2017 (the "Pre-NELP Extension Policy") for the grant of extension to the PSC, for a period of ten years beyond the existing PSC period (i.e., till 29 June 2033), to commercially monetize the remaining resources.

**c. Ravva, PKGM-1 block, Krishna-Godavari Basin, Eastern India (operator, 22.5% participating interest)**

- Vedanta's oil and gas business production operations in the Krishna-Godavari Basin are centered on the Ravva PKGM-1 (the "Ravva Block"), lying off the coast of Andhra Pradesh in Eastern India. Developed in partnership with ONGC, Videocon Industries Limited and Ravva Oil Singapore, Vedanta's oil and gas business became the operator of Ravva Block in 1996.
- As of 31 March 2023, Vedanta Limited held a 22.5% working interest in the Ravva Block with the remaining interests currently held by ONGC (40.0%), Videocon Industries Limited (25.0%) and Ravva Oil Singapore (12.5%) (together the "Ravva Joint Operating Partners"). The Ravva Block PSC was originally valid until 27 October 2019 and was extended for 10 years by the GoI in accordance with the provision of the "Policy on the Grant of the extension to PSC signed by Government awarding small, medium sized and discovered field to private joint ventures" dated 28 March 2016. The PSC addendum recording this extension has been executed by all parties.

**d. KG Onshore, KG-ONN-2003/1, Krishna-Godavari Basin (49.0% participating interest)**

- The onshore block KG-ONN-2003/1, located in the Krishna-Godavari basin in the state of Andhra Pradesh, was awarded in NELP V round to a joint venture between Vedanta Limited and ONGC.



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Vedanta Limited's oil and gas business and ONGC entered into a PSC on 23 September 2005 (the "KG-ONN-2003/1 PSC"). Vedanta Limited—oil and gas business has 49% participating interest in the block as a non operator.

**e. KG Offshore, KG-OSN-2009/3, Krishna-Godavari Basin (operator, 100.0% participating interest)**

- The block is currently in the initial exploration phase and several extensions were sought due to delays and access restrictions imposed by the Ministry of Defence. Further, due to the COVID-19 pandemic, force majeure was invoked in the block on the grounds that the pandemic made it impossible to conduct petroleum operations. Vedanta's oil and gas business applied for the surrender of the block due to the absence to the limited access, rendering petroleum operations impossible to be carried out. As of the date, discussions with the DGH on this matter are still ongoing.

**f. Open Acreage Licensing Policy (100% participating interest)**

- Under the OALP, revenue-sharing contracts have been signed for 41 blocks in October 2018 and for 10 exploration blocks as part of the OALP Round II and III in July 2019. These blocks offer a rich conventional and unconventional resource play. Of 51 blocks, five onshore blocks in the Krishna-Godavari region have been relinquished during Fiscal Year 2023. The secured blocks increased the acreage of Vedanta's oil and gas business by approximately 53,500 sq km.
- The company intend to continue the exploration across Rajasthan, Cambay, and North-east in Fiscal Year 2024 to unlock the full potential of the OALP blocks.

**g. Discovered Small Fields and Coal Bed Methane (100% participating interest)**

- Vedanta's oil and gas business has won two discovered small fields in DSF Round II named as Hazarigaon and Kaza gas field located in Assam and Krishna-Godavari basins respectively. These discovered fields are providing synergy to existing Vedanta's oil and gas business blocks in the vicinity.
- During Fiscal Year 2023, Vedanta's oil and gas business secured further eight blocks in the DSF Round III bid and one block in special coal bed methane round bid in 2021.

**d. BASE METALS UNDERTAKING**

The Company's copper business is principally one of custom smelting and includes a smelter, refinery, phosphoric acid plant, sulphuric acid plant and copper rod plant at Tuticorin in Southern India and a refinery and two copper rod plants at Silvassa in Western India. In addition, the Company has an indirect investment in the Mt. Lyell copper mine in Tasmania, Australia, currently mine is not operational. The primary products are copper cathodes and copper rods.

**Tuticorin**

The Company's Tuticorin facility, commissioned in 1997, is located approximately 17 kilometres inland from the port of Tuticorin in Tamil Nadu in Southern India. Tuticorin is one of India's two largest copper smelters, based on production volume. The Tuticorin facility consists of a



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smelter, a refinery, a copper rod plant, a sulphuric acid plant, a phosphoric acid plant and two captive power plants with a total capacity of 46.5 MW.

## 1.1. Tuticorin Smelter

Tuticorin smelter processes copper concentrate into copper anodes.

## 1.2. Tuticorin Acid Plants

The sulphur dioxide gas produced at Tuticorin in the process of creating copper anodes is fed through the sulphuric acid plant at Tuticorin to be converted into sulphuric acid. Most of the sulphuric acid is further treated in the phosphoric acid plant to be converted into phosphoric acid. Both the sulphuric acid and the phosphoric acid are sold primarily to fertilizer manufacturers.

## 2. Silvassa

The Silvassa facility commissioned in 1997, comprises a refinery and two copper rod plants and is located approximately, 140 kilometres from Mumbai in the union territory of Dadra and Nagar Haveli in Western India.

### 2.1. Silvassa and Tuticorin Refineries

In the refineries at Silvassa and Tuticorin, copper anodes are electrolytically refined to produce copper cathodes which are treated further in a slime treatment plant to recover additional copper. The residual slimes are sold to third parties. Copper cathodes are either sold to customers or sent to the Company's copper rod plants.

### 2.2. Silvassa and Tuticorin Copper Rod Plants

In the copper rod plants, copper cathodes are first melted in a furnace and cast in a casting machine, and then extruded and passed through a cooling system that begins solidification of copper into copper bars. The resulting copper bars are gradually stretched in a rolling mill to achieve the desired diameter. The rolled bar is then cooled and sprayed with a preservation agent and collected in a rod coil that is compacted and sent to customers.

## e. IRON ORE UNDERTAKING

Vedanta's iron ore business includes exploration, mining and processing of iron ore and comprises operations in India and Liberia.

- **Vedanta Limited:** Vedanta Limited operates Vedanta's iron ore business in Goa, Maharashtra and Karnataka, India.
- **Western Cluster Limited:** WCL was incorporated in Liberia and is headquartered in Monrovia, Liberia. WCL's assets include development rights to the Western Cluster, a network of iron ore deposits in West Africa.

Vedanta operates two metallurgical coke plants and a pig iron plant with an installed rated capacity of 522,000 tpa, 120,000 tpa and 950,000 tpa, respectively, in Goa and Maharashtra. Vedanta Limited manufactures pig iron through the blast furnace route.

- In addition, Vedanta Limited also operates two waste heat recovery plants of 30 MW and 35 MW, respectively in Goa.



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- Vedanta's mining operations are carried out in the states of Goa and Karnataka, both of which became subject to suspension of mining activities due to alleged environmental and other violations by miners, which has adversely impacted the production of iron ore since August 2011. The suspension was imposed by the State Government of Goa and this suspension was upheld by the Supreme Court of India on the mining activities in the state of Goa from September 2012 to April 2014. Following the Supreme Court of India's order in April 2014, High Court of Bombay at Goa in August 2014 pronounced the order to renew mining leases in Goa. The MoEF and the state government also revoked their suspension orders subject to limits imposed by the Supreme Court of India, for renewal of the leases and consent to operate from the State Government of Goa. In August 2015, the mining operations resumed in the principal mines after completion of necessary statutory formalities and fulfilment of conditions annexed by Supreme Court of India and the State Government of Goa. The Supreme Court of India passed its final order in the matter on 7 February 2018 wherein it set aside the second renewal of the mining leases granted by the State of Goa. The Supreme Court of India directed all lease holders operating under a second renewal to stop all mining operations with effect from 16 March 2018 until fresh mining leases (not fresh renewals or other renewals) and fresh environmental clearances are granted under the Mines and Minerals (Development and Regulation) (MMDR) Act.
- Operations in Karnataka resumed from 28 February 2015 after receiving all statutory clearances.
- Vedanta Limited won the Bicholim and Cudnem mines in the Goa State Government e-auction. The letter of intent was received in January 2023 and July 2023, respectively.
- On 25 July 2011, Vedanta Limited acquired a 51.0% ownership interest in Western Cluster Limited (WCL), a Liberian iron ore exploration company which was a wholly-owned subsidiary of Elenilto Minerals and Mining LLC ("Elenilto"), for a cash consideration of \$90.0 million. On 20 December 2012, Vedanta Limited acquired the remaining 49.0% of the outstanding common shares of WCL from Elenilto for a cash consideration of \$33.5 million. However, due to the outbreak of Ebola in Liberia, Vedanta Limited's project was temporarily suspended in August 2014 as the staff had to be evacuated. Since then, iron ore prices have fallen significantly, due to which it was considered not viable to resume operations. In April 2022, a memorandum of understanding was signed with government of Liberia for which settles matters such as outstanding financial obligations, required approvals, etc. In June 2022, the Environment Protection Agency (EPA) permit was received to commence mining operations. Mining Operations have started in the same month at Bomi mines.
- Goa Energy Limited, which merged into Vedanta Limited on 24 March 2015, owned one of the 30 MW waste heat recovery power plants in Goa which generates power from the waste gases of the metallurgical coke plant and blast furnace.
- In October 2015, Vedanta Limited proposed to the State Government of Jharkhand to set up a 1 mtpa pig iron plant in Jharkhand, for Dhobil mining lease. On 6 May 2016, a memorandum of understanding for the first phase was signed between the State Government of Jharkhand and Vedanta Limited to set up a 1 mtpa hot metal plant. Further on 1 November 2017, the memorandum of understanding for the second phase was signed. The exploration drilling in the lease area commenced in May 2017 and a report was submitted to the State Government of Jharkhand in October 2017. The exploration report was examined by a technical committee comprising experts from Geological Survey of India, IBM and state geology and mining departments. In March 2018, the technical committee approved the report for issuing of letter of intent to Vedanta Limited for grant of a mining lease for Dhobil iron ore mine. In March 2021, the GoI amended the MMDR Act, which nullified Vedanta's claim for mining lease in the Dhobil



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iron ore deposit. Vedanta Limited challenged the removal of its rights over the lease. Vedanta Limited is still awaiting the letter of intent to further carry on the process.

**III. Comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged entity in last three financial years**

(Rs in Crores, except as stated)

Particulars	Financial Year	Net Worth*	% to total	Turnover	% to total
<b>Demerged undertakings:</b>					
Aluminium Undertaking	2022-23	13,493	35%	39,950	60%
	2021-22	17,801	36%	38,371	61%
	2020-21	17,025	35%	20,162	54%
Merchant Power Undertaking	2022-23	2,902	7%	827	1%
	2021-22	3,073	6%	569	1%
	2020-21	3,200	7%	720	2%
Oil and Gas Undertaking	2022-23	5,427	14%	8,137	12%
	2021-22	7,583	15%	6,622	10%
	2020-21	9,196	19%	4,086	11%
Base Metals Undertaking	2022-23	666	2%	12,351	18%
	2021-22	(73)	0%	11,096	18%
	2020-21	494	1%	7,623	21%
Iron Ore Undertaking	2022-23	430	1%	5,928	9%
	2021-22	(114)	0%	6,143	10%
	2020-21	(298)	-1%	4,529	12%
<b>Other undertakings:</b>					
Residual Vedanta	2022-23	16,187	41%	-	0%
	2021-22	21,100	43%	-	0%
	2020-21	19,242	39%	-	0%
<b>Total</b>	2022-23	<b>39,105</b>	<b>100%</b>	<b>67,193</b>	<b>100%</b>
	2021-22	<b>49,370</b>	<b>100%</b>	<b>62,801</b>	<b>100%</b>
	2020-21	<b>48,859</b>	<b>100%</b>	<b>37,120</b>	<b>100%</b>

\* Net Worth of Vedanta Limited as per audited financial statements for the respective financial years apportioned basis the Net Assets of the respective Demerged undertakings



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**IV. Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement**


**Rationale for the 1:1 share entitlement ratio under the Scheme**

Upon the scheme being effective, the shareholding pattern of Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") will be identical. All the shareholders of Demerged Company would also become the shareholders of Resulting Companies and every shareholder of Demerged Company will hold same percentage of equity ownership in Resulting Companies as owns in Demerged Company and accordingly their shareholding in Resulting Companies would mirror their existing shareholding in Demerged Company prior to the Scheme.

Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Resulting Companies shall be identical to that of Demerged Company. The beneficial economic interest of Demerged Company's shareholders in Resulting Companies will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the proposed demerger will be value-neutral to the Demerged Company's shareholders.

Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary.

For Vedanta Limited



Perna Halwasiya  
Company Secretary & Compliance Officer  
ACS: A20856



Place: New Delhi  
Date: 18 October 2023



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CIN: L13209MH1965PLC291394

October 17, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

There is no arrangement or agreement between the Demerged Company, the Resulting Company, their creditors, shareholders, promoters, and / or directors, which may have any implications on the Scheme or on the shareholders of listed Demerged Company.

For Vedanta Limited



Purna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856





The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the proposed utilization, built-up and nature of Reserves in the cases of capital reduction/re-organisation in the proposed scheme of arrangement**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying statement showing details required to be furnished pursuant to the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the stock exchanges including:
  - (i) Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilisation of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium, as a free reserve;
  - (ii) Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium;
  - (iii) Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized; and
  - (iv) The built up of the accumulated losses over the years.

(hereinafter referred collectively as the "Statement"), which we have initialled only for identification purposes, is prepared by the management to comply with the requirements of stock exchanges for filing along with the Scheme of arrangement between Vedanta Limited ("Demerged Company" or the "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("the Scheme").

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.



4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI LODR and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and the stock exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of the SEBI LODR and the stock exchanges, it is our responsibility to provide as to whether:
- (i) the reasons and the relevant provisions of the Companies Act, 2013 or other applicable laws for the proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as a free reserve, as certified by the management in the Statement, are appropriate and in conformity with the Act and other applicable laws;
  - (ii) details of the Built up for reserves viz. Capital Reserve, Securities Premium and Capital Redemption Reserve are in conformity with the secretarial and other books of records of the demerged company;
  - (iii) the nature of reserves viz. Capital Reserve and Capital Redemption Reserve are fairly described in the accompanying Statement; and
  - (iv) details of the built up of the accumulated losses, if any, are fairly presented in the accompanying Statement.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. We have performed the following procedures in relation to the Statement:
- (i) Obtained and read the accounting treatment for the demerged company in the Scheme;
  - (ii) Obtained and verified that the Statutory Auditors of the demerged company have confirmed, vide their certificate dated 29 September 2023 ("the Certificate"), that the accounting treatment for the demerged company in the Scheme pertaining to the proposed utilisation of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as applicable, is in compliance with the relevant provisions of the Act and the applicable accounting standards as notified in the Act;



- (iii) Agreed that the proposed utilisation of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as applicable, in the accompanying Statement is accurately extracted from the Certificate.
- (iv) Agreed the details of the built up of the reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium described in the accompanying Statement with the secretarial and other books of records of the demerged company;
- (v) Read the nature of the reserves viz. Capital Reserve and Capital Redemption in the accompanying Statement and agreed it to the secretarial and other books of records of the demerged company.
- (vi) Verified the balance of retained earnings of the demerged company from the unaudited financial statements of the demerged company as at and for the three months ended 30 June 2023; and
- (vii) Performed relevant inquiries with the management and obtained necessary representations.

#### **Opinion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, we are of the opinion that the information in the accompanying Statement pertaining to:
- (i) the reasons and the relevant provisions of the Companies Act, 2013 or other applicable laws for the proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as a free reserve, are appropriate and in conformity with the Act and other applicable laws;
  - (ii) details of the Built up for reserves viz. Capital Reserve, Securities Premium and Capital Redemption Reserve are in conformity with the secretarial and other books of records of the demerged company;
  - (iii) the nature of reserves viz. Capital Reserve and Capital Redemption Reserve are fairly described; and
  - (iv) the built up of accumulated losses is not applicable since the demerged company has a positive balance of retained earnings as at 30 June 2023.

**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants



per Rakesh M. Agrawal  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLR2806  
Place: Bhiwandi  
Date: 18 October 2023



Annexure to the Certificate dated 18 October 2023 issued by SBH & CO regarding application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

1. In the cases of capital reduction/ reorganization, Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve

**Relevant provisions as per the Companies Act, 2013**

As per Section 66 of the Companies Act, 2013 ("the Act") dealing with the Capital Reduction, a company can reduce its share capital on confirmation from the National Company Law Tribunal ("NCLT"). As per Section 52 of the Act, the provisions of Section 66 of the Act relating to reduction of share capital shall apply as if the securities premium were the paid-up share capital of the company. Accordingly, utilisation of securities premium requires confirmation from the NCLT. Similarly, NCLT has powers to allow utilisation of Capital Reserves in any scheme of arrangement filed under the provisions of section 230 to 232 of the Act.

The Capital Redemption Reserve of the Company is not being utilised in the Scheme and hence provisions of Section 55 and Section 69 of the Act relating to the utilisation of Capital Redemption Reserve are not applicable to the Company.

The Company has complied with above requirements of the Act relating to capital reduction / reorganisation since specific reliefs regarding utilisation of reserves are being requested from the NCLT in the Scheme.

**Relevant provisions as per Indian Accounting Standards notified by the Central Government under section 133 of the Companies Act, 2013**

The management of the Demerged Company has complied with the accounting standards notified by the Central Government under section 133 of the Act, as applicable. Accordingly, as per the Scheme, the difference, if any, between the book value of assets and liabilities transferred to the Resulting Companies will be recognised in "Other Equity" and adjusted firstly against amount lying to the credit of 'Capital Reserve', if any; thereafter with the amount lying to the credit of 'Securities Premium', if any; thereafter with the amount lying to the credit of 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of 'Retained Earnings' of the Demerged Company. Accordingly, the statutory auditors of the Demerged Company have issued necessary certificate confirming that the accounting treatment contained in the Scheme is in compliance with the applicable accounting standards. The said certificate has been annexed to the Scheme.

Further, as per the Scheme, a mirror shareholding is proposed in the resulting companies, i.e., the set of shareholders and holding proportion in the Resulting Companies shall be identical to that of Demerged Company. The beneficial economic interest of Demerged Company's shareholders in Resulting Companies will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company.

**VEDANTA LIMITED**

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This will be a non-cash transaction and accordingly, will not impact the interests of the stakeholders of the Demerged Company and the resulting companies. The management believes that the proposed utilisation of reserves as per the Scheme is in the best interests of all the respective entities and their respective stakeholders including its shareholders.

2. A) In the cases of capital reduction/reorganization, Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium

B) In the cases of capital reduction/ reorganization, Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized

Reserves	Amount (Rs in Crores)*	Built up and Nature of Reserves
Capital Reserve	26,027	The balance of capital reserve in the Demerged Company has primarily arisen consequent to business combinations carried out by the Company, in accordance with the applicable accounting standards and a Scheme of Arrangement approved by the NCLT at that time.  The Capital Reserve is not considered as a free reserve currently.
Securities premium	19,009	Securities premium was recognised by the Demerged Company at the time of original issuance of its equity shares at a price over and above its face value. The excess of the issue price over the face value is credited to Securities premium as per Section 52 of the Act. The Securities premium is considered as a realised reserve.
Capital Redemption Reserve (including Preference Share Redemption Reserve)	3,125	The Capital Redemption Reserve was created by the Demerged Company out of realised profits, at the time of redemption of its preference shares. As per the Section 55 of the Act, if profits are used to redeem preference shares, the value of the nominal amount of shares redeemed should be transferred from profits (retained earnings) to the Capital Redemption Reserve. Accordingly, Capital Redemption is considered as a realised reserve.  It may be noted that, in the Scheme, Capital Redemption Reserve is not being utilised.

\*As at 30 June 2023

3. In the cases of capital reduction/reorganization, the built up of the accumulated losses over the years

The Demerged Company has positive Retained Earnings and accordingly, this clause is not applicable.

For Vedanta Limited



Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS: A20856



Place: New Delhi  
Date: 18 October 2023

#### VEDANTA LIMITED

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The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and accounting treatment**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying Statement for the relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and accounting treatment (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company" or the "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility for the Statement**

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the "Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance as to whether the applicable provisions of the Act and applicable Indian Accounting Standards and accounting treatment applicable to the Scheme as mentioned in the Statement are appropriate.



6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
  - (i) Obtained and read the accounting treatment in the Scheme;
  - (ii) Obtained and verified that the Statutory Auditors of demerged company and resulting companies have confirmed vide their respective certificates, that the accounting treatment in the scheme is in compliance with the applicable Indian Accounting Standards notified under section 133 of the Act read with rules thereunder and other Generally Accepted Accounting Principles in India, as applicable.
  - (iii) Verified that the applicable provisions of the Act and applicable Indian Accounting Standards are fairly described in the accompanying Statement;
  - (iv) Performed relevant inquiries with the management and obtained necessary representations.

#### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the applicable provisions of the Act and applicable Indian Accounting Standards and accounting treatment applicable to the Scheme as mentioned in the Statement are not appropriate.

**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLQ2113  
Place: Bhiwandi  
Date: 18 October 2023



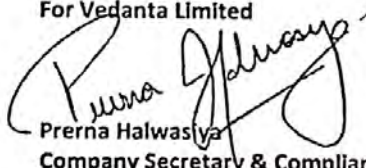


Annexure to the Certificate dated 18 October 2023 issued by SBH & CO regarding application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In connection with the above application, we hereby confirm that the following sections of the Companies Act, 2013 are applicable to the Scheme:

1. Sections 230 to 232;
2. Section 133 and Indian Accounting Standards and accounting treatment prescribed pursuant thereto.

For Vedanta Limited

  
Prerna Halwasia  
Company Secretary & Compliance Officer  
ACS: A20856



#### VEDANTA LIMITED

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4600 | F +91 22 6643 4630

CIN: L13209MH1965PLC291394

Sensitivity: Internal (C3)



**DETAILS OF SHAREHOLDING OF COMPANIES INVOLVED IN THE SCHEME AT EACH STAGE – AS ON  
SEPTEMBER 30, 2023**

**Transferor / Demerged Company -Vedanta Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	2,36,83,49,949	63.71	2,36,83,49,949	63.71
Public	1,34,59,37,106	36.21	1,34,59,37,106	36.21
Non-Promoter Non-Public	29,19,184	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	3,71,72,06,239 <sup>(1)</sup>	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category	2,98,632 <sup>(2)</sup>		2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital	3,71,75,04,871		3,71,75,04,871	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.

**Resulting Company 1 – Vedanta Aluminium Metal Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	1,00,000	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	1,00,000	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.



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**Resulting Company 2 – Talwandi Sabo Power Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	3,20,66,09,692	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	3,20,66,09,692	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

- <sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.
- <sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.

**Resulting Company 3 – Malco Energy Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	2,33,66,406	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	2,33,66,406 <sup>(1)</sup>	100.00	3,71,72,06,239 <sup>(2)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(3)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

- <sup>1</sup> In addition to above, Malco Energy Limited (Resulting Company – 3) had issued 6,13,54,483 no. of Unsecured Compulsory Convertible Debentures (CCDs) to Vedanta Limited (Demerged Company) which are classified as equity in nature. The same are convertible at the end of 10 years from the date of issue of CCDs or at such dates as may be mutually agreed between the parties.
- <sup>2</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.
- <sup>3</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.


**VEDANTA LIMITED**

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**Resulting Company 4 – Vedanta Base Metals Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	1,00,000	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	1,00,000	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.


**Resulting Company 5 – Vedanta Iron & Steel Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	1,00,000	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	1,00,000	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.

For Vedanta Limited



Purna Halwasiya

Company Secretary and Compliance Officer

ACS: 20856


**VEDANTA LIMITED**

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CIN: L13209MH1965PLC291394



October 17, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

**Ref:** Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In connection with the above application, please find below response with regards to the following requirement of Annexure M:

11. List of comparable companies considered for comparable companies' multiple method.
20. Confirmation that the valuation done in the scheme is in accordance with applicable valuation standards.

Response:

As per the Scheme, the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking, and the Iron Ore Undertaking of the Demerged Company shall be transferred into Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5, respectively. Once the Scheme is effective, all the shareholders of the Demerged Company would become the shareholders of the Resulting Companies and their shareholding in the resulting companies would mirror their shareholding in the Demerged Company. Hence no relative valuation of the entities is required to be undertaken. Hence, above requirements are not applicable.

Please refer to the Share Entitlement Reports issued by BDO Valuation Advisory LLP, which have been enclosed as part of this application as Annexure 2.1 to Annexure 2.5.

For Vedanta Limited



Purna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

The Board of Directors  
 Vedanta Limited  
 1st Floor, C wing, Unit 103,  
 Corporate Avenue Atul Projects,  
 Chakala, Andheri (E), Mumbai,  
 Mumbai-400093, MH, India

### **Independent Auditor's Certificate on the Share Capital built-up of Vedanta Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company" or the "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

### **Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

### **Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company and Shareholder information regarding details of capital evolution available on the website of the Company (hereinafter referred as "External filings").

H.O. : 1A-(I), First Floor, Gulmohar Apartment, 2420 East Street, Camp, Pune 411 001, INDIA | +91 20 2634 4610 / 2633 4610 | ca.sbh.co@gmail.com  
 Br.off. : 307, Agrawal Society Building, Nazrana Compound, Bhiwandi, Dist. Thane, | +91 98220 40578 / 82370 40578 | r\_m\_agrawal@hotmail.com

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
- (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors, share certificates and ROC filings;
  - (ii) Verified the details included in the Statement with the information regarding details of capital evolution available on the website of the Company;
  - (iii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iv) Performed necessary inquiries with the management and obtained necessary representations.

#### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company and External filings.

#### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

**For SBH & CO**  
**ICAI Firm Registration No.: 121830W**  
Chartered Accountants

per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLG5659  
Place: Bhiwandi  
Date: 18 October 2023





DETAILS OF CAPITAL EVOLUTION OF VEDANTA LIMITED – DEMERGED COMPANY

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, If not listed, give reasons thereof
22.01.1982	36,75,000	Rs.10 each (Rs.2.50 premium)	1 <sup>st</sup> offer to the public	36,75,000	Listed
12.12.1986	14,70,000	-	Bonus	51,45,000	Listed
01.02.1992	8,64,360	Rs.10 each (Rs.20 premium)	Preferential Shares (Promoters)	73,05,900	Listed
01.02.1992	12,96,540	Rs.10 each (Rs.20 premium)	Debenture Conversion (Public)		
29.05.1993	73,05,900	-	Bonus	1,46,11,800	Listed
15.03.1994	32,80,200	Rs.10 each (Rs.50 premium)	Preferential allotment	1,78,92,000	Listed
04.12.1995	17,41,587	Rs.10 each (Rs.90 premium)	Rights	1,96,33,587	Listed
27.03.1997	44,898	Rs.10 each (Rs.90 premium)	Rights	1,96,78,485	Listed
19.08.1997	2,525	Rs.10 each (Rs.90 premium)	Rights	1,96,81,010	Listed
03.03.2005	1,96,81,010	-	Bonus	3,93,62,020	Listed
August 2008	-	-	Sub-Division of shares from face value of Rs. 10/- to face value of Re. 1/	39,36,20,200	Listed
August 2008	39,36,20,000	-	Bonus	78,72,40,400	Listed
22.07.2009	3,32,74,000	Re.1 (Rs. 160.46 premium)	Preferential allotment	82,05,14,400	Listed
14.01.2010	20,34,128	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	82,25,48,528	Listed
15.03.2010	84,13,274	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	83,09,61,802	Listed

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4630

CIN: LI3209MHI965PLC291394





# vedanta

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Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
05.04.2010	88,14,567	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	83,97,76,369	Listed
23.04.2010	1,83,76,377	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	85,81,52,746	Listed
17.05.2010	15,49,813	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	85,97,02,559	Listed
12.03.2011	93,98,864	-	Pursuant to the Scheme of Amalgamation of Sesa Industries Limited with Sesa Goa Limited	86,91,01,423	Listed
29.08.2013	209,55,73,064	-	The Scheme of amalgamation and arrangement was amongst Sterlite Industries (India) Limited, Madras Aluminium Company Limited (MALCO), Sterlite Energy Limited (SEL), Vedanta Aluminium Limited (VAL) and Sesa Goa and their respective Shareholders and Creditors and the Scheme of Amalgamation of Ekaterina Limited (Ekaterina) with Sesa Goa and their respective Shareholders and Creditors ("Ekaterina Scheme") ("Scheme of Amalgamation and Arrangement 2013").	296,46,74,487	Listed
13.08.2014	14,952	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	296,46,89,439	Listed
23.02.2015	4,800	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	296,46,94,239	Listed
28.04.2017	75,25,00,000	-	Pursuant to a Scheme of Arrangement between Cairn India Limited and Vedanta Limited and their respective shareholders and creditors under Section 391 and 394 read with Section 100 to 103 and other applicable provisions of Companies Act, 1956 which was approved by the Tribunal on March 23, 2017.	371,71,94,239	Listed
26.03.2018	2,400	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	371,71,96,639	Listed
26.10.2021	2,400	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	371,71,99,039	Listed

## VEDANTA LIMITED

REGISTERED OFFICE: Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Vikhali, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4600 | F +91 22 6643 4630

CIN: L13209MH1965PLC291394



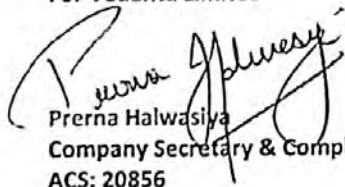


Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
05.06.2023	7,200	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	371,72,06,239	In-principle approval for listing of the said shares is received from NSE and BSE Limited. The execution of Corporate Action through Depository is in process and there after the trading permission will be applied with BSE & NSE.
-	2,98,632	-	-	371,75,04,871	Not Listed - Shares are under abeyance category, pending for allotment as they are sub-judice.

**Note:**

- Pursuant to the Order dated March 23, 2017 by the National Company Law Tribunal Bench at Mumbai approving the Scheme of Amalgamation between Vedanta Limited and Cairn India Limited ("Cairn") and their respective shareholders' and creditors, 3,010,000,000 Non-convertible Non-cumulative Preference Shares ("RPS") of Rs.10/- each were allotted on April 28, 2017 to equity shareholders of Cairn. These RPS were redeemed on October 27, 2018.

For Vedanta Limited

  
Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**
**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4600 | F +91 22 6643 4630

CIN: L13209MH1965PLC291394



The Board of Directors  
Vedanta Aluminium Metal Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Share Capital built-up of Vedanta Aluminium Metal Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Aluminium Metal Limited (hereinafter the "Resulting Company 1" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors of the first board meeting of the Company and share certificates;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

#### Conclusion

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

#### Restriction on Use

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants



per Rakesh M. Agrawal  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLH1942  
Place: Bhiwandi  
Date: 18 October 2023

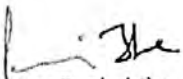
## VEDANTA ALUMINIUM METAL LIMITED

ANNEXURE

### DETAILS OF CAPITAL EVOLUTION OF VEDANTA ALUMINIUM METAL LIMITED – RESULTING COMPANY 1

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons therefor
October 17, 2023	1,00,000	Re.1 each	Initial Subscription	1,00,000	Unlisted

For Vedanta Aluminium Metal Limited

  
Name: Pankaj Jha  
Designation: Director  
DIN: 09114381





The Board of Directors  
Talwandi Sabo Power Limited  
Village Banawala, Mansa  
Talwandi Sabo Road,  
Distt. Mansa, Punjab – 151302 India

**Independent Auditor's Certificate on the Share Capital built-up of Talwandi Sabo Power Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Talwandi Sabo Power Limited (hereinafter the "Resulting Company 2" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors from the date of incorporation of the Company, share certificates and ROC filings;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

#### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

#### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

**For SBH & CO**  
**ICAI Firm Registration No.: 121830W**  
Chartered Accountants



per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLL9626  
Place: Bhiwandi  
Date: 18 October 2023

**ANNEXURE**

**DETAILS OF CAPITAL EVOLUTION OF TALWANDI SABO POWER LIMITED – RESULTING COMPANY 3**

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
01-Sep-08	50,000	10	-	50,000	Unlisted
31-Mar-10	40,00,00,000	10	-	40,00,50,000	Unlisted
01-Mar-14	2,09,99,50,000	10	Right Issue	2,50,00,00,000	Unlisted
04-Dec-14	70,66,09,692	10	Right Issue	3,20,66,09,692	Unlisted

For Talwandi Sabo Power Limited

*Shivangi*

Name: Shivangi Dhanuka  
Designation: Company Secretary  
ACS: A70586





The Board of Directors  
MALCO Energy Limited  
SIPCOT Industrial Complex,  
Madurai Bypass Road,  
T. V. Puram P.O.,  
Tuticorin (Tamil Nadu) - 628 002

**Independent Auditor's Certificate on the Share Capital built-up of MALCO Energy Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with MALCO Energy Limited (hereinafter the "Resulting Company 3" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors from the date of incorporation of the Company, share certificates and ROC filings;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

#### Conclusion

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

#### Restriction on Use

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per Rakesh M. Agrawal  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLI6635  
Place: Bhiwandi  
Date: 18 October 2023






**ANNEXURE**
**DETAILS OF CAPITAL EVOLUTION OF MALCO ENERGY LIMITED- RESULTING COMPANY 3**

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (PC/FC/Preferential/Equity/Right)	Cumulative capital (No. of shares)	Whether listed, if not listed, reasons thereof
14-04-2001	50006	Rs.10	Equity Investment	50006	Unlisted
16-03-2005	14403479	Rs.115 (premium Rs.110)	Preferential Issue	14453485	Unlisted
16-03-2005	34542188	Rs.128 (premium Rs.118)	Preferential Issue	48995673	Unlisted
30-03-2007	3843177	Rs.1160 (premium Rs.1150)	Preferential Issue	52838850	Unlisted
08-04-2008	4235420	Rs.1500 (premium Rs.1490)	Issue and Allotment	57074270	Unlisted
08-04-2008	1772268	Rs.1500 (premium Rs.1490)	Conversion of OFCD to SIIL	58846538	Unlisted
23-01-2010	294232690	Not Applicable	Sub-Division from Rs. 10 to Rs 2 each	294232690	Unlisted
15-02-2010	560423560	Not Applicable	Bonus Issue	854656250	Unlisted
16-10-2014	-833289844	Not Applicable	Capital Reduction from Rs.2 to Rs.0.5 per equity and thereafter consolidation	21366406	Unlisted
30-03-2015	2000000	Rs.450 (premium Rs.498)	Equity Investment	23366406	Unlisted

In addition to above, Malco Energy Limited (Resulting Company - 3) had issued 6,13,54,483 no. of Unsecured Compulsory Convertible Debentures (CCDs) to Vedanta Limited (Demerged Company) which are classified as equity in nature.

For Malco Energy Limited

  
Navin Kumar Jaju  
Director  
DIN: 00669654



**MALCO Energy Limited**

Works: PO Box No. 4, Mettur Dam, Salem (Tamil Nadu) - 636 402

T +91-4298 224613 F +91-4298 222 068 [www.vedantalimited.com](http://www.vedantalimited.com)

Registered Office: SIPCOT Industrial Complex, Madurai Bypass Road, T. V. Puram P.O., Tuticorin (Tamil Nadu) - 628 002CIN: U31300TN2001PLC069645



The Board of Directors  
Vedanta Base Metals Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Share Capital built-up of Vedanta Base Metals Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Base Metals Limited (hereinafter the "Resulting Company 4" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

H.O. : 1A-(I), First Floor, Gulmohar Apartment, 2420 East Street, Camp, Pune 411 001, INDIA | +91 20 2634 4610 / 2633 4610 | ca.sbh.co@gmail.com  
Br.off. : 307, Agrawal Society Building, Nazrana Compound, Bhiwandi, Dist. Thane, | +91 98220 40578 / 82370 40578 | r\_m\_agrawal@hotmail.com

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors of the first board meeting of the Company and share certificates;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLJ8739  
Place: Bhiwandi  
Date: 18 October 2023

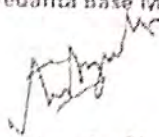
## VEDANTA BASE METALS LIMITED

ANNEXURE

### DETAILS OF CAPITAL EVOLUTION OF VEDANTA BASE METALS LIMITED – RESULTING COMPANY 4

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative Capital (No. of shares)	Whether listed/ if not listed, give reasons thereof
October 17, 2023	1,00,000	Rs. 1 each	Initial Subscription	1,00,000	Unlisted

For Vedanta Base Metals Limited

  
 Name: Mr. Amit Gupta  
 Designation: Non-Executive Director  
 DIN: 10345867





The Board of Directors  
Vedanta Iron and Steel Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Share Capital built-up of Vedanta Iron and Steel Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Iron and Steel Limited (hereinafter the "Resulting Company 5" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors of the first board meeting of the Company and share certificates;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per Rakesh M. Agrawal  
Partner

Membership No.: 124943

UDIN: 23124943BGXZLK1137

Place: Bhiwandi

Date: 18 October 2023

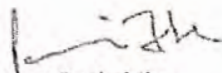
## VEDANTA IRON AND STEEL LIMITED

ANNEXURE

### DETAILS OF CAPITAL EVOLUTION OF VEDANTA IRON AND STEEL LIMITED – RESULTING COMPANY 5

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
October 17, 2023	1,00,000	Re.1 each	Initial Subscription	1,00,000	Unlisted

For Vedanta Iron and Steel Limited

  
Name: Pankaj Jha  
Designation: Director  
DIN: 09114381





October 18, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Dear Sir/Madam,

Kindly note that as per the records available with us and to the best of our knowledge, the details in relation to the material actions taken by or pending with any government, regulatory body or agency of a substantially like nature against all the entities involved in the Scheme for the period of the recent eight years have been provided below:

"The consent to operate for Vedanta Limited's 400 ktpa copper smelter plant at Tuticorin was due to expire on 31 March 2018. Vedanta Limited filed an application on January 31, 2018 with the Tamil Nadu Pollution Control Board ("TNPCB") for renewal of the consent to operate. However, the TNPCB rejected the said renewal application on April 9, 2018. Subsequently, TNPCB on May 23, 2018 ordered the disconnection of electricity supply and closure of the existing copper smelter plant with immediate effect ("Rejection Order"). Thereafter, the State Government of Tamil Nadu, proclaiming and endorsing TNPCB's Rejection Order, issued an order dated May 28, 2018 with a direction to seal the existing copper smelter plant unit permanently. Vedanta Limited's challenge to the aforementioned orders is pending final hearing in the Supreme Court of India."

For Vedanta Limited

  
Prerna Halwasia  
Company Secretary & Compliance Officer  
ACS: 20856**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East),  
Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394

October 17, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

**Ref:** Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

#### **Rationale for the 1:1 share entitlement ratio under the Scheme**

Upon the scheme being effective, the shareholding pattern of Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") will be identical. All the shareholders of Demerged Company would also become the shareholders of Resulting Companies and every shareholder of Demerged Company will hold same percentage of equity ownership in Resulting Companies as owns in Demerged Company and accordingly their shareholding in Resulting Companies would mirror their existing shareholding in Demerged Company prior to the Scheme.

Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Resulting Companies shall be identical to that of Demerged Company. The beneficial economic interest of Demerged Company's shareholders in Resulting Companies will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the proposed demerger will be value-neutral to the Demerged Company's shareholders.

Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary.

**For Vedanta Limited**



Prerna Malwasia  
Company Secretary & Compliance Officer  
ACS: 20856



#### **VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394

October 17, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In connection with the above application, please find below response with regards to basis for division of assets and liabilities between divisions of Demerged entity.

Response:

The basis for division of assets and liabilities between divisions of demerged entity is as under:

- Proposed composite Scheme *inter alia* envisages following:
  - Demerger of the Aluminium Undertaking
  - Demerger of the Merchant Power Undertaking
  - Demerger of the Oil and Gas Undertaking
  - Demerger of the Base Metals Undertaking
  - Demerger of the Iron Ore Undertaking
- All the assets and liabilities pertaining to Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking would move along with respective Undertaking in terms of the provisions of the Scheme as per definition of the respective undertakings.

For Vedanta Limited



Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L132O9MH1965PLC291394



October 17, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

**Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

In connection with the above application, please take note of the following benefits that shall accrue pursuant to post scheme:

- a) *creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;*
- b) *enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;*
- c) *each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;*
- d) *enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;*
- e) *Enabling focused and sharper capital market access (debt and equity) and thereby unlocking value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking and creating enhanced value for shareholders.*

  
For Vedanta Limited  
**Purna Halwasiya**  
Company Secretary & Compliance Officer  
ACS: A20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394

October 17, 2023

Manager-Listing Compliance  
National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051

**Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

In connection with the above application, please find below response with regards to tax/other liability/benefit arising to the entities involved in the Scheme, if any.

**Response:**

*In terms of Part E of the Scheme, the scheme have been drawn up to comply with the conditions relating to "demerger" as defined under Section 2(19AA) of the Income Tax Act and the demerger of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking and their respective transfer and vesting into the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively shall be in compliance with Section 2(19AA) of the Income Tax Act, 1961*

For Vedanta Limited

  
Purna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

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National Stock Exchange of India Limited,  
'Exchange Plaza', C-1, Block G,  
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Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In view of the above application, we hereby confirm that:

1. the Scheme is in accordance with the applicable provisions of the securities laws; and
2. that the arrangement proposed in the Scheme is yet to be executed.

For Vedanta Limited



Prema Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394



## Annexure X1

**From:** [Abhishek Kadlak](#)  
**To:** [Dashmeet Rana](#)  
**Cc:** [Comp Sect](#); [VEDL Corporate Secretarial](#); [BSE Schemes](#)  
**Subject:** RE: Scheme of Arrangement between Vedanta Limited (Demerged Company or Company) and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited (collectively Resulting Companies) and their respective shareholders and creditors  
**Date:** Wednesday, July 31, 2024 10:19:40 AM  
**Attachments:** [image001.png](#)  
[Vedanta\\_31072024100819.pdf](#)

**CAUTION:-** Email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Team,

As discussed, please find attached revised observation letter.

Regards,

**Abhishek Kadlak**

BSE-Listing Operations Reviewer  
BSE Limited,  
P J Towers, Dalal Street, Mumbai -400001, India  
Phone (Direct) : 9999999999 Mobile : 8454026891  
[www.bseindia.com](http://www.bseindia.com)



This mail is classified as 'PUBLIC' by Abhishek.Kadlak on July 31, 2024 at 10:19:06.

Sensitivity: Internal (C3)

**From:** Abhishek Kadlak <Abhishek.Kadlak@bseindia.com>  
**Sent:** 30 July 2024 19:25  
**To:** Dashmeet Rana <Dashmeet.Rana@vedanta.co.in>  
**Cc:** Comp Sect <Comp.Sect@vedanta.co.in>; VEDL Corporate Secretarial <VEDL-Corporate-Secretarial@vedanta.co.in>; BSE Schemes <bse.schemes@bseindia.com>  
**Subject:** RE: Scheme of Arrangement between Vedanta Limited (Demerged Company or Company) and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited (collectively Resulting Companies) and their respective shareholders and creditors

Dear Team,

PFA Observation letter pursuant to Observation letter regarding the Scheme of Arrangement between Vedanta Limited (Demerged Company or Company) and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5").

With reference to the additional information which should be part of the disclosures to the shareholders pursuant to Point No.(n), as per the attached observation letter dated July 30, 2024:

Please find below the list of the documents for your records:

1. In cases of Demerger, Apportionment of losses of the listed company among the companies involved in the scheme.
2. Details of assets, liabilities, revenue and net worth of the Companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).
3. Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.
4. In the cases of Capital reduction, reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.
5. In the cases of Capital reduction, Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.
6. In the cases of Capital reduction, Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.
7. In the cases of Capital reduction, the built up of the accumulated losses over the years, certified by CA.
8. Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.
9. In case of Composite Scheme, details of shareholding of companies involved in the scheme at each stage,
10. Whether the Board of unlisted Company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof.
11. List of comparable companies considered for comparable companies' multiple method, if the same method is used in valuation.
12. Share Capital built-up in case of scheme of arrangement involving unlisted entity/entities, certified by CA.
13. Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme for the period of recent 8 years.
14. Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.
15. Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.
16. In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.
17. How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.

18. Tax/other liability/benefit arising to the entities involved in the scheme, if any.
19. Comments of the Company on the Accounting treatment specified in the scheme to conform whether it is in compliance with the Accounting Standards/Indian Accounting Standards.
20. If the Income Approach method used in the Valuation, Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.
21. Confirmation that the valuation done in the scheme is in accordance with applicable valuation standards.
22. Confirmation that the scheme is in compliance with the applicable securities laws.
23. Confirmation that the arrangement proposed in the scheme is yet to be executed.

Regards,

**Abhishek Kadlak**

BSE-Listing Operations Reviewer  
BSE Limited,  
P J Towers, Dalal Street, Mumbai -400001, India  
Phone (Direct) : 9999999999 Mobile : 8454026891  
[www.bseindia.com](http://www.bseindia.com)





To,  
The General Manager,  
Department of Corporate Services,  
BSE Limited, P.J. Towers, Dalal Street,  
Mumbai – 400 001

Date: October 19, 2023

**Scrip Code: 500295**

**Sub: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

Dear Sir/ Madam,

In connection with the captioned subject, we hereby enclose the documents as per the attached Appendix as part of the application for seeking your approval under Regulation 37 of Listing Regulations.

The details of payment of processing fee for BSE and SEBI is set out below:


Entity	Date of Payment	UTR Details	Amount (₹)
BSE	October 11, 2023	INF/INFT/697017143198/BSEL02814/Adv Pay	4,32,000.00
SEBI	October 13, 2023	NEFT:000140433637/ICIC0000104/AVEP	5,90,005.90

You are requested to kindly take this on record.

In case you require any clarifications, please feel free to contact us.

Thanking You

Yours sincerely  
For Vedanta Limited



Prerna Halwasiya  
Company Secretary & Compliance Officer



Encl.: As above

#### VEDANTA LIMITED

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

## APPENDIX

S. No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
1.	Certified true copy of the resolution passed by the Board of Directors of the Company approving the scheme and taking into account the Audit Committee Report, Independent Report and all the relevant documents related to scheme. The same needs to be submitted by all the entities involved in the Scheme of arrangement	Annexure 1 (Annexure 1.1 – 1.6)
2.	Certified copy of the draft Scheme of Amalgamation / Arrangement, etc. proposed to be filed before the NCLT	Annexure 2
3.	Valuation report from Registered Valuer, along with workings, as applicable, as per Para (A)(4) of Part I of SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 [“SEBI Master Circular”]. The valuation report shall be as per the format given in Annexure I Confirmation from the listed entity signed by Company Secretary/ Compliance Officer stating that: a) No material event impacting the valuation has occurred during the intervening period of filing the scheme documents with Stock Exchange and period under consideration for valuation. b) Declaration/ details on any past defaults of listed debt obligations of the entities forming part of the scheme	Annexure 3  • (Share Entitlement Report(s): Annexure 3.1 – 3.5) • (Confirmation by Company Secretary: Annexure 3.6)
4.	Report from the Audit Committee recommending the draft scheme taking into consideration, inter alia, the valuation report at sr. no. 3 above. As per Para (A)(2)(c) of Part I of SEBI Master Circular. The Audit Committee report shall also comment on the following: • Need for the merger/demerger/amalgamation/arrangement • Rationale of the scheme • Synergies of business of the entities involved in the scheme • Impact of the scheme on the shareholders. • Cost benefit analysis of the scheme.	Annexure 4
5.	Fairness opinion by Independent SEBI Registered Merchant Banker as per Para (A)(2)(d) of Part I of SEBI Master Circular.	Annexure 5 (Annexure 5.1 – 5.5)
6.	Shareholding pattern of equity shares and/or preference shares or any other type of security involved in the scheme of all the Companies pre and post Amalgamation / Arrangement as per the format provided under Regulation 31 of the LODR Regulations Kindly submit shareholding pattern on fully diluted basis as well	Annexure 6 (Annexure 6.1 – 6.6)
7.	Shareholding pattern of all the Companies pre and post Amalgamation / Arrangement in <b>Word Format</b> as given in <b>Annexure II</b>	Annexure 7
8.	Pre and Post Amalgamation/ Arrangement number of Shareholders in all the companies in the format as provided in <b>Annexure III</b>	Annexure 8
9.	Audited Standalone and Consolidated financials of the transferee/resulting and transferor/demerged companies for the last 3 financial years (financials not being more than 6 months old of unlisted company) as per <b>Annexure IV</b> . <b>Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (where it is due) accompanied mandatorily by the Limited Review Report of the auditor.</b>	Annexure 9 • <u>For Demerged Company:</u> ➤ Financials for last 3 financial year: Annexure 9A.1-9A.3 ➤ Results for quarter ended June 30, 2023: Annexure 9A.4 ➤ Summary of Financials as per format prescribed: Annexure 9A.5 • <u>For Resulting Company 2:</u>



### VEDANTA LIMITED

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CIN: L13209MH1965PLC291394

S. No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
		<ul style="list-style-type: none"> <li>➤ Financials for last 3 financial year: Annexure 9B.1-9B.3</li> <li>➤ Financials for quarter ended June 30, 2023: Annexure 9B.4</li> <li>➤ Summary of Financials as per format prescribed: Annexure 9B.5</li> <li>• <u>For Resulting Company 3:</u> <ul style="list-style-type: none"> <li>➤ Financials for last 3 financial year: Annexure 9C.1-9C.3</li> <li>➤ Financials for quarter ended June 30, 2023: Annexure 9C.4</li> <li>➤ Summary of Financials as per format prescribed: Annexure 9C.5</li> </ul> </li> <li>• Since Resulting Company 1, 4 and 5 are newly incorporated companies, hence this point is not applicable for them</li> </ul>
10.	Statutory Auditor's Certificate confirming the compliance of the <b>accounting treatment</b> etc. as specified in Para (A)(5) of Part I of SEBI Master Circular, as per the format given in <b>Annexure III of said SEBI Master Circular. Format given in Annexure V.</b>	Annexure 10 (Annexure 10.1 – 10.6)
11.	Detailed Compliance Report as per the format specified in Annexure III of SEBI Master Circular duly certified by the Company Secretary, Chief Financial Officer and the Managing Director, confirming compliance with each regulatory requirements specified for schemes of arrangement and all accounting standards as per Para (A)(2)(h) of Part I of SEBI Master Circular (format attached as <b>Annexure VI</b> ).	Annexure 11
12.	Report from the Committee of Independent Directors recommending the draft scheme taking into consideration, inter alia, that the scheme is not detrimental to the shareholders of the listed entity, as per Para (A)(2)(i) of Part I of SEBI Master Circular	Annexure 12
13.	Complaint report as per Annexure IV of SEBI Master Circular (To be submitted within 7 days of expiry of 21 days from the date of uploading of Draft Scheme and related documents on Exchange's website). Format given in <b>Annexure VII</b> )	Will be submitted within specified timelines
14.	If as per the company, approval from the Public shareholders through e-voting, as required under Para (A)(10)(a) of Part I of SEBI Master Circular, is not applicable then as required under Part I (A)(10)(c) of said SEBI circular, submit the following:	Annexure 13 (Annexure 13.1 – 13.2)

**VEDANTA LIMITED**

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S. No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks																
	<div>a) An undertaking certified by the auditor clearly stating the reasons for non-applicability of Para 10(a).</div> <div>b) Certified copy of Board of Director’s resolution approving the aforesaid auditor certificate.</div>																	
15.	<div>If pursuant to scheme the allotment of shares is proposed to be made to a selected group of shareholders or to the shareholders of unlisted companies, pricing certificate from the Statutory Auditor / Practicing CA / Practicing CS of the listed company as per Provisions of SEBI (ICDR) Regulations is to be provided.</div> <div>[Kindly refer Reg.158 of SEBI (ICDR) Regulations. The relevant date for determining the price shall be the date of approval of the scheme by the BOD of the company.]</div>	Not Applicable																
16.	Name of the Designated Stock Exchange (DSE) for the purpose of coordinating with SEBI. Certified true copy of the resolution passed by the Board of Directors, in case BSE is DSE.	Name of DSE: BSE Limited Annexure 14																
17.	Brief details of the transferee/resulting and transferor/demerged companies as per format enclosed at <b>Annexure VIII</b> .	Annexure 15																
18.	Brief details of the Board of Directors and Promoters of transferee/resulting and transferor/demerged companies as per format enclosed at <b>Annexure IX</b>	Annexure 16 (Annexure 16.1 – 16.6)																
19.	Net-worth certificate from Auditor / PCA/ PCS (excluding Revaluation Reserve) together with related workings pre and post scheme for all the entities involved in the Scheme.	Annexure 17 (Annexure 17.1 – 17.6)																
20.	Capital evolution details of the transferee/resulting and transferor/demerged companies as per format enclosed at <b>Annexure X</b> .	Annexure 18 (Annexure 18.1 – 18.6)																
21.	Confirmation by the Managing Director/ Company Secretary as per format enclosed as <b>Annexure XI</b> .	Annexure 19																
22.	Annual Reports of all the listed transferee/resulting/demerged/etc. companies involved and audited financial of all the unlisted transferor/demerged/resulting/etc. companies for the last financial year.	Annexure 20 <ul style="list-style-type: none"><li>Demerged Company Annual report FY 2023: Annexure 20.1</li><li>Resulting Company 2 Annual report FY 2023: Annexure 20.2</li><li>Resulting Company 3 Annual report FY 2023: Annexure 20.3</li><li>Resulting Company 1, 4 and 5 are newly incorporated companies, hence this point is not applicable for them</li></ul>																
23.	<div>a) Processing fee (non-refundable) will be payable to BSE as below, through <b>Online Payment Gateway (via Net Banking Facility) in Listing Centre portal</b>- Details given in <b>Annexure XII</b>. Kindly submit the details of UTRN, TDS and GST paid wrt the payment made as per the following format:</div> <table><tr><td>Complete Name of the remitter entity / person</td><td></td></tr><tr><td>Address of the entity / person</td><td></td></tr><tr><td>Date of remittance of fee</td><td></td></tr><tr><td>Fee remitted (Rs.)</td><td></td></tr><tr><td>Transaction Reference no.</td><td></td></tr><tr><td>Date of remittance of GST</td><td></td></tr><tr><td>GST Amount</td><td></td></tr><tr><td>Transaction Reference no.</td><td></td></tr></table>	Complete Name of the remitter entity / person		Address of the entity / person		Date of remittance of fee		Fee remitted (Rs.)		Transaction Reference no.		Date of remittance of GST		GST Amount		Transaction Reference no.		As detailed in cover letter
Complete Name of the remitter entity / person																		
Address of the entity / person																		
Date of remittance of fee																		
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S. No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
	<div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">GST Registration No.</div> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">Name as appearing in GST Registration</div> <p>Rs.4,00,000/- plus GST as applicable for Main Board Companies. Rs.2,00,000/- plus GST as applicable for SME Companies.</p> <p>b) Processing fee (non-refundable) payable to SEBI will be as below, through RTGS/NEFT/IMPS as per details given in <b>Annexure XII</b> or through DD <b>favoring 'Securities and Exchange Board of India' payable at Mumbai'</b></p> <p>As per amendment in Regulation 37, the listed entity shall pay a fee to SEBI at the rate of 0.1% of the paid-up share capital of the listed / transferee / resulting company, whichever is higher, post sanction of the proposed scheme, subject to a cap of Rs.5,00,000. Additionally, Kindly provide the calculation of SEBI Fees and the details of payment as per the format prescribed in Annexure XII</p> <p>Further, The company is advised not to deduct TDS on SEBI Fees. Wherever TDS is deducted, the Company is advised to pay the same immediately.</p>	
24.	In case of scheme of demerger, additional documents as per <b>Annexure XIII</b> are to be submitted	Annexure 21
25.	In case NCDs and/or NCRPS are proposed to be issued to the shareholders of the listed entity and are to be listed, the company shall submit an undertaking signed by CS / MD of the company as per format attached in <b>Annexure XIV</b> confirming compliance with the requirements Para (A)(12)(A) of Part I of SEBI Master Circular.	Not Applicable
26.	In case a new unlisted company is seeking listing pursuant to scheme of arrangement but at least 25% of the post scheme paid up capital of the unlisted company does not comprise of shares allotted to the public shareholders in the listed transferor / demerged entity, the company shall submit the compliance with the Proviso to Para (A)(1)(b) of Part II of SEBI Mater Circular by CS/MD and statutory auditor of the company.	Not Applicable
27.	<p>If there are any pending dues / fines / penalties imposed by SEBI, Stock Exchanges and Depositories, submit a <b>'Report on the Unpaid Dues'</b> which shall contain the details of such unpaid dues in the format given in Annexure IV of SEBI Master circular which is also attached as <b>Annexure XV</b></p> <p>[Note: In case there are no pending dues as mentioned above, please confirm the same]</p>	Annexure 22
28.	<p>No objection certificate (NOC) from lending scheduled commercial banks/ financial institutions/ debenture trustees (not less than 75% of the secured creditors in value).</p> <p>OR</p> <p>An undertaking from the listed entity signed by Managing Director/ Company Secretary/ Compliance Officer stating that:</p> <p>We hereby confirm that we have initiated the process of obtaining the No Objection Certificate from the lending scheduled commercial banks/financial institutions/debenture trustees as required under Para A (2) (k) of Part I of SEBI Master Circular dated June 20, 2023 and we shall submit the same with the Exchange before the receipt of the No-objection letter from stock exchange in terms of Regulation 37(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p>	Annexure 23
29.	<p>Undertaking to be confirmed by the listed company/resulting company that:</p> <p>(i) The transferee entity/resulting company will not issue/reissue shares not covered under the draft scheme.</p>	Annexure 24 (Annexure 24.1 – 24.6)

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S. No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
	(ii) As on date of application there are no outstanding Warrants/instruments/agreements which give right to any person to take the equity shares in the transferee entity at any future date. In case there are such outstanding instrument, kindly provide details and also provide the shareholding pattern of the listed entity/resulting company on fully diluted basis	
30.	<p>Details to be submitted by the company in case of demerger where there is no change in shareholding pattern of Demerged company and the Resulting company: In case of scheme of demerger wherein mirror image is created in the resulting company, following standard information to be submitted by the listed company:</p> <ol style="list-style-type: none"> <li>1. Details of assets, liability, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement</li> <li>2. Assets, liability, revenue and net worth of the demerged undertaking along with a write up on the history of the demerged undertaking</li> <li>3. Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed/demerged entity in last three financial years.</li> <li>4. Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement.</li> </ol> <p>Such information to be certified by Auditor of the company / PCA/PCS.</p>	Annexure 25
31.	Annual Report for the last 3 financial years for all unlisted companies involved in the scheme.	<p>Annexure 26</p> <ul style="list-style-type: none"> <li>• Resulting Company 2 Annual report FY 2023: Annexure 26.1</li> <li>• Resulting Company 2 Annual report FY 2022: Annexure 26.2</li> <li>• Resulting Company 2 Annual report FY 2021: Annexure 26.3</li> <li>• Resulting Company 3 Annual report FY 2023: Annexure 26.4</li> <li>• Resulting Company 3 Annual report FY 2022: Annexure 26.5</li> <li>• Resulting Company 3 Annual report FY 2021: Annexure 26.6</li> <li>• Resulting Company 1, 4 and 5 are newly incorporated companies, hence this point is not applicable for them</li> </ul>
32.	NOC/Clearance from the respective sectorial regulators, if any sectoral regulators approval is applicable to the any of the company involved in the scheme. Also confirm status of the approval. If not applicable, all the companies involved in the Scheme are requested to provide an undertaking confirming the same.	Annexure 27 (Annexure 27.1-27.6)
33.	Prior history of any scheme of arrangement concerning the Company	Annexure 28
34.	Please confirm that the proposed Scheme of Arrangement is in accordance with the MoA & AoA of the Companies involved in the scheme of arrangement.	Annexure 29 (Annexure 29.1-29.6)

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S. No.	Documents submitted along with application under Regulation 37 of the LODR Regulations	Annexure / Remarks
35.	Kindly submit non- applicability certificate of the requirements of the corporate governance, if required.	Annexure 30
36.	Name & Designation of the Contact Person Telephone Nos. (landline & mobile) Email ID.	Annexure 31
37.	In cases of Demerger, apportionment of losses of the listed company among the companies involved in the scheme.	Annexure 32
38.	Details of assets, liabilities, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement, along with a write up on the history of the demerged undertaking/Transferor Company certified by Chartered Accountant (CA).	Annexure 33
39.	Any type of arrangement or agreement between the demerged company/resulting company/merged/amalgamated company/ creditors / shareholders / promoters / directors/etc., which may have any implications on the scheme of arrangement as well as on the shareholders of listed entity.	Annexure 34
40.	In the cases of capital reduction/ reorganization, Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve, certified by CA.	Annexure 35
41.	In the cases of capital reduction/reorganization, Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, certified by CA.	Annexure 36
42.	In the cases of capital reduction/ reorganization, Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized, certified by CA.	Annexure 37
43.	In the cases of capital reduction/reorganization, the built up of the accumulated losses over the years, certified by CA.	Annexure 38
44.	Relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and Accounting treatment, certified by CA.	Annexure 39
45.	In case of Composite Scheme, details of shareholding of companies involved in the scheme at each stage	Annexure 40
46.	Whether the Board of unlisted Company has taken the decision regarding issuance of Bonus shares. If yes provide the details thereof.	Not Applicable
47.	List of comparable companies considered for comparable companies' multiple method, if the same method is used in valuation.	Annexure 41
48.	Share Capital built-up in case of scheme of arrangement involving unlisted entity/entities, certified by CA.	Annexure 42 (Annexure 42.1-42.6)
49.	Any action taken/pending by Govt./Regulatory body/Agency against all the entities involved in the scheme for the period of recent 8 years.	Annexure 43
50.	Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed entity in last three financial years.	Annexure 44
51.	Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement by the Board of Directors of the listed company.	Annexure 45
52.	In case of Demerger, basis for division of assets and liabilities between divisions of Demerged entity.	Annexure 46
53.	How the scheme will be beneficial to public shareholders of the Listed entity and details of change in value of public shareholders pre and post scheme of arrangement.	Annexure 47
54.	Tax/other liability/benefit arising to the entities involved in the scheme, if any.	Annexure 48
55.	Comments of the Company on the Accounting treatment specified in the scheme to conform whether it is in compliance with the Accounting Standards/Indian Accounting Standards.	The Accounting treatment in the books of Demerged Company and Resulting Companies as specified in the Scheme is in compliance with the applicable accounting

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		standards notified under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Amendment Rules, 2015 (as amended), Other Generally Accepted Accounting Principles in India and circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
56.	If the Income Approach method used in the Valuation, Revenue, PAT and EBIDTA (in value and percentage terms) details of entities involved in the scheme for all the number of years considered for valuation. Reasons justifying the EBIDTA/PAT margin considered in the valuation report.	Not Applicable
57.	Confirmation that the valuation done in the scheme is in accordance with applicable valuation standards.	Annexure 49
58.	Confirmation that the scheme is in compliance with the applicable securities laws.	Annexure 50
59.	Confirmation that the arrangement proposed in the scheme is yet to be executed.	Annexure 51


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October 17, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**Ref:** Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In connection with the above application, please find below the response with regards to apportionment of losses of the listed company among the companies involved in the scheme.

**Response:**

As of March 31, 2023, the Demerged Company does not have any carried forward business losses under the Income-tax Act. Appointed Date of proposed demerger as defined under the Scheme means the Effective Date of respective demerger as mentioned below:

*"Appointed Date" in respect of any of Parts II to VI of the Scheme, shall mean the Effective Date in respect of such Part of the Scheme, and the Appointed Date for each of the Parts II to VI of the Scheme may be a different date;*

Hence, tax losses (if any) of the demerged company as on the Appointed Date shall be apportioned amongst the companies involved in the scheme in accordance with Section 72A or any other applicable provisions of the Income-tax Act.

For Vedanta Limited



Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856



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The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Details to be submitted by Vedanta Limited, in case of demerger where there is no change in shareholding pattern of Demerged Company and the Resulting Companies (i.e., mirror shareholding)**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying Statement showing Details to be submitted by the company in case of demerger where there is no change in shareholding pattern of Demerged Company and the Resulting Companies (i.e., mirror shareholding) including:
  - (i) Details of assets, liability, revenue and net worth of the Companies involved in the scheme, both pre and post scheme of arrangement;
  - (ii) Assets, liability, revenue and net worth of the demerged undertakings along with a write up on the history of the demerged undertakings;
  - (iii) Comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged entity in last three financial years; and
  - (iv) Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement;

(hereinafter referred collectively as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of stock exchanges for filing along with Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The preparation of the said Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the "Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.



4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

#### **Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide whether:
- (i) the details of Pre Scheme assets, liabilities, net worth and revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 as at and for the quarter ended 30 June 2023 have been accurately extracted from the unaudited financial statements of Vedanta Limited for the three months ended 30 June 2023, audited financial statements of Resulting Company 2 for the three months ended 30 June 2023 and audited financial statements of Resulting Company 3 for the three months ended 30 June 2023, respectively, and pre Scheme revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of these companies for the year ended 31 March 2023;
  - (ii) the details of assets, liabilities, net worth and revenue of the Demerged Undertakings as at and for the quarter ended 30 June 2023 have been accurately extracted from the accounting records and books of accounts basis which the unaudited financial statements of the Company for the three months ended 30 June 2023 are prepared and agreed to and revenue of the Demerged Undertakings for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2023;
  - (iii) the details of Post Scheme assets, liabilities and net worth of the Demerged Company and Resulting Companies as at 30 June 2023 have been accurately computed in accordance with the Scheme;
  - (iv) the amounts in the Statement that form part of the Net Worth computation of the Company for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;
  - (v) the computation of net worth is arithmetically correct;
  - (vi) the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - (vii) the allocation of Net Worth amongst demerged undertakings is arithmetically correct;
  - (viii) the amounts of turnover of the demerged undertakings for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;

- (ix) the percentage wise contribution of the demerged undertakings to the total net worth and turnover of the Company is arithmetically correct;
  - (x) details of the History of Demerged undertakings are in conformity with historical annual reports of the Company, business understanding and as certified by the management; and
  - (xi) rationale for arriving at the Swap ratio for issuance of shares in the Scheme is in conformity with the report obtained by the Company from the independent valuer.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
- (i) agreed the amounts in the Statement to the unaudited financial statements of the Company for the period ended 30 June 2023 and audited financial statements of the Company for the years ended 31 March 2023 and 31 March 2022 and other underlying records forming part of unaudited/ audited financial statements of the Company, so far it relates to the Company and demerged undertakings;
  - (ii) agreed the amounts in the Statement to the audited financial statements of the Resulting Company 2 and Resulting Company 3 for the three months ended 30 June 2023 and year ended 31 March 2023, respectively and other underlying records forming part of these audited financial statements of the Resulting Company 2 and Resulting Company 3, so far it relates to the Resulting Company 2 and Resulting Company 3;
  - (iii) obtained the Scheme and ensure the Post Scheme numbers included in the Statement are computed in accordance with the Scheme;
  - (iv) obtained the report of the independent valuer and examined whether rationale for arriving at the Swap ratio for issuance of shares in the Scheme included in the statement is in conformity with the valuation reports;
  - (v) verified that details of the History of Demerged undertakings are in conformity with historical annual reports of the Company.
  - (vi) Tested the arithmetical and clerical accuracy of the Statement;
  - (vii) Performed necessary inquiries with the management and obtained necessary representations.



## Opinion

9. Based on our examination of the books of account, documents and relevant records produced and according to the information and explanations given to us and the representations provided by the management, we are of the opinion that:
- (i) the details of Pre Scheme assets, liabilities, net worth and revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 as at and for the quarter ended 30 June 2023 have been accurately extracted from the unaudited financial statements of Vedanta Limited for the three months ended 30 June 2023, audited financial statements of Resulting Company 2 for the three months ended 30 June 2023 and audited financial statements of Resulting Company 3 for the three months ended 30 June 2023 respectively, and pre Scheme revenue of the Demerged Company, Resulting Company 2 and Resulting Company 3 for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of these companies for the year ended 31 March 2023;
  - (ii) the details of assets, liabilities, net worth and revenue of the Demerged Undertakings as at and for the quarter ended 30 June 2023 have been accurately extracted from the accounting records and books of accounts basis which the unaudited financial statements of the Company for the three months ended 30 June 2023 are prepared and agreed to and revenue of the Demerged Undertakings for the financial year ended 31 March 2023 have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2023;
  - (iii) the details of Post Scheme assets, liabilities and net worth of the Demerged Company and Resulting Companies as at 30 June 2023 have been accurately computed in accordance with the Scheme;
  - (iv) the amounts in the Statement that form part of the Net Worth computation of the Company for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;
  - (v) the computation of net worth is arithmetically correct;
  - (vi) the computation in the Statement of Net Worth of the Company is in accordance with the method of computation set out in Regulation 2(s) of SEBI LODR read along with Section 2(57) of the Act;
  - (vii) the allocation of Net Worth amongst demerged undertakings is arithmetically correct;
  - (viii) the amounts of turnover of the demerged undertakings for the financial years 2022-23, 2021-22 and 2020-21 have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2023, 31 March 2022 and 31 March 2021, respectively;
  - (ix) the percentage wise contribution of the demerged undertakings to the total net worth and turnover of the Company is arithmetically correct;

- (x) details of the History of Demerged undertakings are in conformity with historical annual reports of the Company, business understanding and as certified by the management; and
- (xi) rationale for arriving at the Swap ratio for issuance of shares in the Scheme is in conformity with the report obtained by the Company from the independent valuer.

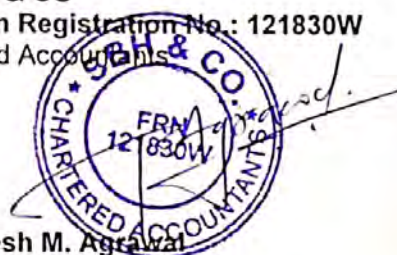
**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

**For SBH & CO**

**ICAI Firm Registration No.: 121830W**

Chartered Accountants



per **Rakesh M. Agrawal**

Partner

Membership No.: 124943

UDIN: 23124943BGXZLN2341

Place: Bhiwandi

Date: 18 October 2023



Annexure to the Certificate dated 18 October 2023 issued by SBH & CO regarding application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

**I. Details of assets, liability, revenue and net worth of the companies involved in the scheme, both pre and post scheme of arrangement**

**PRE SCHEME**

(Rs in Crores)

Particulars	Vedanta Limited	Talwandi Sabo Power Limited	Malco Energy Limited
Assets*	1,51,334	11,364	895
Liabilities*	86,933	8,356	924
Net Worth*	35,647	3,008	(28)
Revenue for the quarter ended 30 June 2023	15,665	1,377	148
Revenue for the year ended 31 March 2023	67,193	5,746	534

\*As at 30 June 2023

**POST SCHEME**

(Rs in Crores)

Particulars	Talwandi Sabo Power Limited	Malco Energy Limited	Vedanta Aluminium Metal Limited	Vedanta Base Metals Limited	Vedanta Iron and Steel Limited	Vedanta Limited (Residual)
Assets**	18,493	28,183	56,562	5,178	5,927	49,250
Liabilities**	10,751	20,641	36,563	4,540	5,228	18,490
Net Worth**	4,535	7,542	19,999	638	699	27,941

\*\* Adjustments for the effect of demerger is provisional and calculated based on net carrying value of demerged undertakings as at 30 June 2023. On the Effective Date of the Scheme, carrying value of demerged undertakings may undergo change.

**Notes:**

Net worth is calculated as defined under section 2(57) of the Companies Act, 2013:

"Net Worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the unaudited books of account, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation."



**VEDANTA LIMITED**

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**II. A) Assets, liability, revenue and net worth of the demerged undertakings along with a write up on the history of the demerged undertakings**

(Rs in Crores)

Particulars	Aluminium Undertaking	Merchant Power Undertaking	Oil and Gas Undertaking	Base Metals Undertaking	Iron Ore Undertaking
Assets*	56,562	7,129	27,288	5,178	5,927
Liabilities*	36,563	2,395	19,717	4,540	5,228
Net Worth**	11,070	2,620	4,191	353	387
Revenue for the quarter ended 30 June 2023	8,752	161	1,546	3,317	1,889
Revenue for the year ended 31 March 2023	39,950	827	8,137	12,351	5,928

\*Indicative numbers as at 30 June 2023 based on respective undertakings' provisional financial statements

\*\* Net Worth of Vedanta Limited apportioned basis the Net Assets of the respective Demerged undertakings as at 30 June 2023

**B) History of the Demerged Undertakings**

**a. ALUMINIUM UNDERTAKING**

Vedanta's aluminium business is in Chhattisgarh and Odisha. Vedanta operates the business in the state of Chhattisgarh through BALCO, and aluminium operations in Odisha is a division of Vedanta Limited. Vedanta's primary products in this business segment are aluminium ingots, wire rods, billet and rolled products.

Vedanta Limited has a 51.0% ownership interest in BALCO as of 31 March 2023 and the remaining 49.0% is held by the GoI. BALCO's operations include two bauxite mines (operations currently being suspended), the Chotia coal block, a 1,410 MW captive power plant, 600MW independent power plant, an alumina refinery, a 245,000 TPA aluminium smelter, and a 325,000 TPA aluminium smelter and the fabrication facilities in Chhattisgarh.

Vedanta's aluminium operations in Odisha were earlier operated through Vedanta Aluminium Limited, which has since merged with Vedanta Limited pursuant to the reorganization transactions. Vedanta Limited's operations in Odisha include a 2 MTPA alumina refinery at Lanjigarh, with associated 90 MW captive power plant. In addition, Vedanta has a greenfield 0.55 MTPA aluminium smelter, together with an associated 1,215 MW captive power plant (nine units with a capacity of 135 MW each). Vedanta Limited also has another 1.25 MTPA aluminium smelter in Jharsuguda which is the SEZ unit, with associated 1,800 MW (three units of 600 MW) coal-based captive power plant. This facility initially commenced production on 1 December 2015. This facility is in the process of being ramped up to increase its total capacity to 1.8 MTPA.



**MERCHANT POWER UNDERTAKING**

Merchant Power Undertaking of Vedanta Limited (VEDL) comprises of the following:

**600 MW Thermal Power Plant at Jharsuguda, Odisha**

- The company currently operates 600 MW thermal coal-based commercial power facility at Jharsuguda and it has a power purchase agreement with GRIDCO Limited, a state-owned undertaking of the state government of Odisha ("GRIDCO").

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**ii) Talwandi Sabo Power Limited**

- TSPL is a wholly-owned subsidiary of Vedanta Limited and operates a 1980 MW coal-based thermal power plant at Mansa, Punjab which was acquired by Vedanta in September 2008 through an International Competitive Bidding Process for sale of its power to PSPCL under a 25-year PPA.

**iii) Athena Chhattisgarh Power Limited**

- 1200 MW thermal power plant being set up by erstwhile Athena Chhattisgarh Power Limited (ACPL) was acquired by Vedanta Limited under the liquidation proceedings of IBC through NCLT vide order dated 17th July, 2023.
- The first 600 MW unit is ~80% completed whereas second unit is ~20% complete. Entire 1200 MW project is estimated to be fully complete by FY 2025.

**iv) Meenakshi Energy Limited**

- Meenakshi Energy Limited (MEL) has set up a 1000 MW coal-based power plant in Nellore district of Andhra Pradesh.
- CIRP proceedings started against MEL wherein Vedanta Limited's resolution plan for acquisition of MEL under the CIRP, in accordance with the provisions of the IBC was approved by NCLT in August 2023.
- Entire capacity is expected to be made fully operational by March 2024.

**c. OIL AND GAS UNDERTAKING**

- Vedanta's oil and gas business is primarily owned and operated by Vedanta Limited and its subsidiary, CIHL (Jersey). The oil and gas business segment has a diversified asset base with 62 blocks in India. The blocks are primarily located across the Indian basins in Barmer, Krishna-Godavari, Cambay, Assam, Gujarat Kutch and Cauvery.
- Vedanta's oil and gas business is primarily engaged in the business of exploration, development and production of crude oil, gas and related by-products.
- Vedanta Limited's operatorship and participating interest for all oil and natural gas blocks is through either production sharing contracts or revenue sharing contracts. Blocks contributing to majority of the production are:

SI No.	Name of block	Location
1.	RJ-ON-90/1	Rajasthan
2.	Ravva oil and gas field	Offshore Andhra Pradesh
3.	CB/OS – 2	Gujarat
4.	KG-ONN-2003/1	Andhra Pradesh
5.	KG-OSN-2009/3	Andhra Pradesh


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**a. Rajasthan, RJ-ON-90/1 block, Barmer Basin (operator, 70.0% participating interest)**

- The Rajasthan, RJ-ON-90/1 (the "Rajasthan Block") is an onshore block. Vedanta Limited holds 35% participating interest in the Rajasthan Block and the remaining 35% interest being held by Cairn Energy Hydrocarbons Limited (UK), which is a wholly-owned subsidiary of Vedanta Limited. Vedanta's joint operation partner, ONGC, has a 30% participating interest. Pursuant to GOI's approval for extension vide letter dated 26 October 2018, the parties to RJ PSC have executed the addendum for PSC extension for 10 years from 15 May 2020 to 14 May 2030 on 27 October 2022.

**b. Cambay, CB/OS-2 block, Cambay Basin (operator, 40.0% participating interest)**

- The Cambay CB/OS-2 (the "Cambay Block") is an offshore block which is located in the Cambay Basin of the state of Gujarat in western India. The operations of Vedanta's oil and gas business in the Cambay Block are centered on the Lakshmi and Gauri oil and gas fields and the CB-X development area. Vedanta's oil and gas business, along with its Joint venture partners ONGC (50%) and Tata Petrodyne Limited (10%), commenced its gas production from the Lakshmi gas field in 2002 and from the Gauri field in 2004. Production of co-mingled crude oil, which consists of crude oil plus condensate, from the Gauri field commenced in 2005. Cambay PSC runs until 2023 unless it is terminated earlier in accordance with its terms and may be extended for a further period not exceeding five years, provided that in the event of commercial production of non-associated natural gas the Cambay PSC may be extended for period not exceeding 35 years from the 30 June 1998. The extension application has been filed by the Cambay Joint Operating Partners under MoPNG Policy dated 7 April 2017 (the "Pre-NELP Extension Policy") for the grant of extension to the PSC, for a period of ten years beyond the existing PSC period (i.e., till 29 June 2033), to commercially monetize the remaining resources.

**c. Ravva, PKGM-1 block, Krishna-Godavari Basin, Eastern India (operator, 22.5% participating interest)**

- Vedanta's oil and gas business production operations in the Krishna-Godavari Basin are centered on the Ravva PKGM-1 (the "Ravva Block"), lying off the coast of Andhra Pradesh in Eastern India. Developed in partnership with ONGC, Videocon Industries Limited and Ravva Oil Singapore, Vedanta's oil and gas business became the operator of Ravva Block in 1996.
- As of 31 March 2023, Vedanta Limited held a 22.5% working interest in the Ravva Block with the remaining interests currently held by ONGC (40.0%), Videocon Industries Limited (25.0%) and Ravva Oil Singapore (12.5%) (together the "Ravva Joint Operating Partners"). The Ravva Block PSC was originally valid until 27 October 2019 and was extended for 10 years by the GoI in accordance with the provision of the "Policy on the Grant of the extension to PSC signed by Government awarding small, medium sized and discovered field to private joint ventures" dated 28 March 2016. The PSC addendum recording this extension has been executed by all parties.

**d. KG Onshore, KG-ONN-2003/1, Krishna-Godavari Basin (49.0% participating interest)**

- The onshore block KG-ONN-2003/1, located in the Krishna-Godavari basin in the state of Andhra Pradesh, was awarded in NELP V round to a joint venture between Vedanta Limited and ONGC.



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Vedanta Limited's oil and gas business and ONGC entered into a PSC on 23 September 2005 (the "KG-ONN-2003/1 PSC"). Vedanta Limited—oil and gas business has 49% participating interest in the block as an non operator.

**e. KG Offshore, KG-OSN-2009/3, Krishna-Godavari Basin (operator, 100.0% participating interest)**

- The block is currently in the initial exploration phase and several extensions were sought due to delays and access restrictions imposed by the Ministry of Defence. Further, due to the COVID-19 pandemic, force majeure was invoked in the block on the grounds that the pandemic made it impossible to conduct petroleum operations. Vedanta's oil and gas business applied for the surrender of the block due to the absence to the limited access, rendering petroleum operations impossible to be carried out. As of the date, discussions with the DGH on this matter are still ongoing.

**f. Open Acreage Licensing Policy (100% participating interest)**

- Under the OALP, revenue-sharing contracts have been signed for 41 blocks in October 2018 and for 10 exploration blocks as part of the OALP Round II and III in July 2019. These blocks offer a rich conventional and unconventional resource play. Of 51 blocks, five onshore blocks in the Krishna-Godavari region have been relinquished during Fiscal Year 2023. The secured blocks increased the acreage of Vedanta's oil and gas business by approximately 53,500 sq km.
- The company intend to continue the exploration across Rajasthan, Cambay, and North-east in Fiscal Year 2024 to unlock the full potential of the OALP blocks.

**g. Discovered Small Fields and Coal Bed Methane (100% participating interest)**

- Vedanta's oil and gas business has won two discovered small fields in DSF Round II named as Hazarigaon and Kaza gas field located in Assam and Krishna-Godavari basins respectively. These discovered fields are providing synergy to existing Vedanta's oil and gas business blocks in the vicinity.
- During Fiscal Year 2023, Vedanta's oil and gas business secured further eight blocks in the DSF Round III bid and one block in special coal bed methane round bid in 2021.

**d. BASE METALS UNDERTAKING**

The Company's copper business is principally one of custom smelting and includes a smelter, refinery, phosphoric acid plant, sulphuric acid plant and copper rod plant at Tuticorin in Southern India and a refinery and two copper rod plants at Silvassa in Western India. In addition, the Company has an indirect investment in the Mt. Lyell copper mine in Tasmania, Australia, currently mine is not operational. The primary products are copper cathodes and copper rods.

**Tuticorin**

The Company's Tuticorin facility, commissioned in 1997, is located approximately 17 kilometres inland from the port of Tuticorin in Tamil Nadu in Southern India. Tuticorin is one of India's two largest copper smelters, based on production volume. The Tuticorin facility consists of a



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smelter, a refinery, a copper rod plant, a sulphuric acid plant, a phosphoric acid plant and two captive power plants with a total capacity of 46.5 MW.

## 1.1. Tuticorin Smelter

Tuticorin smelter processes copper concentrate into copper anodes.

## 1.2. Tuticorin Acid Plants

The sulphur dioxide gas produced at Tuticorin in the process of creating copper anodes is fed through the sulphuric acid plant at Tuticorin to be converted into sulphuric acid. Most of the sulphuric acid is further treated in the phosphoric acid plant to be converted into phosphoric acid. Both the sulphuric acid and the phosphoric acid are sold primarily to fertilizer manufacturers.

## 2. Silvassa

The Silvassa facility commissioned in 1997, comprises a refinery and two copper rod plants and is located approximately, 140 kilometres from Mumbai in the union territory of Dadra and Nagar Haveli in Western India.

### 2.1. Silvassa and Tuticorin Refineries

In the refineries at Silvassa and Tuticorin, copper anodes are electrolytically refined to produce copper cathodes which are treated further in a slime treatment plant to recover additional copper. The residual slimes are sold to third parties. Copper cathodes are either sold to customers or sent to the Company's copper rod plants.

### 2.2. Silvassa and Tuticorin Copper Rod Plants

In the copper rod plants, copper cathodes are first melted in a furnace and cast in a casting machine, and then extruded and passed through a cooling system that begins solidification of copper into copper bars. The resulting copper bars are gradually stretched in a rolling mill to achieve the desired diameter. The rolled bar is then cooled and sprayed with a preservation agent and collected in a rod coil that is compacted and sent to customers.

## e. IRON ORE UNDERTAKING

Vedanta's iron ore business includes exploration, mining and processing of iron ore and comprises operations in India and Liberia.

- **Vedanta Limited:** Vedanta Limited operates Vedanta's iron ore business in Goa, Maharashtra and Karnataka, India.
- **Western Cluster Limited:** WCL was incorporated in Liberia and is headquartered in Monrovia, Liberia. WCL's assets include development rights to the Western Cluster, a network of iron ore deposits in West Africa.

Vedanta operates two metallurgical coke plants and a pig iron plant with an installed rated capacity of 522,000 tpa, 120,000 tpa and 950,000 tpa, respectively, in Goa and Maharashtra. Vedanta Limited manufactures pig iron through the blast furnace route.

- In addition, Vedanta Limited also operates two waste heat recovery plants of 30 MW and 35 MW, respectively in Goa.



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- Vedanta's mining operations are carried out in the states of Goa and Karnataka, both of which became subject to suspension of mining activities due to alleged environmental and other violations by miners, which has adversely impacted the production of iron ore since August 2011. The suspension was imposed by the State Government of Goa and this suspension was upheld by the Supreme Court of India on the mining activities in the state of Goa from September 2012 to April 2014. Following the Supreme Court of India's order in April 2014, High Court of Bombay at Goa in August 2014 pronounced the order to renew mining leases in Goa. The MoEF and the state government also revoked their suspension orders subject to limits imposed by the Supreme Court of India, for renewal of the leases and consent to operate from the State Government of Goa. In August 2015, the mining operations resumed in the principal mines after completion of necessary statutory formalities and fulfilment of conditions annexed by Supreme Court of India and the State Government of Goa. The Supreme Court of India passed its final order in the matter on 7 February 2018 wherein it set aside the second renewal of the mining leases granted by the State of Goa. The Supreme Court of India directed all lease holders operating under a second renewal to stop all mining operations with effect from 16 March 2018 until fresh mining leases (not fresh renewals or other renewals) and fresh environmental clearances are granted under the Mines and Minerals (Development and Regulation) (MMDR) Act.
- Operations in Karnataka resumed from 28 February 2015 after receiving all statutory clearances.
- Vedanta Limited won the Bicholim and Cudnem mines in the Goa State Government e-auction. The letter of intent was received in January 2023 and July 2023, respectively.
- On 25 July 2011, Vedanta Limited acquired a 51.0% ownership interest in Western Cluster Limited (WCL), a Liberian iron ore exploration company which was a wholly-owned subsidiary of Elenilto Minerals and Mining LLC ("Elenilto"), for a cash consideration of \$90.0 million. On 20 December 2012, Vedanta Limited acquired the remaining 49.0% of the outstanding common shares of WCL from Elenilto for a cash consideration of \$33.5 million. However, due to the outbreak of Ebola in Liberia, Vedanta Limited's project was temporarily suspended in August 2014 as the staff had to be evacuated. Since then, iron ore prices have fallen significantly, due to which it was considered not viable to resume operations. In April 2022, a memorandum of understanding was signed with government of Liberia for which settles matters such as outstanding financial obligations, required approvals, etc. In June 2022, the Environment Protection Agency (EPA) permit was received to commence mining operations. Mining Operations have started in the same month at Bomi mines.
- Goa Energy Limited, which merged into Vedanta Limited on 24 March 2015, owned one of the 30 MW waste heat recovery power plants in Goa which generates power from the waste gases of the metallurgical coke plant and blast furnace.
- In October 2015, Vedanta Limited proposed to the State Government of Jharkhand to set up a 1 mtpa pig iron plant in Jharkhand, for Dhobil mining lease. On 6 May 2016, a memorandum of understanding for the first phase was signed between the State Government of Jharkhand and Vedanta Limited to set up a 1 mtpa hot metal plant. Further on 1 November 2017, the memorandum of understanding for the second phase was signed. The exploration drilling in the lease area commenced in May 2017 and a report was submitted to the State Government of Jharkhand in October 2017. The exploration report was examined by a technical committee comprising experts from Geological Survey of India, IBM and state geology and mining departments. In March 2018, the technical committee approved the report for issuing of letter of intent to Vedanta Limited for grant of a mining lease for Dhobil iron ore mine. In March 2021, the GoI amended the MMDR Act, which nullified Vedanta's claim for mining lease in the Dhobil



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iron ore deposit. Vedanta Limited challenged the removal of its rights over the lease. Vedanta Limited is still awaiting the letter of intent to further carry on the process.

**III. Comparison of revenue and net worth of demerged undertakings with the total revenue and net worth of the listed/demerged entity in last three financial years**

(Rs in Crores, except as stated)

Particulars	Financial Year	Net Worth*	% to total	Turnover	% to total
<b>Demerged undertakings:</b>					
Aluminium Undertaking	2022-23	13,493	35%	39,950	60%
	2021-22	17,801	36%	38,371	61%
	2020-21	17,025	35%	20,162	54%
Merchant Power Undertaking	2022-23	2,902	7%	827	1%
	2021-22	3,073	6%	569	1%
	2020-21	3,200	7%	720	2%
Oil and Gas Undertaking	2022-23	5,427	14%	8,137	12%
	2021-22	7,583	15%	6,622	10%
	2020-21	9,196	19%	4,086	11%
Base Metals Undertaking	2022-23	666	2%	12,351	18%
	2021-22	(73)	0%	11,096	18%
	2020-21	494	1%	7,623	21%
Iron Ore Undertaking	2022-23	430	1%	5,928	9%
	2021-22	(114)	0%	6,143	10%
	2020-21	(298)	-1%	4,529	12%
<b>Other undertakings:</b>					
Residual Vedanta	2022-23	16,187	41%	-	0%
	2021-22	21,100	43%	-	0%
	2020-21	19,242	39%	-	0%
<b>Total</b>	2022-23	<b>39,105</b>	<b>100%</b>	<b>67,193</b>	<b>100%</b>
	2021-22	<b>49,370</b>	<b>100%</b>	<b>62,801</b>	<b>100%</b>
	2020-21	<b>48,859</b>	<b>100%</b>	<b>37,120</b>	<b>100%</b>

\* Net Worth of Vedanta Limited as per audited financial statements for the respective financial years apportioned basis the Net Assets of the respective Demerged undertakings



**VEDANTA LIMITED**

REGISTERED OFFICE: Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4600 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394

**IV. Detailed rationale for arriving at the swap ratio for issuance of shares as proposed in the draft scheme of arrangement**


**Rationale for the 1:1 share entitlement ratio under the Scheme**

Upon the scheme being effective, the shareholding pattern of Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") will be identical. All the shareholders of Demerged Company would also become the shareholders of Resulting Companies and every shareholder of Demerged Company will hold same percentage of equity ownership in Resulting Companies as owns in Demerged Company and accordingly their shareholding in Resulting Companies would mirror their existing shareholding in Demerged Company prior to the Scheme.

Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Resulting Companies shall be identical to that of Demerged Company. The beneficial economic interest of Demerged Company's shareholders in Resulting Companies will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the proposed demerger will be value-neutral to the Demerged Company's shareholders.

Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary.

For Vedanta Limited



Perna Halwasiya  
Company Secretary & Compliance Officer  
ACS: A20856



Place: New Delhi  
Date: 18 October 2023



**VEDANTA LIMITED**

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CIN: L13209MH1965PLC291394

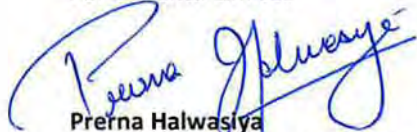
October 17, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

There is no arrangement or agreement between the Demerged Company, the Resulting Companies, their creditors, shareholders, promoters, and / or directors, which may have any implications on the Scheme or on the shareholders of listed Demerged Company.

For Vedanta Limited



Purna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

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CIN: L132O9MH1965PLC291394



The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the proposed utilization, built-up and nature of Reserves in the cases of capital reduction/re-organisation in the proposed scheme of arrangement**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying statement showing details required to be furnished pursuant to the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the stock exchanges including:
  - (i) Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilisation of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium, as a free reserve;
  - (ii) Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities Premium;
  - (iii) Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized; and
  - (iv) The built up of the accumulated losses over the years.

(hereinafter referred collectively as the "Statement"), which we have initialled only for identification purposes, is prepared by the management to comply with the requirements of stock exchanges for filing along with the Scheme of arrangement between Vedanta Limited ("Demerged Company" or the "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("the Scheme").

**Management's Responsibility**

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.



4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI LODR and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and the stock exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of the SEBI LODR and the stock exchanges, it is our responsibility to provide as to whether:
- (i) the reasons and the relevant provisions of the Companies Act, 2013 or other applicable laws for the proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as a free reserve, as certified by the management in the Statement, are appropriate and in conformity with the Act and other applicable laws;
  - (ii) details of the Built up for reserves viz. Capital Reserve, Securities Premium and Capital Redemption Reserve are in conformity with the secretarial and other books of records of the demerged company;
  - (iii) the nature of reserves viz. Capital Reserve and Capital Redemption Reserve are fairly described in the accompanying Statement; and
  - (iv) details of the built up of the accumulated losses, if any, are fairly presented in the accompanying Statement.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. We have performed the following procedures in relation to the Statement:
- (i) Obtained and read the accounting treatment for the demerged company in the Scheme;
  - (ii) Obtained and verified that the Statutory Auditors of the demerged company have confirmed, vide their certificate dated 29 September 2023 ("the Certificate"), that the accounting treatment for the demerged company in the Scheme pertaining to the proposed utilisation of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as applicable, is in compliance with the relevant provisions of the Act and the applicable accounting standards as notified in the Act;



- (iii) Agreed that the proposed utilisation of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as applicable, in the accompanying Statement is accurately extracted from the Certificate.
- (iv) Agreed the details of the built up of the reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium described in the accompanying Statement with the secretarial and other books of records of the demerged company;
- (v) Read the nature of the reserves viz. Capital Reserve and Capital Redemption in the accompanying Statement and agreed it to the secretarial and other books of records of the demerged company.
- (vi) Verified the balance of retained earnings of the demerged company from the unaudited financial statements of the demerged company as at and for the three months ended 30 June 2023; and
- (vii) Performed relevant inquiries with the management and obtained necessary representations.

#### **Opinion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, we are of the opinion that the information in the accompanying Statement pertaining to:
- (i) the reasons and the relevant provisions of the Companies Act, 2013 or other applicable laws for the proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve and Securities Premium, as a free reserve, are appropriate and in conformity with the Act and other applicable laws;
  - (ii) details of the Built up for reserves viz. Capital Reserve, Securities Premium and Capital Redemption Reserve are in conformity with the secretarial and other books of records of the demerged company;
  - (iii) the nature of reserves viz. Capital Reserve and Capital Redemption Reserve are fairly described; and
  - (iv) the built up of accumulated losses is not applicable since the demerged company has a positive balance of retained earnings as at 30 June 2023.



**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants



per Rakesh M. Agrawal  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLR2806  
Place: Bhiwandi  
Date: 18 October 2023

Annexure to the Certificate dated 18 October 2023 issued by SBH & CO regarding application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

1. In the cases of capital reduction/ reorganization, Reasons along with relevant provisions of Companies Act, 2013 or applicable laws for proposed utilization of reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium, as a free reserve

**Relevant provisions as per the Companies Act, 2013**

As per Section 66 of the Companies Act, 2013 ("the Act") dealing with the Capital Reduction, a company can reduce its share capital on confirmation from the National Company Law Tribunal ("NCLT"). As per Section 52 of the Act, the provisions of Section 66 of the Act relating to reduction of share capital shall apply as if the securities premium were the paid-up share capital of the company. Accordingly, utilisation of securities premium requires confirmation from the NCLT. Similarly, NCLT has powers to allow utilisation of Capital Reserves in any scheme of arrangement filed under the provisions of section 230 to 232 of the Act.

The Capital Redemption Reserve of the Company is not being utilised in the Scheme and hence provisions of Section 55 and Section 69 of the Act relating to the utilisation of Capital Redemption Reserve are not applicable to the Company.

The Company has complied with above requirements of the Act relating to capital reduction / reorganisation since specific reliefs regarding utilisation of reserves are being requested from the NCLT in the Scheme.

**Relevant provisions as per Indian Accounting Standards notified by the Central Government under section 133 of the Companies Act, 2013**

The management of the Demerged Company has complied with the accounting standards notified by the Central Government under section 133 of the Act, as applicable. Accordingly, as per the Scheme, the difference, if any, between the book value of assets and liabilities transferred to the Resulting Companies will be recognised in "Other Equity" and adjusted firstly against amount lying to the credit of 'Capital Reserve', if any; thereafter with the amount lying to the credit of 'Securities Premium', if any; thereafter with the amount lying to the credit of 'General Reserve', if any; and the remaining balance, if any, against the amount lying to the credit of 'Retained Earnings' of the Demerged Company. Accordingly, the statutory auditors of the Demerged Company have issued necessary certificate confirming that the accounting treatment contained in the Scheme is in compliance with the applicable accounting standards. The said certificate has been annexed to the Scheme.

Further, as per the Scheme, a mirror shareholding is proposed in the resulting companies, i.e., the set of shareholders and holding proportion in the Resulting Companies shall be identical to that of Demerged Company. The beneficial economic interest of Demerged Company's shareholders in Resulting Companies will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company.

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This will be a non-cash transaction and accordingly, will not impact the interests of the stakeholders of the Demerged Company and the resulting companies. The management believes that the proposed utilisation of reserves as per the Scheme is in the best interests of all the respective entities and their respective stakeholders including its shareholders.

2. A) In the cases of capital reduction/reorganization, Built up for reserves viz. Capital Reserve, Capital Redemption Reserve, Securities premium

B) In the cases of capital reduction/ reorganization, Nature of reserves viz. Capital Reserve, Capital Redemption Reserve, whether they are notional and/or unrealized

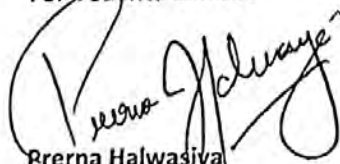
Reserves	Amount (Rs in Crores)*	Built up and Nature of Reserves
Capital Reserve	26,027	The balance of capital reserve in the Demerged Company has primarily arisen consequent to business combinations carried out by the Company, in accordance with the applicable accounting standards and a Scheme of Arrangement approved by the NCLT at that time.  The Capital Reserve is not considered as a free reserve currently.
Securities premium	19,009	Securities premium was recognised by the Demerged Company at the time of original issuance of its equity shares at a price over and above its face value. The excess of the issue price over the face value is credited to Securities premium as per Section 52 of the Act. The Securities premium is considered as a realised reserve.
Capital Redemption Reserve (including Preference Share Redemption Reserve)	3,125	The Capital Redemption Reserve was created by the Demerged Company out of realised profits, at the time of redemption of its preference shares. As per the Section 55 of the Act, if profits are used to redeem preference shares, the value of the nominal amount of shares redeemed should be transferred from profits (retained earnings) to the Capital Redemption Reserve. Accordingly, Capital Redemption is considered as a realised reserve.  It may be noted that, in the Scheme, Capital Redemption Reserve is not being utilised.

\*As at 30 June 2023

3. In the cases of capital reduction/reorganization, the built up of the accumulated losses over the years

The Demerged Company has positive Retained Earnings and accordingly, this clause is not applicable.

For Vedanta Limited



Prerna Halwasija  
Company Secretary & Compliance Officer  
ACS: A20856



Place: New Delhi  
Date: 18 October 2023

**VEDANTA LIMITED**

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The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and accounting treatment**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. The accompanying Statement for the relevant sections of Companies Act, 2013 and applicable Indian Accounting Standards and accounting treatment (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only, is prepared by the management to comply with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company" or the "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility for the Statement**

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents including compliance with the applicable provisions of the Companies Act, 2013 ("the "Act") and accounting standards notified under section 133 of the Act. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance as to whether the applicable provisions of the Act and applicable Indian Accounting Standards and accounting treatment applicable to the Scheme as mentioned in the Statement are appropriate.



6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed the following procedures in relation to the Statement:
  - (i) Obtained and read the accounting treatment in the Scheme;
  - (ii) Obtained and verified that the Statutory Auditors of demerged company and resulting companies have confirmed vide their respective certificates, that the accounting treatment in the scheme is in compliance with the applicable Indian Accounting Standards notified under section 133 of the Act read with rules thereunder and other Generally Accepted Accounting Principles in India, as applicable.
  - (iii) Verified that the applicable provisions of the Act and applicable Indian Accounting Standards are fairly described in the accompanying Statement;
  - (iv) Performed relevant inquiries with the management and obtained necessary representations.

#### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the applicable provisions of the Act and applicable Indian Accounting Standards and accounting treatment applicable to the Scheme as mentioned in the Statement are not appropriate.

**Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

**For SBH & CO**  
**ICAI Firm Registration No.: 121830W**  
Chartered Accountants

per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLQ2113  
Place: Bhiwandi  
Date: 18 October 2023



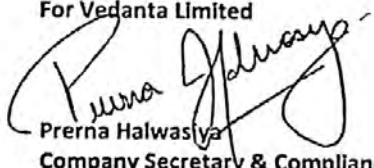


Annexure to the Certificate dated 18 October 2023 issued by SBH & CO regarding application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In connection with the above application, we hereby confirm that the following sections of the Companies Act, 2013 are applicable to the Scheme:

1. Sections 230 to 232;
2. Section 133 and Indian Accounting Standards and accounting treatment prescribed pursuant thereto.

For Vedanta Limited

  
Prerna Halwasia  
Company Secretary & Compliance Officer  
ACS: A20856



**VEDANTA LIMITED**

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CIN: L13209MH1965PLC291394

Sensitivity: Internal (C3)

**DETAILS OF SHAREHOLDING OF COMPANIES INVOLVED IN THE SCHEME AT EACH STAGE – AS ON  
SEPTEMBER 30, 2023**

**Transferor / Demerged Company -Vedanta Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
<b>Promoter</b>	2,36,83,49,949	63.71	2,36,83,49,949	63.71
<b>Public</b>	1,34,59,37,106	36.21	1,34,59,37,106	36.21
<b>Non-Promoter Non-Public</b>	29,19,184	0.00	29,19,184	0.00
<b>Custodian</b>	0	0.00	0	0.00
<b>Grand total of Listed Capital</b>	<b>3,71,72,06,239<sup>(1)</sup></b>	<b>100.00</b>	<b>3,71,72,06,239<sup>(1)</sup></b>	<b>100.00</b>
<b>Shares under Abeyance Category</b>	<b>2,98,632<sup>(2)</sup></b>		<b>2,98,632<sup>(2)</sup></b>	
<b>Total issued, subscribed and paid-up capital</b>	<b>3,71,75,04,871</b>		<b>3,71,75,04,871</b>	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.

**Resulting Company 1 – Vedanta Aluminium Metal Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
<b>Promoter</b>	1,00,000	100.00	2,36,83,49,949	63.71
<b>Public</b>	0	0.00	1,34,59,37,106	36.21
<b>Non-Promoter Non-Public</b>	0	0.00	29,19,184	0.00
<b>Custodian</b>	0	0.00	0	0.00
<b>Grand total of Listed Capital</b>	<b>1,00,000</b>	<b>100.00</b>	<b>3,71,72,06,239<sup>(1)</sup></b>	<b>100.00</b>
<b>Shares under Abeyance Category</b>			<b>2,98,632<sup>(2)</sup></b>	
<b>Total issued, subscribed and paid-up capital</b>			<b>3,71,75,04,871</b>	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.


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CIN: L132O9MH1965PLC291394

**Resulting Company 2 – Talwandi Sabo Power Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	3,20,66,09,692	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	3,20,66,09,692	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

- <sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.
- <sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.

**Resulting Company 3 – Malco Energy Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	2,33,66,406	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	2,33,66,406 <sup>(1)</sup>	100.00	3,71,72,06,239 <sup>(2)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(3)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

- <sup>1</sup> In addition to above, Malco Energy Limited (Resulting Company – 3) had issued 6,13,54,483 no. of Unsecured Compulsory Convertible Debentures (CCDs) to Vedanta Limited (Demerged Company) which are classified as equity in nature.
- <sup>2</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.
- <sup>3</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.


**VEDANTA LIMITED**

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CIN: L13209MH1965PLC291394



**Resulting Company 4 – Vedanta Base Metals Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	1,00,000	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	1,00,000	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.


**Resulting Company 5 – Vedanta Iron & Steel Limited**

Shareholding pattern	Pre-Arrangement		Post- Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	1,00,000	100.00	2,36,83,49,949	63.71
Public	0	0.00	1,34,59,37,106	36.21
Non-Promoter Non-Public	0	0.00	29,19,184	0.00
Custodian	0	0.00	0	0.00
Grand total of Listed Capital	1,00,000	100.00	3,71,72,06,239 <sup>(1)</sup>	100.00
Shares under Abeyance Category			2,98,632 <sup>(2)</sup>	
Total issued, subscribed and paid-up capital			3,71,75,04,871	

<sup>1</sup> Out of the aforesaid 37,17,206,239 shares, listing approval for 7,200 shares (released from abeyance category) is yet to be received.

<sup>2</sup> 2,98,632 shares are under abeyance category, pending for allotment as they are subjudice. The same does not form part of the Listed Capital and is part of Issued, Subscribed and Paid Up Capital of the Company.

For Vedanta Limited



Prerna Halwasiya

Company Secretary and Compliance Officer

ACS: 20856


**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394

October 18, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

In connection with the above application, please find below response with regards to the following:

47. List of comparable companies considered for comparable companies' multiple method, if the same method is used in valuation.
57. Confirmation that the valuation done in the scheme is in accordance with applicable valuation standards.

Response:

As per the Scheme, the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking, and the Iron Ore Undertaking of the Demerged Company shall be transferred into Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5, respectively. Once the Scheme is effective, all the shareholders of the Demerged Company would become the shareholders of the Resulting Companies and their shareholding in the Resulting Companies would mirror their shareholding in the Demerged Company. Hence no relative valuation of the entities is required to be undertaken. Hence, above requirements are not applicable.

Please refer to the Share Entitlement Reports issued by BDO Valuation Advisory LLP, which have been enclosed as part of this application as Annexure 3.1 to Annexure 3.5.

For Vedanta Limited



Purna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856





The Board of Directors  
Vedanta Limited  
1st Floor, C wing, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India

### **Independent Auditor's Certificate on the Share Capital built-up of Vedanta Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Limited (hereinafter the "Demerged Company" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company" or the "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

### **Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

### **Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company and Shareholder information regarding details of capital evolution available on the website of the Company (hereinafter referred as "External filings").

H.O. : 1A-(I), First Floor, Gulmohar Apartment, 2420 East Street, Camp, Pune 411 001, INDIA | +91 20 2634 4610 / 2633 4610 | ca.sbh.co@gmail.com  
Br.off. : 307, Agrawal Society Building, Nazrana Compound, Bhiwandi, Dist. Thane, | +91 98220 40578 / 82370 40578 | r\_m\_agrawal@hotmail.com



6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
- (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors, share certificates and ROC filings;
  - (ii) Verified the details included in the Statement with the information regarding details of capital evolution available on the website of the Company;
  - (iii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iv) Performed necessary inquiries with the management and obtained necessary representations.

#### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company and External filings.

#### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per Rakesh M. Agrawal  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLG5659  
Place: Bhiwandi  
Date: 18 October 2023

**DETAILS OF CAPITAL EVOLUTION OF VEDANTA LIMITED – DEMERGED COMPANY**

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, If not listed, give reasons thereof
22.01.1982	36,75,000	Rs.10 each (Rs.2.50 premium)	1 <sup>st</sup> offer to the public	36,75,000	Listed
12.12.1986	14,70,000	-	Bonus	51,45,000	Listed
01.02.1992	8,64,360	Rs.10 each (Rs.20 premium)	Preferential Shares (Promoters)	73,05,900	Listed
01.02.1992	12,96,540	Rs.10 each (Rs.20 premium)	Debenture Conversion (Public)		
29.05.1993	73,05,900	-	Bonus	1,46,11,800	Listed
15.03.1994	32,80,200	Rs.10 each (Rs.50 premium)	Preferential allotment	1,78,92,000	Listed
04.12.1995	17,41,587	Rs.10 each (Rs.90 premium)	Rights	1,96,33,587	Listed
27.03.1997	44,898	Rs.10 each (Rs.90 premium)	Rights	1,96,78,485	Listed
19.08.1997	2,525	Rs.10 each (Rs.90 premium)	Rights	1,96,81,010	Listed
03.03.2005	1,96,81,010	-	Bonus	3,93,62,020	Listed
August 2008	-	-	Sub-Division of shares from face value of Rs. 10/- to face value of Re. 1/	39,36,20,200	Listed
August 2008	39,36,20,000	-	Bonus	78,72,40,400	Listed
22.07.2009	3,32,74,000	Re.1 (Rs. 160.46 premium)	Preferential allotment	82,05,14,400	Listed
14.01.2010	20,34,128	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	82,25,48,528	Listed
15.03.2010	84,13,274	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	83,09,61,802	Listed

**VEDANTA LIMITED**

REGISTERED OFFICE: Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakola, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: LI3209MH1965PLC291394







# vedanta

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Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
05.04.2010	88,14,567	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	83,97,76,369	Listed
23.04.2010	1,83,76,377	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	85,81,52,746	Listed
17.05.2010	15,49,813	Re.1 (Rs. 345.88 premium)	Conversion of foreign Currency Convertible Bonds	85,97,02,559	Listed
12.03.2011	93,98,864	-	Pursuant to the Scheme of Amalgamation of Sesa Industries Limited with Sesa Goa Limited	86,91,01,423	Listed
29.08.2013	209,55,73,064	-	The Scheme of amalgamation and arrangement was amongst Sterlite Industries (India) Limited, Madras Aluminium Company Limited (MALCO), Sterlite Energy Limited (SEL), Vedanta Aluminium Limited (VAL) and Sesa Goa and their respective Shareholders and Creditors and the Scheme of Amalgamation of Ekaterina Limited (Ekaterina) with Sesa Goa and their respective Shareholders and Creditors ("Ekaterina Scheme") ("Scheme of Amalgamation and Arrangement 2013").	296,46,74,487	Listed
13.08.2014	14,952	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	296,46,89,439	Listed
23.02.2015	4,800	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	296,46,94,239	Listed
28.04.2017	75,25,00,000	-	Pursuant to a Scheme of Arrangement between Cairn India Limited and Vedanta Limited and their respective shareholders and creditors under Section 391 and 394 read with Section 100 to 103 and other applicable provisions of Companies Act, 1956 which was approved by the Tribunal on March 23, 2017.	371,71,94,239	Listed
26.03.2018	2,400	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	371,71,96,639	Listed
26.10.2021	2,400	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	371,71,99,039	Listed

## VEDANTA LIMITED

REGISTERED OFFICE: Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Vikhali, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4600 | F +91 22 6643 4630

CIN: L13209MH1965PLC291394







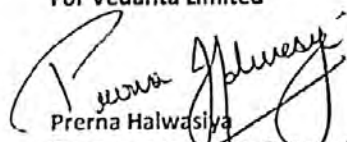
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Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
05.06.2023	7,200	-	The Scheme of Amalgamation and Arrangement 2013 which was earlier kept in abeyance	371,72,06,239	In-principle approval for listing of the said shares is received from NSE and BSE Limited. The execution of Corporate Action through Depository is in process and there after the trading permission will be applied with BSE & NSE.
-	2,98,632	-	-	371,75,04,871	Not Listed - Shares are under abeyance category, pending for allotment as they are sub-judice.

**Note:**

- Pursuant to the Order dated March 23, 2017 by the National Company Law Tribunal Bench at Mumbai approving the Scheme of Amalgamation between Vedanta Limited and Cairn India Limited ("Cairn") and their respective shareholders' and creditors, 3,010,000,000 Non-convertible Non-cumulative Preference Shares ("RPS") of Rs.10/- each were allotted on April 28, 2017 to equity shareholders of Cairn. These RPS were redeemed on October 27, 2018.

For Vedanta Limited

  
Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856



**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai - 400093, Maharashtra, India | T +91 22 6643 4600 | F +91 22 6643 4630

CIN: L13209MH1965PLC291394

The Board of Directors  
Vedanta Aluminium Metal Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Share Capital built-up of Vedanta Aluminium Metal Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Aluminium Metal Limited (hereinafter the "Resulting Company 1" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors of the first board meeting of the Company and share certificates;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

#### Conclusion

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

#### Restriction on Use

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants



per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLH1942  
Place: Bhiwandi  
Date: 18 October 2023



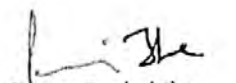
## VEDANTA ALUMINIUM METAL LIMITED

ANNEXURE

### DETAILS OF CAPITAL EVOLUTION OF VEDANTA ALUMINIUM METAL LIMITED – RESULTING COMPANY 1

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons therefor
October 17, 2023	1,00,000	Re.1 each	Initial Subscription	1,00,000	Unlisted

For Vedanta Aluminium Metal Limited

  
Name: Pankaj Jha  
Designation: Director  
DIN: 09114381



The Board of Directors  
Talwandi Sabo Power Limited  
Village Banawala, Mansa  
Talwandi Sabo Road,  
Distt. Mansa, Punjab – 151302 India

**Independent Auditor's Certificate on the Share Capital built-up of Talwandi Sabo Power Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Talwandi Sabo Power Limited (hereinafter the "Resulting Company 2" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors from the date of incorporation of the Company, share certificates and ROC filings;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

#### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

#### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

**For SBH & CO**  
**ICAI Firm Registration No.: 121830W**  
Chartered Accountants



per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLL9626  
Place: Bhiwandi  
Date: 18 October 2023



**ANNEXURE**

**DETAILS OF CAPITAL EVOLUTION OF TALWANDI SABO POWER LIMITED – RESULTING COMPANY 3**

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
01-Sep-08	50,000	10	-	50,000	Unlisted
31-Mar-10	40,00,00,000	10	-	40,00,50,000	Unlisted
01-Mar-14	2,09,99,50,000	10	Right Issue	2,50,00,00,000	Unlisted
04-Dec-14	70,66,09,692	10	Right Issue	3,20,66,09,692	Unlisted

For Talwandi Sabo Power Limited

*Shivangi*

Name: Shivangi Dhanuka  
Designation: Company Secretary  
ACS: A70586



The Board of Directors  
MALCO Energy Limited  
SIPCOT Industrial Complex,  
Madurai Bypass Road,  
T. V. Puram P.O.,  
Tuticorin (Tamil Nadu) - 628 002

**Independent Auditor's Certificate on the Share Capital built-up of MALCO Energy Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with MALCO Energy Limited (hereinafter the "Resulting Company 3" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors from the date of incorporation of the Company, share certificates and ROC filings;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

#### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

#### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per Rakesh M. Agrawal  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLI6635  
Place: Bhiwandi  
Date: 18 October 2023






**ANNEXURE**
**DETAILS OF CAPITAL EVOLUTION OF MALCO ENERGY LIMITED- RESULTING COMPANY 3**

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (PC/FC/Preferential/Equity)	Cumulative capital (No. of shares)	Whether listed, if not listed, reasons thereof
14-04-2001	50006	Rs.10	Equity Investment	50006	Unlisted
16-03-2005	14403479	Rs.115 (premium Rs.110)	Preferential Issue	14453485	Unlisted
16-03-2005	34542188	Rs.128 (premium Rs.118)	Preferential Issue	48995673	Unlisted
30-03-2007	3843177	Rs.1160 (premium Rs.1150)	Preferential Issue	52838850	Unlisted
08-04-2008	4235420	Rs.1500 (premium Rs.1490)	Issue and Allotment	57074270	Unlisted
08-04-2008	1772268	Rs.1500 (premium Rs.1490)	Conversion of OFCD to SIIL	58846538	Unlisted
23-01-2010	294232690	Not Applicable	Sub-Division from Rs. 10 to Rs 2 each	294232690	Unlisted
15-02-2010	560423560	Not Applicable	Bonus Issue	854656250	Unlisted
16-10-2014	-833289844	Not Applicable	Capital Reduction from Rs.2 to Rs.0.5 per equity and thereafter consolidation	21366406	Unlisted
30-03-2015	2000000	Rs.450 (premium Rs.498)	Equity Investment	23366406	Unlisted

In addition to above, Malco Energy Limited (Resulting Company - 3) had issued 6,13,54,483 no. of Unsecured Compulsory Convertible Debentures (CCDs) to Vedanta Limited (Demerged Company) which are classified as equity in nature.

For Malco Energy Limited

  
Navin Kumar Jaju  
Director  
DIN: 00669654



**MALCO Energy Limited**

Works: PO Box No. 4, Mettur Dam, Salem (Tamil Nadu) - 636 402

T +91-4298 224613 F +91-4298 222 068 [www.vedantalimited.com](http://www.vedantalimited.com)

Registered Office: SIPCOT Industrial Complex, Madurai Bypass Road, T. V. Puram P.O., Tuticorin (Tamil Nadu) - 628 002CIN: U31300TN2001PLC069645

The Board of Directors  
Vedanta Base Metals Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Share Capital built-up of Vedanta Base Metals Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Base Metals Limited (hereinafter the "Resulting Company 4" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

H.O. : 1A-(I), First Floor, Gulmohar Apartment, 2420 East Street, Camp, Pune 411 001, INDIA | +91 20 2634 4610 / 2633 4610 | ca.sbh.co@gmail.com  
Br.off. : 307, Agrawal Society Building, Nazrana Compound, Bhiwandi, Dist. Thane, | +91 98220 40578 / 82370 40578 | r\_m\_agrawal@hotmail.com

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors of the first board meeting of the Company and share certificates;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per **Rakesh M. Agrawal**  
Partner  
Membership No.: 124943  
UDIN: 23124943BGXZLJ8739  
Place: Bhiwandi  
Date: 18 October 2023



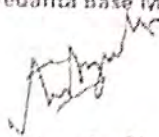
## VEDANTA BASE METALS LIMITED

ANNEXURE

### DETAILS OF CAPITAL EVOLUTION OF VEDANTA BASE METALS LIMITED – RESULTING COMPANY 4

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights etc.)	Cumulative Capital (No. of shares)	Whether listed/ if not listed, give reasons thereof
October 17, 2023	1,00,000	Rs. 1 each	Initial Subscription	1,00,000	Unlisted

For Vedanta Base Metals Limited

  
 Name: Mr. Amit Gupta  
 Designation: Non-Executive Director  
 DIN: 10345867



The Board of Directors  
Vedanta Iron and Steel Limited  
1st Floor, Unit 103,  
Corporate Avenue Atul Projects,  
Chakala, Andheri (E), Mumbai,  
Mumbai-400093, MH, India.

**Independent Auditor's Certificate on the Share Capital built-up of Vedanta Iron and Steel Limited**

1. This Certificate is issued in accordance with the terms of our agreement dated 11 October 2023 with Vedanta Iron and Steel Limited (hereinafter the "Resulting Company 5" or the "Company").
2. At the request of the management, we have examined the accompanying Statement on the Details of Capital Evolution of the Company (hereinafter referred together as the "Statement"), which we have initialled for identification purposes only. The statement together with our certificate thereon is required by the Company pursuant to compliance with the requirements of stock exchanges for filing along with Scheme of arrangement between Vedanta Limited ("Demerged Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

**Management's Responsibility**

3. The accompanying Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and the Act, in relation to the Scheme and provide all the relevant information to the Securities and Exchange Board of India ("SEBI") and Stock Exchanges.

**Auditor's Responsibility**

5. Pursuant to the requirements of Regulation 37 of SEBI LODR and the Stock Exchanges, it is our responsibility to provide a limited assurance in the form of conclusion based on our examination as to whether the details of the Capital Evolution (Share Capital built up) of the Company as per the annexed Statement is in conformity with the secretarial records of the Company.

6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements
8. We have performed following procedures in relation to the statement:
  - (i) Verified the details of Capital Evolution of the Company as per the annexed Statement with the secretarial records maintained by the Company including but not limited to the minutes of meetings of the board of directors of the first board meeting of the Company and share certificates;
  - (ii) Tested the arithmetical accuracy of the computation of the cumulative capital; and
  - (iii) Performed necessary inquiries with the management and obtained necessary representations.

### **Conclusion**

9. Based on the procedures performed by us as referred to in paragraph 8 above and according to the information, explanation and management representations received by us, nothing has come to our attention that causes us to believe that the details of the Capital Evolution of the Company as per the annexed Statement is not in conformity with the secretarial records of the Company.

### **Restriction on Use**

10. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of submission to the Securities and Exchange Board of India, National Stock Exchange of India Ltd, BSE Ltd and further onward submission with the National Company Law Tribunal and/or any other regulatory authorities, by the management of the Company in connection with the Scheme pursuant to the requirements of Regulation 37 of the SEBI LODR Regulations. It should not be used by parties other than as mentioned above without our consent in writing.

For SBH & CO  
ICAI Firm Registration No.: 121830W  
Chartered Accountants

per Rakesh M. Agrawal  
Partner

Membership No.: 124943

UDIN: 23124943BGXZLK1137

Place: Bhiwandi

Date: 18 October 2023



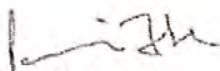
## VEDANTA IRON AND STEEL LIMITED

ANNEXURE

### DETAILS OF CAPITAL EVOLUTION OF VEDANTA IRON AND STEEL LIMITED – RESULTING COMPANY 5

Date of Issue	No. of shares Issued	Issue Price (Rs.)	Type of Issue (IPO/FPO/ Preferential Issue/ Scheme/ Bonus/ Rights, etc.)	Cumulative capital (No. of shares)	Whether listed, if not listed, give reasons thereof
October 17, 2023	1,00,000	Re.1 each	Initial Subscription	1,00,000	Unlisted

For Vedanta Iron and Steel Limited

  
Name: Pankaj Jha  
Designation: Director  
DIN: 09114381



October 18, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

Dear Sir/Madam,

Kindly note that as per the records available with us and to the best of our knowledge, the details in relation to the material actions taken by or pending with any government, regulatory body or agency of a substantially like nature against all the entities involved in the Scheme for the period of the recent eight years have been provided below:

"The consent to operate for Vedanta Limited's 400 ktpa copper smelter plant at Tuticorin was due to expire on 31 March 2018. Vedanta Limited filed an application on January 31, 2018 with the Tamil Nadu Pollution Control Board ("TNPCB") for renewal of the consent to operate. However, the TNPCB rejected the said renewal application on April 9, 2018. Subsequently, TNPCB on May 23, 2018 ordered the disconnection of electricity supply and closure of the existing copper smelter plant with immediate effect ("Rejection Order"). Thereafter, the State Government of Tamil Nadu, proclaiming and endorsing TNPCB's Rejection Order, issued an order dated May 28, 2018 with a direction to seal the existing copper smelter plant unit permanently. Vedanta Limited's challenge to the aforementioned orders is pending final hearing in the Supreme Court of India."

For Vedanta Limited



Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394

October 17, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

**Rationale for the 1:1 share entitlement ratio under the Scheme**

Upon the scheme being effective, the shareholding pattern of Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") will be identical. All the shareholders of Demerged Company would also become the shareholders of Resulting Companies and every shareholder of Demerged Company will hold same percentage of equity ownership in Resulting Companies as owns in Demerged Company and accordingly their shareholding in Resulting Companies would mirror their existing shareholding in Demerged Company prior to the Scheme.

Based on the aforementioned and upon the Scheme becoming effective (post demerger), the set of shareholders and holding proportion in the Resulting Companies shall be identical to that of Demerged Company. The beneficial economic interest of Demerged Company's shareholders in Resulting Companies will remain same as at the time of demerger and hence would not have any impact on the economic interest of the shareholders of the Demerged Company. The share entitlement ratio would not have any impact on the ultimate value of the shareholders of Demerged Company and the proposed demerger will be value-neutral to the Demerged Company's shareholders.

Taking into account the above facts and circumstance, any share entitlement ratio can be considered appropriate and fair for the proposed demerger as the proportionate equity shareholding of any shareholder pre-demerger and post-demerger would remain same and not vary.

**For Vedanta Limited**

Purna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

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CIN: L132O9MH1965PLC291394



October 17, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**Ref:** Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In connection with the above application, please find below response with regards to basis for division of assets and liabilities between divisions of Demerged entity.

Response:

The basis for division of assets and liabilities between divisions of demerged entity is as under:

- Proposed composite Scheme *inter alia* envisages following:
  - Demerger of the Aluminium Undertaking
  - Demerger of the Merchant Power Undertaking
  - Demerger of the Oil and Gas Undertaking
  - Demerger of the Base Metals Undertaking
  - Demerger of the Iron Ore Undertaking
- All the assets and liabilities pertaining to Aluminium Undertaking, Merchant Power Undertaking, Oil and Gas Undertaking, Base Metals Undertaking and Iron Ore Undertaking would move along with respective Undertaking in terms of the provisions of the Scheme as per definition of the respective undertakings.

For Vedanta Limited



Preetna Halwasia  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394

October 17, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

In connection with the above application, please take note of the following benefits that shall accrue to the public shareholders of the listed Demerged Company pursuant to the scheme:

- a) *creation of independent global scale companies focusing exclusively on mining, production and/or supply of aluminium, iron-ore, copper, oil & gas and on generation and distribution of power and exploring new opportunities and taking advantage of the growth potential in the said respective sectors;*
- b) *enabling greater focus of management in the relevant businesses thereby allowing new opportunities to be explored for each business efficiently and allowing a focused strategy in operations;*
- c) *each of the independent companies can attract different sets of investors, strategic partners, lenders, and other stakeholders enabling independent collaboration and expansion in these specific companies without committing the existing organization in its entirety;*
- d) *enabling investors to separately hold investments in businesses with different investment characteristics thereby enabling them to select investments which best suit their investment strategies and risk profiles;*
- e) *Enabling focused and sharper capital market access (debt and equity) and thereby unlocking value of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking and creating enhanced value for shareholders.*

For Vedanta Limited

  
Prerna Malwasiya

Company Secretary & Compliance Officer  
ACS: A20856

**VEDANTA LIMITED**

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CIN: L13209MH1965PLC291394

October 17, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

**Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")**

In connection with the above application, please find below response with regards to tax/other liability/benefit arising to the entities involved in the Scheme, if any.

*Response:*

*In terms of Part E of the Scheme, the scheme have been drawn up to comply with the conditions relating to "demerger" as defined under Section 2(19AA) of the Income Tax Act and the demerger of each of the Aluminium Undertaking, the Merchant Power Undertaking, the Oil and Gas Undertaking, the Base Metals Undertaking and the Iron Ore Undertaking and their respective transfer and vesting into the Resulting Company 1, Resulting Company 2, Resulting Company 3, Resulting Company 4 and Resulting Company 5 respectively shall be in compliance with Section 2(19AA) of the Income Tax Act, 1961.*

**For Vedanta Limited**



**Perna Halwasiya**  
Company Secretary & Compliance Officer  
ACS: 20856

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L132O9MH1965PLC291394



October 17, 2023

The General Manager,  
Department of Corporate Services,  
BSE Limited,  
P.J. Towers, Dalal Street,  
Mumbai – 400 001

Ref: Application seeking approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, ("LODR Regulations") for the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Vedanta Aluminium Metal Limited ("Resulting Company 1"), Talwandi Sabo Power Limited ("Resulting Company 2"), Malco Energy Limited ("Resulting Company 3"), Vedanta Base Metals Limited ("Resulting Company 4"), Vedanta Iron and Steel Limited ("Resulting Company 5") (collectively "Resulting Companies") and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("Scheme")

In view of the above application, we hereby confirm that:

1. the Scheme of Arrangement is in accordance with the applicable provisions of the Securities laws; and
2. that the arrangement proposed in the Scheme is yet to be executed.

For Vedanta Limited



Prerna Halwasiya  
Company Secretary & Compliance Officer  
ACS: 20856

