

# DIRECTORS' REPORT

Dear Members,  
Your Directors take pleasure in presenting the Integrated Report (prepared as per the framework set forth by the International Integrated Reporting Council) and the Annual Standalone as well as Consolidated Financial Statements of Vedanta Limited ("Company") for the financial year ended 31 March 2023.



# 1. KEY BUSINESS, FINANCIAL AND OPERATIONAL HIGHLIGHTS

## COMPANY OVERVIEW

Vedanta Limited ("**Vedanta**" or "**Company**"), a subsidiary of Vedanta Resources Limited, is a leading global natural resources conglomerate operating across India, Namibia, South Africa, Liberia and UAE. It is headquartered in Mumbai, India.

Vedanta has a diversified portfolio and produces commodities vital for global decarbonisation and materials intensive energy transition. The Company produces aluminium, copper, zinc, lead, silver, iron ore, steel, ferro chrome, oil & gas, nickel, cement and commercial energy. It strives to create long-term value for all our stakeholders through exploration, discovery, sustainable development and utilisation of diversified natural resources. The Company's steadfast focus remains on delivery and

operational excellence while increasing technology adoption and digitalisation to enhance profitability and deliver metals of the future.

Vedanta's strategic priorities, while moving towards responsible growth, are good governance and social licence to operate. The Company demonstrates world-class standards of governance, safety, sustainability, and social responsibility. It's our fundamental values of "**Trust, Entrepreneurship, Innovation, Excellence, Integrity, Care and Respect**" that guide and help us accomplish our purpose. These serve as the foundation for everything we do and accomplish.

Furthermore, India is Vedanta's largest market, which is one of the most stable and fastest growing economies in the world. India's continued strength augurs well for its business performance.



### Aluminium

- **Largest aluminium capacity in India** with captive power and an alumina refinery
- **9<sup>th</sup> largest Aluminium producer globally** in terms of smelting production



### Zinc & Silver

- One of the **largest integrated zinc-lead smelter**
- Rampura Agucha - **largest underground mine globally**
- 5<sup>th</sup> largest silver producer globally
- Gamsberg - **one of the largest deposits in the world**



### Oil & Gas

- **India's largest private-sector crude oil producer**
- **One of the lowest cost producers** in the world
- Strong exploration fundamental supports reserves and resources growth (46 OALP Blocks, 10 DSF Blocks and 1 CBM Block)



### Iron & Steel

- **India's largest private sector** exporter of iron ore since 2003, according to the Federation of Indian Mineral Industries
- ESL Steel is engaged in the manufacturing of steel with a total current capacity of 1.5 million tonnes per year and the **potential to increase to 3 million tonnes per year**

Complemented by other key business segments including Copper and Power

## Uniquely Positioned to Deliver Sustainable Value



### World-Class Natural Resources Powerhouse

- Diverse portfolio, strong exposure to right commodities – Aluminium, Zinc, Silver, Oil & Gas
- Tier-1 low-cost assets with margin stability through commodity cycle
- Strong management team with track record of delivering growth
- Long-life assets with exploration upside



### Competitive position in Indian and Global market

- Well-placed to benefit from growing Indian economy, favorable regulatory environment
- Natural benefit from large market size and supply-demand gap



### Delivering growth by capacity expansion

- Production ramp-up across all businesses
- Unlock operating efficiencies through technology and digitalisation
- Turnaround performance of acquisition assets

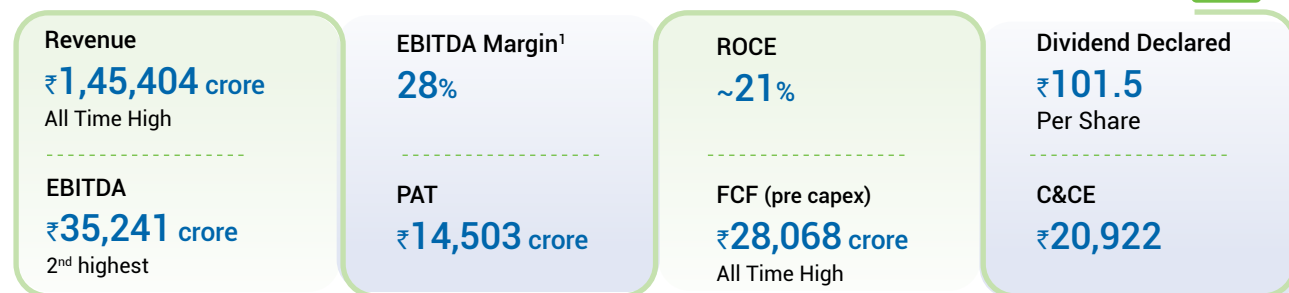


### Contributing to a sustainable development

- Net Zero carbon by 2050; reduce 25% carbon emissions by 2030
- Net water positive by 2030
- Channeling innovation for a greener business model
- Uplifting lives of people where we work and beyond
- Contributed ~₹73,486 crore to exchequer in FY 2023

## GROUP COMPANY PERFORMANCE

### Financial Highlights




ROCE: Return on Capital Employed | PAT: Profit after Tax | FCF: Free Cash Flow | C&CE: Cash and cash equivalent  
 1. Excludes custom smelting at Copper Business

- Historic high shareholders return; declared interim dividend of ₹101.5 per share
- Highest ever contribution to exchequer ~₹73,486 crore in FY 2023
- Continue to maintain strong double-digit return on capital employed ~21%
- Net Debt/EBITDA of ~1.28x, maintained within capital allocation framework
- Record Free cash flow (pre capex) of ₹28,068 crore, up 3% YoY


The standalone and consolidated financial statements of the Company for the financial year ended 31 March 2023, prepared as per Indian Accounting Standards ("Ind AS") and in accordance with the provisions of the Companies Act, 2013 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") forms part of this Annual Report.

### Operational Highlights



**Record production across key business**

- Aluminium:** 2.3 million tonnes
- HZL:** crossed 1 million tonnes mark
  - MIC: 1.062 million tonnes
  - Refined metal: 1.032 million tonnes
- Gamsberg:** 208 kt, up 22% YoY
- ESL:** saleable production of 1.3 million tonnes



**Other key achievements**

- Coal Mines**
  - Jamkhani: Production commenced
  - Chhotia restarted
- Successful bidder for:**
  - Bicholim iron ore mine in Goa
  - Sijimali bauxite mine
  - Ghogarpalli and Barra coal block
- FACOR New Furnace 60 KTPA commissioned**
- Cairn - 10-year PSC extension for RJ block**

- **Aluminium:** Highest ever Aluminium production of 2,291 kt, up 1% with Jharsuguda ramp-up
- **Zinc India:** Historic high refined metal production at 1,032 kt, up 7% YoY
- **Zinc International:** Gamsberg achieved record production of 208 kt, up 22% YoY
- **Oil & Gas:** Commenced first Gas and Condensate production facility in Jaya field of OALP block
- **IOB:** Commenced commercial production at Nicomet - India's only Nickel Cobalt operations
- **Steel:** Highest ever hot metal production of 1,376 kt
- **FACOR:** Achieved all time high ore production of 290 kt, up 16% YoY
- **Copper India:** 148 kt Cathode production from Silvassa, up 18% YoY

### Business highlights

#### Zinc India

- Record ore production of 16.74 million tonnes
- Highest ever annual mined metal production of 1,062 kt, up 4% YoY
- Highest ever annual refined zinc-lead production of 1,032 kt, up 7% YoY

#### Zinc International

- Record mined metal production at Gamsberg of 208 kt, up 22% YoY. On track to surpass design capacity in FY 2024
- Significant increase in BMM production YoY by 25% to 65 kt

#### Oil & Gas

- Average gross operated production of 143 kboepd, down 11% YoY, owing to natural field decline. The decline has been partially offset by new infill wells brought online across all assets and exploration success in Ravva asset
- Key growth projects update:
  - Infill drilling was carried out to sustain volumes in Mangala, Bhagyam, Aishwariya, Tight Oil (ABH), Tight Gas (RDG), Satellite Field (Raag Oil, Tukaram) and Offshore (Ravva, Cambay)
  - 74 wells drilled and 63 wells hooked up during FY 2023 across all assets



- OALP and DSF - Commenced production from Jaya and Hazarigaon fields. Drilling preparations are ongoing in West-Coast Offshore to drill a moderate risk-high reward prospect (risked resource potential of 42 mmbob) within the Kutch-Saurashtra basin

**Aluminium**

- Highest ever aluminium production at 2,291 kt. Continue to be the largest primary Aluminium producer in the country
- Alumina production from Lanjigarh refinery at 1,793 kt, down 9% YoY

**Power**

- Record overall power sales at 14,835 million units, higher by 25% YoY driven by improved performance of Talwandi Sabo Power Limited ("TSPL") and Jharsuguda
- TSPL achieved highest ever PLF of 67% with lowest ever auxiliary power consumption of 6.86%
- TSPL plant availability was 82% in FY 2023

**Iron Ore**

- Production of saleable ore at Karnataka at 5.3 million tonnes
- Pig Iron production at 696 kt
- Iron ore sales at Goa at 0.7 million tonnes

**Steel**

- Highest ever hot metal production of 1.37 million tonnes, up 1% YoY
- Highest ever saleable production of 1.28 million tonnes post-acquisition, up 2% YoY
- Highest ever DIP production of 196 kt, up 20% YoY

**FACOR**

- Record chrome ore production recorded at 290 kt, up 16% YoY
- Ferro chrome production of 67 kt, down 11% YoY and sales of 67 kt, down 12% YoY

**Copper India**

- Due legal process being followed to achieve a sustainable restart of operations
- Cathode production from Silvassa was 148 kt, up by 18% YoY driven by continuous debottlenecking of plant capacity and improved operational efficiencies
- Enhanced product portfolio to include Research Designs and Standards Organisation approved 19.6 MM and 23.5 MM Rod

The details of the business, results of operations and the significant developments have been further elucidated in Management Discussion and Analysis section of the Annual Report.

**ESG Highlights**

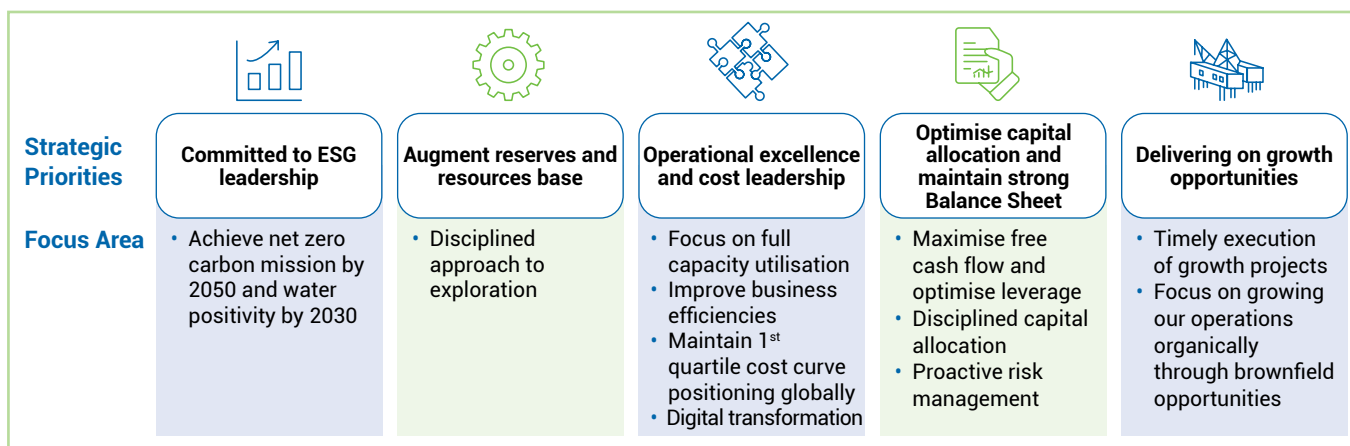
<p><b>RE Power</b> </p> <p><b>1,636 MW PDA in place</b></p> <p><b>2 Bn+ Units utilised</b></p>	<p><b>Waste Utilisation</b> </p> <p><b>162% HVLt usage</b></p> <p><b>204% Fly Ash usage</b></p>	<p><b>Water Positivity</b> </p> <p><b>4 Units Water +ve</b></p> <p><b>29.4% Water Recycling</b></p>
<p><b>Nand Ghars</b> </p> <p><b>4,500+</b></p>	<p><b>Biomass</b> </p> <p><b>~78,000 tonnes of Biomass firing</b> (4x more than FY 2022)</p>	<p><b>ESG Ratings</b> </p> <p><b>6<sup>th</sup> Global ranking on Dow Jones Sustainability Index ("DJSI")</b></p>
<p><b>GHG Intensity</b> </p> <p><b>6.24 tCO<sub>2</sub> per tonne of metal</b></p> <p>(4% lower from FY 2021 baseline)</p>	<p><b>Biodiversity</b> </p> <p><b>1 million trees</b></p> <p>Planted as part of commitment to plant 7 million trees by 2030</p>	<p><b>Gender Diversity</b> </p> <p><b>14%</b></p> <p>(vs 11% in FY 2022)</p>

PDA: Power Delivery Agreement

- Ranked 6<sup>th</sup> among DJSI's top 10 global diversified Metal and Mining peers
- Cairn, IOB, VZI- BMM achieved water positivity
- Workplace gender diversity increased to 14% from 11% in FY 2022
- Biomass usage improved to 78,000 tonnes, 4x higher than FY 2022
- 1 million trees planted as part of the commitment to plant 7 million trees by 2030
- 4,500+ Nand Ghars created for women and child welfare
- Spent ₹454 crore on CSR initiatives, positively impacting 44 million lives

The details of the business, results of operations and the significant developments have been further elucidated in ESG section of the Annual Report.

## Strategy to enhance long-term value



### KEY EVENTS DURING THE YEAR

#### Delisting of American Depositary Shares from New York Stock Exchange and Termination of American Depositary Share Program, and Deregistration from U.S. Securities & Exchange Commission

The Company had announced its intention to delist American Depositary Shares (“ADS”) from the New York Stock Exchange (“NYSE”) and to terminate its American Depositary Share Program on 23 September 2021. The ADS of the Company have been delisted from NYSE effective close of trading on NYSE on 29 October 2021. This follows the filing done by the Company of Form 25 with Securities and Exchange Commission (“SEC”) on 29 October 2021. As a consequence of the delisting becoming effective, termination of the Deposit Agreement under which the ADS were issued (the “Deposit Agreement”) has also become effective close of trading on NYSE on 08 November 2021. The said action has no impact on the current listing status or trading of the Company's equity shares on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).

In furtherance to above, the Company had filed Form 15F on 01 December 2022 with the SEC to deregister the ADS and the underlying equity shares pursuant to the U.S. Securities Exchange Act of 1934, as amended (“Exchange Act”). As a result, the Company's reporting obligations under the Exchange Act were ceased and the Company has been deregistered with SEC under the Exchange Act effective from 01 March 2023.

The complete details can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

#### Scheme of Arrangement between Vedanta Limited and its Shareholders under Section 230 and other applicable provisions of the Companies Act, 2013

The Board of Directors of the Company, basis the recommendation of the Audit & Risk Management Committee and Committee of Independent Directors of the Company, at its meeting held on 29 October 2021, approved the Scheme of Arrangement between the Company and its shareholders under Section 230 and other applicable provisions of the Act (“Scheme”). The Scheme provides for capital reorganisation of the Company, inter alia, providing for transfer of amounts standing to the credit of the General

Reserves (as defined in the Scheme) to the Retained Earnings (as defined in the Scheme) of the Company with effect from the Appointed Date.

The National Company Law Tribunal, Mumbai Bench (“NCLT”) vide its order dated 26 August 2022 (“NCLT Order”), inter alia, directed the Company to:

1. Convene meeting of its equity shareholders to seek their approval to the Scheme; and
2. File consent affidavits of all the secured creditors and unsecured creditors of at least value of 90% of unsecured creditors, at the time of filing the Company Scheme Petition.

In this regard, a meeting of the equity shareholders of the Company was held on 11 October 2022 and the proposed Scheme was approved by the equity shareholders with requisite majority.

The Company is in the process of complying with the further requirements specified in the NCLT Order.

Pursuant to the Scheme, the Company will possess greater flexibility to undertake capital related decisions and reflect a much efficient balance sheet of the Company. The Scheme is in the interest of all stakeholders including public shareholders.

The complete details can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

#### Scheme of Amalgamation of Facor Power Limited into Ferro Alloys Corporation Limited and their respective Shareholders and Creditors under Section 230 to 232 of the Companies Act, 2013

The National Company Law Tribunal vide order dated 15 November 2022 has sanctioned the Scheme of Amalgamation of Facor Power Limited (“Transferor Company”), subsidiary of Ferro Alloys Corporation Limited into Ferro Alloys Corporation Limited (“Transferee Company”), a subsidiary of Vedanta Limited and their respective shareholders and creditors under Section 230 to 232 of the Act. The Transferor Company was dissolved without winding-up and merger effected from 22 November 2022 upon filing of certified copy of NCLT Order dated 15 November 2022 in INC-28.



### Tie-up for long-term renewable power supply for the Vedanta Group

The Company has entered into certain long-term power security agreements to source Renewable Energy ("RE") for its operations across India, which will be created through dedicated Special Purpose Vehicle ("SPV") for each entity.

The Power Delivery Agreements ("PDA") have been executed with SPVs i.e., affiliates of Serentica Renewables India Private Limited ("SRIPL") to supply 1,626 Megawatts ("MW") of renewable power by 2025 which will not only strengthen our commitment towards a clean future but also help reduce emissions to the tune of ~6.6 million tCO<sub>2</sub>e.

The project is being conceived to be built under Group Captive model under an SPV, wherein the Company will own 26% of equity.

SRIPL shall help in setting-up RE Developer (the "Project"/"SPV") on Build Own Operate ("BOO") basis for supply of the Contracted Capacity of Renewable Power to Captive User/Consumer, under Group Captive arrangement on long-term basis as per the terms of the transaction document.

Aligned with Vedanta's ESG vision of "Transforming for Good", the move marks the beginning in the series of actions by the Company to deliver on its goal of becoming "Net Zero Carbon by 2050 or sooner" and "using 2.5 GW of Round the Clock ("RTC") Renewable Energy for its operations by 2030".

The complete details can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

### ACQUISITIONS

In FY 2023, Vedanta Limited acquired Athena Chhattisgarh Power Limited ("ACPL"), under the liquidation proceedings of the Insolvency and Bankruptcy Code, 2016 ("IBC"). ACPL is building a 1,200 MW (600 MW x 2) coal-based power plant located at Champa district, Chhattisgarh. The first 600 MW unit is ~80% completed and estimated to be fully complete by FY 2025. The plant is expected to fulfill the captive power requirements for the company's aluminium business.

Additionally, Vedanta Limited has been declared as successful bidder in FY 2023 for Meenakshi Energy Limited ("MEL") under Corporate Insolvency Resolution Process ("CIRP") under IBC. MEL is a 1,000 MW coal-based power plant located at Nellore, Andhra Pradesh comprising of two phases of 300 MW and 700 MW. The 300 MW is completed and has been operational in past. The plant utilises a mix of imported and domestic coal and is envisaged to function as IPP. The acquisition is currently pending NCLT approval.

In furtherance to the same, Vedanta Limited has also been declared as preferred bidder for various mining and composite licenses namely Bicholim Iron Ore block in Goa, Sijimali Bauxite and Ghogharpalli Coal blocks in Odisha, Ghanpur Mudholi Copper and Sasoli Iron blocks in Maharashtra and Kewaldabri (Ni and Cr) block in Chhattisgarh.

### PROJECTS AND EXPANSION PLAN

Projects are key driving factor of our Group as our aspirations for growth are very different from any of the peers globally.

**HZL:** As we march on the journey of 1.25 MTA MIC expansion, several projects have been undertaken throughout the year. RD mill revamping project for capacity enhancement to 1.3 MTPA will improve plant reliability by replacing obsolete Grinding, Flotation and Filtration and improve recovery of Zinc, Lead, Silver. The project is under full swing and is scheduled to be commissioned in Q1FY2024. In line with our vision of increasing metal volumes to 1.2 MTPA, new 160 KTPA Roaster will be installed in Debari for which EPC partner finalisation is under progress and final commissioning is targeted by Q4FY2024. A new project of Hindustan Zinc Alloys is under final leg of completion with site execution completed and mechanical completion of line-1 is scheduled for completion by early Q1FY2024. Another project of 1.6 LTPA Fumer plant will help in additional metal to the tune of 40 TPA. The plan is to complete commissioning of plant through OEM support in Q1FY2024. HZL is also setting up new Fertiliser Plant in Chanderiya for which partner has been locked in and order placement to be completed in Q1FY2024 and final completion in 24 months. For further phase of expansion of Mines and Smelters, studies are under progress and results are expected in FY 2024.

**Aluminium:** We are currently India's largest primary Aluminium producers and aim to be among the top 5 global producers with expansion to 3 MTPA capacity along with 100% backward and forward integration. We have recently concluded ramp-up at Jharsuguda to 1.8 MTPA, a significant step towards our goal. Expansion activities are in full swing at Bharat Aluminium Co. Limited ("BALCO") and 1 MTPA project is estimated to be completed by first half of FY 2025. We are committed to our journey of 100% Value Added Product ("VAP") Production and the current project pipeline is on track for completion in FY 2024. This would help us cater to growing demand from sunrise sectors such as EVs, Renewables, Defence, and Aerospace. This facility is expected to cater to more than 100 downstream SMEs.

Lanjigarh refinery expansion from 2 MTPA to 5 MTPA remains our key focus area with first alumina expected in FY 2024. LOI has also been issued for the Sijimali bauxite block, with an estimated reserve of 311 million tonnes of bauxite. On the Coal front, operationalisation of Jamkhani coal mine was a significant milestone in the current year. We also expect commencement of Kuraloi A North and Radhikapur West mines in the next 12-18 months. We were also declared the preferred bidder for Ghogharpalli coal block and Coal Mine Development & Production Agreement ("CMDPA") has been executed for Barra block. Collectively, this would comfortably help us gain 100% coal security and delink our operations from market volatility.

**VZI:** In line with our vision of increasing MIC from 300 KTPA to 600 KTPA, Zinc ("Zn") Concentrator Plant with capacity of 200 KTPA is on track, EPC partner has been locked

and major long lead items ordering completed, project commissioning expected in Q1FY2025. For 210 KTPA Gamsberg Smelter project, partner finalisation is under progress and project will be commissioned in Q4FY2025. The continuous focus is on increasing Gamsberg phase-2 will further enhance the mining capability and processing capacity to double the current volumes. Gamsberg mining potential from 45 MTPA to 100 MTPA through engaging various mining partners.

**Cairn:** we remain committed to our journey of producing 50% of India's Oil & Gas production. In-line with our vision, we brought 55 wells online in FY 2023 across various assets. In Ravva, total 5 wells were put on production which led to increase in production from 10 kboepd to 13 kboepd. Cambay campaign – 3 wells were put online leading to increased volumes from 11kboepd to 13 kboepd. RDG Campaign – total 14 wells were put on production thereby increasing volume from 25 Kboepd to 29 Kboepd. We continue to undertake further Infill Drilling campaigns across fields to maximise recovery and exploration campaigns to discover resources for further growth. We also expanded our geographical footprint and commenced production from Assam and Onshore Gujarat, thereby helping us diversify our asset base.

**ESL:** 3 MTPA project - The steel expansion project with an investment of ₹2,696 crore comes with additional Blast Furnace of 1,264 m<sup>3</sup> supported by a 0.5 MTPA Coke Ovens, 2.4 MTPA Pellet Plant, 800 TPD Oxygen Plant and other auxiliaries and infrastructure upgradation including Railway siding to Plant head. This project also comes with a new 0.18 MTPA Ductile Iron Pipe Plant which will help us to maximise VAP. The project along with debottlenecking of BF#3, Sinter Plants and new LRF will take us to the capacity of 3 MTPA with the lowest quartile cost and premium product portfolio. Expected HCO #1 commissioning by Q1FY2024, RMHS by Q3FY2024, BF #1 completion by Q4FY2024.

**FACOR:** This year, in March 2023, we have successfully commissioned the project of 33 MVA Furnace which will take Fe-Cr production from 90 KTPA to 15 KTPA. Additionally, 0.5 MTPA COB Tomka project for deploying additional Chrome ore Beneficiation plant outside the mining lease located in TOMKA, TOR has been approved, PH

will be conducted soon. Project is expected to be completed by October 2023.

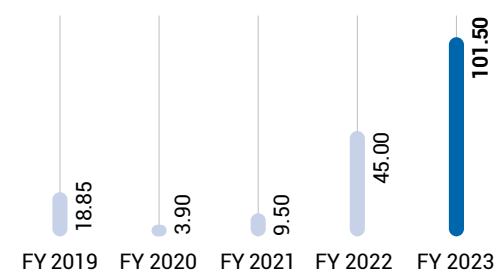
**Nicomet:** In FY 2023, we have successfully operationalised Nickle plant and were able to stabilise the plant operations for producing premium quality of our product. Additionally, we have successfully commissioned Nickle metal plant for producing Ni metal in Q4FY2023. First dispatch of NiSo<sub>4</sub> and Ni metal executed in March 2023. Going forward, focus is on developing customer base in domestic and export market.

### DIVIDEND DISTRIBUTION POLICY AND DIVIDEND

In terms of the provisions of Regulation 43A of the Listing Regulations, the Company has adopted Dividend Distribution Policy to determine the distribution of dividends in accordance with the applicable provisions. The policy can be accessed on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

With consistent dividend as a healthy sign of our sustained growth, our firm belief in percolating the benefits of our business progress for widespread socioeconomic welfare facilitates the equitable sharing of our economic value generated. Attaining steady operational performance and a harmonised market environment in continuation of the historical trends helped us to reaffirm the realisation of competent numbers for FY 2023.

### Return to Shareholders (₹ per share)



~30% dividend yield with record dividend declaration of ₹101.50/share in FY 2023.

The Company has declared the following dividends during the year in compliance with the Dividend Distribution Policy:

Particulars	Interim Dividend – FY 2023				
	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>
Date of Declaration	28 April 2022	19 July 2022	22 November 2022	27 January 2023	28 March 2023
Record Date	09 May 2022	27 July 2022	30 November 2022	04 February 2023	07 April 2023
Date of Payment	Within 30 days from the date of declaration				
Rate of Dividend per share (Face Value of ₹1 per share)	31.50	19.50	17.50	12.50	20.50
%	3,150	1,950	1,750	1,250	2,050
Total Payout (₹ in crore)	11,710.14	7,249.13	6,505.63	4,646.88	7,620.89

Pursuant to the Finance Act, 2020, dividend is taxable in the hands of the shareholders with effective from 01 April 2020 and tax has been deducted at source on the Dividend at prevailing tax rates inclusive of applicable surcharge and cess based on information received by the Registrar and Transfer Agent ("RTA") and the Company from the Depositories.

The Board of Directors did not recommend any final dividend for the financial year ended 31 March 2023.



**CREDIT RATING**

Your Company is rated by CRISIL and India Rating and Research Private Limited on its various debt instruments.

A detailed status of the Credit Ratings on various facilities including Bank Loans, Working Capital Lines, Non-Convertible Debentures and Commercial Papers forms part of the Report on Corporate Governance Report of this Annual Report.

**ECONOMIC RESPONSIBILITY**

Vedanta guided by its vision and mission adopts a comprehensive value creation process that leverages on all available resources and relationships while addressing material issues and strategic focus areas. At the core remains ESG, where our purpose 'Transforming for Good', supplemented by the more comprehensive 'Transforming Together' theme is deeply embedded into this value creation process. The inherent community value empowers our decision-making to drive business success, while contributing to the nation's growth. Our continuous endeavour is to build a sustainable world with a shared value creation for all stakeholders.

Our value creation drive is focussed on optimising capital allocation and maintaining a strong balance sheet while generating strong free cash flows. We invest in best-in-class equipment and machinery to ensure operational efficiency and safety, at both our current operations and expansion projects.

We promote diversity, equality and inclusivity, while also investing in people development, safety and well-being. We

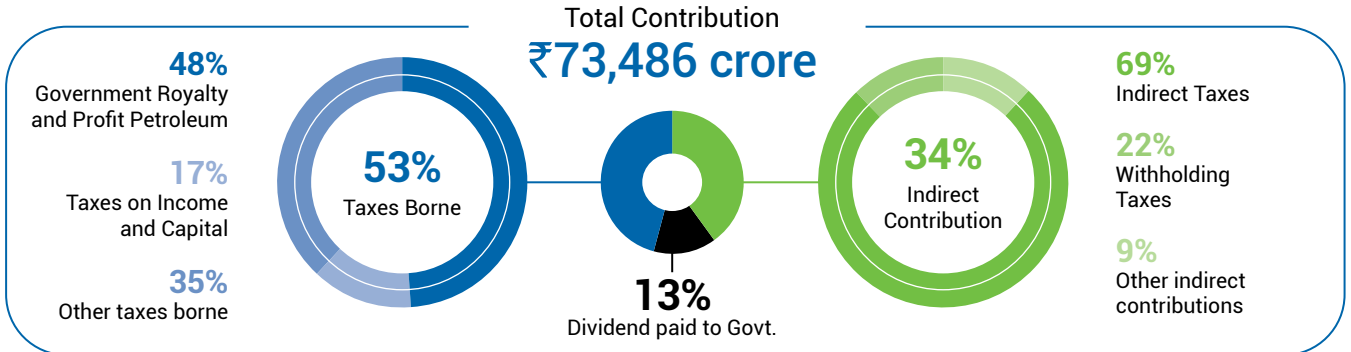
empower them to think independently, creatively and innovatively. We strive to operate responsibly through sustainable use of resources and investing in various environmental goals.

Lastly, we are committed to nurturing lasting and enduring relationships with our stakeholders, built on trust and concern for their individual and collective well-being through meaningful engagements.

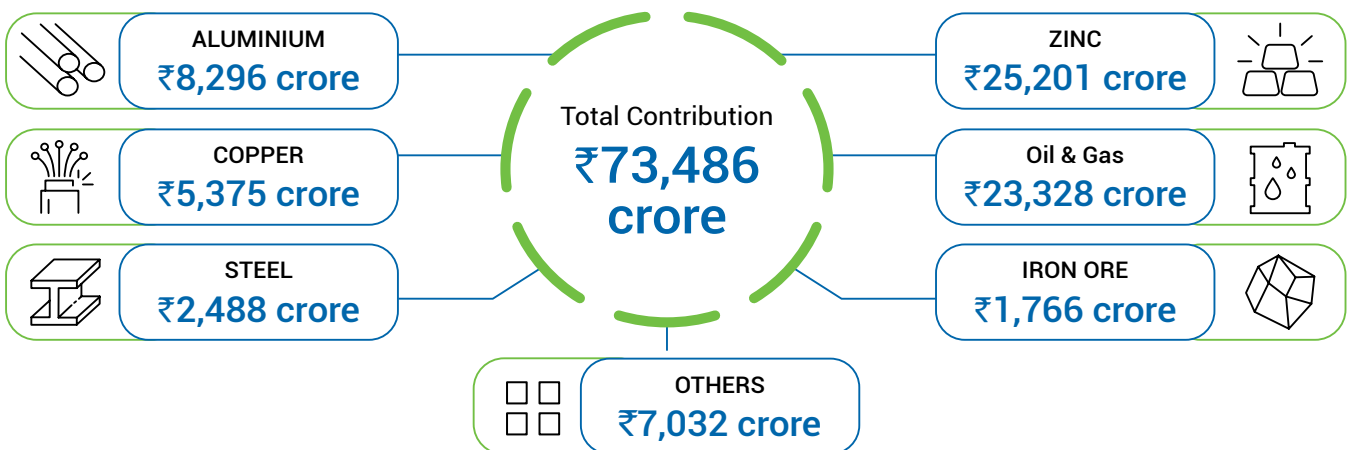
Vedanta's large, diversified asset portfolio, with an attractive cost position in many of its core businesses, enables us to deliver strong margins and free cash flows through the commodity cycle. Vedanta continued its strong growth momentum and witnessed steady volume performance across all businesses, with aluminium and zinc delivering record performance, despite the challenging environment, in terms of geo-politics, rising energy prices and uncertainty in commodities market.

At Vedanta, FY 2023 was a year of remarkable progress on the ESG front led by our 'Transforming for Good' purpose. We positively touched more than 44 million lives through our CSR programmes, improved diversity, inclusion and governance practices and took major strides in the areas of carbon neutrality, water positivity and a greener business model.

In line with the past trends, we are proud to declare that we have contributed ₹73,486 crores to the public exchequer of the various countries where we operate in FY 2023. The total contribution to exchequer is the result of value addition by various business segments across their respective value chain and multiple hierarchies of business cycle.



**BUSINESS SPREAD OF CONTRIBUTION TO EXCHEQUER**



Your Company publishes Tax Transparency Report which provides an overview of the tax strategy, governance and tax contributions made by the Company. Such report is a testimony to the conglomerate's endeavor towards absolute transparency in disclosure of profits made and taxes paid.

The report is available on the website at [www.vedantalimited.com](http://www.vedantalimited.com).



## 2. SUSTAINABILITY AND SOCIAL RESPONSIBILITY

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE APPROACH

#### Transforming for Good

##### Introduction:

The current fiscal year is significant as we focus on putting in place an Environmental, Social, and Governance (“ESG”) framework to drive our ESG agenda for the long term. Our efforts are guided by senior management and supported by the creation of 14 Communities of Practice (“CoP”) to drive and achieve results in specific directions. Our 3 Pillars and 9 aims set the path for us to become a leader in the ESG space. We have started building momentum towards achieving our commitments to our stakeholders, and our work plan for attaining our ESG goals is being put in place.

##### ESG Targets:

We are building our focus to achieve our stated 2030 ESG targets, which will improve our business sustainability and make us agile, future-ready, and an employer of choice. Our 14 CoPs are working towards achieving these goals, and we have made considerable efforts to align our future business trajectory with our ESG goals. Given the long-term nature of our targets, the roadmaps are constantly evolving, and our consistent and focussed approach towards these goals will help us to get near our targets.

##### Green Shoots/Major Achievements:

Considerable efforts are being made in every ESG aim that we are working on, and some significant achievements in FY 2023 give confidence to the Company that we are on the right track. These include:

#### 1. Transforming Communities:

- Our flagship Nand Ghar programme has reached 4,533 Nand Ghars, impacting 2.9 million women and children through our initiative.

- Our Corporate Social Responsibility programmes that focus on improving the skill sets of communities are helping around 4,00,000 families improve their earning potential and achieve financial independence.

#### 2. Transforming Planet:

- PDAs are in place for 838 MW of Renewable Energy Round The Clock power for our operations, with the potential to abate ~7 MMtCO<sub>2</sub>e per year.
- Four of our operations (Hindustan Zinc Limited, Cairn India, Iron Ore Business, and Black Mountain Mine) are now water positive.

#### 3. Transforming Workplace:

- Our total women employee base has improved to 14% from our FY 2021 baseline of 11% which shows significant progress in making our workforce more diverse.
- Our women representation in decision-making roles is expected to improve from 12 to 16% in FY 2023, which means more leadership roles for women employees to lead businesses.

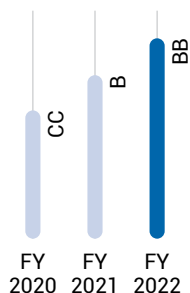
##### ESG Ratings:

Our jumpstart in ESG performance has been endorsed and acknowledged by ESG rating providers. We have improved our ESG rating in renowned ESG rating providers like Dow Jones Sustainability Index (“DJSI”), Sustainalytics, MSCI, CDP (Water) while retaining our CDP rating in climate performance. This is the result of putting organisation-wide efforts on changing the on-ground situation for the better, which is getting reflected in ESG ratings.



##### MSCI

- No significant votes against directors
- Incentivisation of sustainability Performance in executive pay policies



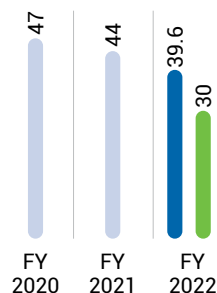
• VEDL

• VEDL Historical Data  
• HZL Historical Data



##### Sustainalytics

- Improvement from severe to high risk
- Improved management of ESG risks cited as reason for better rating



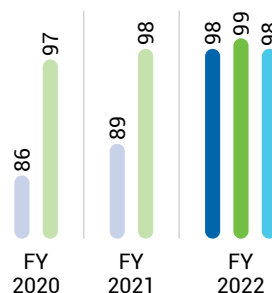
• VEDL • HZL

VEDL High Risk category  
HZL Medium Risk category



##### DJSI

- Part of Sustainability World Index
- Only Indian company to be added in FY 2022
- Also, part of 'Emerging Markets Index'



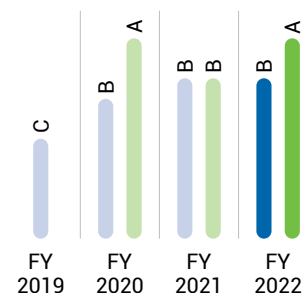
• VEDL • HZL • VAL

HZL #3 | M&M Index  
VEDL #6 | M&M Index  
VAL #2 | AL Sector



##### CDP

- B-rating for CDP Climate and CDP Water
- CDP Water disclosed for 1<sup>st</sup> time



• VEDL • HZL

HZL rated A for CDP climate and CDP water



## Challenges:

### Safety Performance

While there are green shoots visible in almost all the ESG Key Performance Indicators, our safety performance remains a cause of concern. Unfortunately, we had 13 fatalities in FY 2023, which belied our efforts to improve our safety scores. To overcome this issue, we are implementing a Critical Risk Management ("CRM") framework at all our locations, which ensures working on top reasons/root causes for fatality elimination. CRM is a proven way to improve fatality reduction and has been implemented by global metals and mining majors. We are trying to fast-track the progress of this project as much as possible.

### Growth Projects

Our growth projects planned from FY 2024 to FY 2030 period, while improving our portfolio of energy transition metals, will add more pressure on our environmental performance (emissions, water, waste, etc.). This growth project pipeline can affect our 2030 targets for environment, but we are devising the strategy for ensuring that our growth trajectory is as green as possible.

To achieve our ESG aims, we have created a strong pipeline of more than 1,100 projects in all 3 major areas of transformation, which will take us in the required direction. With the help of technology and focussed approach, we are on right track to achieve leadership position in ESG space.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Since FY 2022, our Business Responsibility and Sustainability Report ("BRSR") disclosures have been aligned with the regulations issued by the Securities and Exchange Board of India ("SEBI"), which mandate compulsory disclosures for top 1,000 companies by market capitalisation in India. As per SEBI directives on Integrated Reporting ("IR"), the Company follows the <IR> framework of the International Integrated Reporting Council to report on all the six capitals that are used to create long-term stakeholder value and also continues to provide the requisite mapping of principles between the Integrated Report, the GRI and the Business Responsibility Report ("BRR") which has now been advanced to the BRSR as per new SEBI requirements. Hence, a BRSR containing basic information about the Company's sustainability practices is being published as a part of the Integrated Report this year. These disclosures will help Government to focus on major areas of policy actions and for improved compliance of ESG issues at large to align with Government's own goals for business sustainability.

As part of our commitment to upholding ESG priorities, the Board of Directors at Vedanta have taken steps to strengthen our focus on ESG matters. The Board-level ESG Committee meets every six months to oversee and guide the business on its ESG strategy. The Committee is headed by an Independent Director. Additionally, the Board is supported by ESG advisors with extensive expertise in areas such as communities and social performance, requiring collective efforts on various fronts. Details of the composition of the Committee, its terms and reference and information on ESG advisors, and the meetings held during FY 2023 are elucidated in the Corporate Governance Report.

A separate detailed report on company's Sustainability Development also forms part of the Annual Reporting suite. Your Company publishes an annual Sustainability Report prepared in accordance with the Global Reporting Initiative ("GRI") Standards; mapped to the United Nations Global Compact ("UNGC"); and aligned to Sustainable Development Goals ("SDGs"). It reports our approach and disclosure towards triple bottom line principles - People, Planet and Profit.

Detailed information about the Company's sustainability performance can be found in our annual Sustainability Report which can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

## ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure A'.

The details of the Foreign Exchange Earnings and Outgo are as follows:

Particulars	Standalone		Consolidated	
	FY 2023	FY 2022	FY 2023	FY 2022
Expenditure in foreign currency	5,172	2,574	7,266	9,324
Earnings in foreign currency	31,035	33,744	49,439	47,991
CIF Value of Imports	26,437	22,918	34,137	29,520

(₹ in crore)

## CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Vedanta has committed itself towards reaching out and giving back to its communities. Creating an ecosystem of development through planned interventions, Vedanta is ensuring that its vision for the development of the nation reaches the farthest geographies.

With a consistent focus on bringing a transformational change in its communities, Vedanta is implementing sustainable and inclusive growth and has reached out to **4,39,14,230 total beneficiaries** across **1,268 villages** in FY 2023.

Spearheading Women and Child Development through its flagship project 'Nand Ghar', a total of **4,533 centres** across **14 states** in India have been developed that cater to more than 3 lakh children and women of rural India. Nand Ghars are transforming the landscape of rural India with best-in-class infrastructure and facilities. Project Nand Ghar is emerging as synonymous to nutrition. This year, with Vedanta Delhi Half Marathon and Vedanta Pink City Half Marathon, more than 50,000 people ran for the cause "Zero Hunger". These marathons reached out to international and domestic runners and with the zeal and enthusiasm of the participants, Vedanta was able to commit 2 million meals for a healthy and nourished India. Catering to the needs of building a resilient future generation, Nand Ghar also launched a multi-millet nutria bar for children's holistic nutrition as part of its preparations for its objective for a healthy India.

Vedanta has always found its purpose in giving back multifold to its communities and ensuring no being is left behind. Broadening its reach into the realm of welfare,

Vedanta has launched a first of its kind, **Animal Welfare Project, The Animal Care Organisation ("TACO")**. An initiative focussed on improving animal health and welfare, TACO is currently operating in Haryana and Rajasthan. Its goal is to offer top-notch amenities, veterinary care, training, and animal shelters to protect and care for animals. Additionally, TACO has provided aid to Ranthambore National Park to help preserve the diverse wildlife found within the sanctuary.

Furthermore, to accelerate social growth and development, with a well-defined roadmap and a commitment to invest ₹5,000 crore, Anil Agarwal Foundation, the philanthropic arm of Vedanta aims to take the mission of creating strong and resilient communities in India ahead.

In FY 2023, Vedanta has won several awards for its community development initiatives like National CSR Award, Platts Global Metal Awards for Corporate Social Responsibility, ICC Social Impact Award 2022, FICCI CSR Award 2022, 11<sup>th</sup> India CSR Award 2022, India CSR Award etc.

An overview of CSR initiatives is provided in earlier section of this Annual Report and report on CSR activities for FY 2023 as per Section 135 of the Act and rules made thereunder forms part of this Directors' Report and is annexed hereto as **'Annexure B'**.











Further, the Company has in place a CSR Policy approved by the Board of Directors and the same can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

**Excellence in Corporate Social Responsibility**

An essential aspect of most of the programs is adopting a community engagement strategy that begins from the grassroots level. This approach fosters community ownership and long-term sustainability with efficiently implemented programs working for the betterment of the communities.

Understanding and prioritising the needs of the communities, several interventions with focus on women and child development, healthcare, sustainable livelihood, sports and culture and community development have been designed and implemented across more than 1,000 villages.

**Impact at a Glance**

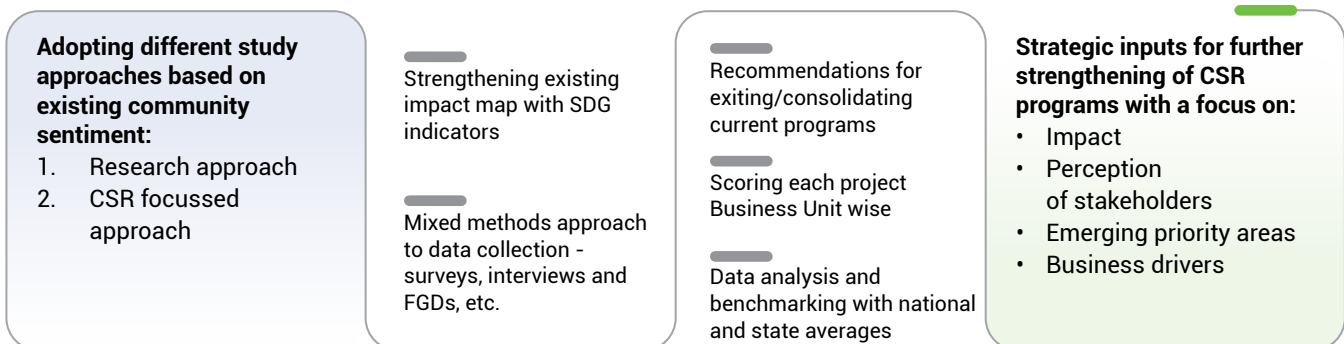
 <b>Nand Ghar</b> <b>3,16,000</b> Women and Children Beneficiaries	 <b>Sports and Culture</b> <b>3,55,525</b> Beneficiaries <b>13</b> Initiatives	 <b>Health</b> <b>26,96,689</b> Beneficiaries <b>33</b> Initiatives	 <b>Women Empowerment</b> <b>44,503</b> Beneficiaries <b>7</b> Initiatives	 <b>Drinking Water and Sanitation</b> <b>6,25,528</b> Beneficiaries <b>17</b> Initiatives	 <b>Children Wellbeing and Education</b> <b>3,87,25,079</b> Beneficiaries <b>28</b> Initiatives
 <b>Environment</b> <b>4,19,670</b> Beneficiaries <b>3</b> Initiatives	 <b>Livelihood</b> <b>94,577</b> Beneficiaries <b>11</b> Initiatives	 <b>Skill Development</b> <b>5,400</b> Beneficiaries <b>10</b> Initiatives	 <b>Disaster Relief</b> <b>50</b> Beneficiaries	 <b>Community Infrastructure/ Mobilisation</b> <b>6,28,511</b> Beneficiaries <b>15</b> Initiatives	

**Impact Assessment**

KPMG carried out a scoring exercise for each Business Unit wherein their relative performance per project was ascertained and presented basis the OECD-DAC Framework. It comprises a set of criteria that aids in the systemic and objective assessment of ongoing or completed development programs, their design, and implementation, using six evaluation criteria – Relevance, Coherence, Effectiveness, Efficiency, Impact and Sustainability.

The exercise of carrying out the studies were intended to provide an understanding of what were the best practices emerging from the study and what can be done next as part of the way forward.

**The following process was undertaken to conduct the study**





### The following questions are asked through the study

What impact have the CSR activities been able to create (intended and unintended)?	How do local communities and other stakeholders perceive Vedanta's CSR activities vis-à-vis its business operations?	How are the CSR programs helping strengthen the social licence to operate for the respective Business Units?	What are the current needs of the community and baseline values for the indicators Vedanta wants to impact?	How are different projects/BUs/thematic areas performing with respect to each other and what course of corrective actions are needed?
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Thematic Area	Indicators	(%)
<b>Education</b>	Ensure all achieve literacy	91
	Improvement in passing percentage	62
<b>Sustainable Livelihoods</b>	Employed community members	79
	Association with Farmer Producer Organisations	23
<b>Skillling</b>	Placement rate of trained youth	91
	Trained population that could retain their job beyond 18 months	39
<b>Health, Water and Sanitation</b>	Accessing public health facilities	85
	Population stating improvement in quality of healthcare	39
<b>Community Assets Creation</b>	Access to clean drinking water	55
	Presence of drinking water source within the house or its periphery	56
<b>Women Empowerment</b>	Women associated with Self Help Groups	48
	Women that always make their own decisions on education, finances, family planning etc.	52

### Primary Data

#### Perception of CSR Management

- 47 CSR Management Interviews were conducted across 8 Business Units of the Company
- 95% respondents feel that Vedanta's focus on business drivers through CSR over the last three years has improved community relations



75% respondents feel that CSR generates value and success for both the Company and society

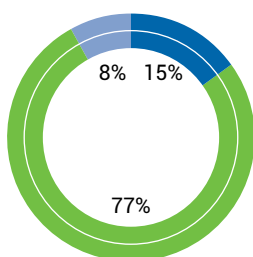


25% respondents feel that CSR is an integral part of strategy that drives the business forward through the generation of trust

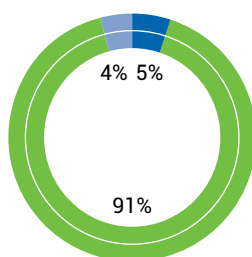


Only 6% respondents feel that CSR is a compliance requirement and is separate from the rest of the business

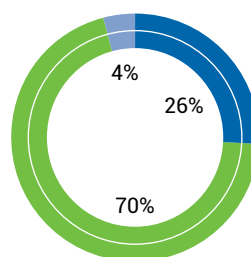
#### Beneficiaries and Community



#### Local Stakeholders



#### Districts' Stakeholders



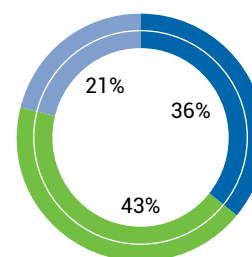
● Exceeding expectations ● Satisfied ● More support required

### Secondary Data

A digital listing and topic analysis was performed on ESG activities of Vedanta Resources Limited ("VRL") and its subsidiaries across the World Wide Web to analyze the brand mentions and other digital media Key Performance Indicators ("KPIs") surrounding them.

This was done to understand the perception that netizens have around the brand's CSR activities and to identify opportunities for Vedanta that can be carried out as part of CSR.

#### Sentiment Analysis



● Positive ● Neutral ● More support required

### Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

As per the revised CSR Rules issued by Ministry of Corporate Affairs ("MCA") in January 2021, every company having an average CSR obligation of ten crore rupees or more in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, for their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

In line with the above requirement, a brief outline of the projects for which Impact Assessment was carried out and the executive summary of the Impact Assessment Reports is annexed as 'Annexure B-1' to the Annual Report on CSR Activities for FY 2023 forming part of this Annual Report.

The complete Impact Assessment Reports of the applicable projects can be accessed at the Web-link provided in the said annexure.

### 3. HUMAN RESOURCES MANAGEMENT PEOPLE AND CULTURE

Our Company has always aspired to build a culture that demonstrates world-class standards in safety, environment and sustainability. People are our most valuable asset and we are committed to provide all our employees, a safe and healthy work environment. Our culture exemplifies our core values

and nurtures innovation, creativity and diversity. We ensure alignment of business goals and individual goals to enable our employees to grow on personal as well as professional front.

It is through the passion and continued dedication of our people that our Company continues to succeed and we have always unequivocally and firmly believed in rewarding our people for their consistent efforts through our best-in-class and globally benchmarked people practices and reward programs.

We have been recognised for our people practices by coveted External Award:

- **100+** External Recognitions received in last 7 years
- Vedanta Group identified as **Great Place to Work** second time in a row along with a special mention for being India's Best Employers Among Nation-Builders 2022
- Kincentric Best Employer Award 2022 for **Commitment to Diversity and Inclusion**
- Featured in **Top 10 Happiest Workplaces** 2022 by Business World along with other prominent brands
- Arogya World Healthiest Workplace Award - **Recognised at Gold Level** for Vedanta Group for best practices in Health and Well-Being 2022
- Recognised with Economic Times - **Company with Great Managers** year-on-year
- Recognised for 'Significant Achievement to HR Excellence' by CII

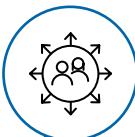


### People Practices



**Best Talents to change Fabric of the Organisation** - Right Roles, best benefits, career path and anchoring diverse talent: gender, skill and geography

- 1,200+ Freshers out of which 150+ from premier campuses, 38% gender diversity, 12% minority and 30% Rank holders
- Vedanta Leadership Development Program ("VLDP") hiring from top IITs and IIMs, XLRI, NITIE
- Hiring at mid and entry level positions from top global campuses from US, UK, Australia, Asia etc.
- Anchoring and mentorship by senior leaders, tracked digitally via V-Excel Platform for the campus hires
- **Family Business Hiring** is a unique initiative where the objective is to get professionals who bring entrepreneurial skillset into the system
- **Global Talent and Subject Matter Experts** hired with niche skillset to give us the competitive advantage. We have talents from around 30 different nationalities



**Diversity Equity and Inclusion ("DEI")** - Vedanta has already embarked with the journey to build an inclusive and empowered workforce. To create organisational capability for future, our BUs have differentiated themselves through continuous efforts in creating positive transformation that is based on meritocracy without any scope of discrimination on the ground of age, sex, colour, disability, marital status, nationality, caste or religion. Ensuring an inclusive environment is a key part of our belief that drives equality and innovation. All our DEI principles focus on:

- Enabling and empowering diversity
- Promoting equality
- Inclusive policies
- Inclusion of LGBTQ as a part of the workforce
- Training and Sensitisation of workforce - Gender intelligence workshop
- **Project Pancchi**, Sapnon ki Udaan was launched with Vedanta's focus on giving back to the community and Nation - Desh Ki Zaroorat ke Liye. It is aimed at the upliftment of the society by providing opportunity to groom 1,000 girls from the marginalised community and make them a part of our Vedanta Family. This program will focus on upskilling the 'Pancchis' to enable them to work in business shop floors and other functions. This will strengthen them from all aspects - financially, emotionally and socially ensuring their safety and security



**Leadership Development and Succession Planning** - In line with our core philosophy of "Leadership from within", we run some of the industry's most sought after leadership development programs. We identify high quality talent with focus on young talent to make Vedanta truly 'future-ready'

- **Robust Second-in-line Leadership:** The Emerging Leaders Program was a group-wide talent identification initiative, to identify and place Hi-Po talent in Deputy CXO Roles across businesses, SBUs and functions. 130 leaders were elevated into key critical roles while shadowing the CXO. Successors identified through a rigorous structured process of assessments and feedback
- **Executive Education and C-Suite Coaching:** 100+ leaders identified for Executive Education programs from Premier B-Schools like IIM B, ISB and INSEAD to enhance leadership and managerial acumen. All senior CXOs mapped with Internationally Acclaimed Executive Coaches



**Enabling Women Leadership:** V-Lead, our Flagship Women Leadership Development Program to create a strong pipeline of women CXOs and include them in decision-making bodies

- 120 high-potential women leaders covered
- 25 Vedanta CXOs anchoring V-Lead Leaders
- 80% of our V-Lead Leaders elevated to Leadership Roles in last two years through growth workshops, ACT-UP etc.
- 40% of our V-Lead Leaders recognised across Vedanta with the prestigious Chairman Awards



**Complete Talent Coverage:** Employees across all functions, grades, experience/seniority levels are included in our Talent Development Initiatives which ensures fast-tracked career progression for all employees at the right time

- **This year, Multiple ACT-UP programs were held focussed on critical functions such as Projects and Mining. Unique initiatives such as Non-HR to HR, V-Excel, V-Reach Tech, V-Lead were executed** covering a specific pool of employees which included new campus hires, Cross-Functional leaders (Mining, Projects, Commercial and Marketing etc.) and Women Leaders. **Gurukul**, a digitally-driven feedback-centric Learning and Development initiative which gives internal leaders and external experts a platform to share their expertise, has grown and now boasts of a 24\*7 digital repository of all knowledge sessions along with top emerging ideas

A detailed update on People and Culture detailing the Company's initiatives, recruitment strategy, hiring projects and talent management and development is elucidated in the Sustainability and ESG Section of the Annual Report.

### EMPLOYEE STOCK OPTION SCHEME ("ESOS")

Employee stock options is a conditional share plan for rewarding performance on pre-determined performance criteria and continued employment with the Company. It provides a much better line-of-sight to all the employees and gives the control of outcome to employees.

Our Company had launched a stocks-based incentive scheme viz., 'Vedanta Limited Employee Stock Option Scheme 2016'. The Scheme was framed with a view to reward employees for their contribution in successful operation of the Company with wealth creation opportunities, encouraging high-growth performance and reinforcing employee pride.

The Scheme was launched after obtaining statutory approvals, including shareholders' approval by way of postal ballot on 12 December 2016.

On 28 October 2022, the Nomination & Remuneration Committee ("**NRC**") approved the grant of Employee Stock Options 2022 to Vedanta employees covering 43% of eligible population. For the first time, all the campus hires were provided with stock options, to enable young talent to grow and contribute towards overall business performance.

In order to align the scheme with the best-in-class reward practices globally and pertinent Indian peers, as well as to emphasise on our value system of 'CARE' for employees and culture of 'Pay for Performance', the ESOS 2022 plan is driven by Business and Individual performance.

The scheme is robust with an objective to place greater prominence on superior individual performance thereby recognising high performing talent while keeping them accountable for business delivery. It has been ensured that the scheme fulfils its motive of wealth creation for employees to fulfill their financial goals and at the same time gives them the sense of ownership.

Vesting of the awarded grants are completely based on performance, linked to individual & business parameters. Since this is a long-term incentive, continued employment with the company from the grant till vesting is a construed condition to be eligible for vesting. Vedanta follows performance-based cliff vesting with vesting on 3<sup>rd</sup> anniversary of grant. To give prime importance to sustainable business delivery, ESG and Carbon footprint are part of additional parameters to measure business performance. To ensure that we operate sustainably in line with our motto of 'zero harm, zero waste and zero discharge', multiplier based on fatalities has also been included as a performance parameter for vesting.

The Scheme is currently administered through Vedanta Limited ESOS Trust ("ESOS Trust") which is authorised by the Shareholders to acquire the Company's shares from secondary market from time to time, for implementation of the Scheme.

No employee has been issued stock options during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant.

During the year, the acquisition by the Trust does not exceed 2% of the paid-up capital of the Company. Further, the total acquisition by Trust at no time exceeded 5% of the paid-up equity capital of the Company.

Pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("Employee Benefits and Sweat Equity Regulations"), disclosure with respect to the ESOS Scheme of the Company as on 31 March 2023 is available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

The Company confirms that the Scheme complies with the Employee Benefits and Sweat Equity Regulations and there have been no material changes to the plan during the financial year.

A certificate from M/s Vinod Kothari & Company, Practicing Company Secretaries, Secretarial Auditors, with respect to the implementation of the Company's ESOS Schemes, would be

placed before the shareholders at the ensuing Annual General Meeting ("AGM"). A copy of the same will also be available for inspection through electronic mode.

**MANAGERIAL REMUNERATION, EMPLOYEE INFORMATION AND RELATED DISCLOSURES**


The remuneration paid to Directors, Key Managerial Personnel ("KMP"), and Senior Management Personnel ("SMP") during FY 2023 was in accordance with the Nomination and Remuneration Policy of the Company.

Disclosures under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules") relating to the remuneration and other details as required are appended as 'Annexure C' to the Report.


In terms of provision of Section 136 of the Act and Rule 5(2), the Report and the Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees as prescribed under Rule 5(2) of the Rules. The said information is available for inspection through electronic mode. Any member interested in obtaining a copy of the said statement may write to the Company Secretary and the same shall be furnished upon such request.

**COMPENSATION GOVERNANCE PRACTICES AT VEDANTA**


**Our Compensation Philosophy:** People are our greatest asset and we are committed to providing all our employees, a safe and healthy work environment. **Linkage of Reward Priorities to Business Priorities Ensuring a Uniform Experience Across Group.** Built on the core objective of driving 'Pay for Performance' culture, the mix of components of the Executive Compensation aims to drive the short as well as long-term interests of the Company and its shareholders through strong emphasis on operational/financial fundamentals, social licence to operate, business sustainability and strategic objectives of resource and reserve creation along with wealth creation for stakeholders.




**Business  
Priorities**




Zero Harm, Zero Waste and Zero Discharge



Build a Performance Driven Culture



Reflect and Enable Long-Term Business Growth and Vision



I-RECITE at Heart



**Rewards  
Priorities**

Zero Undesirable Talent Loss

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**Above Market Pay Positioning**

It Pays to Perform

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**High Differentiation at 1.8 - 2.2X**

Relentless Focus on Productivity and Performance

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**Compelling Pay Mix Basis Position in the Firm**

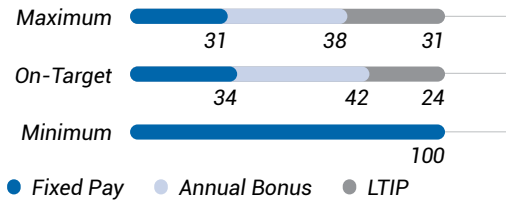
Individualised Employee Value Proposition

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**Holistic Employee Growth**



**Executive Committee Members**



Ratio of Fixed Pay vs Variable Pay in Senior Executives' Remuneration

**Linkage to ESG/Safety**

- **Scorecard-based performance management approach:** Greater emphasis is laid on setting of objective KPIs along with the continuous performance dialogue
- **Culture of safety and sustainability to achieve our ultimate vision of "Zero Harm", "Zero Waste" and "Zero Discharge":** The safety and sustainability scorecards under the Vedanta Sustainability Assurance Program form an integral component. Progressively, impact of carbon footprint has been added as a performance parameter
- **ESG Component in Annual Performance Bonus:** Based on a balanced scorecard of financial, operational, sustainability & ESG, people and strategic metrics, appropriate weightage is allocated to efforts towards business and individual performance. Business performance parameters include Volume, CoP, FCF, EBITDA, Reserves. Any fatality in the group impacts the variable of the employees.
- **Long Term Incentive Plan ("LTIP"):** The vesting is attributed to sustained business and individual performance against the pre-determined performance criterion which also includes ESG and Carbon Footprint
- **Employee Benefits Policy:** Road-based transportation is responsible for ~12% of global GHG emissions. At Vedanta, we have committed to do our bit to eliminate these emissions. As an organisation, we want to ensure that 100% of our light motor vehicles are decarbonised by 2030. Towards the above goals, a radical change to our Company Car Policy was announced involving Electric Vehicle ("EV") Kicker to incentivise employees to opt for EV. Additionally, a new policy on EV Incentive for the purchase of electric two-wheelers was launched to benefit all the employees across the organisation
- **Governance:** The Executive Compensation Philosophy is well established and benchmarked across relevant industry comparators which enables us to differentiate people on the basis of performance, potential and criticality in order to provide a competitive advantage in the industry. All parameters are reviewed each year by the NRC. Timely risk assessment of compensation practices is done in addition to review of all components of compensation for consistency with stated compensation philosophy
- **Voice of the Employee:** Involvement of bright minds from diverse functions and best in market external

partners as well as timely communication to ensure transparency to all employees

Vedanta has been built on a strong foundation of governance where the Board, Key Executives and Compliance Officer have been vigilant and committed to ensure structural integrity, soundness and highest standards of compensation practices. Over the last few years, we have matured many of our reward practices as an attempt to continue to raise the bar

- The composition of NRC is in compliance with the Listing Regulations and majority of the members are Independent Directors. The Chairman of the Committee is an Independent Director
- The members of NRC together bring out the rich expertise, diverse perspectives and independence in decision-making on all matters of remuneration for Directors, KMP and SMP. The Independent Directors are actively engaged throughout the year as members of NRC in various people matters even beyond remuneration
- A Board charter appoints and sets primary responsibilities of NRC which includes selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning
- Best-in-class independent consultants are engaged to advise and support the Committee on matters of Board evaluation and leading reward practices in the industry
- Timely risk assessment of compensation practices is carried in addition to review of all the components of compensation for consistency with stated compensation philosophy:
  - Financial analysis and simulation of the long-term cost of reward plans and their Return on Investments ("ROI")
  - Provision of claw back clause as part of the ground rules of our long-term incentive scheme for all our leaders
  - Upper limits and caps defined on incentive pay-outs in the event of over-achievement of targets to avoid windfall gains
- We do not encourage provision of excessive perks or special clauses as a part of employee contract such as:
  - No provision of Severance Pay in Employment contracts of Whole-Time Directors ("WTD"), KMP and SMP
  - No Tax Gross up done for executives except for expatriates as a part of tax equalisation
  - No provision of unearned incentives/unvested Stock or Cash Options

Any benefit provided to Key Executives (including but not limited to CEO/CFO/CHRO) are available to all the



employees of the Company as per the defined Company policy.

We continue to corroborate the Internal Pay Equity Principles, sustained attention to equity grant practices and maintain checks and balances to confirm that the practices are legally and ethically compliant with international, national and state/regional laws.

#### PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE ("POSH")

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace.

As part of Vedanta Group, your Company is an equal opportunity employer and believes in providing opportunity and key positions to women professionals. The Group has endeavoured to encourage women professionals by creating proper policies to tackle issues relating to safe and proper working conditions and create and maintain a healthy and conducive work environment that is free from discrimination. This includes discrimination on any basis, including gender, as well as any form of sexual harassment. During the period under review, seventeen (17) complaints were received and resolved. Your Company has constituted Internal Complaints Committee ("ICC") for various business divisions and offices, as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 4. RISK MANAGEMENT

### RISK MANAGEMENT

The businesses are exposed to a variety of risks, which are inherent to a global natural resources organisation. The effective management of risk is critical to support the delivery of the Group's strategic objectives. Risk management is embedded in the organisation's processes and the risk framework helps the organisation meet its objectives by aligning operating controls with the mission and vision of the Group set by the Board.

As part of our governance philosophy, the Board has a Risk Management Committee to ensure a robust risk management system. The details of Committee and its terms of reference are set out in the Corporate Governance Report which forms part of this Annual Report.

With effect from 06 June 2020, the Risk Management Committee has been consolidated with the Audit Committee comprising of only Independent Directors ensuring robust risk management systems in place with valued feedback of Independent Directors being on the Committee.

Our risk management framework is designed to be simple, consistent and clear for managing and reporting risks from

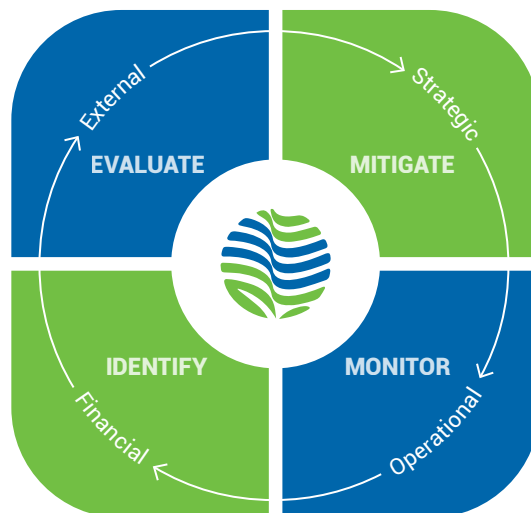
the Group's businesses to the Board. Our management systems, organisational structures, processes, standards, and code of conduct together form the system of internal controls that govern how we conduct business and manage associated risks. We have a multi-layered risk management framework to effectively mitigate the various risks, which our businesses are exposed to in the course of their operations.

The The Audit & Risk Management Committee of the Board aids the Board in the risk management process by identification and assessment of any changes in risk exposure, review of risk control measures and by approval of remedial actions, where appropriate. The said Board-level Committee is in turn, supported by the Internal Group Risk Executive Management Committee ("GRMC") which helps the said Board-level Audit & Risk Management Committee in evaluating the design and operating effectiveness of the risk mitigation program and the control systems.

Major risks identified by businesses and functions are systematically addressed through mitigating actions. Risk officers have also been formally nominated at operating businesses, as well as at the Group level, to develop the risk management culture within the businesses.

The Risk Management Policy of the Company revised in 2019 covers cybersecurity as well.

### Group Risk Management Framework



For a detailed risk analysis, you may like to refer to the risk section in the Management Discussion and Analysis Report which forms part of this Annual Report.

### CYBER SECURITY

The Group has a structured framework for cybersecurity. The Audit & Risk Management Committee ensures the overall responsibility for oversight of cybersecurity frameworks. Each of the Business Units has a Chief Information Officer ("CIO") with suitable experience in Information/Cybersecurity. Every year, cybersecurity review is carried out by IT experts (belonging to IT practices of Big-4 firms). Vulnerability Assessment and Penetration Testing



("VAPT") review is also carried out by cyber experts. This practice has been in place for several years now and has helped in strengthening the cyber security environment in the Group. At the same time, the external environment on cybersecurity is continuously evolving. The respective CIOs are responsible for ensuring appropriate controls are in place to address the emerging cyber risks.

### INTERNAL FINANCIAL CONTROLS

Your Board has devised systems, policies, and procedures/frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with the best practices, the Audit & Risk Management Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an internal audit framework an ethics framework, a risk management framework, and adequate segregation of duties to ensure an acceptable level of risk. Documented controls are in place for business processes and IT general controls. Key controls are tested by entities to assure that these are operating effectively. Besides, the Company has also adopted an SAP GRC (Governance, Risk and Compliance) framework to strengthen the internal control and segregation of duties/access.

The Company has documented Standard Operating Procedures ("SOP") for procurement, project/expansion management capital expenditure, human resources, sales and marketing, finance, treasury, compliance, Safety, Health, and Environment ("SHE"), and manufacturing.

The Group's internal audit activity is managed through the Management Assurance Services ("MAS") function. It is an important element of the overall process by which the Audit & Risk Management Committee and the Board obtains the assurance on the effectiveness of the relevant internal controls.

The scope of work, authority and resources of MAS are regularly reviewed by the Audit & Risk Management Committee. Besides, its work is supported by the services of leading international accountancy firms.

The Company's system of internal audit includes covering monthly physical verification of inventory, a monthly review of accounts and a quarterly review of critical business processes. To enhance internal controls, the internal audit follows a stringent grading mechanism, focusing on the implementation of recommendations of the internal auditors. The internal auditors make periodic presentations

on audit observations, including the status of follow-up to the Audit & Risk Management Committee.

The Company's Internal Financial Control ("IFC") framework is commensurate with the size, nature and complexity of the Company's operations and is based on the criteria aligned to the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") framework and requirement of the Act. Through the IFC framework in place, the Audit & Risk Management Committee and the Board gains assurance from the management on the adequacy and effectiveness of Internal Controls over Financial Reporting ("ICFR").

In addition, as part of their role, the Board and its Committees routinely monitor the Group's material business risks. Due to the limitations inherent in any risk management system, the process for identifying, evaluating, and managing the material business risks is designed to manage, rather than eliminate risk. Besides, it is created to provide reasonable but not absolute assurance against material misstatement or loss.

Since the Company has strong internal control systems which are further strengthened by periodic reviews as required under the Listing Regulations and ICFR compliance by the Statutory Auditors, the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") recommend to the Board continued strong internal financial controls.

There have been no significant changes in the Company's internal financial controls during the year that have materially affected or are reasonably likely to materially affect its internal financial controls, other than as mentioned in the "Audit Report and Auditors" section of this Report.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their objectives. Moreover, in the design and evaluation of the Company's disclosure controls and procedures, the management was required to apply its judgement in evaluating the cost-benefit relationship of possible controls and procedures.

Further, the Audit & Risk Management Committee annually evaluates the internal financial controls for ensuring that the Company has implemented robust systems/framework of internal financial controls viz. the policies and procedures adopted by the Company 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.

“Internal Financial Control are **policies and procedures** adopted by the Company 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.**”

### Building Blocks



#### Policies and procedures

- Policies and procedures exist for effective conduct of business, delegation of authority is formally documented and implemented, organisation structure is defined, and segregation of duties and responsibilities is maintained.



#### Prevention and detection of frauds and errors

- Proactive anti-fraud controls/fraud risk management framework has been implemented.



#### Timely preparation of reliable financial information

- Financial items are properly described, sorted and classified;
- Financial information is provided as per the timelines defined by the relevant stakeholders.



#### Safeguarding of assets

- Ownership and rights to assets are maintained with the Company;
- The Company has implemented processes for safeguarding of assets.



#### Accuracy and completeness of the accounting records

- All transactions occurred during a specific period have been recorded;
- Asset, liability, revenue and expense components are recorded appropriately.

### VIGIL MECHANISM

The Company has in place a robust vigil mechanism for reporting genuine concerns through the Company's Whistle-Blower Policy. As per the Policy adopted by various businesses in the Group, all complaints are reported to the Director – MAS, who is independent of operating management and the businesses. In line with global practices, dedicated email IDs, a centralised database, a 24x7 whistle-blower hotline and a web-based portal have been created to facilitate receipt of complaints. All employees and stakeholders can register their integrity related concerns either by calling the toll-free number or by writing on the web-based portal which is managed by an independent third party. The hotline provides multiple local language options. All cases reported as part of whistle-blower mechanism are taken to their logical conclusion within a reasonable timeframe. After the investigation, established cases are brought to the Group Ethics Committee for decision-making. All Whistle-Blower cases are periodically presented and reported to the Company's Audit & Risk Management Committee. The details of this process are also provided in the Corporate Governance Report and the Whistle-Blower Policy is available on the Company's website at [www.vedantalimited.com](http://www.vedantalimited.com).

### MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as specified under Regulation 34 read with Schedule V of Listing Regulations is presented in a separate section, forming part of this Annual Report.

### 5. INNOVATION, DIGITALISATION AND TECHNOLOGY

#### INNOVATION, DIGITALISATION AND TECHNOLOGY

At Vedanta, we have a tech-forward strategy which aims to create a One-Vedanta experience while boosting operational effectiveness and productivity, fully embracing digitalisation, and fostering a culture of digital inclusion among employees while creating a start-up ecosystem.

Vedanta's digital-first approach has a keen focus on advanced technologies which has resulted in improved processes, volume upliftment and easy access to information for effective decision-making.

In FY 2023, through digital initiatives, we are looking to achieve tangible value in the form of 1.5x growth in EBITDA impact and gains such as enhanced safety and security, sustainability, better governance, and improved employee productivity. At the Group level, Project Pratham was launched as a flagship program to facilitate the rapid digital transformation across our businesses. Each of Vedanta's businesses has embarked on their own transformational journey towards digitalisation and innovation. In our mining & smelting complexes, we are at the forefront in implementing smart manufacturing by leveraging technologies under the Industry 4.0 umbrella. Initiatives that were implemented in current fiscal year include Integrated Petro-Technical Cloud at Cairn Oil & Gas, Smoke Hours Drilling (Tele-remote and Automation) at Hindustan Zinc Limited, Coal Blend Optimisation at Sesa



Goa, '**V-Aikyam**' as our new digital Human Resource and Performance Management System to enhance employee experience and '**V-Unified**' to have a complete standardised and uniform Health, Safety and Environment ("**HSE**") observation reporting platform across the Group.

Building upon the success of the previous edition, we introduced the second edition of Vedanta Spark, or '**Vedanta Spark 2.0**' to collaborate with creative start-ups and take use of their technological capabilities and agility. In this edition, Vedanta carried out more than 30 unique start-up engagements catering to 70+ pilot projects to solve business challenges across Vedanta's diversified business. Moreover, Vedanta is establishing its Corporate Venture Capital to support these budding start-ups, to mentor them, and to help them unlock their true potential and value.

To encourage innovation within the Company, the '**V-Ideate**' (Innovation and Technology theme) programme was launched. Employees and partners submitted 100+ business ideas as part of this effort which aims to reward grassroots inventions and bring about a digital cultural shift. '**Spotlight**' and '**Think Digital**' initiatives sensitised the workforce towards disruptive innovations and technology implementation happening within and outside the organisation.

We are extremely focussed in bringing about a culture change into empowering users to take advantage of advances in technology and even in day-to-day activities, to supply tomorrow's metals and energy in an effective and sustainable way. Vedanta will keep on expanding on its accomplishments in the mining and metals as well as the oil & gas sectors to realise the true potential of the digital age.

## POLICY & ADVOCACY

Vedanta's initiatives are essentially premised on its 'Nation-First' philosophy. Vedanta's advocacy aims to create an enabling regulatory framework to fulfil the resource needs of the country, be it those of green energy, electric vehicles, or infrastructure. This is executed through participation in stakeholder consultations on global value chains, ease of doing business, financial reforms and other matters related to responsible business practices. Because of our frequent collaborations with academia, think-tanks, industry associations and media organisations, our initiatives are strongly backed by research and holistic stakeholder feedback. India's growth story requires an abundance of minerals, metals and fuel, which Vedanta aims to support.

## RESEARCH AND DEVELOPMENT (R&D)

R&D is a critical component of Vedanta's growth strategy. It enables us to stay competitive by developing innovative products and services that meet the changing needs of customers. Vedanta invests a significant amount of resources into R&D to improve the quality of its products and services, reduce costs, and increase efficiency. R&D helps the Company to differentiate itself from competitors and maintain its market position.

- **In Aluminium business**, the R&D vertical has been working diligently to deliver innovative solutions in several key areas, including new product development, waste to wealth, beneficiation of Bauxite and process intensification.
  - **In the waste to wealth segment**, FY 2023 was a year of successful transformation of collaborative projects from laboratory developed processes to the stage of setting up a pilot plant.
  - Notable among these were recovery of high purity graphite >99% and cryolite from the wastes like Spent Pot Liner and Shot Blast Dust. With high purity graphite, Applications Development programme has been initiated for development of Anode of Lithium Battery, Electrostatic Dissipative coating and Conductive ink. Pilot Plants from these innovative processes will not only help to reduce environmental impact but also create new revenue streams for our business.
  - **Synthesis of high purity  $AlF_3$**  along with crystals of pure silica gel from dross slag waste is one of another significant achievement done in the lab scale and is now planned for a Pilot Plant and subsequent commercialisation. Such projects of extracting the valuables from waste will set perfect examples of Circular Economy.
  - Aligning with the **net zero carbon goal**, innovative research initiatives are being taken to reduce net carbon consumption. Specialised coating on Carbon Anodes will have a potential to reduce Net Carbon Consumption by 10 kg per million tonnes of Aluminium, this will translate to reduction in 0.06 million tonnes of carbon dioxide. It is worth mentioning that we are carrying out a high-end Modelling and Simulation exercise of Carbon anode to reduce the voltage drop to the extent of 2 mV in Pot Line by an improved green manufacturing process.
  - In the category of **New Product**, two new alloys have been developed and prototypes have been demonstrated. High strength 6XXX series alloy with 20% higher strength has been developed by new alloy design including homogenisation cycle, extrusion process and heat treatment cycle optimisation. This will lead to increase the wind load bearing capacity of doors and windows assembly. Lead and Tin free highly machinable 6XXX series alloy has been developed for automotive segments by new alloy designing and process optimisation. Machining properties like higher cutting speed, depth of cut and feed rate can be achieved with lower cutting force and superior surface finish for this alloy.
  - In the **beneficiation of Bauxite**, we have developed a process to improve the Alumina to iron oxide ratio which will result into reduced generation

of Red Mud by at least 20%. Beneficiation of Bauxite to reduce reactive Silica by almost 1% has shown promising results for plant level commercialisation. Utilisation of Red Mud has been a major focus area where we have already initiated and entered into a big collaboration with other industrial players and CSIR laboratories and JNARDDC, Nagpur for a technology development for holistic utilisation of red mud for extraction of metallic values and residue utilisation. We have also developed recipe to utilise Red Mud for partial substitution of sand, Road Sub Layer and Red Mud based Geo Polymer Concrete.

➤ **Hindustan Zinc Limited** has stayed focussed on business outcomes, and research activities have been initiated in multiple areas of interest, including additional process monitoring, digital data analysis and process simulation. We remain focussed on aspects related to the changing characteristics of the ore, while looking into improving our mineral processing and smelting processes for increased recovery and efficiency. Collaboration with world-class universities and institutes, technology providers, and start-ups is an essential part of our innovation process. Significant commercial implementations of this year include process for increasing Ag metal recovery during production of lead concentrates. Successful plant implementation has been achieved for enhanced minor metal recovery from smelter residues. In the coming year, we are aiming to develop process control strategies based on the new process parameter measurements and data analysis.

➤ **Specific R&D focussed projects include:**

- Implemented the process to improve silver recovery at Zawar by utilising silver promoter reagent
- Deployed non-hazardous flotation/depression reagent for graphite across sites
- Alternative low-capex process for jarosite preparation for its use in cement industry, customer test ongoing
- Sodium-based salt production from Effluent stream and its use in hydro process
- Increase the current efficiency of Zn electrowinning process and improve quality of HG grade Zinc in the manually operated zinc cell house
- Geo-metallurgical studies have provided advance insight of ore performance to guide flotation recipe for plant problem-solving and to support mines expansion plans
- Optimise the use of strontium-based reagent and explore the alternate reagent to suppress Pb impurities in zinc cell house

➤ **At Copper business**, the unit is engaged into innovative Collaborative Research programme of Council of Scientific and Industrial Research, Government of India as Industrial Beneficiary wherein CO<sub>2</sub> can be preferentially adsorbed and converted into Carbon nanostructures or even high vale methanol or Formic Acid.

- R&D activities at Copper business involve debottlenecking, backward integration and process improvements for quality, cost optimisation and recycling.
- In the journey towards 'Green Copper', we are executing a renewable energy supply contract for the entire Silvassa unit's electricity requirement, with an estimated reduction of the carbon footprint by approximately 58%.
- Artificial Intelligence and Machine Learning based smart fuel optimisation project under the digitalisation initiative in our furnaces has been implemented and is estimated to reduce 3,554 tCO<sub>2</sub> eq./year.
- Under the sustainable packaging initiative, a 100% recyclable packaging solution has been introduced for the copper rod. This packaging provides protection even under adverse climate conditions and has led to customer delight.
- With the view to recover minor metals and ensure additional revenue, some crucial in-house R&D has been performed and a new process to recover Precious Metals from anode Slime has been successfully developed. In addition to this, tellurium has also been recovered. Along with it, Selenium recovery trials are in pipeline.

➤ **In Iron & Steel sector**, the focus is to produce green steel, green pig iron and green iron ore production.

- Currently R&D study is ongoing with the IIT, Bombay to develop technology for green hydrogen production. IIT, Bombay has done studies on industrial iron ore samples and witnessed positive outcomes. Further development is in progress and we have extended our engagement by another six months.
- At our Met coke division (VAB), with in-house design modifications, we have reduced the coking cycle by 4 hours and gained 4% productivity by modifying refractory design (introducing tongue and groove floor refractory brick) and MOC.
- Further under digitalisation, we are using AI-ML based coal blend optimiser model in our coke oven (VAB) which has resulted in cost saving and quality benefit of coke and similar model is being applied in our blast furnace for burden Optimisation.



- **In Cairn**, focus is to enhance production, improved operational efficiencies and reduced exposure to risk through R&D vertical.
  - For enhancing production, an extensive **hydraulic fracturing campaign** (>40 wells) in Mangala field was carried out to improve productivity in wells which had seen significant drop due to polymer deposition related near well damage. This is the largest such campaign carried out in multi-Darcy reservoir (4-5 Darcy), perhaps for the first time anywhere in the world.
  - We are also exploring the feasibility of tapping the potential of Geothermal energy in our Rajasthan gas fields in collaboration with the Indian Institute of Technology ("IIT").
  - We have also collaborated with TERI research institute for examining the feasibility of microbial injection in Bhagyam field, which can reduce the oil viscosity and lead to incremental recoveries.
  - As part of our digitalisation journey, we have implemented the "**Smart Oilfield**" technology as a part of our digitalisation efforts to transform our ways of working.
  - For improving operational efficiencies, we have undertaken end-to-end digitalisation from supply to consumption of polymer to enhance tracking, improve quality, optimise usage, and reduce the overall cost.
  - We are also utilising **machine learning based reservoir-stimulation models** to automate routine surveillance tasks and build analytical models to make data-driven decisions for production enhancement.
  - Cairn has also rolled out the **Metaverse platform** for improved employee engagement while ramping up AR/VR-based HSE training for plant employees.

## 6. INVESTOR RELATIONS

Vedanta has an active Investor Relations function ("**IR function**") that continuously engages with domestic and international shareholders and proactively solicits input from all stakeholders. The function strives to continuously incorporate and outperform international benchmarks for IR practices. The IR function endeavours to communicate the Company's unique investment case and value creation potential, to capital market participants, to enable fair valuation of the Company's stock.

### Shareholder Engagement

The IR Function engages with shareholders at various platforms to communicate business outlook, risks and opportunities, new macro and company specific developments. This reduces information asymmetry and builds positive perception. The engagement platforms include quarterly earnings calls, Investor/Analyst Day, site visits for key businesses, sell-side conferences, one-on-one and group meetings. These engagements are extended to

include the senior leadership of the Company on occasions. These engagement opportunities, with the Group's Promoters, CEO and CFO along with business CXOs are well appreciated by the shareholder and analysts.

### Shareholder Communication

Shareholders can contact the Company at any time with the contact details available online for Queries, Concerns and Inquiries or Feedback at [www.vedantalimited.com](http://www.vedantalimited.com). The feedback, suggestions and concerns shared by our shareholders and analysts are promptly communicated to the Board through the Chairman, the Senior Independent Director, the CEO, the CFO, Investor Relations Head and Company Secretary. Continuous communication with our stakeholders enables the Board and senior management to gain insight into shareholder perception and concerns.

### Shareholder Disclosures

Vedanta has set high standards of reporting through detailed and transparent disclosures on the Company's operational and financial performance. Your Company had voluntarily created its first Integrated Report (for FY 2018) and continued its publication ever since. An integrated report has a forward-looking focus and sets out how an organisation's strategy, governance and performance lead to creation of value. The Company has a digital, interactive microsite on the Vedanta corporate website to provide an interactive experience to shareholders, investors and analysts among other stakeholders. This enables timely dissemination of business updates beyond the communication through annual reports and quarterly results collaterals. The Company was declared the '**Platinum Winner**' within its industry in \$10+ billion revenue category at the LACP Vision Awards for its Integrated Annual Report FY 2022.

## KEY INITIATIVES WITH RESPECT TO VARIOUS STAKEHOLDERS

The Company maintains its focus on all-round development and contribution towards its stakeholders. The Integrated Report and the Sustainability Report, which are separately published, provide detailed information on the ESG and investor-focussed key initiatives taken by the Company towards its employees, shareholders, investors, business partners, civil society, local community and nation at large.

## 7. CORPORATE GOVERNANCE

### REPORT ON CORPORATE GOVERNANCE ("**CORPORATE GOVERNANCE REPORT**")

Good corporate governance underpins the way we conduct business. Your Directors reaffirm their continued commitment to the highest level of corporate governance practices. Your Company fully adheres to the standards set out by the SEBI for corporate governance practices.

Your Company is consistent in maintaining the exemplary standards of corporate governance in the management of its affairs and ensuring its activities reflect the culture we wish to nurture with our colleagues and other stakeholders.

As part of commitment to the various stakeholders, the Company follows global best practices. To meet its obligations towards its shareholders and other stakeholders, the Company has a corporate culture of conscience and consciousness, integrity, transparency and accountability for efficient and ethical conduct of business.

Our disclosures seek to attain the best practices in international corporate governance, and we constantly endeavor to enhance long-term shareholder value. Our Corporate Governance Report for FY 2023 forms part of this Annual Report.

## **DIRECTORATE, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

The Board of Directors of the Company provide entrepreneurial leadership and plays a crucial role in providing strategic supervision, overseeing the management performance, and long-term success of the Company while ensuring sustainable shareholder value. Driven by its guiding principles of Corporate Governance, the Board's actions endeavor to work in the best interest of the Company.

The Directors hold a fiduciary position, exercises independent judgement, and plays a vital role in the oversight of the Company's affairs. Our Board represents a tapestry of complementary skills, attributes, perspectives and includes individuals with financial experience and a diverse background.

In line with the recommendation of SEBI and our relentless endeavor to adhere to the global best practices, the Company is chaired by Mr. Anil Agarwal, Non-Executive Chairman effective 01 April 2020.

### **Directors**

During FY 2023, no new appointment was made on the Board of the Company.

Further, pursuant to the recommendation of NRC, the Board approved the re-appointment of Mr. Akhilesh Joshi (DIN: 01920024) for a 2<sup>nd</sup> and final term of 2 years effective from 01 July 2022 to 30 June 2024, Ms. Padmini Sekhsaria (DIN: 00046486) for a 2<sup>nd</sup> and final term of 2 years effective from 05 February 2023 to 04 February 2025 and Mr. DD Jalan (DIN: 00006882) for a 2<sup>nd</sup> and final term of 3 years effective from 01 April 2023 to 31 March 2026.

The re-appointment of Mr. Akhilesh Joshi was approved by shareholders in the Annual General Meeting held on 10 August 2022 and the re-appointment of Ms. Padmini Sekhsaria and Mr. DD Jalan were approved by the shareholders through postal ballot resolution on 28 April 2023.

In the opinion of the Board, the Independent Directors re-appointed during the year, possess requisite integrity, expertise, experience and proficiency.

Brief Profile and other related information seeking re-appointment is provided in the AGM Notice.

### **Key Managerial Personnel**

Mr. Ajay Goel, Acting Group Chief Financial Officer of the Company tendered his resignation in the Board Meeting dated 28 March 2023 effective from close of business hours on 09 April 2023. The Board took note of the same and placed on record its sincere appreciation for the services rendered by him during his tenure and wished him the very best for his future endeavours.

### **Senior Management Personnel**

The Board, on the basis of the recommendation of NRC, in its meeting held on 27 January 2023, appointed Mr. Nicholas John Robert Walker, CEO – Oil & Gas Business, as SMP of the Company with immediate effect.

Mr. Nicholas John Robert Walker brings 30 years of rich and diverse international experience in technical, commercial, and executive leadership roles. He has served as President and Chief Executive Officer at Lundin Energy, one of the leading European Independent E&P companies and been associated with the Companies like BP, Talisman Energy and Africa Oil. Your Board believes that Mr. Nicholas will drive adoption and deployment of best-in-class oil & gas technologies and processes, with focus on innovation and digitalisation, for business transformation.

The KMP and SMP, similarly, comprises multifarious leaders with each member bringing in their key proficiency in different areas aligned with our business and strategy.

A comprehensive update on the change in the Directorate, KMP and SMP of the Company along with the directorships held in other Companies, their skills and expertise have been explicated in the Corporate Governance Report forming part of this Annual Report.

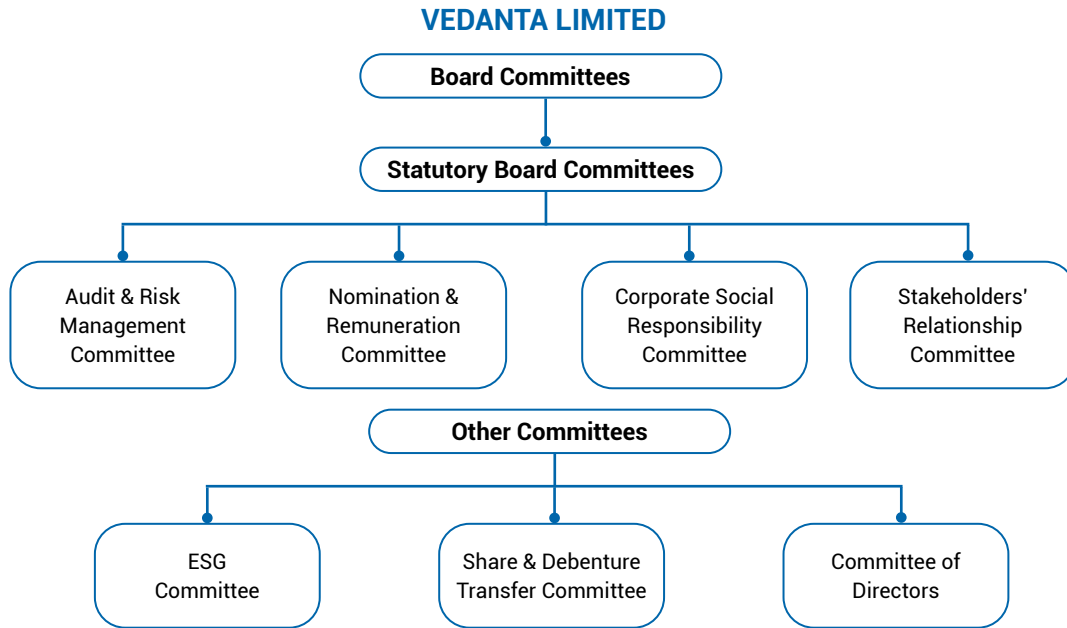
### **DIRECTOR RETIRING BY ROTATION**

As per the provisions of the Act, Mr. Sunil Duggal (DIN: 07291685), WTD and CEO of the Company, is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. Based on the performance evaluation and recommendation of NRC, Board recommends his re-appointment.

### **BOARD AND COMMITTEES**

The Board has overall responsibility for establishing the Company's purpose, values, and strategy to deliver the long-term sustainable success of the Company and generate value for shareholders. The Board places great importance on ensuring these key themes continue to be appropriate for the businesses and markets in which we operate around the world, while being aligned with our culture.

The Board is supported by the activities of each of the Board Committees which ensure the right level of attention and consideration are given to specific matters. Accordingly, the Board has established Committees to assist it in exercising its authority. Each of the Committees have terms of reference under which authority is delegated by the Board. At present, the Company has the following Board Committees which ensures greater focus on specific aspects of Corporate Governance and expeditious resolution of issues of governance as and when they arise.



An all-embracing update on the Board, its committees, their composition, terms and reference, meetings held during FY 2023 and the attendance of each member is detailed in the Corporate Governance Report.

**BOARD EFFECTIVENESS**

**Familiarisation Program for Board Members**

Your Company has developed comprehensive induction processes for the new Board members which aim to provide them with an opportunity to familiarise themselves with the Company, its Board and management, its operations and the Company's culture. They are also familiarised with Company's organisational and governance structure, governance philosophy/principles, code of conduct and key policies, Board's way of working and procedures, formal information sharing protocol between the Board and the management, Directors' roles and responsibilities and disclosure obligations.

The details of the familiarisation programme and process followed are provided in the Corporate Governance Report forming part of this Annual Report and can also be accessed on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

**Annual Board Evaluation**

The Board is committed to transparency in assessing the performance of Directors. Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance, the performance of its Committees, Chairman, Vice-Chairman, CEO, Directors, and the governance processes that support the Board's work.

As a part of governance practice, the Company, had engaged, a leading consultancy firm, to conduct the Board Evaluation Process which was facilitated by way of an online structured questionnaire ensuring transparency and independency of the management. The evaluation

parameters and the process have been explained in the Corporate Governance Report.

**Feedback Mechanism**

The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The Board was satisfied with overall performance and effectiveness of the Board, Committee and Individual Directors and appreciated Company's ethical standards, transparency and progress on sustainability/ ESG during the year. The Board Members also provided their inputs on the Board processes, areas of improvement and the matters for enhancing the overall effectiveness of the Board. It was noted that the Board as a whole is functioning as an effective and cohesive body.

**BOARD DIVERSITY AND INCLUSION**

The Board sets the tone for diversity and inclusion across the Group and believes it is important to have an appropriate balance of skills, knowledge, experience, and diversity on the Board and at senior management level to ensure good decision-making. It recognises the need to create conditions that foster talent and encourage all colleagues to achieve their full potential. A diverse Board with a range of views enhances decision-making which is beneficial to the Company's long-term success and in the interests of Vedanta's stakeholders.

The Board Diversity Policy adopted by the Board sets out its approach to diversity. The Policy can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

Additional Details on the Board Diversity and the key attributes of the Board Members are explicated in the Corporate Governance Report forming part of this Annual Report.



## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Policy adopted by the Board on the recommendation of NRC enumerates the criteria for assessment and appointment/re-appointment of Directors, KMP and SMP on the basis of their qualifications, knowledge, skill, industrial orientation, independence, professional and functional expertise among other parameters with no bias on the grounds of ethnicity, nationality, gender or race or any other such discriminatory factor.

The Policy also sets out the guiding principles for the compensation to be paid to the Directors, KMP and SMP; and undertakes effective implementation of Board familiarisation, diversity, evaluation and succession planning for cohesive leadership management.

Company ensures compliance with the Policy in true letter and spirit. The complete Policy is reproduced in full on our website at [www.vedantalimited.com](http://www.vedantalimited.com) and a snapshot of the Policy is elucidated in the Corporate Governance Report.

## OBSERVANCE OF THE SECRETARIAL STANDARDS

The Directors state that proper systems have been devised to ensure compliance with the applicable laws. Pursuant to the provisions of Section 118 of the Act, 2013 during FY 2023, the Company has adhered with the applicable provisions of the Secretarial Standards ("SS-1" and "SS-2") relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India ("ICSI") and notified by MCA.

## INDEPENDENT DIRECTORS STATEMENT

The Company has received declaration from all the Independent Directors confirming that they continue to meet the criteria of independence as prescribed under the Act and Listing Regulations and comply with the Code for Independent Directors as specified under Schedule IV of the Act.

The Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

### Auditors:

#### Statutory Auditors

- M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) had been appointed as the Statutory Auditors of the Company in the 56<sup>th</sup> Annual General Meeting to hold office for a period of five (5) years to the conclusion of 61<sup>st</sup> Annual General Meeting.
- The Auditors have confirmed that they are not disqualified from being re-appointed as Statutory Auditors of the Company.
- The report of the Statutory Auditors along with notes to financial statements is enclosed to this Report. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.
- The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company. The Audit & Risk Management Committee reviews the independence and objectivity of the auditors and the effectiveness of the audit process.
- The Statutory Auditors were present at the last AGM of the Company.

In terms of Section 150 of the Act read with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ("IICA").

## ANNUAL RETURN

In terms of provisions of Section 92(3), 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended 31 March 2023 is placed on the website of the Company and can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

## AUDIT REPORTS AND AUDITORS

### Audit Reports:

The Statutory Auditors have issued unmodified opinion on the financial statements of the Company as of and for the year ended 31 March 2023.

- The Statutory Auditors' report for FY 2023 does not contain any qualification, reservation or adverse remarks which calls for any explanation from the Board of Directors. The Auditors' report is enclosed with the financial statements in the Annual Report.
- The Secretarial Audit Report for FY 2023 does not contain any qualification, reservation, or adverse remark. The report in form MR-3 along with Annual Secretarial Compliance Report is enclosed as 'Annexure D' to the Directors' Report. Further, in terms of Regulation 24(a) of Listing Regulations, the Secretarial Audit Report of BALCO, an unlisted material subsidiary of the Company is also enclosed as 'Annexure D-1' to this report.

### Auditors Certificates:

- As per the Listing Regulations, the auditors' certificate on corporate governance is enclosed as an Annexure to the Corporate Governance Report forming part of the Annual Report. The Certificate does not contain any other qualification, reservation, or adverse remark except as mentioned in the report.
- A certificate from Company Secretary in Practice certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/MCA or any such statutory authority forms part of the Corporate Governance Report.



### Secretarial Auditors

- M/s Vinod Kothari & Co., Practicing Company Secretaries had been appointed by the Board to conduct the secretarial audit of the Company for FY 2023.
- The Company had received a certificate confirming their eligibility and consent to act as the Auditors.
- The Secretarial Audit Report for FY 2023 forms part of this report and confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.
- Pursuant to SEBI circular no. CIR/CFD/CMO1/27/2019 dated 08 February 2019, the Company has also undertaken an audit for all applicable compliances as per the Listing Regulations and circular guidelines issued thereunder. The Annual Secretarial Compliance Report for FY 2023 has also been submitted to the Stock Exchanges within the stipulated timeline.
- The Secretarial Audit Report of its unlisted material subsidiary is annexed to this report.
- The Secretarial Auditors were also present at the last AGM of the Company.

### Cost Auditors

- M/s Shome and Banerjee and M/s Ramnath Iyer & Co., Cost Accountants, had been appointed by the Board to conduct the audit of cost records of the Oil & Gas Business and other Business segments of the Company respectively for FY 2023.
- M/s Ramnath Iyer & Co., Cost Accountants were nominated as the Lead Cost Auditors.
- The Company had received a certificate confirming their eligibility and consent to act as the Auditors.
- The cost accounts and records of the Company are duly prepared and maintained by the Company as required under Section 148(1) of the Act pertaining to cost audit.

### Internal Auditors

- M/s KPMG had been appointed as the Internal Auditors of the Company for FY 2023 to conduct the Internal Audit on the basis of detailed Internal Audit Plan.
- The Company has an independent in-house MAS team to manage the group's internal audit activity and that functionally reports to the Audit & Risk Management Committee.

## REPORTING OF FRAUD BY AUDITORS

During the reporting year, under Section 143(12) of the Act, none of the Auditors of the Company have reported to the Audit & Risk Management Committee of the Board, any instances of fraud by the Company or material fraud on the Company by its officers or employees.

## LEGAL, COMPLIANCE, ETHICS AND GOVERNANCE FUNCTION

Through its concerted efforts to generate value while keeping integrity at the forefront, the legal function of your Company is a valued partner in providing regulatory support and gauging the viability of strategic assistance for business partnership and expansion. It ensures advisory and compliance services pertaining to existing regulations and legislative developments for facilitating business agenda in the areas of effective claims and contract management, mergers and acquisitions, dispute resolution, litigation and adherence to competition, business ethics and governance.

With the aim to ensure smooth operations and to safeguard the interests of your Company for business growth and sustenance in an evolving, ambiguous and complex environment, the function continues to focus on presenting areas of opportunities, mitigating risks, providing proactive assistance to other functions and departments; and bringing about policy changes based on persistent interaction with various Government bodies and industrial associations like CII and FICCI.

As newer technologies continue to transform the market, your Company ensures adeptness in mechanisms to safeguard the data security and privacy of our stakeholders with enhanced legal and security standards. Simultaneously, to meet the growing business needs, the Legal function continues to seek and identify technological opportunities while harnessing existing know-how to streamline compliance frameworks, litigation management and conduct online ethics awareness training.

Our organisational values and principles are made applicable to all our employees through our Code of Business Conduct and Ethics. In a bid to create a better understanding of its practical implications, the Legal function conducts an annual online ethics training module to necessitate all employees to mandatorily embrace the values and principles embodied as a part of the aforementioned Code. Additionally, the function drives an Ethics Compliance Month initiative for raising awareness by conduct of employee trainings in areas of ethical concern such as insider trading, prevention of sexual harassment, anti-bribery, anti-corruption, and anti-trust laws through use of interactive learning tools.

Through our Supplier Code of Conduct, we also ensure that third parties, including their employees, agents and representatives who have a business relationship with your Company, are bound by industry standards as well as applicable statutory requirements concerning labour and human rights, health, safety and environment, and business integrity.

## 8. OTHER DISCLOSURES

### RELATED PARTY TRANSACTIONS

Your Company has in place a Policy on Related Party Transactions ("RPT") ("RPT Policy") formulated in line with the provisions of the Act and Listing Regulations. The Company has voluntarily adopted a stricter policy as against the legal requirements. The Policy may be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

The Policy sets out the philosophy and processes to be followed for approval and review of transactions with Related Party and intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions with Related Parties.

A detailed landscape of all RPTs specifying the nature, value, and terms and conditions of the transaction is presented to the Audit & Risk Management Committee. Also, a Standard Operating Procedures has been formulated to identify and monitor all such transactions.

During FY 2023, all the contracts/arrangements/ transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis and were in compliance with the provisions of the Act and Listing Regulations other than those mentioned in the 'Annexure IV' of the Report on Corporate Governance forming part of the Annual Report.

All RPTs are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of RPTs under the Act and Listing Regulations.

During the year, the materially significant RPTs pursuant to the provisions of Listing Regulations had been duly approved by the shareholders of the Company in the 57<sup>th</sup> Annual General Meeting held on 10 August 2022. Further, there have been no materially significant RPTs during the year pursuant to the provisions of the Act. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

### SHARE CAPITAL AND ITS EVOLUTION

The Authorised Share Capital of the Company is ₹74,12,01,00,000 divided into 44,02,01,00,000 number of equity shares of ₹1/- each and 3,01,00,00,000 Preference Shares of ₹10/- each. There was no change in the capital structure of the Company during the period under review.

The details of share capital as on 31 March 2023 is provided below:

Particulars	Amount (₹)
Authorised Share Capital	74,12,01,00,000
Paid-up Capital	3,71,75,04,871
Listed Capital	3,71,71,99,039
Shares under Abeyance pending allotment	3,05,832

The details of the Capital Evolution has been provided on the Company's website and can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

### SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

Your Company has 44 subsidiaries (13 direct and 31 indirect) as at 31 March 2023, as disclosed in the notes to accounts.

During the year and till date, the following changes have taken place in Subsidiary Companies:

- Athena Chhattisgarh Power Limited acquired on 21 July 2022 under the liquidation proceedings of the Insolvency and Bankruptcy Code, 2016, subject to NCLT approval which is pending as on the balance sheet date. Hence, not covered in the total number of subsidiaries above.
- Facor Realty and Infrastructure Limited struck off on 13 January 2023.
- Hindustan Zinc Fertilizers Private Limited incorporated on 07 September 2022.
- Zinc India Foundation incorporated on 05 August 2022.
- Cairn Energy Gujarat Block 1 Limited, deregistered on 05 July 2022.
- Lakomasko BV liquidated on 03 March 2023.
- CIG Mauritius Holding Private Ltd. and CIG Mauritius Private Ltd. have been dissolved effective from 01 March 2023. Pursuant to dissolution, Cairn Lanka Private Limited has become the direct subsidiary of Cairn Energy Hydrocarbons Limited.
- The Mumbai NCLT and Chennai NCLT has 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 Sesa Mining Corporation Limited ("SMCL"). Statutory filing with MCA is in progress.
- Facor Power Limited is merged into Ferro Alloys Corporation Limited effective on 21 November 2022.

As at 31 March 2023, the Company has 06 associate companies and joint ventures.

#### Associate Companies and Joint Ventures:

- Gaurav Overseas Private Limited
- RoshSkor Township (Pty) Ltd
- Goa Maritime Private Limited
- Madanpur South Coal Company Limited
- Rosh Pinah Health Care (Proprietary) Limited
- Gergarub Exploration and Mining (Pty) Limited

As required under Listing Regulations, the Consolidated Financial Statement of the Company and its subsidiaries



and joint ventures, prepared in accordance with Ind AS 110 issued by the Institute of Chartered Accountants of India, form part of the Annual Report and are reflected in the Consolidated Financial Statement of the Company.

During the year, the Board of Directors have reviewed the affairs of the subsidiaries. Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statement of the subsidiary and associate companies is attached to the financial statement in Form AOC-1. The statement also provides details of performance and financial position of each of the subsidiaries and their contribution to the overall performance of the Company.

In accordance with Section 136 of the Act, the audited Standalone and Consolidated financial statements of the Company along with relevant notes and separate audited accounts of subsidiaries are available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com). Copies of the financial statements of the Company and of the subsidiary companies shall be made available upon request by any member of the Company. Additionally, these financial

Further, the SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023, requires additional details to be provided for material subsidiaries. The details are as follows:

Particulars	Material Subsidiary		
	HZL	CIHL	BALCO
Date of Incorporation	10 January 1966	02 August 2006	27 November 1965
Place of Incorporation	Udaipur	Jersey	New Delhi
Name of Statutory Auditors	S.R. Batliboi & Co. LLP	MHA MacIntyre Hudson	S.R. Batliboi & Co. LLP
Date of appointment of Statutory Auditors	09 August 2021	10 March 2021	17 September 2021

In terms of the provisions of Regulation 24(1) of the Listing Regulations, during FY 2023, appointment of one of the Independent Directors of the Company on the Board of unlisted material subsidiary was applicable only to CIHL.

In compliance with the above requirement, Mr. DD Jalan, Independent Director of the Company, had been appointed as Director of CIHL.

The Company is in compliance with the applicable requirements of the Listing Regulations for its Subsidiary Companies during FY 2023.

## DEBENTURES

During FY 2023, your Company raised ₹4,889 crore through issuance of Secured and Unsecured, Rated, Redeemable, Non-Cumulative, Non-Convertible Debentures ("NCDs") of face value of ₹10,00,000 each on private placement basis as per the following details:

Coupon Rate	Date of Allotment	No. of NCDs	Total Amount (in ₹ crore)	Tenor	Maturity Date
8.74% Secured Rated Listed Redeemable Non-Convertible Debentures	29 June 2022	40,890	4,089	10 years	29 June 2032
3M T Bill Linked Unsecured Rated Listed Redeemable Non-Convertible Debentures	16 December 2022	8,000	800	01 year 03 months	15 March 2024

The aforesaid debentures are listed on BSE.

Further, the details of outstanding NCDs as of 31 March 2023 have been detailed in the Corporate Governance Report.

## COMMERCIAL PAPERS

The Commercial Papers ("CPs") issued by the Company have been listed on NSE and have been duly redeemed on timely basis.

statements shall also be available for inspection by members on all working days during business hours at the Registered Office of the Company.

## MATERIAL SUBSIDIARIES

The Company has adopted a policy on determination of material subsidiaries in line with Listing Regulations. The policy aims to determine the Material Subsidiaries and Material Unlisted Indian Subsidiaries of the Company and to provide the governance framework for such subsidiaries. The policy may be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

In accordance with Regulation 16(1)(c) of the Listing Regulations, your Company has the following material subsidiary companies during FY 2023:

- Hindustan Zinc Limited ("HZL"), a listed subsidiary;
- Cairn India Holdings Limited ("CIHL"), an unlisted subsidiary; and
- Bharat Aluminium Co. Limited ("BALCO"), an unlisted subsidiary.

As on 31 March 2023, there are outstanding CPs aggregating to ₹500 crore. Further details have been provided in the Corporate Governance Report.

## UNCLAIMED SHARES

Pursuant to the SEBI Circular and Regulation 39 of Listing Regulations regarding the procedure to be adopted for unclaimed shares issued in physical form in public issue or otherwise, the Company has a separate demat account in the title of 'Vedanta Limited – Unclaimed Suspense Account' with HDFC Bank Limited. The details of shares lying in the unclaimed suspense account are provided below:

Description	No. of Shareholders	No. of Equity Shares of ₹1/- each
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	520	5,14,372
Number of shares transferred to the unclaimed suspense account during the year	-	-
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	06	7,836
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Number of shares transferred to Investor Education and Protection Fund ("IEPF/ Fund") account pursuant to IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with Amendment Rules, 2017	63	46,920
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	451	4,59,616

## TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of the Act and IEPF Rules, as amended from time to time, the Company is required to transfer the following to IEPF:

- Dividend amount that remains unpaid/unclaimed for a period of seven (07) years; and
- Shares on which the dividend has not been paid/claimed for seven (07) consecutive years or more.

Additionally, pursuant to Rule 3(3) of IEPF Rules, in case of term deposits of companies, due unpaid or unclaimed interest shall be transferred to the Fund along with the transfer of the matured amount of such term deposits.

Your Company, in its various communications to the shareholders from time to time, requests them to claim the unpaid/unclaimed amount of dividend and shares due for transfer to IEPF established by the Central Government. Further, in compliance with IEPF Rules including statutory modification(s) thereof, the Company publishes notices in newspapers and sends specific letters to all shareholders whose shares are due to be transferred to IEPF, to enable them to claim their rightful dues.

With the continuous efforts of the Company, a total of 87 investor claims have been released from IEPF till 30 April 2023 aggregating to 1,21,570 equity shares.

### Dividend and other amounts transferred/credited to IEPF during FY 2023

The details of dividend and other unpaid/unclaimed amounts transferred to IEPF during the year are provided below:

Dividend and other unpaid/unclaimed amounts transferred to IEPF during the year				
Financial Year	Type of Amount	Date of Declaration	Amount transferred to IEPF (in ₹)	Date of transfer to IEPF
2014-15	Final Dividend	11 July 2015	1,86,14,486.00	03 September 2022
2014-15	Final Dividend	21 July 2015	46,62,800.00	14 September 2022
2015-16	Interim Dividend	27 October 2015	3,09,22,500.00	06 December 2022
<b>Total</b>			<b>5,41,99,786.00</b>	

\*An additional amount of ₹4,05,581 (including ₹10,000 related to sub-judice matter) pertaining to Unpaid Matured Deposits and interest accrued thereon has been identified for transfer to IEPF during the year. The same is in the process of transfer.

In view of specific order(s) of court/tribunal/statutory authority restraining transfer of shares and dividend thereon, such shares and unpaid dividend have not been transferred to IEPF pursuant to Section 124 of the Act and Rule 6 of IEPF Rules including statutory modification(s) or re-enactment(s) thereof.



The details of dividend declared during the year on shares already transferred to IEPF are provided below:

Dividend declared during FY 2023 on shares already transferred to IEPF			
Type of Dividend	Date of Declaration	Amount transferred to IEPF (in ₹)	Date of transfer to IEPF
Interim Dividend (1 <sup>st</sup> )	28 April 2022	13,54,67,698.11	23 May 2022
Interim Dividend (2 <sup>nd</sup> )	19 July 2022	8,33,63,314.19	08 August 2022
Interim Dividend (3 <sup>rd</sup> )	22 November 2022	7,68,84,463.84	13 December 2022
Interim Dividend (4 <sup>th</sup> )	27 January 2023	5,57,79,361.00	16 February 2023
Interim Dividend (5 <sup>th</sup> )	28 March 2023	9,30,00,087.78	17 April 2023
<b>Total</b>		<b>44,44,94,924.92</b>	

#### Shares transferred/credited to IEPF during FY 2023

During the year, the Company transferred 2,48,924 equity shares of ₹1/- each comprising of 891 shareholders to IEPF.

The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 10 August 2022 (the date of last AGM) on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com). Further, the details of equity shares transferred are also made available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

The shareholders whose shares/dividends have been transferred to IEPF can claim the same from IEPF in accordance with the prescribed procedure and on submission of such documents as prescribed under the IEPF Rules. The process for claiming the unpaid shares/dividends out of IEPF can be accessed on the IEPF website at [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

#### Dividend due to be transferred to IEPF during FY 2024

The dates on which unclaimed dividend and their corresponding shares would become due to be transferred to IEPF during FY 2024 are provided below:

Dividend due to be transferred to IEPF during FY 2024				
Particulars	Date of Declaration	Date of completion of seven years	Due date for transfer to IEPF	Amount as on 31 March 2023 (in ₹)
Final Dividend 2015-16	21 July 2016	26 August 2023	25 September 2023	32,09,337.00
Interim Dividend 2016-17	28 October 2016	03 December 2023	02 January 2024	1,71,96,505.25
<b>Total</b>				<b>2,04,05,842.25</b>

Ms. Perna Halwasiya, the Company Secretary and Compliance Officer of the Company is designated as the Nodal Officer under the provisions of IEPF. The contact details can be accessed on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

#### TRANSFER TO RESERVES

The Company proposes Nil transfer to General Reserve out of its total profit of ₹27,356 crore for the financial year.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised as per the provisions of Section 186 of the Act are provided in the standalone financial statements. (Please refer to Notes to the standalone financial statements).

#### FIXED DEPOSITS

As on 31 March 2023, deposits amounting to ₹54,000 remain unclaimed. Since the matter is sub judice, the Company is maintaining status quo.

#### PUBLIC DEPOSITS

The Company has not accepted any deposits falling under the ambit of Section 73 of the Act and the Rules framed thereunder during the year under review.

#### MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred subsequent to the close of the financial year till the date of this Report which may affect the financial position of the Company.

## SIGNIFICANT and MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

Provided below are the significant and material orders which have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in the future.

### Iron-Ore Division – Goa Operations

The Supreme Court of India ("SC") in the Goa Mining matter in 2014 declared that the deemed mining leases of the lessees in Goa expired on 22 November 1987 and the maximum of 20 years renewal period of the deemed mining leases in Goa under the Mines and Minerals (Development and Regulation) Act ("MMDR") had also expired on 22 November 2007 and directed state to grant fresh mining leases.

Thereafter, various mining leases were renewed by the State Government before and on the date the MMDR Amendment Ordinance 2015 came into effect (i.e. 12 January 2015).

These renewal of mining leases were challenged before the SC by Goa Foundation and others in 2015 as being arbitrary and against the judgment of the SC in the earlier Goa mining matter. The SC passed the judgement in the matters on 07 February 2018 wherein it set aside the second renewal of the mining leases granted by the State of Goa. The court 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) in accordance with the provisions of the MMDR Act, 1957 and fresh environmental clearances are granted.

Subsequently, mining lessees and other mining stakeholder had filed applications in the pending Abolition Act matter for resumption of mining in the State. The Central Government had also filed an early hearing application in the long pending abolition matter.

We separately also filed a Special Leave Petition in the SC in appeal from the High Court order against a non-consideration of our representation seeking an amendment of the mining lease till 2037 based on the provisions of the MMDR Amendment Act, 2015. The Special Leave Petition was disposed off by the SC vide an order dated 07 September 2021. We had filed a review petition against the order passed by SC dated 07 September 2021 which was dismissed by the SC.

On 04 May 2022, Vedanta Limited and other group companies received notices from DMG, Goa under the provisions of Section 12(1)(hh) of the Mineral Concession Rules (Other than Atomic and other Hydrocarbon Energy Minerals) Concession Rules, 2016 directing to vacate the mining leases by 06 June 2022 pursuant to judgment of the SC banning mining operations in the State of Goa. Writ petitions were filed against these notices of DMG on 17 May 2022 before the High Court of Bombay at Goa contending that Section 12(1)(hh) of MCR Rules, 2016 cannot be extended to dispossession from the mining leases. Further, the challenge to the constitutional validity of the Goa, Daman, and Diu Mining Concession (Abolition and Declaration of Mining Leases) Act, 1987 which abolished the mining concessions and converted them to mining

lease, is pending before the Supreme Court since 1998, and until the matter is pending, no decision regarding the title of the mining leases could be taken as the companies have been granted the mining concession in perpetuity by the Portuguese mining laws.

The writ petitions were reserved for orders on 19 August 2022. Vide order dated 07 October 2022, the High Court of Bombay at Goa dismissed all the writ petitions. Thereafter, a Special Leave Petition was filed by another mining lessee before the SC against the order dated 07 October 2022. The said SLP was also dismissed vide order of the Supreme Court dated 21 November 2022.

### Copper Division

The Copper division of Vedanta Limited has received an order from Tamil Nadu Pollution Control Board ("TNPCB") on 09 April 2018 whereby they have rejected the Company's application for renewal of Consent to Operate ("CTO") for the 4,00,000 metric tonnes Per Annum ("MTPA") Copper Smelter plant in Tuticorin. In furtherance to the order of TNPCB rejecting the Company's application, the Company decided to shut its Copper smelting operations at Tuticorin and filed an appeal with TNPCB Appellate authority against the order. During the pendency of the appeal, the TNPCB vide its order dated 23 May 2018 ordered disconnection of electricity supply and closure of the Company's Copper Smelter plant. Post this, the Govt of Tamil Nadu on 28 May 2018 ordered the permanent closure of the plant. The Company challenged the same in the National Green Tribunal ("NGT") which passed a favorable order for reopening of the plant. The order was appealed by the TNPCB and the State of Tamil Nadu in the Supreme Court. The Supreme Court passed an order upholding the appeal and granted liberty to the Company to approach the Madras High Court for relief.

On 18 August 2020, the Division Bench of Madras High Court dismissed all the writ petitions filed by the Company. Vedanta Limited subsequently filed a Special Leave Petition to appeal against the Madras High Court decision before the Supreme Court. The Supreme Court, on 04 May 2023, upon taking up the interlocutory applications filed by the Company for essential care and maintenance of the Plant and for removal of material within the Plant premises, directed the State Government to take necessary directions with respect to certain activities and to reconsider certain other activities in furtherance of its earlier order within specified timelines. The Court further ordered for the SLP to be listed on 22 and 23 August 2023 for final hearing.

In the meantime, the Madurai Bench of the High Court of Madras in a public interest litigation filed against Vedanta by Fathima Babu held through its order dated 23 May 2018, that the application for renewal of the environmental clearance for the expansion project shall be processed after a mandatory public hearing and the said application shall be decided by the competent authority on or before 23 September 2018. In the interim, the High Court ordered Vedanta to cease construction and all other activities on site for the proposed expansion project with immediate effect. Currently, the Ministry of Environment, Forest and



Climate Change ("MoEF") has updated on its website that Vedanta Limited's environmental clearance for expansion project will be considered for ToR either upon verdict of the NGT case or upon filing of a Report from the State Government/District Collector, Thoothukudi. Separately, SIPCOT through its letter dated 29 May 2018, cancelled 342.22 acres of the land allotted to Vedanta Limited for the proposed expansion project. Further, the TNPCB issued orders on 07 June 2018, directing the withdrawal of the consent to establish the expansion project, which was valid until 31 March 2023. In a writ filed before Madras High Court Madurai Bench challenging the lease cancellation order, Madras High Court through its order dated 03 October 2018 has granted an interim stay in favour of the Company cancelling on the cancellation of 342.22 acres of the land allotted.

Further, on 07 June 2018, TNPCB withdrew the CTE granted for a period of five (05) years for the expansion project. The Company has filed Appeals before the TNPCB Appellate Authority challenging withdrawal of CTE by the TNPCB.

#### CHANGE IN NATURE OF BUSINESS OF COMPANY

There is no change in the nature of business of your Company during the year under review.

#### FAILURE TO IMPLEMENT ANY CORPORATE ACTION

There were no instances where the Company failed to implement any corporate action within the specified time limit.

### 9. AWARDS AND RECOGNITION

In a bid to keep ensuring its relentless quest for growth and excellence, the Company continues to be committed towards maintaining the highest standards of corporate governance and sustainable practices. As a recognition for our unconventional innovations and focussed drive to achieve best-in-class operations, the Company has been winning a multitude of accolades at various forums while acquiring plaudits as the recipient of numerous prestigious awards for demonstrating its business ethos.

These embellishments to Vedanta's cognizant candidature deliver a testament to the progress made by the Company and honor its diligent efforts towards delivering value for the welfare of all stakeholders and the society as a whole.

The details of the key recognitions secured by the Company have been highlighted in a separate section in the Annual Report.

### 10. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134 of the Act, your Directors subscribe to the "Directors' Responsibility Statement" and to the best of their knowledge and ability, hereby confirms that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true

and fair view of the state of affairs of the Company at the end of FY 2023 and of the profit and loss of the Company for that period;

- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, 2013 for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 11. ACKNOWLEDGEMENTS AND APPRECIATION

At Vedanta, our business is deftly managed by an adroit set of leaders with global and diverse experience in the sector in order to accomplish the mission of carving our niche as the leading global natural resource company. The professionally equipped and technically sound management has set progressive policies and objectives, follows best global practices, all with a plausible vision to take the Company ahead to the next level.

Having received external reassurance in all our commitments over the years, the Directors take this opportunity to place on record, their sincere appreciation for the Central and State government authorities, bankers, stock exchanges, financial institutions, depositories, analysts, advisors, local communities, customers, vendors, business partners, shareholders, and investors forming part of the Vedanta family for their sustained support, admirable assistance and endless encouragement extended to the group at all levels.

We would also like to express our earnest regard to all employees for their ardent enthusiasm and interminable efforts directed towards lodging significant and effective contributions to the continued growth of the Company. Our heartiest gratitude is further undertaken to be rendered to all our stakeholders for their unflinching faith in the Company.

We look forward for bestowal of your continued support and solidarity in future as we diligently strive to deliver enhanced value for our stakeholders and inscribe on the footprints of nation building for one of the fastest growing economies of the world.

For and on behalf of the Board of Directors

**Anil Agarwal**  
Non-Executive Chairman  
DIN: 00010883

Place: London  
Date: 12 May 2023



# ANNEXURE A

## Conservation of Energy and Technology Absorption

### (A) Conservation of Energy:

Conservation of natural resources continues to be the key focus area of your Company. Some of the important steps taken in this direction are as follows:

#### OIL & GAS BUSINESS:

##### Rajasthan Operations

- i. Cairn has signed PDA for 25 MW renewable energy with Serentica Renewable 3 India Private Limited: Annual GHG reduction potential of 1,31,000 tonnes of CO<sub>2</sub>e/annum.
- ii. Installation of 3x1.1 MW Gas Engine Generators at MWP - 01 and 12 Local separation facility: Annual GHG reduction potential of 7,650 tonnes of CO<sub>2</sub>e/annum.
- iii. Reduction in RDG flare by process interventions e.g., optimisation of recycle gas compressors and installation of ejector: Annual GHG reduction potential of 17,850 tonnes of CO<sub>2</sub>e/annum.
- iv. Installation of 220 KWP of solar rooftop in RJ Gas: Annual GHG reduction potential of ~275 tonnes of CO<sub>2</sub>e/annum.
- v. Installation of 130 KWP solar rooftop at Radhanpur Terminal: Annual GHG reduction potential of ~165 tonnes of CO<sub>2</sub>e/annum.
- vi. Installation of ~200 Solar lights at Mangala Processing Terminal and associated well pads for renewable power generation ~41,500 units/annum.
- vii. Solar rooftop installed on 10 AGIs (Above Ground Installations) for pipeline operations: Annual GHG reduction potential of ~190 tonnes of CO<sub>2</sub>e/annum.
- viii. Revamping of 100 KWP solar plant at Sara WP - 01: Annual GHG reduction potential of 130 tonnes of CO<sub>2</sub>e/annum.
- ix. Energy conservation by conversion of induction motor to Permanent Magnetic Motor ("PMM") has resulted in energy saving of ~10,000 GJ and GHG reduction of 1,976 tonnes of CO<sub>2</sub>e in FY 2023.
- x. Energy conservation by replacement of conventional lights by energy efficient lighting: ~6 lakh units energy saved in FY 2023 resulted in GHG reduction of ~420 tonnes of CO<sub>2</sub>e.

##### Ravva Operations

- i. Installation of VFD in ETP Blower at Ravva for energy conservation ~4.2 lakh kWh/annum. Annual GHG reduction is 180 tonnes of CO<sub>2</sub>e/annum.

### Cambay Operations

- i. Commissioned 10 KWP Solar Plant at Cambay asset.

#### COPPER BUSINESS:

- i. 16 MW Renewable Energy contract signed off with Serentica Renewables India Private Limited.
- ii. Smart (AI and ML based) fuel optimisation project kicked off with estimated 3,554 tCO<sub>2</sub> eq. reduction/year.
- iii. Secondary Copper Sourcing – 13,329 MT (Est)
  - Silvassa - Estimated reduction of 9,630 tCO<sub>2</sub> eq. (Scope 3 emissions).
  - Fujairah - Estimated reduction of 5,074 tCO<sub>2</sub> eq. (Scope 3 emissions).
- iv. Solar Power Plant Commissioning and Generation
  - 826 KWP Ground mounted Solar Power plant and 100 KWP Roof top Solar power plant commissioned.
  - YTD Renewable Energy generation of 6,90,872 kWh resulting in reduction of 567 tCO<sub>2</sub> eq.
- v. Cleaner Fuel
  - Silvassa: CCR – LPG to PNG  
Boiler – FO to PNG
  - Fujairah: LPG to PNG – 216 tCO<sub>2</sub> eq.
- vi. Switched to LED lights – 239 tCO<sub>2</sub> eq./year reduction.

#### SESA GOA BUSINESS:

##### VAB

- i. Installed VFD for air compressors in Power plant (Saving – 1,26,000 kWh/annum).
- ii. Replace existing HT motors with super energy efficient IE4 motors for Blowers (Saving – 3,64,140 kWh/annum).
- iii. Replacing the old Slag Granulation pumps with energy efficient pumps (Saving – 2,52,000 kWh/annum).
- iv. Replacing the old furnace RWP with energy efficient pump (Saving – 5,88,000 kWh/annum).
- v. Installation of CO analyzer to supply sufficient air to boiler in PP-2 (Saving – 1,050 KNm<sup>3</sup> of BFG/annum).
- vi. Replacement of ACW pumps in PP1 with energy efficient pumps (Saving – 1,26,000 kWh/annum).



- vii. Conversion of conventional lamps with LED lamps (Saving – 84,000 kWh/annum).

#### Iron Ore Karnataka ("IOK")

- i. Installation of 120 LED streetlights in haul road from Circle Gate to North Block. The streetlights uses timer-based automatic switching on/off of lights which cuts down extra usage of energy.
- ii. Elimination of Mobile Lighting towers by installation of Inhouse fabricated 7m lighting towers and supply given through common DG/K.E.B. supply. Diesel saving of 1.92KL/IR/annum eliminated. A total of 4 IRs were eliminated in a similar way.

#### Iron Ore Goa ("IOG")

- i. Dewatering Pumps running of VFD 120 HP (02 Nos.) and 75 HP (01 No.) at 2 Top Mines: resulting saving 25% on normal consumption.
- ii. Apron feeder VFD 22 KW Amona Mining 1A Plant: resulting saving 25% on normal consumption.
- iii. Classifier 1 and 2 VFD 18.5 KW Amona Mining 1A Plant: resulting saving of 50% on normal consumption.
- iv. Scrubber VFD 110 KW Amona Mining 1A Plant: resulting saving 25% on normal consumption.
- v. LED conversion 100 Nos. Amona Mining Plant: Resulting Saving of 50% on normal consumption.
- Saving of 2,640 kWh/month and cost saving of ₹12,276/month (Apron VFD).
- Saving of 8,880 kWh/month and cost saving of ₹41,292/month (Classifier VFD).
- Saving of 13,200 kWh/month and cost saving of ₹61,380/month (Scrubber VFD).
- Saving of 4,320 kWh/month and cost saving of ₹20,088/month (LED).

#### Met Coke Gujarat

- i. Replacing of old crusher and conveyor motors with super premium efficiency motors, resulted into annual saving of 1,09,500 kWh.
- ii. Replacement of existing Sodium vapor light by LED lights (250 Nos. 200W LED and 300 Nos. 40W LED lights), resulted into annual saving of 1,22,400 kWh.

#### Iron Ore Odisha ("IOO")

- i. 100 KW LED Lights are installed in both the mines and offices etc. Another 47.6 KW HPSV to be replaced with LED Light (present saving 10,20,540 kWh/annum).
- ii. 10 Nos. of DG mobile towers was replaced with TPWODL Grid Power (Diesel saving 52.56 KL/annum).
- iii. 132 KW\*2 and 75 KW\*1 = 339 KW DG Pumps converted to Electrical pumps operating with TPWODL Grid power (Diesel saving 642.4 KL/annum).

#### POWER BUSINESS:

##### 2,400 MW Jharsuguda

- i. U#1 and 4 Air preheater basket and seals and sector plate replaced to reduce the high flue gas exit temperature at air preheater outlet to design level saving 8 Kcal/kWh in heat rate and 1,700 KW in primary fan consumption.
- ii. Replacement of U#1 and 4 flue gas duct and fabric filter bags to reduce induced draft fan power consumption by 8,000 KW.
- iii. U#1 and 4 Condenser chemical cleaning done. Savings 12 Kcal/kWh.
- iv. NDCT 100% fills replaced to improve condenser vacuum. Savings 20 Kcal/kWh.
- v. U#1 and 4 boiler R and M was done with boiler penthouse sealing and SOFA (Separated overfire air) installation to reduce metal excursions and to bring main steam temperature and Reheater steam temperature, main steam spray and reheater spray to rated value, thereby saving 10 Kcal/kWh.
- vi. U#1 and 4 Turbine overhauling done, and savings of 14 Kcal/kWh achieved.

##### CPP 1215 MW Jharsuguda

- i. Replacement of Air preheater basket for 3 units (Unit 1, 2 and 4) to reduce the very high flue gas exit temperature to design level saving 7 Kcal/kWh in heat rate and 355 kWh in Primary fan consumption for the station.
- ii. Turbine Overhauling (HIP carrier refining) in Unit#3, 2, 1 and 4 to improve HP cylinder efficiency resulted into saving of 15.2 Kcal/kWh in heat rate for the Station.
- iii. Replacement of Air preheater seals and fabric filter bags, flue gas duct repairing for 4 units to reduce Induced Draft and Primary Air fans consumption by 925 kWh.
- iv. Cooling tower CT fills replacement for 3 units (U#1, 2 and 8) to save 30 Kcal/kWh of heat rate in unit.
- v. Chemical cleaning of condenser done for 2 units (U#1 and 4) to improve cleanliness factor and reduce vacuum losses benefits vacuum improvement of 0.6 KPA and 9 Kcal/kWh savings of heat rate in unit.
- vi. Condenser bullet cleaning done in Unit #3, 2, 1 and 4 to save in heat rate by 36 Kcal/kWh for the units combined.
- vii. 2 Nos. Cooling Water system screen cleaner taken in service after refurbishment to rectify frequent condenser choking.
- viii. 6 Nos. Mill grinding media replaced (1A, 2A, 3A, 4A, 4D, 9A) to improve mill fineness and optimise combustion efficiency reduces Auxiliary power consumption by 0.08% on station.

**ALUMINIUM BUSINESS:****Smelter Plant-1 (Jharsuguda)****Electrical Energy****DC Energy saving**

- i. 100% graphitised cathode pot implementation.
- ii. Improvement in Pot Voltage drops by bolt and clamp drop reduction.
- iii. Current Efficiency improvement in Potline to 94.90%.
- iv. RUC copper inserted collector bar for pot cathode in 4 pots with saving of 250 kWh/MT per pot.
- v. Vedanta Lining Design implemented in 3 pots with savings of 250 kWh/MT per pot.

**AC auxiliary Energy saving**

- i. 100% Graphitised Cathode Implementation in smelting pots.
- ii. Replacement of pulse valve diaphragm in FTP – 1.
- iii. Installation of Energy efficient IE3 motors at various areas of plant.
- iv. Conventional Light replacement with LED in High mast office area, shop floor, pathway.
- v. Airline header separation of different areas in Plant.
- vi. Anode Stub Hole Modification with 5 mv of Voltage Reduction.
- vii. Shot blast ID fan VFD installation.
- viii. Retrofitting and software upgradation work in 2 metal tapping vehicles.
- ix. Biodiesel implementation in all Technological vehicles (In 80:20 ratio).
- x. Rectifier conversion efficiency improvement from 98.64% to 98.66%.
- xi. Replacement of Diesel operated forklift with Battery operated forklift.

**Smelter Plant-2 (Jharsuguda)****Electrical Energy****DC Energy saving**

- i. 100% graphitised cathode pot implementation.
- ii. Current efficiency improvement in Potline is 94.60%.
- iii. RUC copper inserted collector bar for pot cathode in 6 pots with saving of 250 kWh/MT per pot.
- iv. Vedanta Lining Design implemented in 7 pots with savings of 250 kWh/MT per pot.

**AC auxiliary Energy saving**

- i. Replacement of conventional lights with LED lights.
- ii. VFD installation in Casthouse-2 Pump house.

- iii. VFD installation for Shot blast Turbines.
- iv. Airline header separation of different areas in Plant.
- v. Cooling tower fills replacement in Compressor House.
- vi. Pneumatic no-loss Drain Valve installation in compressor.
- vii. Evaporator replacement in Dryers to reduce pressure drop.
- viii. Old BR/CR motor replaced with IE3 motor in Bake oven.
- ix. Deployment of battery-operated forklifts.
- x. Scoop Bath Lighting trafo Voltage reduction from 260V to 220V.
- xi. VFD installation for Cold well Pumps.

**Lanjigarh – Refinery**

The following major energy conservation measures are taken at Lanjigarh:

- i. Conversion of Condensate pumps in Digestion unit from DOL to VFD. Annual savings of 3.84 lakh units of electrical energy.
- ii. Conversion of one HST overflow motor from DOL to VFD. Annual savings of 4.32 lakh units of electrical energy.
- iii. Energy saving initiatives in main air compressor house. Annual Savings of 22.74 lakh units of Electrical Energy.
- iv. Max HT dosing in Evaporation Units resulting in steam saving of 20 kt/annum.
- v. LED light replacement of 3,200 conventional lights. Annual savings of 3 lakh units of Electrical Energy.
- vi. Improvement of Liquor productivity from 82 GPL to 85 GPL. Annual savings of 108 lakh units of Electrical Energy.
- vii. Replacement of 71 nos. of IE1 motor to energy efficient IE3 motors. Annual savings of 6.71 lakh units of Electrical Energy.
- viii. VFD conversion of GQC and FLC pump. Annual savings of 3.06 lakh units of Electrical Energy.
- ix. Pulley replacement of PDS transfer pump. Annual savings of 2.68 lakh units of Electrical Energy.
- x. Replacement of 2 nos. of Digestion heaters. Annual savings of 60 kt of steam.
- xi. Air ingress arrest in Calciner 2 venturi/ESP/other cyclones. Annual savings of 50 kt of HFO.
- xii. Calandria 1 replacement in Evaporation. Annual savings of 20 kt of steam.
- xiii. Pulley replacement of ISC pumps in White. Annual savings of 12.09 lakh units of Electrical energy.



### Lanjigarh – CGPP

- i. Import of 6,667 MWH of Renewable Energy from Grid.
- ii. Steam economy improvement in Turbine 3 (TG 3 overhauling, Condenser 3 cleaning, GV servicing and cement insulation in turbine). Savings of 26,308 tonnes of coal/annum.
- iii. Replacement of CT fills in CGPP. Annual savings of 8.75 lakh units of electrical energy.
- iv. Air pre-Heater replacement in Boiler 2. Savings of 11,700 tonnes of coal/annum.
- v. Replacement of Boiler bowl mill ring/roller in Boiler 1, 2 and 3. Annual savings of 3.36 lakh units of electrical energy.
- vi. Successful firing of 322 T Biomass in Boilers as Trial run in FY 2023 saving of 450 tonnes of CO<sub>2</sub>.

### Ravva Operations

- i. Replacement of fluorescent and HPSV lights with LED. Annual energy saving potential of 80,592 kWh.

S. No.	Existing Lights	New Installed lights	Net savings
1	70W HPSV	55W LED light – Quantity 60 Nos.	3,942 kWh
2	250W HPSV	150W LED – Quantity 100 Nos.	43,800 kWh
3	400W HPSV	250W LED – Quantity 50 Nos.	32,850 kWh
<b>Total saving is</b>			<b>80,592 kWh</b>

- ii. **Installation of VFD for N-BL-001C ETP air blower**  
Variable Frequency Drive installation in place of soft starter for ETP Water cooled aeration air blower for Energy optimisation. 60% of blower capacity being utilised and remaining was being vented. As per ETP design, blower operates at 1,480 rpm and 70 KPA pressure to give an air flow of 5,733 m<sup>3</sup>/hr. Currently, Aeration Tanks Maximum Air flow requirement is only 3,200 m<sup>3</sup>/hr and excess air around 2,000 m<sup>3</sup>/hr is being vented out to atmosphere. After review, it was inferred that if the blower is operated at 950-1,000 RPM, current demand of air flow to aeration tank can be catered. 160 KW VFD was installed in the month of August 2022 to control the speed of air blower. By operating blower at a speed of 950 RPM, we are saving 1,300 kWh/day.
- iii. **Installation of VFD for C-733 LP flare blower**  
Installation of Variable frequency drive for C-733 LP Flare blower motor to control the air flow and energy conservation, this blower was designed to meet the LP flare combustion requirement. Post commissioning of TSGR compressors, Flare gas quantity reduced, and blower was being underutilised by throttling suction damper. In order to optimise the energy consumption, it was proposed to install a VFD. Before installation of VFD motor Power consumption is 32 KW and

### (B) Additional investments and proposals, if any, being implemented for reduction of consumption of energy

#### OIL & GAS BUSINESS:

##### Rajasthan Operations

- i. Capturing and utilising the gas from satellite field (Kaameshwari West - 02) through bottling and transferring to LPG/CNG players. Annum GHG reduction potential is 11,000 tonnes of CO<sub>2</sub>e/annum.
- ii. Solar Rooftop at Raag Gas WPs – 126 KWP. Annual GHG reduction potential of 160 tonnes of CO<sub>2</sub>e/annum.
- iii. Solar rooftop of 15 KW each at 16 above ground installations AGIs. Annual GHG reduction potential of 300 tCO<sub>2</sub>e/annum.
- iv. Solar rooftop of 400 KWP at Viramgam Terminal. Annual GHG reduction potential of 500 tonnes of CO<sub>2</sub>e/annum.

average Energy consumption per day is 768 kWh. After installation of VFD, speed was adjusted from 1,500 to 600 RPM for required combustion airflow. After installation of VFD Power consumption is 11 KW and average Energy consumption is 264 kWh and saving of Energy per day is ~500 kWh/Day. Total Energy saving per annum is 1,82,500 kWh.

- iv. Installation of 100 KWP solar rooftop at Ravva.

##### Cambay Operations

- i. Installed 10 kWh Roof top solar system on CCR building. Total energy saving will be 12,000 kWh/year.
- ii. Total 71 convention light fittings replaced by LED lights in phased manner. Total energy saving achieved was 7,914 kWh/year.
- iii. Total 7 AC units equipped with energy saving devices in phased manner. Total energy saving achieved was 15,987 kWh/year.

#### COPPER BUSINESS:

- i. Installation of Biomass fired Boiler.
- ii. VFD installation for RCW Pumps in 35 TPH CCR – Project.
- iii. 100% RE power project.

- iv. VFD installation for standby cooling tower pump and HF blower (Estimated energy saving – 47,232 kWh/year) – Copper Fujairah.
- v. Energy efficient Air compressor (Estimated energy saving – 54,000 kWh/year) – Copper Fujairah.

### SESA GOA BUSINESS:

#### VAB

- i. Installation of solar power plant ~100 KW capacity at admin and parking area of VAB.
- ii. Installation of EV charging stations for employees and community.

#### IOK

- i. 3 MW Ground Mounted Solar Power Plant.

#### IOO

- i. Government Electrification (TPWODL) of 400 KW wet washing plant.
- ii. Government Electrification (TPWODL) of 400 KW FEEGRADE MINES Dewater pumping, operation, and lighting.
- iii. Government Electrification (TPWODL) of 400 KW BICO Mines operation, and lighting.
- iv. Government Electrification (TPWODL) of 200 KW Mines office and Utilities power.
- v. Installation VFD for Dewatering pumps (250 KW and 75 KW).
- vi. 70% (100 KW) of all installed lights are LED Lights installed in both mines and office etc. in place of HPSV, Fluorescent lamps etc.

### POWER BUSINESS:

#### 2400 MW Jharsuguda Proposals

- i. Turbine overhauling of unit 1 and 4.
- ii. Eco coil replacement from fin type to plain type in unit 1 and 4.
- iii. NDCT fills replacement and condenser chemical cleaning of unit 1 and 4.
- iv. Flue gas duct replacement of unit 1 and 4.
- v. Air preheater seals and basket replacement of unit 1 and 4.

#### 1215 MW Jharsuguda Proposals

- i. Turbine overhauling for 1 unit.
- ii. Double layer bucket strainer installation for 5 units.
- iii. Cooling tower fills replacement for 2 units.
- iv. Air preheater Basket replacement for 1 unit.
- v. Mill grinding media replacement for 6 Mills.

### ALUMINIUM BUSINESS:

#### Smelter Plant-1 (Jharsuguda)

- i. 100% Graphitised cathode pot implementation.
- ii. Replacement of old motors with Energy efficient motor.
- iii. 100% LED conversion.
- iv. EFO (Emulsified fluid oil) implementation in furnace for HFO reduction.
- v. Vedanta Lining Design implementation in smelting pots.
- vi. Vedanta pot controller and Pot technology upgradation.

#### Smelter Plant-2 (Jharsuguda)

- i. 100% Graphitised cathode pot implementation.
- ii. Vedanta Lining Design implementation.
- iii. Vedanta pot controller and pot technology upgradation.
- iv. Replacement of conventional lights with LED lights.
- v. VFD installation in Cold well pumps, CT fans.

### (C) Impact of above measures in (A) and (B) for reduction of energy consumption and consequent impact of cost of production of goods

### OIL & GAS BUSINESS:

#### Rajasthan Operations

- i. Power generation by use of associated natural gas through 3\*1.1 MW Gas Engine Generators at MWP - 01 and 12 Local separation and thereby avoiding gas flaring.
- ii. ~0.64 MMSCFD of natural gas has been saved by recycling gas compressor optimisation along with installation of ejector at RDG gas flare.
- iii. Renewable energy from 220 KWP of solar rooftop at RJ Gas: ~3,85,000 kWh/annum.
- iv. Renewable energy generation by 130 KWP of solar rooftop at Radhanpur Terminal: ~2,28,000 kWh/annum.
- v. Installation of ~200 Solar lights at Mangala Processing Terminal and associated well pads for renewable power generation ~41,500 kWh/annum.
- vi. Solar energy from solar rooftop at 10 AGIs (Above Ground Installations) for pipeline operations. ~2,63,000 kWh/annum.
- vii. Energy Conservation by conversion of induction motor to Permanent Magnetic Motor (PMM) has resulted in saving of 10,000 GJ in FY 2023.
- viii. Energy conservation by replacement of conventional lights by energy efficient lighting: ~6 lakh kWh energy saved in FY 2023.



### Ravva Operations

- i. Total Savings from replacement of LED lights: ~80,592 kWh/annum, equivalent monetary benefit is ~US\$6,447.
- ii. Installation of VFD for ETP air blower, contribution of energy saving due to VFD (8 months only considered, it was installed on 30 July 2022), annual energy savings ~3,12,000 kWh equivalent monetary benefit US\$33,600.
- iii. Installation of VFD for LP flare blower motor, annual energy saving ~1,82,500 kWh equivalent monetary benefit US\$14,600.

### Cambay Operations

- i. Commissioned 10 KWP Solar Plant at Cambay asset which has renewable energy potential of 17,500 kWh/year.

### SESA GOA BUSINESS:

#### VAB

- i. The Energy Conservation measures undertaken in various areas in FY 2023 have an annual saving potential of 1,540 MWH of Electricity/annum for VAB.

#### IOK

- i. The Energy Conservation measures undertaken in various areas in FY 2023 have an annual saving potential of ₹4 crore/annum for 3 MW Solar Power Plant.

### Met Coke Gujarat

- ii. The Energy Conservation measures undertaken in various areas in FY 2023 have an annual saving potential of 232 MWH of Electricity/annum for SCG.

#### IOO

- i. In FY 2023, by concerting Dewatering pumping from diesel to electricity, 481 KL diesel was saved and by using LED lights 113.393 MWH power was saved.

### POWER BUSINESS:

#### 2,400 MW Jharsuguda

- i. APC reduction by 0.28%.
- ii. SCC reduction by 3.4 gms/kWh.
- iii. Forced outage reduction by 1.95%.

#### 1,215 MW Jharsuguda

- i. Forced outage reduction by 0.3% YOY.

### ALUMINIUM BUSINESS:

#### Smelter Plant-1 and 2 (Jharsuguda)

- i. Specific energy consumption reduction by 125.1962 kWh/tonne.

### (D) The steps taken by the Company for utilising alternate sources of energy

#### COPPER BUSINESS:

- i. Initiated 825 KW Solar Power Project.
- ii. Planning to set up RE hybrid power through GCPP model.

### SESA GOA BUSINESS:

#### IOK

- i. 3 MW Ground Mounted Solar Power Plant.

#### Met Coke Vazare

- i. Solar hybrid lights for main gate to junction.

#### IOG

- i. Solar lighting system - RE Power Supply at all Security Gates.

#### VAB

- i. 100 KW solar power plant installation.
- ii. EV charging station setup.

#### IOO

- i. Planning for installation of 100 KW Solar Plant.
- ii. Planning of 50 KW HPSV Lamps conversion to LED lights.

### FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&D)

Specific areas in which R&D was carried out by the Company

### POWER BUSINESS:

#### 2400 MW Jharsuguda

- i. H<sub>2</sub>SO<sub>4</sub> dosing system started in cooling water system.
- ii. 3D tracer automated dosing system started.
- iii. TGA (Thermogravimetric Analyzer) automated coal sampling technology adopted.
- iv. FF individual compartment DP transmitter installed for compartment wise DP monitoring, easy identification of issues and rectification in minimum time.

## Technology Absorption, Adaptation and Innovation

Efforts in brief made towards technology absorption, adaptation, and innovation	<p><b>OIL &amp; GAS BUSINESS:</b></p> <p><b>Ravva Operations</b></p> <ul style="list-style-type: none"> <li>Protech centralisers were successfully used to reduce the drag while casing running in long open hole intervals - well RX-13 which helped in mitigating the downhole risks that were anticipated.</li> <li>Micro-dense system helped in drilling the reservoir section with the required high mud weights without formation damage risk. This system helped in safely and efficiently drill the well as per plan, without downhole complications.</li> </ul> <p><b>Cambay Operations</b></p> <ul style="list-style-type: none"> <li>Remote equipment health monitoring with wireless IIoT sensors and cloud-based IT infrastructure on OPEX model.</li> <li>AI-based CCTV for field safety violation monitoring project.</li> <li>First-of-its-kind auto gas lift application in India in GA-06, LB-10z, LB-05, LB-08 in FY 2022 which has enabled in-situ gas to be utilised for artificial lift of oil producers – an innovative solution which has opened new horizons especially for Operators in offshore.</li> <li>Application of Straddle gas lift systems and Modified Gas Lift Orifice in old completion not completed with any artificial lift jewellery – great example of process optimisation in FY 2022 in LA-07, LA-05.</li> <li>Rental compressor installation during GLC maintenance on an un-manned LA platform for production sustenance – disruptive method and first-of-its-kind in India.</li> <li>Installation of Shearable Gas Lift valves as smart completion in GA-07 in February 2022 offered latest technology offered rig time saving and enabling early production.</li> <li>Successful water-shutoff job conducted in LB-05.</li> <li>Smart sand control technique like Resin-based consolidation in a cased hole well LA-05 offered excellent results.</li> <li>Launched Well Intervention performance dashboard. This shall enable capturing of production enhancement opportunities and record of execution.</li> </ul> <p><b>SESA GOA BUSINESS:</b></p> <p><b>VAB</b></p> <ul style="list-style-type: none"> <li>Turbine upgradation in power plant to increase the generation of PP-2 from 30 MW to 35 MW.</li> <li>Replacing old motors with super premium efficiency motors (IE4).</li> <li>Using variable frequency drive for speed control and hence increasing efficiency.</li> </ul> <p><b>ALUMINIUM BUSINESS:</b></p> <p><b>Smelter Plant-1 and 2 (Jharsuguda)</b></p> <ul style="list-style-type: none"> <li>Vedanta Lining Design implementation in smelting pots with savings of 250 kWh/MT per pot.</li> <li>Vedanta pot controller implementation in two pot rooms.</li> <li>Replacement of Diesel-operated forklift with Battery-operated forklift.</li> </ul>																																												
Benefits derived as a result of above efforts e.g., product improvement, cost reduction, product development, import substitution	<p><b>OIL &amp; GAS BUSINESS:</b></p> <p><b>Ravva Operations</b></p> <ul style="list-style-type: none"> <li>Protech centralisers were successfully used to reduce the drag while casing running in long open hole intervals- well RX-13 which helped in mitigating the downhole risks that were anticipated.</li> <li>Micro-dense system helped in drilling the reservoir section with the required high mud weights without formation damage risk. This system helped in safely and efficiently drill the well as per plan without downhole complications.</li> </ul> <p><b>SESA GOA BUSINESS:</b></p> <p><b>VAB</b></p> <ul style="list-style-type: none"> <li>Increase in power generation with same steam consumption.</li> <li>Reduction in losses and hence increase efficiency.</li> <li>Power saving due to lower speed operation.</li> <li>Less failure and reduced power consumption.</li> </ul> <p><b>POWER BUSINESS:</b></p> <p><b>2400 MW Jharsuguda</b></p> <ul style="list-style-type: none"> <li>U#1 and 4 R and M and COH successfully completed.</li> <li>U#1 Savings - SCC 20 gms/kWh and APC 0.4%.</li> <li>U#4 Savings - SCC 12 gms/kWh and APC 0.4%.</li> </ul> <p><b>1215 MW Jharsuguda</b></p> <ul style="list-style-type: none"> <li>Reduction in forced outage time by 0.30% YOY.</li> <li>Reduction in Boiler tube leakage by 40%.</li> <li>Fan drive power reduction by Penthouse air seal.</li> <li>Padded insulation installed in Turbine to reduce radiation losses.</li> <li>65 tonnes Biomass pallets induced to comply RPO obligation.</li> </ul>																																												
<b>In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), the following information may be furnished:</b>																																													
<table border="1"> <thead> <tr> <th>Business</th> <th>Technology imported</th> <th>Year of import</th> <th>Has technology been fully absorbed</th> </tr> </thead> <tbody> <tr> <td rowspan="5">Oil &amp; Gas Business</td> <td><b>Ravva Operations</b></td> <td></td> <td></td> </tr> <tr> <td>• Protech centraliser: FY 2023</td> <td></td> <td>Yes</td> </tr> <tr> <td>• Micro-dense mud system: FY 2023</td> <td></td> <td>Yes</td> </tr> <tr> <td><b>Cambay Operations</b></td> <td></td> <td>Yes</td> </tr> <tr> <td>• Resin Sand Consolidation</td> <td></td> <td>Yes</td> </tr> <tr> <td></td> <td>• Shearable Gas Lift Valves</td> <td></td> <td>Yes</td> </tr> <tr> <td></td> <td>• Straddle Gas Lift</td> <td></td> <td>Yes</td> </tr> <tr> <td>Copper Division</td> <td>No</td> <td></td> <td></td> </tr> <tr> <td>Iron Ore - Value Addition Business</td> <td>Turbine upgradation in power plant to increase the generation of PP-2 from 30 MW to 35 MW.</td> <td>FY 2023 [PP]</td> <td>Yes</td> </tr> <tr> <td>Power Business</td> <td>No</td> <td></td> <td></td> </tr> <tr> <td>Aluminium Business</td> <td>No</td> <td></td> <td></td> </tr> </tbody> </table>	Business	Technology imported	Year of import	Has technology been fully absorbed	Oil & Gas Business	<b>Ravva Operations</b>			• Protech centraliser: FY 2023		Yes	• Micro-dense mud system: FY 2023		Yes	<b>Cambay Operations</b>		Yes	• Resin Sand Consolidation		Yes		• Shearable Gas Lift Valves		Yes		• Straddle Gas Lift		Yes	Copper Division	No			Iron Ore - Value Addition Business	Turbine upgradation in power plant to increase the generation of PP-2 from 30 MW to 35 MW.	FY 2023 [PP]	Yes	Power Business	No			Aluminium Business	No			
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Oil & Gas Business	<b>Ravva Operations</b>																																												
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Aluminium Business	No																																												



Disclosure of particulars with respect to conservation of energy

Particulars	Unit	Oil & Gas		Copper		Sesa Goa		Mingon		Mingon		Mingon		Mingon		Mingon		Power		Aluminium				
		Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022			
<b>A. Power and Fuel Consumption</b>																								
<b>Electricity</b>																								
Purchase Unit	MWH	487527.00	300717.00	97650.29	83378.16	9119.74	181331.64	3691.25	2229.00	1.36	54.52	1723.815	462.0	10554.32	199969.88	649.84	6899	443.0	7603	5388	38277	6818	7503388	5387989
Total Amount (Exc Demand Chgs)	₹ crore	291.54	179.81	60.17	44.40	0.6	14.0	2.4	1.2	1.1	0.5	1.073	0.4	0.6	16.1	0.3	1.5	0.4	5382	3233	24.11	4.30	5382	3234.60
Rate/Unit	₹/kWh	5.98	5.98	6.27	5.33	0.66	0.8	6.5	5.4	9.5	9	5.85	9.2	0.6	0.8	4.0	3.3	9.2	7	6	6	6	7	6
Own generation Unit*	MWH	451683.00	427950.00	764.74	764.74	0.02	160.77	352799.9	NA	NA	0.00	2880	3033	0.00	6979	438764.5	NA	NA	18287	20546	479918	522778	1828673.07	20546178.33
Unit per unit of fuel	₹/Unit, gms/Unit, Lit/Unit			NA	0.36		NA	NA	NA	NA	0.00	90	7.1	NA	NA	NA	NA	NA	794	800	7	4	794	800
Cost/Unit	₹/MWH, ₹/kWh			NA	28.62		24.8	0.6	NA	NA	0.0	11.3	12.3	-	10.9	0.0	0.0	NA	5	3	7.85	4.47	4.72	3.42
<b>Furnace Oil</b>																								
Quantity**	KL	4131.90	3004																					
Total Amount	₹ crore	21.58	12.83																					
Average Cost per litre	₹/Lit	52.23	42.71																					
<b>Diesel Oil</b>																								
Quantity	KL	27346.90	3848.44	32.30	26.41																			
Total Amount	₹ crore	284.08	39.97	0.25	0.17																			
Average Cost per litre/Unit per litre of Oil	₹/Lit	103.88	103.88	78.14	62.78																			
<b>L.P.G./LNG/Propane/IPA</b>																								
Quantity-(LPG)	MT	4818.86	5388.14																					
Total Amount	₹ crore	32.41	31.62																					
Average Cost per Kg	₹/Kg	67.26	58.68																					
<b>L.P.G./LNG/Propane/IPA</b>																								
Quantity-(PNG)	MT	7416.05	6528.82																					
Total Amount	₹ crore	34.47	22.32																					
Average Cost per Kg	₹/Kg	46.48	34.19																					
<b>L.P.G./LNG/Propane/IPA</b>																								
Quantity(LNG)	MT																							
Total Amount	₹ crore																							
Average Cost per MT	₹																							
<b>L.P.G./LNG/Propane/IPA</b>																								
Quantity(LNG)	MT	436.84	467.90																					
Total Amount	₹ crore	4.28	4.41																					
Average Cost per Kg	₹/Kg	98.05	94.21																					
<b>Natural Briquette/Coal</b>																								
Quantity	MT																							
Total Amount	₹ crore																							
Average Cost per MT	₹																							



Particulars	Unit	Oil & Gas		Copper		Sesa Goa		Ming		Ming		Power		Aluminium	
		Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
<b>B. Consumption per MT of Production</b>															
<b>Continuous Copper Rod/ Iron - Ore</b>															
Electricity	MWh/MT			0.63	0.66										
Furnace Oil	KL/MT			0.03	0.02										
Diesel	KL/MT			0.0002	0.0002										
L.P.G./Propane/PA	MT/MT			0.082	0.098										
Production of Rod	MT			154767.16	126445.20										
<b>Alumina</b>															
Electricity	kWh/MT														
Coal for Steam	MT/MT														
Furnace Oil for Calcination	Kg/MT														
<b>Hot Metal</b>															
Electricity (Total AC for electrolysis and auxiliary energy)	kWh/MT														
<b>Billet (including alloy rods)</b>															
Electricity	kWh/MT														
Furnace Oil	KL														
<b>Ingot</b>															
Electricity	kWh/MT														
Furnace Oil	KL														
<b>Wire Rods</b>															
Electricity	kWh/MT														
Furnace Oil	KL														
<b>SOW Cast</b>															
Electricity	kWh/MT														
<b>T- ingot</b>															
Electricity	kWh/MT														
<b>SOW Cast</b>															
Electricity	kWh/MT														
<b>Alloy CastBar</b>															
Electricity	kWh/MT														

\* This includes the WHRB Generation also.

\*\* This includes the FO consumed in CPP also.

\*\*\* This includes Generation from DG Set also.



# ANNEXURE B

## Annual Report on Corporate Social Responsibility Activities for FY 2023

### 1 Brief Outline on CSR Policy of the Company

#### A. POLICY OBJECTIVE

Vedanta Limited ('VEDL' or 'the Company') is committed to conduct its business in a socially responsible, ethical and environment-friendly manner and to continuously work towards improving quality of life of the communities in and around its operational areas. This Policy provides guidance in achieving the above objective and ensures that the Company operates on a consistent and compliant basis.

#### B. VEDL CSR PHILOSOPHY

We, at Vedanta Limited, have a well-established history and commitment to reinvest in the social good of our neighbourhood communities and nation.

#### CSR VISION

"Empowering communities, transforming lives and facilitating nation-building through sustainable and inclusive growth."

We believe, that

- we can positively impact and contribute to the realisation of integrated and inclusive development of the country, in partnership with National and State Government as well as local, national and international partners;
- sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially the communities we work with;
- partnerships with Government, corporates and civil societies/community institutions, offer a strong

multiplier for complementing efforts, resources and for building sustainable solutions;

- our employees have the potential to contribute not just to our business, but also towards building strong communities.

#### C. THEMATIC FOCUS AREAS

Our programs focus on poverty alleviation programs, especially integrated development, which impacts the overall socio-economic growth and empowerment of people, in line with the national and international development agendas. The major thrust areas will be –

- Children's Well-being and Education
- Women's Empowerment
- Health Care
- Drinking Water and Sanitation
- Sustainable Agriculture and Animal Welfare
- Market-linked Skilling the Youth
- Environment Protection and Restoration
- Sports and Culture
- Development of Community Infrastructure
- Participate in programs of national importance including but not limited to disaster mitigation, rescue, relief and rehabilitation

The CSR activities are aligned to the specified activities in Schedule VII of the Companies Act, 2013. The above may be modified from time to time, as per recommendations of the CSR Committee of the Company.

### 2 Composition of CSR Committee

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Akhilesh Joshi	Chairperson, Independent Director	2	2
2	Priya Agarwal	Member, Non-Executive Director	2	2
3	Upendra Kumar Sinha	Member, Independent Director	2	2
4	Padmini Sekhsaria	Member, Independent Director	2	2

### 3 Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

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

**4 Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

As per General Circular No. 14/2021 dated 25 August 2021 issued by the MCA on FAQs on CSR, it is clarified that web-link to access the complete Impact Assessment Reports and providing executive summary of the Impact Assessment Reports in the Annual Report on CSR, shall be considered as sufficient compliance of Rule 8(3)(b) of the Companies (CSR Policy) Rules, 2014.

Accordingly, an Executive Summary of Impact Assessment Reports of the applicable projects, is annexed as 'Annexure B-1' and the complete Impact Assessment Reports of the applicable projects can be accessed at the web-link provided in the said annexure.

- 5** (a) Average net profit of the Company as per sub-section (5) of Section 135 (₹ crore): **5,621.00**
- (b) Two percent of average net profit of the Company as per Section 135(5) (₹ crore): **112.00**
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
- (d) Amount required to be set off for the financial year, if any (₹ crore): **Nil**
- (e) Total CSR obligation for the financial year (5b+5c-5d) (₹ crore): **112.00**
- 6** (a) Amount spent on CSR Projects (both ongoing projects and other than ongoing projects) (₹ crore): **123.33**
- (b) Amount spent in Administrative Overheads (₹ crore): **1.55**
- (c) Amount spent on Impact Assessment, if applicable (₹ crore): **0.00**
- (d) Total amount spent for the financial year (6a+6b+6c) (₹ crore): **124.88**
- (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (₹ crore)	Amount Unspent (₹ crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
124.88	-	NA	NA	NA	NA

- (f) Excess amount for set off, if any (₹ crore):

Sl. No.	Particular	Amount (₹ crore)
(i)	Two percent of average net profit of the Company as per Section 135(5)	112.00
(ii)	Total amount spent for the financial year	124.88
(iii)	Excess amount spent for the financial year [(ii)-(i)]	12.88
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	12.88



- 7 (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**
- 8 **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**
- 9 **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): NA**

Sd/-

**Sunil Duggal**

Whole-time Director and Chief Executive Officer

Sd/-

**Akhilesh Joshi**

Non-Executive Independent Director

(Chairman - CSR Committee)

## Report on CSR Activities - Table 6(a) - Ongoing Projects

1	2	3	4	5	6	7	8	9	10	11		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (Months)	Amount allocated for the project (₹)	Amount spent in the current financial year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementations - Direct (Yes/No)	Name	CSR Registration number
<b>OIL &amp; GAS</b>												
1	Barmer Unnati Project Phase -3	(iv) ensuring environmental sustainability	Yes	Rajasthan	Barmer and Jalore	36	1,50,00,000.00	1,47,86,000.00	-	No	BAIF	CSR00000259
2	Borewell project	(i) making available safe drinking water	Yes	Rajasthan	Barmer	36	-	-7,53,000.00	-	Yes	Direct	-
3	Project Ujjawal Phase-2	(ii) promoting education	Yes	Gujarat	Ahmedabad, Banaskantha, Jammnagar, Patan, Rajkot, Surendranagar, Surat	24	50,00,000.00	53,95,000.00	-	No	DAMES	CSR00029833
4	Community Helpdesk	(ii) promoting education (x) rural development projects	Yes	Gujarat	Ahmedabad, Surat, Jammnagar, Banaskantha	24	30,00,000.00	17,72,000.00	-	No	DHARA	CSR00001421
5	Dairy Development and Animal Husbandry	(iv) ensuring environmental sustainability	Yes	Rajasthan	Barmer and Jalore	36	80,00,000.00	73,05,000.00	-	No	Society for Upliftment of Rural Economy ("SURE")	CSR00003156
6	Mobile Health Van	(i) promoting health care	Yes	Rajasthan and Gujarat	Barmer, Jalore for RJ Ahmedabad, Banaskantha, Dwarika and Patan GJ	24	2,05,00,000.00	2,08,98,000.00	-	No	DHARA	CSR00001421
7	Nand Ghar	(i) eradicating hunger, poverty and malnutrition, promoting health care (ii) promoting education, (iii) promoting gender equality, empowering women	Yes	Rajasthan	Barmer and Jalore	24	1,00,00,000.00	82,95,000.00	-	No	Shakti Shali Mahila Sangathan	CSR00000894
8	Skill Training Programs in CEC Barmer	(ii) employment enhancing vocational skills	Yes	Rajasthan	Barmer and Jalore	36	80,00,000.00	77,67,000.00	-	No	Seeds	CSR00000657
9	Specialist Doctor - District Hospital, Barmer and Hospital Sanitation -Clean Barmer Green Barmer	(i) promoting health care	Yes	Rajasthan	Barmer	24	1,95,00,000.00	2,01,29,000.00	-	No	Barmer Jan Sewa Samiti	CSR00002129
10	Micro level Interventions	(x) rural development projects	Yes	Gujarat and Rajasthan	Barmer, Jalore, Banaskantha, Viramgam, Patan, Jorhat, Assam	24	72,00,000.00	1,13,78,000.00	-	No	Navarachana Mahila Vikas Trust	CSR00001914
11	O&M of 124 RO Plants	(i) making available safe drinking water	Yes	Rajasthan	Barmer and Jalore	12	1,49,66,000.00	1,08,42,000.00	-	No	Shakti Shali Mahila Sangathan	CSR00000894
12	Support to Sports Infra	(vii) promoting sports	Yes	Rajasthan	Barmer	12	60,00,000.00	63,22,000.00	-	No	DHARA	CSR00001421
13	Super Specialist Ward	(i) promoting health care	Yes	Rajasthan	Barmer	12	1,00,00,000.00	1,00,00,000.00	-	Yes	Govt. Medical College	-
14	Project Divyang	(vii) promoting sports and paralympic sports	No	Pan India	Pan India	12	65,00,000.00	32,88,000.00	-	No	PCI	CSR00009842
<b>Oil &amp; Gas</b>							<b>13,36,66,000.00</b>	<b>12,74,24,000.00</b>	-			



1	2	3	4	5	6	7	8	9	10	11		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (Months)	Amount allocated for the project (₹)	Amount spent in the current financial year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementations - Direct (Yes/No)	Name	CSR Registration number
<b>IRON ORE</b>												
15	Alternative Livelihood Opportunities Project	(ii) livelihood enhancement projects (iii) promoting gender equality, empowering women (iv) ensuring environmental sustainability	Yes	Karnataka	Chitradurga	48	1,50,00,000.00	64,06,259.00	-	No	BAIF	CSR00000259
16	Gram Nirman-Integrated village development program	(ii) livelihood enhancement projects (iii) promoting gender equality, empowering women (iv) ensuring environmental sustainability	Yes	Goa	North Goa	48	1,06,00,000.00	57,94,509.35	-	No	VANARAI	CSR00001205
17	Utkarsha Scholarship	(ii) promoting education	Yes	Goa and Karnataka	North Goa and Chitradurga	48	23,00,000.00	21,20,262.00	-	Yes	-	-
18	Sesa Football Academy	(vii) Promoting sports	Yes	Goa	North Goa, South Goa	48	4,39,55,000.00	3,75,90,161.83	-	No	Sesa Community Development Foundation	CSR00005046
19	Sesa Technical School	(ii) employment enhancing vocational skills	Yes	Goa	North Goa	48	2,82,50,000.00	1,56,46,928.57	-	No	Sesa Community Development Foundation	CSR00005046
20	Community Medical Center and Mobile Health unit	(i) promoting health care including preventive health care	Yes	Goa,	North Goa, West Jharkhand Singhbhum	48	68,00,000.00	53,42,610.62	-	No	Sevamob	CSR00001153
<b>Iron Ore</b>							<b>10,69,05,000.00</b>	<b>7,29,00,731.37</b>				
<b>ALUMINIUM - JHARSUGUDA</b>												
21	Mobile Health Unit and Project Jagruti	(i) promoting health care including preventive health care	Yes	Odisha	Jharsuguda	35	33,60,000.00	32,10,991.73	-	No	Punarathan	CSR0002457
22	Nikshay Mitra	(i) promoting health care including preventive health care	Yes	Odisha	Jharsuguda	6	-	2,00,000.00	-	Yes	-	-
23	Mental Health for Prisoners	(i) promoting health care including preventive health care	Yes	Odisha	Jharsuguda	12	-	-	-	No	NA	NA
24	Skill Development Program	(ii) employment enhancing vocational skills	Yes	Odisha	Jharsuguda	12	5,00,000.00	3,38,016.00	-	No	Not finalised	NA
25	Water and Sanitation activities	(iv) ensuring environmental sustainability	Yes	Odisha	Jharsuguda	12	1,16,02,690.00	1,55,80,583.89	-	Yes	-	-
26	Nand Ghar	(ii) promoting education	Yes	Odisha	Jharsuguda	12	10,00,000.00	91,906.00	-	No	American India Foundation	NA
27	Vedanta DAV Scholarship Program	(ii) promoting education	Yes	Odisha	Jharsuguda	12	31,00,000.00	30,69,781.21	-	Yes	-	-

1	2	3	4	5	6	7	8	9	10	11		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (Months)	Amount allocated for the project (₹)	Amount spent in the current financial year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementations - Direct (Yes/No)	Mode of Implementing Agency	CSR Registration number
28	Vedanta Computer Literacy Programme	(ii) promoting education, including employment enhancing vocation skills	Yes	Odisha	Jharsuguda	12	6,50,000.00	6,48,957.80	-	No	Vedanta Foundation	CSR00001617
29	Vedanta Mini-Science Centre	(ii) promoting education	Yes	Odisha	Jharsuguda	12	1,72,000.00	1,69,744.30	-	Yes	-	-
30	Other Educational Initiatives: Teacher in schools	(ii) promoting education	Yes	Odisha	Jharsuguda	24	2,16,000.00	2,35,211.16	-	Yes	-	-
31	Vedanta Digital Education: Vidyagrah	(ii) promoting education	Yes	Odisha	Jharsuguda	12	21,50,000.00	21,89,595.01	-	No	Sarthak Sustainable Foundation	-
32	Women Empowerment: Subhalaxmi Co-op Capacity Building, Micro Enterprises	(iii) promoting gender equality, empowering women	Yes	Odisha	Jharsuguda	36	20,00,000.00	17,93,796.80	-	No	Entrepreneurship Development Institute of India	CSR00002457
33	Establishment of Sanitary Napkin Manufacturing Unit	(ii) promoting employment enhancing vocation skills ...and livelihood enhancement projects.	Yes	Odisha	Jharsuguda	24	-	-	-	No	Not finalised	-
34	Safety Jacket Uniform Stitching	(ii) promoting employment enhancing vocation skills ...and livelihood enhancement projects.	Yes	Odisha	Jharsuguda	12	-	-	-	No	Not finalised	-
35	Farm Activity: Project Jeevika Samridhi and other initiative	(iv) ensuring environmental sustainability	Yes	Odisha	Jharsuguda	12	30,00,000.00	29,59,139.56	-	No	Not finalised	-
36	Dairy Farming Unit	(iv) ensuring environmental sustainability	Yes	Odisha	Jharsuguda	12	-	-	-	No	Not finalised	-
37	Plantation	(iv) ensuring environmental sustainability, ecological balance	Yes	Odisha	Jharsuguda	12	54,50,000.00	56,61,584.84	-	Yes	-	-
<b>Aluminium - Jharsuguda SUB TOTAL C</b>							<b>3,32,00,690.00</b>	<b>3,61,49,308.30</b>	-	<b>ALUMINIUM - LANJIGARH</b>		
38	Vedanta Hospital	(i) promoting health care including preventive health care	Yes	Odisha	Kalahandi	36	3,50,00,000.00	4,13,76,819.19	-	No	Punarathan Voluntary Organisation	CSR00000650
39	Maa Santoshi Jan Kalyan, Bankakundru	(i) promoting health care including preventive health care	Yes	Odisha	Kalahandi	36	20,00,000.00	15,64,635.00	-	No	Maa Santoshi Jankalyan Foundation	CSR00010453
40	Women Empowerment	(iii) promoting gender equality, empowering women	Yes	Odisha	Kalahandi	36	45,00,000.00	20,81,141.00	-	No	Mahashakti Foundation	CSR00002561
41	Vedanta Child Care Center	(ii) promoting education	Yes	Odisha	Kalahandi	36	-	2,48,375.40	-	No	Jansahajya	CSR00001642
42	Sports Promotion (Kreed Kendra)	providing training to children in archery and karate	Yes	Odisha	Kalahandi	36	33,00,000.00	2,42,257.34	-	Yes	-	-



1	2	3	4	5	6	7	8	9	10	11		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration (Months)	Amount allocated for the project (₹)	Amount spent in the current financial year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementations - Direct (Yes/No)	Name	CSR Registration number
43	Vedanta Skill Training	providing skill training to rural youth to enhance their skill set	yes	Odisha	Kalahandi	36	63,00,000.00	24,02,023.00	-	No	Vedanta Foundation	CSR00001617
44	Farm and Non-farm livelihood	(ii) livelihood enhancement projects	Yes	Odisha	Kalahandi	36	6,03,50,000.00	87,70,458.86	-	No	Mahashakti Foundation	CSR00002561
45	Vedanta Tribal and Dhokra Art	(vii) promoting local art and culture	Yes	Odisha	Kalahandi	36	56,50,000.00	6,11,202.00	-	-	-	-
<b>Aluminium - Lanjigath</b>						<b>11,71,00,000.00</b>	<b>5,72,96,911.79</b>					
<b>COPPER</b>												
46	Children's Wellbeing Education	(ii) promoting education	Yes	Tamil Nadu	Thoothukudi	48	2,00,00,000.00	96,000.00	-	Yes	-	-
47	Community Asset Creation	Infra Development	Yes	Tamil Nadu	Thoothukudi	48	12,00,000.00	44,62,289.60	-	Yes	-	-
48	Disaster Relief	Disaster Relief	Yes	Tamil Nadu	Thoothukudi	48		1,51,450	-	-	-	-
49	Tamira Surabhi	(i) promoting health care including preventive health care and sanitation	Yes	Tamil Nadu	Thoothukudi	48	98,00,000.00	89,89,352.59	-	Yes	-	-
50	Pasumai Thoothukudi	(iv) ensuring environmental sustainability	Yes	Tamil Nadu	Thoothukudi	48	60,00,000.00	71,35,714.00	-	Yes	-	-
51	Health Camps	(i) promoting health care including preventive health care	Yes	Tamil Nadu	Thoothukudi	48	60,00,000.00	44,86,126.00	-	Yes	-	-
52	Skilling Initiative	(ii) promoting education, including employment enhancing vocation skills	Yes	Tamilnadu	Thoothukudi	48	21,89,98,400.00	2,01,19,350.00	-	Yes	-	-
53	Sports and Culture	Sports Activities	Yes	Tamilnadu	Thoothukudi	48	12,00,000.00	9,49,800.00	-	Yes	-	-
54	Woman Resource Centre	(ii) employment enhancing vocation skills among women (iii) promoting gender equality, empowering women	Yes	Tamil Nadu	Thoothukudi	48	63,00,000.00	68,11,356.00	-	No	Thulasi Social Trust/ Bell Education and Women Empowerment Society/Dhaayagam Social Welfare Trust)	-
55	New Initiatives	Community Development Activities	Yes	Tamil Nadu	Thoothukudi	48	73,00,000.00	31,85,837	-	Yes	-	-
<b>Copper</b>						<b>27,67,98,400.00</b>	<b>5,63,87,275.19</b>					
<b>TOTAL (A+B+C+D+E)</b>						<b>66,76,70,090.00</b>	<b>35,01,58,226.65</b>					



## Report on CSR Activities - Table 6(a) - Other than Ongoing Projects

1	2	3	4	5	6	7	8		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
<b>OIL &amp; GAS</b>									
1	Nirogi Rajasthan	(i) promoting health care including preventive health care and sanitation	Yes	Rajasthan	Barmer	43,03,000.00	No	Dhara Sansthan	CSR00001421
2	Micro level Interventions	(x) rural development projects	Yes	Gujarat	Surat-Suvali	13,35,000.00	No	CEDRA	CSR00003663
3	CEC-Infra Work	(ii) employment enhancing vocational skills	Yes	Rajasthan	Barmer	24,92,000.00	Yes	Kisan Construction Company	-
4	Cairn Centre of Excellence Barmer	(ii) employment enhancing vocational skills	Yes	Rajasthan	Jodhpur	37,82,000.00	Yes	JVVNL	-
5	Cairn Centre Of Excellence Barmer	(ii) employment enhancing vocational skills	Yes	Rajasthan	Jodhpur	1,01,000.00	Yes	CTO	-
6	CHC-Kawas	(i) promoting health care	Yes	Rajasthan	Barmer	64,90,000.00	Yes	Kisan Construction Company	-
7	Sonography Machine	(i) promoting health care	Yes	Rajasthan	Barmer	37,95,000.00	No	Barmer Jan Sewa Samiti	CSR00002129
8	Program Admin	Program Admin	Yes	Rajasthan	NA	68,55,000.00	Yes	Direct	-
9	Impact Study	Program Admin	Yes	Rajasthan, Gujarat, Assam	NA	46,72,000.00	Yes	KPMG	-
10	COVID-19 Relief	(i) promoting health care including preventive health care (xii) disaster management, including relief	Yes	Rajasthan	Barmer, Jalore	4,90,000.00	Yes	NA	-
11	Contribution to Anil Agarwal Foundation (AAF)					16,64,29,000.00	No	Anil Agarwal Foundation	-
	<b>Oil &amp; Gas</b>	<b>SUB TOTAL A</b>				<b>20,07,44,000.00</b>			
<b>IRON ORE</b>									
12	COVID-19 relief	(i) promoting health care including preventive health care	Yes	Goa, Karnataka, Maharashtra	North Goa, Dharwad	4,13,606.86	Yes	-	-
13	Back to Farming	(iv) ensuring environmental sustainability	Yes	Goa	South Goa	64,640.00	Yes	-	-
14	Women Empowerment	(iv) ensuring environmental sustainability	Yes	Goa	North Goa	2,78,446.00	Yes	-	-
15	Project Vriddhi	(ii) promoting education	Yes	Goa, Karnataka	North Goa, South Goa, Karnataka	68,77,453.99	Yes	-	-
16	Rural Infra Projects	(x) rural development projects	Yes	Goa, Karnataka	North Goa	2,70,551.30	Yes	-	-
17	Computer Training Centres	(ii) promoting education	Yes	Goa, Karnataka	North Goa, Chitradurga	7,84,706.54	No	Vedanta Foundation	CSR00001617
18	Paediatric ICU Unit	(i) promoting health care including preventive health care and sanitation	Yes	Karnataka	Chitradurga	15,67,301.00	Yes	-	-
19	Drinking Water Supply	(i) making available safe drinking water	Yes	Goa, Karnataka	North Goa, Chitradurga	15,51,402.14	Yes	-	-
20	Health Camps	(i) promoting health care including preventive health care	Yes	Goa and Karnataka	North Goa, Chitradurga	4,97,135.92	Yes	-	-
21	Contribution to Anil Agarwal Foundation (AAF)					10,92,77,351.44	No	Anil Agarwal Foundation	-
22	Admin Expenses					5,34,334.98			
	<b>Iron Ore</b>	<b>SUB TOTAL B</b>				<b>12,21,16,930.17</b>			
<b>ALUMINIUM - JHARSUGUDA</b>									
23	Social Infrastructure Projects	(x) rural development projects	Yes	Odisha	Jharsuguda	1,85,16,870.73	Yes	-	-
24	State-of-the-Art Pathology and Diagnostic Centre	(i) Promoting health care including preventive health care	Yes	Odisha	Jharsuguda	-1,52,021.72		-	-



1 Sl. No.	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes/No)	5 Location of the project		6 Amount spent for the project (in ₹)	7 Mode of implementation - Direct (Yes/No)	8 Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
25	District Nutrition Care Support	(i) promoting health care including preventive health care	Yes	Odisha	Jharsuguda	-	Yes	-	-
26	Disaster Relief - COVID-19 response	(xii) disaster management, including relief	Yes	Odisha	Jharsuguda	1,94,41,728.55	Yes	-	-
27	Educational Initiatives: MO School	(ii) promoting education	Yes	Odisha	Jharsuguda	2,80,00,000.00	Yes	-	-
28	Supporting Sports	(vii) training to promote rural sports	Yes	Odisha	Jharsuguda	19,66,841.00	No	Social Education for Women's Awareness	CSR00006927
29	Admin Expenses	NA	Yes	Odisha	Jharsuguda	44,63,421.87			
30	CSR Projects through AAF	NA				22,42,81,090.33			
31	Marathon Expenses	NA				2,51,71,743.00			
	<b>Aluminium - Jharsuguda</b>	<b>SUB TOTAL C</b>				<b>32,16,89,673.76</b>			
<b>ALUMINIUM - LANJIGARH</b>									
32	Vedanta Clean Energy	(iv) ensuring environmental sustainability	Yes	Odisha	Kalahandi	3,20,800.00	Yes	NA	-
33	Vedanta Medicinal Plantation	(iv) ensuring environmental sustainability	Yes	Odisha	Dhenkanal	9,71,650.00	No	-	-
34	COVID-19 relief	(i) promoting health care including preventive health care and sanitation (xii) Disaster management	Yes	Odisha	Kalahandi	1,00,02,357.28	No	Punaruthan Voluntary Organisation	CSR00000650
35	Community Asset Creation	(x) rural development projects	Yes	Odisha	Kalahandi	28,58,354.00	Yes	NA	NA
36	Scholarship	(ii) promoting education	Yes	Odisha	Kalahandi	8,26,111.12	Yes	NA	NA
37	Program	CSR Program	Yes	Odisha	Kalahandi	51,62,405.86	No	NA	NA
38	Admin	CSR Admin	Yes	Odisha	Kalahandi	17,51,458.06	No	NA	NA
39	TB Mukht Bharat	(i) promoting health care including preventive health care and sanitation	Yes	Odisha	Kalahandi	20,000.00	No	Punaruthan Voluntary Organisation	CSR00000650
40	Water and Sanitation	(i) promoting health care including preventive health care and sanitation	Yes	Odisha	Kalahandi	22,892.78	Yes	-	-
41	Women and Children ("AAF")	(iii) promoting gender equality, empowering women (i) promoting health care including preventive health care and sanitation	Yes	-	-	12,88,35,407.16	Yes	-	-
42	Education (MO School)	(ii) promoting education	Yes	-	-	1,21,92,000.00	Yes	-	-
43	Delhi Half Marathon (Run for zero hunger)	(i) Eradicating hunger poverty and malnutrition	Yes	-	-	1,34,63,999.34	Yes	-	-
	<b>Aluminium - Lanjigarh</b>	<b>SUB TOTAL D</b>				<b>17,64,27,435.60</b>			
<b>COPPER</b>									
44	Sports (Corp Allocation)					30,71,968			
45	Program and Admin	(i) Program and Admin (ii) Audit Fee	Yes	Tamilnadu	Thoothukudi	19,13,836.15	Yes	-	-
	<b>Copper</b>	<b>SUB TOTAL E</b>				<b>49,85,804.15</b>			
<b>CORPORATE</b>									
46	Sports Promotion (VDHM)	(i) Eradicating hunger poverty and Malnutrition (vii) Promoting sports				7,27,04,537.00	Yes	-	-
	<b>Corporate</b>	<b>SUB TOTAL F</b>				<b>7,27,04,537.00</b>			
<b>TOTAL (A+B+C+D+E+F)</b>						<b>89,86,68,380.68</b>			

# ANNEXURE B-1

## Executive Summary of Impact Assessment Reports

As per the revised CSR Rules issued by MCA in January 2021, every Company having an average CSR obligation of ₹10 crore or more in the three immediately preceding financial years, shall undertake Impact Assessment, through an independent agency, for its CSR projects having outlays of ₹1 crore or more, and which have been completed not less than one year before undertaking the impact study.

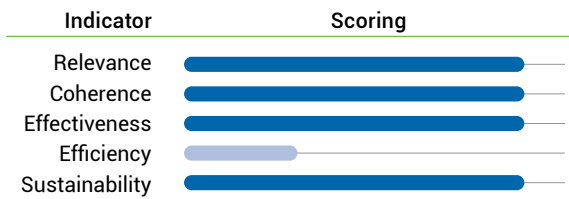
In line with the above requirement, a brief outline of the projects for which Impact Assessment was carried out and the executive summary of the Impact Assessment Reports are given below:

### Oil & Gas

#### A. Thematic Area – Children Well-Being and Education

##### 1. Project Name: Nand Ghar

**Project Brief:** The flagship project of Vedanta-Cairn aims to strengthen the efficacy of government’s Integrated Child Development Services (“ICDS”) programme to improve the health and well-being of children in the age group of 3-6 years and link women to sustainable livelihood and economic empowerment opportunities through 125 Nand Ghars in Barmer, Rajasthan.



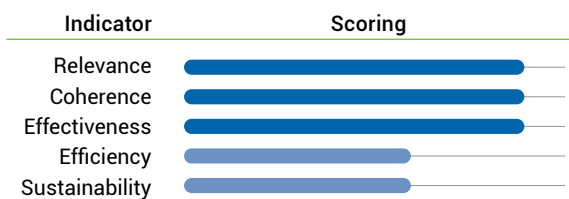
##### Impact Assessment – Impact of Intervention:

- Increased Access to Supplementary Nutrition. 68% of the respondent households which were accessing the Nand Ghar Centres reported that there was increased access to supplementary nutrition owing to Cairn’s project interventions.
- Improved Status of Nutrition. In Barmer, 13% of households reported that child moved from Moderate Acute Malnutrition (“MAM”) to healthy. 12% of the households reported that child moved from Severe Acute Malnutrition (“SAM”) to healthy and an overwhelming 63 reported that child moved from SAM to MAM.

#### B. Thematic Area – Healthcare

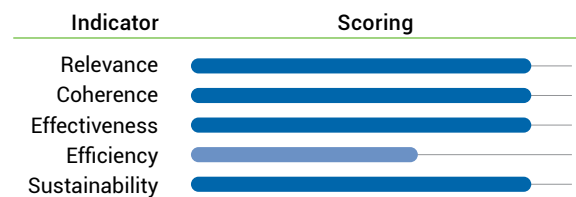
##### 1. Project Name: Mobile Health Van (“MHV”)

**Project Brief:** MHVs are medical units on wheels which have been able to effectively provide affordable, accessible, reliable and quality preventive healthcare services to beneficiaries at their doorstep. Through our 7 MHVs, we deliver basis healthcare services to 249 villages in Rajasthan and Gujarat.



##### 2. Project Name: Doctor’s Support – Barmer District Hospital

**Project Brief:** To improve medical facilities in the district hospital, two major interventions have been initiated by the Company – ‘Green Barmer, Clean Barmer’ campaign to create awareness on health and hygiene; and strengthening the health services offered at the government district hospital by providing medical specialists. These specialists include an ENT specialist, a general surgeon, and a dentist to the CHC at Baitu.



##### Impact Assessment – Impact of Intervention:

- Through the efforts undertaken by Cairn, the district hospital of Barmer has received Quality Assurance Certificate from the Government of India. Twice, the District Hospital, bagged first place under ‘Mera Aspatal Project’.
- 52% of the beneficiaries in Barmer and 43% of the beneficiaries in Jalore reported that due to Cairn’s health intervention, there is an improvement in access to health care facilities.
- Due to MHV program, 63% of the respondents in Barmer and 33% respondents in Jalore reported to have an increase in the timely availability of health care services.
- Due to Cairn’s health intervention, the beneficiaries reported to have an average additional income of ₹730 due to reduction in number of days of sickness.
- As per the primary data, the respondents reported to have a reduction of on average ₹1,719 on the annual out-of-pocket expenditure on health.

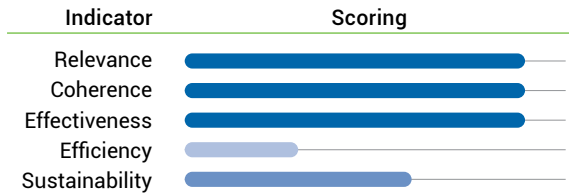
— Extremely Satisfactory    — Moderately Satisfactory    — Satisfactory



### C. Thematic Area – Skill Development

1. **Project Name:** Cairn Enterprise Centre, Barmer

**Project Brief:** One of the pressing needs of the community has been employment, for which Cairn has established two vocational skill training centres, namely – Cairn Enterprise Centre (“CEC”), Barmer. Through these centres, various vocational courses related to electricians, masonry, computers, plumber, etc. have been imparted.



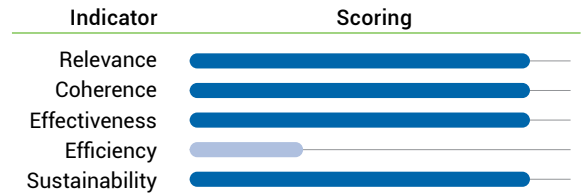
**Impact Assessment – Impact of Intervention:**

- All the respondent beneficiaries reported who enrolled in the Cairn Enterprise Centre reported to receive certification after completing the training program.
- 100% of the beneficiaries from Barmer and 100% beneficiaries from Jalore reported to receive career counselling through Cairn Enterprise Centres.
- Similarly, 100% of the beneficiaries reported to receive placement opportunities through Cairn Enterprise Centers.

### D. Thematic Area – Agriculture and Animal Husbandry (Livelihoods)

1. **Project Name:** Barmer Unnati

**Project Brief:** The project aims to develop livelihood models and value chain interventions, and to increase the income of the farming communities by introducing and promoting new crops and technologies in the region through natural resource management practices.



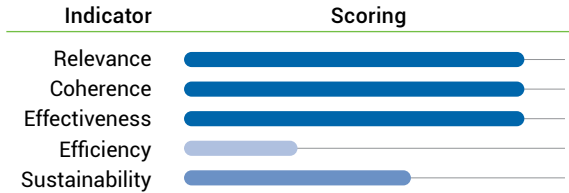
**Impact Assessment – Impact of Intervention:**

- Increase in Income
  - In the current impact study, on an average there has been an increase in income of ₹16,862 for 58% of the beneficiaries involved in agriculture.
  - Data shows that 74% of the beneficiaries reported to have an increase in income within a range of ₹5,000-10,000 annually, followed by 13% of the respondent households that reported to have an annual increase in income in the range of ₹1,000-2,000 while 8% of the beneficiaries reported to have an increase in income within a range of ₹1,000-5,000.
  - 5% of the respondents households reported to have an increase in the income in the range ₹20,000-50,000.
- Decrease in Input Cost
  - There was an average decrease of ₹4,536 in the input cost of farmers annually.
- Improvement in Food Security
  - 64% of the respondent beneficiaries of the project reported to have an improvement in the food security owing to the association with the project.
- Reduction in Outward Migration

**E. Thematic Area – Water and Sanitation**

**1. Project Name: Jeevan Amrit**

**Project Brief:** To address the shortage of safe drinking water, Cairn has launched this project with a focus on providing doorstep access to safe drinking water.



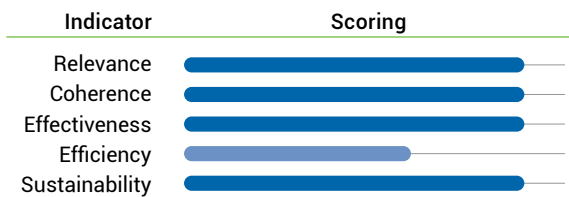
**Impact Assessment – Impact of Intervention:**

- As per the primary data received from the ground, 56% of the respondent households, who are dependent on the RO water, reported that the intervention has resulted in the decrease in the prevalence of the water borne diseases in the community. This is attributed to the fact that they are consuming pure and treated water from the RO plants.
- Moreover, 62% of the respondent households reported to have an improvement in the access to clean drinking water.

**F. Thematic Area – Community Infrastructure**

**1. Project Name: Micro Level Intervention**

**Project Brief:** Creating multiple channels of continuous engagement with communities through need-based projects is a key strategy in CSR operations. This engagement helps to build a platform to connect and interact with community at large. Celebration of events, important days, creating awareness on important topics, addressing community needs, etc. are some of the engagement tools.



**Impact Assessment – Impact of Intervention:**

- As part of the intervention, in Assam we witnessed that 84.6% the respondents responded positively on increase in income due to increase in yield.
- The average increase in annual income in Golaghat was ₹2,000 and in Jorhat it was ₹3,285.
- The same respondents also reported a decrease in put costs. In Golaghat, the decrease reported was ₹1,500 and in Jorhat it was ₹1,571. 69.2% of the beneficiaries interviewed also reported an increase of land under sustainable/organic cultivation. 52.8% of the beneficiaries interviewed reported an increase of land under cultivation.

**VAL – Jharsuguda**

**A. Thematic Area – Community Infrastructure**

**1. Project Name: WASH/Community Infrastructure**

**Project Brief:** VAL-J is committed to improving the quality of life of the people within the plant periphery. They provide basic to advance infrastructure facilities to the community through construction of road, culvert, drain, tube well, pond, community centre, temple, electrification, installation of CCTV camera etc. In FY 2022, community infrastructures like community centre, Sanskruti Bhavan, installation of tube well, pond renovation and cleaning etc. were constructed. At present, more than 575 key infrastructure assets have been created for the community.

**Impact Assessment – Impact of Intervention:**

- 52% of the respondent households reported to have improved access to clean drinking water, while 32% of the respondent households reported to have enhanced security amongst girls and women of the community.
- 15% of the respondent households reported to have decrease in water borne diseases while, 38% of the respondent reported to have improvement in the sanitation and hygiene of the village.





## VAL – Lanjigarh

### A. Thematic Area – Healthcare

#### 1. Project Name: Project Aarogya

**Project Brief:** Under healthcare, the Business Unit has two interventions. Project Aarogya, which consists of Vedanta Hospital, providing healthcare services in Lanjigarh and the Mobile Health Unit that provides health services to the last mile. The hospital engaged a highly qualified and experienced medical staff to ensure that the hospital delivers quality treatment.

Indicator	Scoring
Relevance	
Coherence	
Effectiveness	
Efficiency	
Sustainability	

#### Impact Assessment – Impact of Intervention:

- 44% of the respondents stated that there has been a decrease in the average annual expenditure on health. The average decrease was ₹1,624. While the other 34% felt that there has been an increase in their expenditure on health. The remaining 16% and 6% of beneficiaries did not see any change or have not responded to the issue respectively.
- 54% of the respondents felt that there is an increase in accessibility to free medicines via MHU's and 42% felt that it helps in better ORS distribution. 24% of the respondents reported access to health check-up through MHU.
- 78% of the respondents stated that MHU has led to increase timely access to health services.

## Iron Ore Business

### A. Thematic Area – Healthcare

#### 1. Project Name: Alternative Livelihood Opportunity Project ("ALOP")

**Project Brief:** The primary objective of the Project is to build capacities of farmers in sustainable agriculture and livestock support. The project is implemented in partnership with expert organisation 'BAIF'.

Indicator	Scoring
Relevance	
Coherence	
Effectiveness	
Efficiency	
Sustainability	

#### Impact Assessment – Impact of Intervention:

- 53% of the respondents reported noticing an improvement in their incomes after the intervention.
- Nearly 45% of the respondents who reported having land brought under sustainable agriculture or organic cultivation.
- The respondents reportedly saw an improvement in terms of women empowerment indicators such as improved skillsets (21%), increased confidence and self-esteem (28%), improved social support network (27%), praise from family/relatives (28%) and a stronger role in family decisions (23%).
- Nearly 50% of the respondents also reported having noticed an improvement in women's ability to access financial services, improved regular savings, improved decision-making in HH, and improved participation in gram sabhas.

The detailed impact assessment reports for the above projects can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

— Extremely Satisfactory    — Moderately Satisfactory    — Satisfactory

# ANNEXURE C

## Disclosure in Board's Report as per provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr.No.	Requirement	Disclosure		
1	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	Name of the Director	Category	Ratio
		Navin Agarwal <sup>(1)</sup>	Executive Vice-Chairman	227.82
		Sunil Duggal	Whole-time Director & Chief Executive Officer	154.98
	Ratio of the Fee for attending Board/Committee Meetings and Commission of each Director to the median remuneration of the employees of the Company for the financial year	Anil Agarwal	Non Executive Chairman	0.64
		UK Sinha	Independent Director	10.87
		DD Jalan	Independent Director	10.45
		Akhilesh Joshi	Independent Director	10.02
Padmini Sekhsaria		Independent Director	9.06	
Priya Agarwal	Non Executive Director	11.83		
2	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Name	Category	Increment Percentage
		Navin Agarwal	Executive Vice-Chairman	5%
		Sunil Duggal	Whole-time Director & Chief Executive Officer	5%
		Ajay Goel <sup>(2)</sup>	Acting Group Chief Financial Officer	8%
		Prerna Halwasiya	Company Secretary & Compliance Officer	32%
3	Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 10.56%*		
4	Number of permanent employees on the rolls of Company	There were 8,545 employees of Vedanta Limited as on 31 March 2023		
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increment in FY 2023 for Managerial Personnel (M4 and Above): 9.25%		
		Average Increment in FY 2023 for non Managerial Personnel (M5 and Below): 10.55%		
		No exceptional increase given in the managerial remuneration.		
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes		

\*Median calculated is against employees active throughout the full financial year in FY 2023

### Notes:

- For Mr. Navin Agarwal, the ratio inclusive of remuneration received from Vedanta Resources Limited, UK, the Holding Company, is 347.25.
- Mr. Ajay Goel ceased to be Acting Group Chief Financial Officer and Key Managerial Personnel of the Company with effect from close of business hours on 09 April 2023.



# ANNEXURE D

## Form No. MR-3

### Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
**Vedanta Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vedanta Limited (hereinafter called "**Company**" or "**VEDL**") for the financial year ended 31 March 2023 ("**Audit Period**") in terms of the engagement letter dated 29 April 2022. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, subject to our comments herein, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

- a) The Companies Act, 2013 ("**Act**") and the rules made thereunder including any re-enactment thereof;
- b) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- c) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**");
- e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- g) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- h) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);
- i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to the extent applicable to/dealing with the Company;
- j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- k) Specific laws applicable to the industry to which the Company belongs, as identified and confirmed by the Company, compliance whereof as examined on test-check basis and as confirmed by the management, that is to say:
  1. The Mines Act, 1952 and Rules made thereunder; and
  2. The Mines and Minerals (Development and Regulation) Act, 1957 and Rules made thereunder

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings ("**SS-1**") and for General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has complied with the provisions of the applicable Act, rules, regulations, guidelines, standards etc.

During the Audit Period, the Company has undertaken transactions with its holding company, Vedanta Resources Limited ("**VRL**"), and has made payment of Brand License and Strategic Services Fee ("**BSF**"), for FY 2023 and FY 2024. The Company has relied upon an opinion, with respect to non-aggregation of transactions relating to brand usage with other transactions with the related party, for the purpose of materiality under proviso to Reg. 23(1) r/w Reg. 23(4) of Listing Regulations, and has, therefore, applied the limits under Reg. 23(1A) separately.



**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance with due compliance of the Act and SS-1 except for the meetings held at a shorter notice (in compliance of applicable provisions). Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions are carried through unanimous approval and there was no minuted instance of dissent in Board or Committee meetings.

**We further report that** there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We have separately given our recommendations towards good corporate governance practices.

**We further report that** during the Audit Period, the Company has undertaken the below mentioned specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above-referred laws, rules, standards, etc:

- a. Declaration of five interim dividends, aggregating to ₹101.50 per share resulting in pay-out of ₹37,733 crore. We have relied on the Key Audit Matters and draft Report of the Independent Auditors' under section 143(3) read with Rule 11 of Companies (Audit and Auditors) Rules, 2014 with respect to considering certain exceptional items as part of distributable profits. The said Report confirms the compliance by the Company with Section 123 of the Act.
- b. In continuation to the investments done in FY 2022, the Board has accorded approval for procurement of renewable power under the group captive scheme and to further infuse ₹22 crore for Copper, ₹45 crore for Oil

& Gas and ₹377 crore for Aluminium business in the form of equity investment, expected to give returns in form of guaranteed supply of power, to acquire 26% in a Special Purpose Vehicle, being a joint venture between the Company and Serentica Renewables India Private Limited and its affiliates, related party(ies), to enter into a Power Delivery Agreement for a period of 25 (twenty-five) years.

- c. To secure a continuing term loan, the Company has executed a non-disposal undertaking ("NDU") and created pledge, with respect to its shareholding in Hindustan Zinc Limited ("HZL") to the extent of 50.1% and 1% of the paid-up share capital of HZL respectively. Also, there is an existing pledge of 5.77% of the paid-up share capital of HZL created by the Company previously.
- d. The Company had filed Form 15F on 01 December 2022 with the US Securities and Exchange Commission ("SEC") to deregister the American Depository Securities and the underlying equity shares pursuant to the U.S. Securities Exchange Act of 1934, as amended ("Exchange Act"). As a result, the Company's reporting obligations under the Exchange Act were ceased and the Company has been deregistered from the SEC effective 01 March 2023.
- e. The National Company Law Tribunal, Cuttack Bench, vide order dated 15 November 2022 has sanctioned the Scheme of Amalgamation of FACOR Power Limited, subsidiary of Ferro Alloys Corporation Limited into Ferro Alloys Corporation Limited, a subsidiary of VEDL.

For **M/s Vinod Kothari & Company**  
Practicing Company Secretaries  
Unique Code: P1996WB042300

**Nitu Poddar**

Partner

Membership No.: A37398

CP No.:15113

Place: New Delhi

UDIN: A037398E000286891

Date: 11 May 2023

Peer Review Certificate No.: 781/2020

The report is to be read with our letter of even date which is annexed as 'Annexure I' and forms an integral part of this report.



## Annexure I

### Auditor and Management Responsibility

#### ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
**Vedanta Limited**

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in 'Annexure II';
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the [guidance](#) as issued by the Institute. We have conducted online verification and examination of records, as facilitated by the Company;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
6. We have held discussion with the management on several points and wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.;
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

## Annexure II

### List of Documents

1. Signed minutes for the meetings of the following held during the Audit Period:
  - a. Board of Directors;
  - b. Audit & Risk Management Committee;
  - c. Nomination & Remuneration Committee;
  - d. Corporate Social Responsibility Committee;
  - e. Stakeholders Relationship Committee;
  - f. ESG Committee;
  - g. Committee of Directors;
  - h. Annual General Meeting; and
  - i. Court Convened Meeting of shareholders, secured creditors and unsecured creditors.
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings on a sample basis;
3. Resolutions passed by circulation;
4. Agendas of various Board and Committee meetings on sample basis;
5. Annual Report for FY 2022;
6. Draft financial statement for FY 2023;
7. Draft Report of the Independent Auditors' for FY 2023, w.r.t. to specific event in clause (a) above;
8. Directors' disclosures under the Act and rules made thereunder;
9. Statutory registers maintained under the Act;
10. Forms filed with the Registrar;
11. Policies framed under LODR and the Act, as available on the website of the Company;
12. Code of Conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons;
13. Memorandum of Association and Articles of Association of the Company;
14. Three opinions obtained by the Company w.r.t. RPTs dated 28 March 2022 and 23 February 2023 w.r.t BSF and 05 July 2022, w.r.t. to specific event in clause (b) above.



# ANNEXURE D-1

## Form No. MR-3

### Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Bharat Aluminium Co. Ltd**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharat Aluminium Co Ltd (hereinafter called "**Company**") for the financial year ended 31 March 2023 ("**Audit Period**") in terms of the engagement letter dated 04 November 2022. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

1. The Companies Act, 2013 ("**Act**") and the rules made thereunder including any re-enactment thereof;
2. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
3. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings;
4. Specific laws applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
  - a) The Mines Act, 1952 and Rules made thereunder.
  - b) The Mines and Minerals (Development and Regulation) Act, 1957, and the Rules made thereunder.
  - c) The Electricity Act, 2003 and rules and regulations made thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings ("**SS-1**") and for General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has complied with the provisions of the Act, rules, standards etc. mentioned above.

#### We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period, were carried out in compliance with the provisions of the Act and other applicable laws except that there are two government nominees appointed during the Audit Period. As per the understanding and practice of the Company, the government nominees are appointed on the Board as per the executed Shareholders Agreement directly upon receipt of order letter from the Ministry of Mines. Noting of such appointment is made in the immediate next meeting of the Nomination and Remuneration Committee ("**NRC**") and Board meeting. We have recommended the Company to route any appointment of directors through NRC, Board and approval from the shareholders as required under clause (2) and (6)(a)(ii) of section 152 of the Act.

We observe that during the Audit Period, there were only two directors liable to retire by rotation and one of them being longest in office, retired at the annual general meeting and being eligible offered himself for re-appointment and was re-appointed on the Board. The Company has a practice of not considering government nominee directors in the category of directors retiring by rotation. We have recommended to the Company to include the government nominees as well for the calculation of total number of directors liable to retire by rotation pursuant to section 152(6)(d) and explanation thereof.

Adequate notice is given to all directors to schedule the Board Meetings and Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the meeting(s) convened at shorter notice with due compliance of Act and SS-1. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

**We further report that** there are adequate systems and processes in the Company, which commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit Period, the Company has undertaken the below mentioned specific event/action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, standards, etc:

#### **Equity investment of 26% in Special Purpose Vehicle (SPV):**

During the Audit Period, the Board has, at its meeting held on 02 February 2023, accorded approval for procurement of renewable power under the group captive scheme and to

infuse ₹245 crore in the form of equity investment (without any economic benefit) of 26% in SPV by the Company in partnership with Serentica Renewables India Private Limited ("**SRIPL**") and to enter into a Power Delivery Agreement ("**PDA**") for a period of 25 (twenty-five) years.

For **M/s Vinod Kothari & Company**  
Practicing Company Secretaries  
Unique Code: P1996WB042300

**Nitu Poddar**

Partner

Membership No.: A37398

CP No.: 15113

UDIN: A037398E000078846

Place: New Delhi

Date: 13 April 2023 Peer Review Certificate No.: 781/2020

The report is to be read with our letter of even date which is annexed as '**Annexure I**' and forms an integral part of this report.

## **Annexure I**

### **Auditor and Management Responsibility**

#### **ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
**Bharat Aluminium Co. Ltd.**

Our Secretarial Audit Report of even date is to be read along with this letter.

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit. The list of documents for the purpose, as seen by us, is listed in '**Annexure II**';
- We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
- Our Audit examination is restricted only upto legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;
- Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Given the challenges and limitations posed by COVID-19, lockdown restrictions (wherever applicable), as well as considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the [guidance](#) as issued by the Institute. We have conducted online verification and examination of records, as facilitated by the Company;
- We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns;
- Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc;
- The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;



8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
  9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
  10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- 

## Annexure II

### List of Documents

1. Minutes for the meetings of the following held during the Audit Period:
  - a. Board of Directors;
  - b. Audit Committee;
  - c. Nomination & Remuneration Committee;
  - d. Corporate Social Responsibility Committee;
  - e. Finance Standing Committee;
  - f. Annual General Meeting.
2. Proof of circulation of draft and signed minutes of the Board and Committee meetings' on a sample basis;
3. Annual Report for FY 2022;
4. Financial Statements and Auditor's Report for FY 2022;
5. Directors disclosures under the Act and rules made thereunder;
6. Statutory Registers maintained under the Act;
7. Forms filed with the Registrar;
8. Policies framed under Act, 2013 viz. CSR Policy, Remuneration Policy and Whistle Blower Policy;
9. Memorandum of Association and Articles of Association of the Company.