INDEPENDENT AUDITOR'S REPORT

To the Members of Vedanta Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Vedanta Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures and joint operations comprising of the consolidated Balance sheet as at March 31, 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures or joint operations, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures and joint operations as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, associates, joint ventures and joint operations in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting and disclosure of related party transactions (as described in note 42(J), 42(L), 42(M) and 42(N) of the consolidated financial statements)	
The Group has undertaken transactions with related party, Vedanta Resources Limited ('VRL'), its intermediate holding company including loan, payment of brand and strategic management fee, agency commission and guarantees commission. Accounting and disclosure of such related party transactions has been identified as a key audit matter due to a) Significance of such related party transactions; b) Risk of such transactions being executed without proper authorizations; c) Judgments and estimation involved in determination of fair value of loans including modification of loan to intermediate holding company and guarantees given and expected credit losses on subsequent measurement; and d) Risk of material information relating to aforesaid transactions not getting disclosed in the financial statements.	Our procedures included the following: • Obtained and read the Group's policies, processes and procedures in respect of identification of such related parties in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls. • Tested such related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Group. • Examined the approvals / modification of the transactions by the audit committee / board of directors. • Obtained and assessed management evaluation of the modification of the terms of the loan to intermediate holding company and evaluation of the fair value of guarantee given to the intermediate holding company and its implications with regards to the regulatory requirements and Ind AS 109. • Obtained and assessed the benchmarking report and legal opinion issued by the experts/ lawyer engaged by the management for loan to intermediate holding company. • Assessed the competence and objectivity of the external experts/ lawyer. • Tested the methodology adopted by the Group for determination of subsequent credit losses/(reversals) on loans to intermediate holding company. • involved specialists who assist us in performing the said procedures. • Held discussions and obtained representations from the management in relation to such transactions. Read the disclosures made in this regard in the financial statements and assessed whether relevant and material information have been disclosed.
Recoverability of carrying value of property plant and equipment, capital work in progress, intangible assets, and exploration intangible assets under development (as described in note 3(a)(G), 3(c)(A)(i), 3(c)(A)(v), 3(c)(A)(vi), 6, 36(a) and 44 of the consolidated financial statements)	
As at March 31, 2025, the Group had significant amounts of property, plant and equipment, capital work in progress, intangible assets and exploration intangible assets under development which were carried at historical cost less depreciation. We focused our efforts on the Cash Generating Unit ("CGU") at (a) Rajasthan block within the oil & gas segment; (b) Western Cluster Limited in Liberia within the Iron Ore segment and (c) ESL Steel Limited within the other segment	Our audit procedures included the following: • Obtained and read the Group's policies, processes and procedures in respect of identification of impairment indicators, extraction of carrying values of the respective CGU from underlying books and records, recording and disclosure of impairment charge / (reversal) and identified key controls. For selected controls we have performed tests of controls. • Assessed through an analysis of internal and external factors impacting the Group, whether there were any indicators of impairment in line with Ind AS 36.

CO
SR
FINANCIAL STATEMENTS

Key audit matters	How our audit addressed the key audit matter
Recoverability of property plant and equipment, capital work in progress and exploration intangible assets under development being carried at cost has been identified as a key audit matter due to: • The significance of the carrying value of assets being assessed. • The fact that the assessment of the recoverable amount of the Group's CGU involves significant judgements about the future cash flow forecasts, price, capex, production forecasts and the discount rate that is applied. • Changes in production forecasts due to adjustments in the future reserve and resource estimates. • License extension up to 2040, tax rate on foreign companies and discontinuance of SAED payable from current year onwards in Rajasthan Block. • Receipt of final partial arbitration award on Directorate General of Hydrocarbon demand (DGH demand), in previous year due to allowance of exploration cost recovery and its impact on Investment Multiple (IM) tranche. However, the government has filed an appeal with the High Court against the arbitration award. • Actual cashflow of ESL and WCL were lower than the projected performance. • Uncertainty around obtaining Forest clearance from Ministry of Environment, Forest and Climate Change (MoEFCC) and its impact on expansion plans of ESL Steel Limited. The key judgements and estimates are centered around the assessment of cash flow forecasts, impact of litigation w.r.t partial arbitration award and forest clearance, discount rate assumptions, price and production forecasts, geography of sales and related disclosures as given in the accompanying financial statements.	• In relation to the CGU at the Rajasthan block within the oil & gas segment where impairment (charge) / reversal indicators were identified, obtained and evaluated the valuation model used to determine the recoverable amount by assessing the key assumptions used by management, which included: – Assessment of management's forecasting accuracy by comparing prior year forecasts to actual results and assessment of potential impact of any variances. – Corroboration of sales price assumptions used in the models against analyst consensus report and assessment of reasonableness of costs. – Comparison of production forecasts to ensure that it is within the management's approved reserves and resources estimates. – Assessment of capex considered and likelihood of timely implementation of expansion projects. – Assessment of Group's reserves and resources estimation methods and policies and reading reports provided by management's external reserves experts and assessed the scope of work and findings of these third parties. – Evaluation of the merits on grounds of appeal filed with High Court for partial arbitration award received by Company including examining of external legal opinions. – Assessment of the weighted average cost of capital used to discount the impairment models. – Assessment of the competence, capability and objectivity of experts engaged by management; through understanding their relevant professional qualifications and experience. – Test of the mathematical accuracy of the models – Involvement of experts who assist us to perform the above procedures. • Performed procedures as per SA 600 – Using the Work of Another Auditor. Engaged with the component auditor to evaluate the procedures performed by them with respect to the impairment assessment of CGU at ESL Steel Limited and Western Cluster Limited. We performed inquiry in respect of the audit procedures performed by them to address the key audit matter • As reported to us by the subsidiary auditor, the following procedure have been performed by them for impairment assessment: – Assessment of management's forecasting accuracy by comparing prior year forecasts to actual results and assessment of potential impact of any variances. – Corroboration of sales price assumptions used in the models against analyst consensus / geography of sales and assessed the reasonableness of costs.

Key audit matters	How our audit addressed the key audit matter
	– Comparison of production forecasts to ensure it is within the management approved reserves and resources estimate. – Assessment of capex considered and likelihood of timely implementation of expansion projects. – Evaluation of the Environment impact assessment and developments in obtaining appropriate Forest Clearance from MoEFCC by ESL Steel Limited, including examining of external legal opinions. – Assessment of the weighted average cost of capital used to discount the impairment models. – Test of the mathematical accuracy of the models. – Assessment of the competence, capability and objectivity of experts/ lawyer engaged by management; through understanding their relevant professional qualifications and experience. • We have also involved experts, as principal auditor, to evaluate the key assumptions evaluated by component auditors, in accordance with SA 600. • Assessed the disclosures made by the Group in this regard and evaluated the considerations leading to disclosure of impairment reversal as exceptional items.
Recoverability of disputed trade receivables in Power segment (as described in note 3(c)(B)(iii), Note 8(c) and 8(d) of the consolidated financial statements)	
As of March 31, 2025 the value of disputed receivables in the power segment aggregated to ₹ 2,325 crore. Due to short supply or non-supply of power due to transmission line constraints, order received from Orissa State Electricity Regulatory Commission (OERC), matters related to change of law following execution of power purchase agreement (having implication on the recoverability of Property, Plant and Equipment in the event of an unfavourable order of the Hon'ble Supreme Court) and disagreements over the quantification relating to aforementioned disputes or timing of the recovery of receivables, the recovery of said receivables are subject to increased risk. Some of these balances are also subject to litigation. The risk is specifically related to receivables from Punjab State Power Corporation Limited (PSPCL) and GRIDCO. These receivables include long outstanding balances as well and are also subject to counter party credit risk and hence considered as a key audit matter.	Our audit procedures included the following: • Examined the underlying power purchase agreements. • Examined the relevant state regulatory commission, appellate tribunal and court rulings. • Obtained and assessed the model prepared by the management for computation of expected credit loss on the disputed receivables, including testing of key assumptions. • Tested arithmetical accuracy of the models prepared by the management. • Obtained independent external lawyer confirmation from Legal Counsel of the Group who is contesting the cases. • Examined external legal opinions in respect of the merits of the case and assessed management's position through discussions with the management's in-house legal team to determine the basis of their conclusion. • Assessed the competence and objectivity of the Group's experts. • Assessed the disclosures made by the Group in this regard.

Key audit matters	How our audit addressed the key audit matter
Claims and exposures relating to taxation and litigation (as described in note 3(a)(P), 3(c)(B)(ii), 36(a)(ii), 36(g), 37(e), 40D and 41 of the consolidated financial statements)	
The Group is subject to a large number of tax and legal disputes, including developments in the DGH arbitration matter in the oil and gas segment (also refer KAM on Recoverability of carrying value of property plant and equipment capital work in progress and exploration intangible assets under development), vendor arbitrations / termination of contract, mining royalty demand, income tax disallowances and various indirect tax disputes which have been disclosed / provided for in the financial statements based on the facts and circumstances of each case. Taxation and litigation exposures (including termination of contract) have been identified as a key audit matter due to the complexities involved in these matters, timeline involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the adequacy of provision or disclosure of each case.	Our audit procedures included the following: • Obtained an understanding of the process of identification of claims, litigations and its classification as probable, possible or remote and identified key controls in the process. For selected controls we have performed test of controls. • Obtained the summary of Group's legal and tax cases and critically assessed management's position through discussions with the Legal Counsel, Head of Tax and operational management, on both the probability of success in significant cases, and the magnitude of any potential loss. • For select litigations, obtained independent external lawyer confirmation from Legal Counsel of the Group who is contesting the cases and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • Assessed the competence and objectivity of the Group's experts. • Involved experts to technically appraise the tax positions taken by management with respect to local tax issues. • Assessed whether management assessment of similar cases is consistent across the divisions and subsidiaries and with positions taken in earlier periods or that differences in positions are adequately justified.. • Evaluated the merits of the grounds of DGH appeal to high court against Tribunal award and against the disputed amount payable to capital contractors including examining legal opinions on the aforesaid matters. • Assessed the relevant disclosures made within the financial statements to address accuracy of the amounts and whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards.
Recoverability of Deferred Tax Assets (as described in note 3(c)(A)(ii) of the consolidated financial statements)	
Deferred tax assets ("DTA") as at March 31, 2025 includes an amount of ₹ 2,787 crore pertaining to ESL Steels Limited (ESL), one of the subsidiaries of the Group. The analysis of the recoverability of such deferred tax assets has been identified as a key audit matter by the component auditor because it involves significant judgement due to: – inherent uncertainty of the future profitability. – actual cashflow of current year being lower than the projected performance. – uncertainty around obtaining Forest clearance from Ministry of Environment, Forest and Climate Change (MoEFCC) and its impact on expansion plans.	Our audit procedures included the following: • Obtained an understanding of the group's process for estimating the recoverability of the deferred tax assets. • Performed procedures as per SA 600 – Using the Work of Another Auditor. Engaged with the component auditor to evaluate the procedures performed by them with respect to the recoverability assessment of the DTA. We performed inquiry in respect of the audit procedures performed by them to address the key audit matter. As reported to us by the subsidiary auditor, the following procedure have been performed by them: – Analysis of the key assumptions used in future projections of taxable profits by assessment of the consistency of the forecast by comparing prior year forecasts to actual results and analysis of potential impact of any variances. We further obtained evidence of the approval of the budgeted results included in the current year's projections, and the reasonableness of the future cash flow projections. – Evaluation of the Environment impact assessment and developments in obtaining appropriate Forest Clearance from MoEFCC by ESL Steel Limited, including examining of external legal opinions. – Test of accuracy of the deductions availed under the Income Tax Act included in the tax computation. – Test of the computation of the amounts recognized as deferred tax assets. – Test of the mathematical accuracy of the model. – Assessment of the competence, capability and objectivity of experts engaged by management for preparation of estimates used in model; through understanding their relevant professional qualifications and experience. • We have also involved experts, as principal auditor, to evaluate the key assumptions evaluated by component auditors, in accordance with SA 600. • Assessed the disclosures made by the Group in this regard.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures and joint operations are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures and joint operations are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures and joint operations to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures and joint operations to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures and joint operations of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 32 subsidiaries, whose financial statements include total assets of ₹ 50,069 Crore as at 31 March 2025, and total revenues of ₹ 19,845 Crore, total net loss after tax of ₹ 2,457 Crore, total comprehensive loss of ₹ 2,484 Crore, and net cash inflows of ₹ 149 Crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of total assets of ₹ Nil, total revenues of ₹ Nil, total net profit of ₹ 1 crore, total comprehensive income of ₹ 1 crore, and net cash inflows of ₹ Nil for the year ended 31 March 2025, as considered in the consolidated financial statements, in respect of 1 associate and 2 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint ventures , and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate and joint ventures , is based solely on the report(s) of such other auditors. Certain of these subsidiaries, associate and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associate and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, joint ventures and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 7 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 324 Crore as at 31 March 2025, total revenues of ₹ Nil, total net profit after tax of ₹ 5 Crore, total comprehensive income of ₹ 5 Crore and net cash outflows of ₹ 21 Crore for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of total assets of ₹ Nil, total revenues of ₹ Nil, total net profit of ₹ Nil, total comprehensive income of ₹ Nil and net cash inflows of ₹ Nil for the year ended 31 March 2025, as considered in the consolidated financial statements, in respect of 1 associate and 2 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. The consolidated financial statements also includes group's share of total assets of ₹ 150 crore as at 31 March 2025, total revenues of ₹ 152 Crore, total net profit after tax of ₹ 27 Crore, total comprehensive income of ₹ 27 Crore for the year ended 31 March 2025, and net cash inflows of ₹ Nil for the year ended 31 March 2025 in respect of an unincorporated joint operation not operated by the Group. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, associate, joint ventures and joint operations, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associate and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint ventures and joint operations companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in "Annexure 1" a statement on matters specified in clause 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures / joint operations, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph i(vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures and joint operations, none of the directors of the Group's companies, its associates and joint ventures and joint operations, incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph i(vi) below on reporting under Rule 11(g)

   (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies, joint ventures and joint operations, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates, joint ventures and joint operations incorporated in India, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Holding Company, its subsidiaries, associates, joint ventures and joint operations, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates, joint ventures and joint operations in its consolidated financial statements – Refer Note 3(a)(P), 3(c)(B)(ii), 36(a)(ii), 36(g), 37(e), 40D and 41 to the consolidated financial statements;

      ii. The Group, its associates, joint ventures and joint operations did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and, joint ventures and joint operations, incorporated in India during the year ended March 31, 2025.

      iv. a) The respective managements of the Holding Company and its subsidiaries, associate, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate, joint ventures and joint operations respectively that, to the best of its knowledge and belief, other than as disclosed in the note 42O to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associate, joint ventures and joint operations to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associate, joint ventures and joint operations ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      b) The respective managements of the Holding Company and its subsidiaries, associate, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate, joint ventures and joint operations respectively that, to the best of its knowledge and belief, as disclosed in the Note 42O to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, associate, joint ventures and joint operations from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associate, joint ventures and joint operations shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associate, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

      v. The interim dividend declared and paid during the year by the Holding Company, its subsidiaries, associate, joint venture and joint operations companies incorporated in India and until the date of the respective audit reports of such Holding Company, subsidiaries, associate, joint ventures and joint operations is in accordance with section 123 of the Act

      vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances discussed in Note 46 to the financial statements, the Holding Company, subsidiaries, associates, joint ventures and joint operations have used two accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associates, joint ventures and joint operations did not come across any instance of audit trail feature being tampered in respect of other accounting software where audit trail has been enabled. Additionally, the audit trail of relevant prior year has been preserved by the Holding Company and the above referred subsidiaries, associates, joint ventures and joint operations as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years as stated in Note 46 to the financial statements.

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 25093649BMOIST4046

Place of Signature: Mumbai
Date: April 30, 2025

ANNEXURE-1

referred to paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Vedanta Limited ('the Company')

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
Vedanta Limited	L13209MH1965PLC291394	Holding Company	(i)(b), (ii)(a), (iii)(e), (ix)(d)
Bharat Aluminium Company Limited	U74899DL1965PLC004518	Subsidiary	(i)(c)
Sesa Resources Limited	U13209GA1965PLC000030	Subsidiary	(i)(c), (iii)(e) and (ix)(d)
Sesa Mining Corporation Limited	U13209GA1969PLC000091	Subsidiary	(iii)(e)
Malco Energy Limited	U31300TN2001PLC069645	Subsidiary	(ix)(d)
ESL Steel Limited	U27310JH2006PLC012663	Subsidiary	(i)(c), ii(b), vii(a) and (ix)(d)
Ferro Alloys Corporation Limited	U452010R1955PLC008400	Subsidiary	(i)(c), vii(a) and (ix)(d)
Meenakshi Energy Limited	U40101TG1996PLC054239	Subsidiary	(i)(c)

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 25093649BMOIST4046

Place of Signature: Mumbai
Date: April 30, 2025

ANNEXURE-2

to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Vedanta Limted

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Vedanta Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , its associates, joint operations and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its 24 subsidiary companies, its 1 associate company, 2 joint ventures and 1 unincorporated joint operations, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group , its associates, joint operations and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on {the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to 16 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates, joint operations and joint ventures incorporated in India.

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Pansari**
Partner
Membership Number: 093649
UDIN: 25093649BMOIST4046

Place of Signature: Mumbai
Date: April 30, 2025

CONSOLIDATED BALANCE SHEET

As at 31 March 2025

(₹ in Crore)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	97,834	96,715
Capital work-in-progress	6	30,939	20,331
Intangible assets	6	2,071	2,248
Exploration intangible assets under development	6	2,957	2,558
Financial assets			
Investments	7A	1,623	987
Trade receivables	8	2,451	2,409
Loans	9	1,799	5
Derivatives	24	-	3
Others	10	3,015	2,670
Deferred tax assets (net)	37	3,353	2,689
Income tax assets (net)	37	1,523	3,796
Other non-current assets	11	3,963	4,472
Total non-current assets		**1,51,528**	**1,38,883**
Current assets			
Inventories	12	14,474	13,001
Financial assets			
Investments	7B	12,909	10,882
Trade receivables	8	3,636	3,607
Cash and cash equivalents	13	3,993	2,812
Other bank balances	14	3,847	1,515
Loans	9	1,840	3,364
Derivatives	24	434	168
Others	10	6,727	12,757
Income tax assets (net)		88	48
Other current assets	11	3,817	3,770
Total current assets		**51,765**	**51,924**
Total Assets		**2,03,293**	**1,90,807**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	391	372
Other equity	16	40,821	30,350
Equity attributable to owners of Vedanta Limited		**41,212**	**30,722**
Non-controlling interests	17	12,541	11,347
Total Equity		**53,753**	**42,069**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19A	52,712	50,633
Lease liabilities	23	572	536
Derivatives	24	46	-
Other financial liabilities	22	985	493
Provisions	25	3,223	3,105
Deferred tax liabilities (net)	37	13,043	10,152
Other non-current liabilities	26	5,384	5,158
Total non-current liabilities		**75,965**	**70,077**
Current liabilities			
Financial liabilities			
Borrowings	19B	21,141	21,125
Lease liabilities	23	761	477
Operational buyers' credit / suppliers' credit	21	16,293	14,935
Trade payables	20	10,195	10,095
Derivatives	24	279	144
Other financial liabilities	22	16,006	17,569
Other current liabilities	26	7,370	11,477
Provisions	25	372	341
Income tax liabilities (net)		1,158	2,498
Total current liabilities		**73,575**	**78,661**
Total Equity and Liabilities		**2,03,293**	**1,90,807**

See accompanying notes to the financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Vikas Pansari**
Partner
Membership No: 093649

Place: Mumbai
Date: 30 April 2025

For and on behalf of the Board of Directors

Navin Agarwal
Executive Vice – Chairman and Whole-Time Director
DIN 00006303
Place: Mumbai

Arun Misra
Executive Director (Whole-Time Director)
DIN 01835605
Place: Mumbai

Ajay Goel
Chief Financial Officer
PAN AEAPG8383C

Place: Mumbai
Date: 30 April 2025

Prerna Halwasiya
Company Secretary and Compliance Officer
ICSI Membership No. A20856

Place: New Delhi

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31 March 2025

(₹ in Crore, except otherwise stated)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations			
Revenue	27	1,50,725	1,41,793
Other operating income	28	2,243	1,934
Total revenue from operations		**1,52,968**	**1,43,727**
Other income	29	3,675	2,550
Total income		**1,56,643**	**1,46,277**
Expenses			
Cost of materials consumed		50,286	44,115
Purchases of stock-in-trade		184	116
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(1,448)	176
Power and fuel charges		22,599	23,547
Employee benefits expense	31	3,503	3,300
Finance costs	34	9,914	9,465
Depreciation, depletion and amortisation expense	6	11,096	10,723
Other expenses	35	35,501	37,275
Total expenses		**1,31,635**	**1,28,717**
Profit before share in profit of jointly controlled entities and associates, exceptional items and tax		25,008	17,560
Add: Share in profit of jointly controlled entities and associates		1	2
Profit before exceptional items and tax		25,009	17,562
Net exceptional gain	36	1,868	2,803
Profit before tax		**26,877**	**20,365**
Tax expense:	37		
Other than exceptional items			
Net current tax expense		4,377	5,906
Net deferred tax expense		1,233	400
Exceptional items			
Net current tax benefit		(50)	(1,819)
Net deferred tax expense		782	8,339
Net tax expense		**6,342**	**12,826**
Profit after tax (A)		**20,535**	**7,539**
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
Re-measurement loss on defined benefit plans		(3)	(8)
Tax benefit		2	7
loss on FVOCI equity investment		(14)	(17)
		(15)	**(18)**
Items that will be reclassified to profit or loss			
Net gain/ (loss) on cash flow hedges recognised		604	(53)
Tax (expense)/ benefit		(151)	15
Net loss on cash flow hedges recycled to profit or loss		(302)	(51)
Tax benefit		74	13
Net gain on FVOCI debt investment		30	2
Tax (expense)/ benefit		(3)	(0)
Exchange differences on translation		272	(1,814)
Tax benefit		17	18
		541	**(1,870)**
Total other comprehensive income/(loss) (B)		**526**	**(1,888)**
Total comprehensive income (A+B)		**21,061**	**5,651**
Profit attributable to:			
Owners of Vedanta Limited		14,988	4,239
Non-controlling interests		5,547	3,300
Other comprehensive income/(loss) attributable to:			
Owners of Vedanta Limited		435	(1,879)
Non-controlling interests		91	(9)
Total comprehensive income attributable to:			
Owners of Vedanta Limited		15,423	2,360
Non-controlling interests		5,638	3,291
Earnings per equity share (₹):			
- Basic	38	38.97	11.42
- Diluted	38	38.65	11.33

See accompanying notes to the financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Vikas Pansari**
Partner
Membership No: 093649

Place: Mumbai
Date: 30 April 2025

For and on behalf of the Board of Directors

Navin Agarwal
Executive Vice – Chairman and Whole-Time Director
DIN 00006303
Place: Mumbai

Arun Misra
Executive Director (Whole-Time Director)
DIN 01835605
Place: Mumbai

Ajay Goel
Chief Financial Officer
PAN AEAPG8383C

Place: Mumbai
Date: 30 April 2025

Prerna Halwasiya
Company Secretary and Compliance Officer
ICSI Membership No. A20856

Place: New Delhi

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	26,877	20,365
Adjustments for:		
Depreciation, depletion and amortisation	11,139	10,744
Impairment (reversal)/ charge on property, plant and equipment/ Capital work-in-progress (CWIP)/ Other assets written off (net) (Refer note 36)	(2,090)	(185)
Other exceptional items loss/ (gain) (Refer note 36)	195	(2,618)
Allowance of impairment on financial and non-financial assets/ bad debts written off	343	261
Exploration costs written off	459	786
Liabilities written back	(469)	(135)
Net gain on sale of Short term investments	-	(178)
Fair value gain on financial assets held at fair value through profit or loss	(262)	(128)
(Gain)/ Loss on sale/ discard of property, plant and equipment (net)	(191)	114
Foreign exchange loss (net)	57	263
Unwinding of discount on decommissioning liability	142	135
Share in profit of jointly controlled entities and associates	(1)	(2)
Share based payment expense	58	70
Interest income	(2,388)	(1,687)
Dividend income	(35)	(40)
Interest expense	9,772	9,330
Deferred government grant	(296)	(308)
Changes in working capital		
Decrease in trade and other receivables	5,553	180
(Increase)/ decrease in inventories	(1,714)	1,670
Decrease in trade and other payables	(4,504)	(298)
Cash generated from operations	**42,645**	**38,339**
Income taxes paid (net)	(3,083)	(2,685)
Net cash generated from operating activities	**39,562**	**35,654**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment (including intangibles, CWIP, capital advances and creditors)	(17,005)	(16,752)
Proceeds from sale of property, plant and equipment	291	195
Loans repaid by related parties (Refer note 42)	2	267
Loans given to related parties (Refer note 42)	(2)	-
Deposits made	(40,362)	(2,361)
Proceeds from redemption of deposits	38,026	1,768
Short term investments made	(1,13,800)	(53,764)
Proceeds from sale of short term investments	1,12,061	55,851
Interest received	2,390	1,678
Dividends received	35	40
Payment made to site restoration fund	(212)	(204)
Proceeds from sale of investment in subsidiary (Refer note 4(D))	-	84
Proceeds from sale of long term investments	-	8
Purchase of long term investments	(614)	(496)
Net cash used in investing activities	**(19,190)**	**(13,686)**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of ordinary shares (Refer note 15(c))	8,500	-
Payment of share issue expenses	(66)	-
Repayment of short-term borrowings (net)	(197)	(148)
Proceeds from current borrowings	11,923	10,770
Repayment of current borrowings	(12,525)	(18,770)
Proceeds from long-term borrowings	27,754	25,478
Repayment of long-term borrowings	(25,580)	(12,515)
Borrowings repaid to related parties (Refer note 42)	(7)	-
Interest paid	(10,458)	(9,825)
Proceeds from sale of equity shares of subsidiary without loss of control (Refer note 4(C))	3,134	-
Payment of dividends to the equity holders of the Company	(16,772)	(18,572)
Payment of dividends to non-controlling interests	(4,419)	(1,928)
Principle payment of lease liabilities	(387)	(329)
Interest payment of lease liabilities	(81)	(53)
Purchase of treasury shares for stock options	(42)	(200)
Net cash used in financing activities	**(19,223)**	**(26,092)**
Effect of exchange rate changes on cash and cash equivalents	32	10
Net Increase/ (decrease) in cash and cash equivalents	**1,181**	**(4,114)**
Cash and cash equivalents at the beginning of the year	2,812	6,926
Cash and cash equivalents at end of the year (Refer note 13)	**3,993**	**2,812**

Notes:

1. The figures in parentheses indicate outflow.
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows.

See accompanying notes to the financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Vikas Pansari**
Partner
Membership No: 093649
Place: Mumbai
Date: 30 April 2025

For and on behalf of the Board of Directors

Navin Agarwal
Executive Vice – Chairman and Whole-Time Director
DIN 00006303
Place: Mumbai

Arun Misra
Executive Director (Whole-Time Director)
DIN 01835605
Place: Mumbai

Ajay Goel
Chief Financial Officer
PAN AEAPG8383C
Place: Mumbai
Date: 30 April 2025

Prerna Halwasiya
Company Secretary and Compliance Officer
ICSI Membership No. A20856
Place: New Delhi

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

A. Equity Share Capital

Equity shares of ₹ 1 each issued, subscribed and fully paid*

Particulars	Nos (in Crore)	(₹ in Crore)
As at 1 April 2023	**372**	**372**
Changes during the year	-	-
As at 31 March 2024	**372**	**372**
As at 1 April 2024	**372**	**372**
Changes during the year ((Refer note 15(c))	19	19
As at 31 March 2025	**391**	**391**

* There are no prior period errors for the year ended 31 March 2024 and 31 March 2023.

B. Other Equity

(₹ in Crore)

Particulars	Reserves and surplus				Items of OCI			Attributable to owners of the Company	Non-controlling interests	Total
	Capital reserve	Securities premium	Retained earnings	Other reserves (Refer note below)	Foreign currency translation reserve	Instruments through OCI	Effective portion of cash flow hedges			
Balance as at 01 April 2023	**18,573**	**19,009**	**(22,755)**	**19,304**	**4,851**	**51**	**18**	**39,051**	**10,004**	**49,055**
Profit after tax for the year	-	-	4,239	-	-	-	-	4,239	3,300	7,539
Other comprehensive loss for the year (net of tax impact)	-	-	(5)	-	(1,790)	(16)	(68)	(1,879)	(9)	(1,888)
Total comprehensive income/ (loss) for the year	**-**	**-**	**4,234**	**-**	**(1,790)**	**(16)**	**(68)**	**2,360**	**3,291**	**5,651**
Recognition of share based payment	-	-	-	92	-	-	-	92	-	92
Purchase of treasury shares	-	-	-	(200)	-	-	-	(200)	-	(200)
Exercise of stock option	-	-	(32)	52	-	-	-	20	-	20
Recognition of put option liability/derecognition of non controlling interest (Refer note 22(a))	(14)	-	-	-	-	-	-	(14)	(20)	(34)
Dividend	-	-	(10,959)	-	-	-	-	(10,959)	(1,928)	(12,887)
Balance as at 31 March 2024	**18,559**	**19,009**	**(29,512)**	**19,248**	**3,061**	**35**	**(50)**	**30,350**	**11,347**	**41,697**
Profit after tax for the year	-	-	14,988	-	-	-	-	14,988	5,547	20,535
Other comprehensive income for the year (net of tax impact)	-	-	-	-	234	3	198	435	91	526
Total comprehensive income for the year	**-**	**-**	**14,988**	**-**	**234**	**3**	**198**	**15,423**	**5,638**	**21,061**
Recognition of share based payment	-	-	-	60	-	-	-	60	-	60
Purchase of treasury shares	-	-	-	(42)	-	-	-	(42)	-	(42)
Exercise of stock option	-	-	(48)	16	-	-	-	(32)	-	(32)
Transfer from GR to RE#	-	-	6,617	(6,617)	-	-	-	-	-	-
Derecognition of put option liability (Refer note 4(B))	266	-	-	-	-	-	-	266	-	266
Derecognition of non controlling interest (Refer note 4(B))	246	-	-	-	-	-	-	246	(246)	-
Recognition of securities premium on Qualified Institutions Placement ("QIP") (Refer note 15(c))	-	8,481	-	-	-	-	-	8,481	-	8,481
Share issue expenses in relation to QIP	-	(66)	-	-	-	-	-	(66)	-	(66)
Sale of stake in subsidiary (Refer note 4(C))	-	-	-	2,913	-	-	-	2,913	221	3,134
Dividend (Refer note 39)	-	-	(16,772)	-	-	-	-	(16,772)	(4,419)	(21,191)
Others	-	-	(6)	-	-	-	-	(6)	-	(6)
Balance as at 31 March 2025	**19,071**	**27,424**	**(24,733)**	**15,578**	**3,295**	**38**	**148**	**40,821**	**12,541**	**53,362**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

Note:

Other reserves comprise:

(₹ in Crore)

Particulars	Capital redemption reserve	Preference share redemption reserve	Capital reserve on consolidation	Share based payment reserve	Legal reserve	Treasury shares	Non Controlling Interest Reserve	General reserve	Total
Balance as at 01 April 2023	**23**	**3,087**	**10**	**168**	**25**	**(104)**	**-**	**16,095**	**19,304**
Recognition of share based payment	-	-	-	92	-	-	-	-	92
Purchase of treasury shares	-	-	-	-	-	(200)	-	-	(200)
Exercise of stock options	-	-	-	(47)	-	99	-	-	52
Balance as at 31 March 2024	**23**	**3,087**	**10**	**213**	**25**	**(205)**	**-**	**16,095**	**19,248**
Recognition of share based payment	-	-	-	60	-	-	-	-	60
Purchase of treasury shares	-	-	-	-	-	(42)	-	-	(42)
Exercise of stock options	-	-	-	(83)	-	99	-	-	16
Transfer from GR to RE#	-	-	-	-	-	-	-	(6,617)	(6,617)
Sale of stake in subsidiary (Refer note 4(C))	-	-	-	-	-	-	2,913	-	2,913
Balance as at 31 March 2025	**23**	**3,087**	**10**	**190**	**25**	**(148)**	**2,913**	**9,478**	**15,578**

During the year ended 31 March 2025, the Hon'ble NCLT vide its order dated 16 July 2024 ("the Order") has sanctioned the Scheme of Arrangement ("the Scheme") at Hindustan Zinc Limited ("HZL") which envisages transfer of the entire balance of ₹10,383 Crores standing to the credit of the General Reserves ("GR") of HZL as at 31 March 2024 to Retained Earnings ("RE"). The certified true copy of the said Order was filed with the Registrar of Companies on 22 July 2024, and accordingly the Scheme has come into effect. HZL will maintain the minimum net worth as per the undertaking given to NCLT and as mentioned in the Order.

See accompanying notes to the financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Vikas Pansari**
Partner
Membership No: 093649
Place: Mumbai
Date: 30 April 2025

For and on behalf of the Board of Directors

Navin Agarwal
Executive Vice – Chairman and Whole-Time Director
DIN 00006303
Place: Mumbai

Arun Misra
Executive Director (Whole-Time Director)
DIN 01835605
Place: Mumbai

Ajay Goel
Chief Financial Officer
PAN AEAPG8383C
Place: Mumbai
Date: 30 April 2025

Prerna Halwasiya
Company Secretary and Compliance Officer
ICSI Membership No. A20856
Place: New Delhi

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

1 Group overview

Vedanta Limited ("the Company") (CIN: L13209MH1965PLC291394) and its consolidated subsidiaries (collectively, the "Group") is a diversified natural resource Group engaged in exploring, extracting and processing minerals and oil and gas. The Group engages in the exploration, production and sale of zinc, lead, silver, copper, aluminium, iron ore and oil and gas and has a presence across India, South Africa, Namibia, Ireland, Australia, Liberia and UAE. The Group is also in the business of commercial power generation, steel manufacturing and port operations in India and manufacturing of glass substrate in South Korea and Taiwan.

The Company was incorporated on 08 September 1975 under the laws of the Republic of India. The registered office of the Company is situated at 1st Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai-400093, Maharashtra. The Company's shares are listed on National Stock Exchange ('NSE') and Bombay Stock Exchange ('BSE') in India. In June 2007, the Company completed its initial public offering of American Depositary Shares, or ADS, each representing four equity shares, and listed its ADSs on the New York Stock Exchange ('NYSE').

The ADSs of the Company have been delisted from NYSE effective close of trading on NYSE on 08 November 2021. The Company has been deregistered from SEC under the Exchange Act effective 01 March 2023.

The Company is majority owned by Twin Star Holdings Limited ("Twin Star"), Vedanta Holdings Mauritius II Limited ("VHM2L"), Vedanta Holdings Mauritius Limited ("VHML"), Welter Trading Limited ("Welter") and Vedanta Netherlands Investments BV ("VNIBV") which are in turn wholly-owned subsidiaries of Vedanta Resources Limited ("VRL"), a Company incorporated in the United Kingdom. VRL, through its subsidiaries, held 56.38% (31 March 2024: 61.95%) of the Company's equity as at 31 March 2025.

Details of Group's various businesses are as follows. The Group's percentage holdings in each of the below businesses are disclosed in note 43.

- Zinc India business is owned and operated by Hindustan Zinc Limited ("HZL").
- Zinc international business comprises Skorpion mine and refinery in Namibia operated through THL Zinc Namibia Holdings (Proprietary) Limited ("Skorpion"), Lisheen mine in Ireland operated through Vedanta Lisheen Holdings Limited ("Lisheen") (Lisheen mine ceased operations in December 2015) and Black Mountain Mining (Proprietary) Limited ("BMM"), whose assets include the operational Black Mountain mine and the Gamsberg mine project located in South Africa.
- The Group's oil and gas business is owned and operated by the Company and its subsidiary, Cairn Energy Hydrocarbons Limited ("CEHL") and consists of exploration and development and production of oil and gas.
- The Group's iron ore business is owned by the Company, and by its wholly owned subsidiary, i.e., Sesa Resources Limited and consists of exploration, mining and processing of iron ore, pig iron and metallurgical coke and generation of power for captive use. Pursuant to the Hon'ble Supreme Court of India order, mining operations in the state of Goa were suspended. During the year ended 31 March 2024, the Company has received environment clearance from the Ministry of Environment, Forest and Climate Change ("MoEFCC") and Consent to Operate ("CTO") from Goa State Pollution Board followed by commencement of Bicholim mining operations in March 2024 and the same is operational during the year.

  During the year ended 31 March 2025, the Company has received environment clearance from the MoEFCC for Cudnem mines Block VII and the other approvals are under process.

  In addition, the Group's iron ore business also includes a wholly owned subsidiary, Western Cluster Limited ("WCL") in Liberia which has iron ore assets. WCL's assets include development rights to Western Cluster and a network of iron ore deposits in West Africa. During the previous year, WCL had signed a Memorandum of Understanding with the Government of Liberia to re-start its mining operations in Liberia post which commercial production and shipments of saleable ore were commenced.
- The Group's copper business is owned and operated by the Company, Fujairah Gold FZC and Thalanga Copper Mines ("TCM") is principally one of custom smelting and includes captive power plants at Tuticorin in Southern India. A more detailed update on facilities at Tuticorin is given in note 3(c) (A)(iii).

  Further, the Company's copper business includes refinery and rod plant in Silvassa consisting of blister/ secondary material processing plant, a 216,000 TPA copper tank house plant and a copper rod mill with an installed capacity of 258,000 TPA. The plant continues to operate as usual, catering to the domestic market.

  In addition, the Group owns and operates a precious metal refinery and copper rod plant in Fujairah, UAE through its subsidiary Fujairah Gold FZC.
- The Group's Aluminium business is owned and operated by the Company and by Bharat Aluminium Company Limited ("BALCO"). The aluminium operations include a refinery and captive power plant at Lanjigarh, smelter and captive power plants at Jharsuguda and coal mines at Jamkhani, all situated in the State of Odisha in Eastern India. BALCO's partially integrated aluminium operations comprise two bauxite mines, two coal mines, power plants, smelting and fabrication facilities in the State of Chhattisgarh in central India.
- The Group's power business is owned and operated by the Company, and its wholly owned subsidiaries, Talwandi Sabo Power Limited ("TSPL") and Meenakshi Energy Limited ("Meenakshi"), which are engaged in the power generation business in India. The Company's power operations include a thermal coal-based commercial power facility of 600 MW at Jharsuguda in the State of Odisha in Eastern India and a 1200 MW (two units of 600 MW each) thermal coal-based power plant, in the State of Chhattisgarh in Eastern India. Talwandi Sabo Power Limited ("TSPL") power operations include 1,980 MW (three units of 660 MW each) thermal coal- based commercial power facilities. Meenakshi power operations include 1,000 MW coal-based power plant (two units of 150 MW each and two units of 350 MW each), located at Nellore, Andhra Pradesh. Power business also includes the wind power plants commissioned by HZL and a power plant at MALCO Energy Limited ("MEL") (under care and maintenance) situated at Mettur Dam in the State of Tamil Nadu in southern India.
- The Group's other activities include ESL Steel Limited ("ESL") (formerly known as Electrosteel Steels Limited). ESL is engaged in the manufacturing and supply of billets, TMT bars, wire rods and ductile iron pipes in India and also deals in mining of iron ore and its supply.
- The Group's other business also include Vizag General Cargo Berth Private Limited ("VGCB"). Vizag port project includes mechanization of coal handling facilities and upgradation of general cargo berth for handling coal at the outer harbour of Visakhapatnam Port on the east coast of India. VGCB commenced operations in the fourth quarter of fiscal 2013. The Group's other business also includes AvanStrate Inc. ("ASI"), Vedanta Semiconductors Private Limited ("VSPL"), Vedanta Displays Limited ("VDL"), Ferro Alloys Corporation Limited ("FACOR") and Desai Cement Company Private Limited ("DCCPL"). ASI is involved in the manufacturing of glass substrate in South Korea and Taiwan. The Company has acquired Vedanta Semiconductors Private Limited and Vedanta Displays Limited during FY 24 for manufacturing semiconductor and display glass panels, respectively. FACOR is involved in manufacturing of Ferro Alloys, mining of chrome ore and generation of power. It owns a ferro chrome plant with a capacity of approximately 1,40,000 TPA, a 100MW power plant and mines in Sukinda valley with current capacity of 2,90,000 TPA. DCCPL is involved in business of producing slag cements and owns three ball mills with capacity of 126,000 TPA.

2 Basis of preparation and basis of measurement of financial statements

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, presentation requirement of Division II of schedule III and other relevant provisions of the Companies Act, 2013 (the "Act") (as amended from time to time), guidelines issued by the Securities and Exchange Board of India ("SEBI") and Guidance Note on Accounting for Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India.

These consolidated financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The Group has identified 12 months as its operating cycle for the classification of assets and liabilities into current and non-current.

These consolidated financial statements are approved for issue by the Board of Directors on 30 April 2025. The revision to these consolidated financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

All financial information presented in Indian Rupees has been rounded off to the nearest crore except when indicated otherwise. Amounts less than ₹ 0.50 Crore have been presented as "0".

The consolidated financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value as explained in the accounting policies below. The Group has availed long term debt (refer notes 19A and 19B). In the unlikely event, Vedanta Resources Limited (together with its subsidiaries) ceases to hold more than 50.1% stake in the Company and its certain subsidiaries, ₹ 46,690 Crore of the Group's outstanding long-term debt would become repayable on demand. Management basis assessment of free cash flows, its ability to refinance existing debt and other strategic initiatives, considers the same as remote.

3(a) Material accounting policies

(A) Basis of Consolidation

i) Subsidiaries:

The consolidated financial statements incorporate the results of the Company and all its subsidiaries (the "Group"), being the entities that it controls.

The financial statements of subsidiaries are prepared for the same reporting year as the parent Company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group.

For non-wholly owned subsidiaries, a share of the profit/(loss) for the financial year and net assets is attributed to the non-controlling interests as shown in the consolidated statement of profit and loss and consolidated balance sheet.

Liability for put option issued to non-controlling interests which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is reclassified from equity. At the end of each reporting period, the non-controlling interests subject to put option is derecognised and the difference between the amount derecognised and present value of the redemption amount, which is recorded as a financial liability, is accounted for as an equity transaction.

For acquisitions of additional interests in subsidiaries, where there is no change in control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Intra-Group balances and transactions, and any unrealized profit arising from intra-Group transactions, are eliminated. Unrealized losses are eliminated unless costs cannot be recovered.

ii) Joint arrangements

A Joint arrangement is an arrangement of which two or more parties have joint control. Joint control is considered when there is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby, the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group has both joint operations and joint ventures.

Joint operations

The Group has joint operations within its Oil and gas segment. It participates in several unincorporated joint operations which involve the joint control of assets used in oil and gas exploration and producing activities. The Group accounts for its share of assets, liabilities, income and expenditure of joint operations in which the

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Group holds an interest. Liabilities in unincorporated joint operations, where the Group is the operator, is accounted for at gross values (including share of other partners) with a corresponding receivable from the venture partner. These have been included in the consolidated financial statements under the appropriate headings.

Details of joint operations are set out in Note 43.

Joint venture

The Group accounts for its interest in joint venture using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet. Goodwill arising on the acquisition of joint venture is included in the carrying value of investments in joint venture.

iii) Investments in associates

Investments in associates are accounted for using the equity method (see (iv) below).

iv) Equity method of accounting

Under the equity method of accounting applicable for investments in associates and joint ventures, investments are initially recorded at the cost to the Group and then, in subsequent periods, the carrying value is adjusted to reflect the Group's share of the post-acquisition profits or losses of the investee, and the Group's share of other comprehensive income of the investee, other changes to the investee's net assets and is further adjusted for impairment losses, if any. Dividend received or receivable from associates and joint-ventures are recognised as a reduction in carrying amount of the investment.

The consolidated statement of profit and loss include the Group's share of investee's results, except where the investee is generating losses, share of such losses in excess of the Group's interest in that investee are not recognised. Losses recognised under the equity method in excess of the Group's investment in ordinary shares are applied to the other components of the Group's interest that forms part of Group's net investment in the investee in the reverse order of their seniority (i.e., priority in liquidation).

If the Group's share of losses in an associate or joint venture equals or exceeds its interests in the associate or joint venture, the Group discontinues the recognition of further losses. Additional losses are provided for, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate/joint venture.

Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in these entities. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment of the asset transferred. Accounting policies of equity accounted investees is changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in Note 3(a)(G) below.

(B) Business combination

Business combinations are accounted for under the acquisition method. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under Ind AS 103 'Business Combinations' are recognised at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standards.

Excess of fair value of purchase consideration and the acquisition date non-controlling interest over the acquisition date fair value of identifiable assets acquired and liabilities assumed is recognised as goodwill. Goodwill arising on acquisitions is reviewed for impairment annually. Where the fair values of the identifiable assets and liabilities exceed the purchase consideration, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Where it is not possible to complete the determination of fair values by the date on which the first post-acquisition financial statements are approved, a provisional assessment of fair value is made and any adjustments required to those provisional fair values are finalised within 12 months of the acquisition date.

Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed twelve months from the acquisition date.

Any non-controlling interest in an acquiree is measured at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This accounting choice is made on a transaction by transaction basis.

Acquisition expenses are charged to the consolidated statement of profit and loss in the periods in which the costs are incurred and the services are received except costs to issue debt or equity securities which shall be recognised in accordance with Ind AS 32 and Ind AS 109.

If the Group acquires a Group of assets in a Company that does not constitute a business combination in accordance with Ind AS 103 'Business Combinations', the cost of the acquired Group of assets is allocated to the individual identifiable assets acquired based on their relative fair value.

Common control transactions

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts recorded in the parent entity's consolidated financial statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.

The components of equity of the acquired companies are added to the same components within Group equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves. The Company's shares issued in consideration for the acquired companies are recognised at face value from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented. However, the prior year comparative information is only adjusted for periods during which entities were under common control.

(C) Revenue recognition

- **Sale of goods/rendering of services (Including Revenue from contracts with customers)**

  The Group's revenue from contracts with customers is mainly from the sale of copper, aluminium, iron ore, zinc, oil and gas, power, steel, glass substrate and port operations. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer as per terms of contract, which usually is on delivery of the goods to the shipping agent at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by-products are included in revenue.

  Certain of the Group's sales contracts provide for provisional pricing based on the price on the London Metal Exchange (LME) and crude index, as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 'Revenue from contracts with customers' and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments, i.e., the consideration adjusted post transfer of control are included in total revenue from operations on the face of the consolidated statement of profit and loss and disclosed by way of note to the financial statements. Final settlement of the price is based on the applicable price for a specified future period. The Group's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

  Revenue from oil, gas and condensate sales represent the Group's share in the revenue from sale of such products, by the joint operations, and is recognised as and when control in these products gets transferred to the customers. In computing its share of revenue, the Group excludes government's share of profit oil which gets accounted for when the obligation in respect of the same arises.

  Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at a rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

  Where the Group acts as a port operator, revenues relating to operating and maintenance phase of the port contract are recognised when the services are rendered at the amount that Group expects to be entitled to for the services provided.

  If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is received. The advance payments received plus a specified rate of return/ discount, at the prevailing market rates, is settled by supplying respective goods over a period of up to twenty four months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Group expects, and has the ability, to fulfil through delivery of a non-financial item, these are presented as advance from customers and are recognised as revenue as and when control of respective commodities is transferred to customers under the agreements. The fixed rate of return/discount is treated as finance cost. The portion of the advance where either the Group does not have a unilateral right to defer settlement beyond 12 months or expects settlement within 12 months from the balance sheet date is classified as current liability.

- **Interest income**

  Interest income from debt instruments is recognised using the effective interest rate method.

- **Dividends**

  Dividend income is recognised in the consolidated statement of profit and loss only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(D) Property, Plant and Equipment

i) Mining properties and leases

When a decision is taken that a mining property is viable for commercial production (i.e., when the Group determines that the mining property will provide sufficient and sustainable return relative to the risks and the Group decided to proceed with the mine development), all further pre-production primary development expenditure other than that on land, buildings, plant, equipment and capital work in progress is capitalised as property, plant and equipment under the heading "Mining properties and leases" together with any amount transferred from "Exploration and evaluation" assets. The costs of mining properties and leases include the costs of acquiring and developing mining properties.

The stripping cost incurred during the production phase of a surface mine is deferred to the extent the current period stripping cost exceeds the average period stripping cost over the life of mine and recognised as an asset if such cost provides a benefit in terms of improved access to ore in future periods and certain criteria are met. When the benefit from the stripping costs are realised in the current period, the stripping costs are accounted for as the cost of inventory. If the costs of inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. The Group uses the expected volume of waste compared with the actual volume of waste extracted for a given value of ore/ mineral production for the purpose of determining the cost of the stripping activity asset.

Deferred stripping costs are included in mining properties within property, plant and equipment and disclosed as a part of mining properties. After initial recognition, the stripping activity asset is depreciated on a unit of production method over the expected useful life of the identified component of the ore body.

In circumstances where a mining property is abandoned, the cumulative capitalised costs relating to the property are written off in the period in which it occurs, i.e., when the Group determines that the mining property will not provide sufficient and sustainable returns relative to the risks and the Group decides not to proceed with the mine development.

Commercial reserves are proved and probable reserves as defined by the 'JORC' Code, 'MORC' code or 'SAMREC' Code. Changes in the commercial reserves affecting unit of production calculations are dealt with prospectively over the revised remaining reserves.

ii) Oil and gas assets (developing/producing assets)

For oil and gas assets, a "successful efforts" based accounting policy is followed. Costs incurred prior to obtaining the legal rights to explore an area are

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

expensed immediately to the consolidated statement of profit and loss.

All costs incurred after the technical feasibility and commercial viability of producing hydrocarbons has been demonstrated are capitalised within property, plant and equipment - development/producing assets on a field-by-field basis. Subsequent expenditure is capitalised only where it either enhances the economic benefits of the development/producing asset or replaces part of the existing development/producing asset. Any remaining costs associated with the part replaced are expensed.

Net proceeds from any disposal of development/producing assets are credited against the previously capitalised cost. A gain or loss on disposal of a development/producing asset is recognised in the consolidated statement of profit and loss to the extent that the net proceeds exceed or are less than the appropriate portion of the net capitalised costs of the asset.

iii) Other property, plant and equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequently, property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the consolidated statement of profit and loss for the year during which such expenses are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset or disposal. Gains and losses on disposal of an item of property, plant and equipment is included in the statement of profit and loss when the asset is derecognised. Major inspection and overhaul expenditure is capitalised, if the recognition criteria are met.

iv) Assets under construction

Assets under construction are capitalised in the assets under Capital work in progress. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Capital work in progress is carried at cost less accumulated impairment losses, if any.

v) Depreciation, depletion and amortisation expense

Mining properties and other assets in the course of development or construction and freehold land and goodwill are not depreciated or amortised.

- **Mining properties**

The capitalised mining properties are amortised on a unit-of-production basis over the total estimated remaining commercial proved and probable reserves of each property or Group of properties and are subject to impairment review. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future capital expenditure required to access the commercial reserves. Changes in the estimates of commercial reserves or future capital expenditure are dealt with prospectively.

- **Oil and gas producing facilities**

All expenditures carried within each field are amortised from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of depletable reserves at the end of the period plus the production in the period, generally on a field-by-field basis or Group of fields which are reliant on common infrastructure.

Depletable reserves are proved reserves for acquisition costs and proved and developed reserves for successful exploratory wells, development wells, processing facilities, distribution assets, estimated future abandonment cost and all other related costs. These assets are depleted within each cost centre. Reserves for this purpose are considered on working interest basis which are reassessed atleast annually. Impact of changes to reserves are accounted for prospectively.

- **Other assets**

Depreciation on other Property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives (determined by the management) as given below.

Management's assessment takes into account, inter alia, the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

Estimated useful life of assets are as follows:

Asset	Useful life (in years)
Buildings (Residential; factory etc.)	3-60
Plant and equipment	6-40
Railway siding	15
Office equipment	3-6
Furniture and fixture	8-10
Vehicles	8-10

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit to be derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the consolidated statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Group reviews the residual value and useful life of an asset at least at each financial year-end. The Group considers climate-related matters, including physical and transition risks in its assessment of expected useful lives and estimated residual values. If expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

During the year ended 31 March 2025, the Group has reassessed the useful life of a certain category of assets included in plant and equipment and accordingly has revised the estimate of its useful life in respect of pot relining assets from 5 years to 6.5 years and for alumina refinery assets from 15-25 years to 25-30 years in aluminium segment. This change is based on several factors, primary being the anticipated usage of these assets in future years. As a result of this reassessment, the depreciation and amortization expense for the year ended 31 March 2025, decreased by ₹ 268 Crore. The impact of this change is expected to reduce the depreciation and amortization expense by ₹ 418 Crore each for the year ending 31 March 2026 and year ending 31 March 2027.

(E) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

The Group recognises port concession rights as "Intangible Assets" arising from a service concession arrangements, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, irrespective whether the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement. Such an intangible asset is recognised by the Group initially at cost determined as the fair value of the consideration received or receivable for the construction service delivered and is capitalised when the project is complete in all respects. Port concession rights are amortised on straight line basis over the balance of license period. The concession period is 30 years from the date of the award. Any addition to the port concession rights are measured at fair value on recognition. Port concession rights also include certain property, plant and equipment in accordance with Appendix D of Ind AS 115 "service concession arrangements".

Mining rights include the cost incurred for mines such as stamp duty, registration fees and other such costs together with cost incurred on development of mining rights and other related cost of mines transferred from "Exploration intangible assets under development".

Intangible assets are amortised over their estimated useful life on a straight line basis. Software is amortised over the estimated useful life ranging from 2-5 years. Amounts paid for securing mining rights are amortised over the period of the mining lease ranging from 16-25 years. Technological know-how and acquired brand are amortised over the estimated useful life of ten years.

Gains or losses arising from derecognition of an intangible asset are recognised in the consolidated statement of profit and loss when the asset is derecognised.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

(F) Exploration and evaluation intangible assets

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred.

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation intangible assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration intangible assets under development are assessed for impairment and impairment loss, if any, is recognised prior to reclassification.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

- Acquisition costs - costs associated with acquisition of licenses and rights to explore, including related professional fees.
- General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defence clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.
- Costs of exploration drilling and equipping exploration and appraisal wells.

Exploration expenditure incurred in the process of determining oil and gas exploration targets is capitalised within "Exploration and evaluation assets" (intangible assets) and subsequently allocated to drilling activities. Exploration drilling costs are initially capitalised on a well-by-well basis until the success or otherwise of the well has been established. The success or failure of each exploration effort is judged on a well-by-well basis. Drilling costs are written off on completion of a well unless the results indicate that hydrocarbon reserves exist and there is a reasonable prospect that these reserves are commercial.

Following appraisal of successful exploration wells, if commercial reserves are established and technical feasibility for extraction demonstrated, then the related capitalised exploration costs are transferred into a single field cost centre within property, plant and equipment - development/producing assets (oil and gas properties) after testing for impairment. Where results of exploration drilling indicate the presence of hydrocarbons which are ultimately not considered commercially viable, all related costs are written off to the consolidated statement of profit and loss.

Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Net proceeds from any disposal of an exploration asset are initially credited against the previously capitalised costs. Any surplus/ deficit is recognised in the consolidated statement of profit and loss.

(G) Impairment of non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units.

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. The Group conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. Internal and external factors, such as worse economic performance than expected, changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the Group and not applicable to entities in general. Fair value for mineral and oil and gas assets is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

cash flows are discounted at an appropriate post tax discount rate to arrive at the net present value.

If any such indication exists where annual testing of impairment is required, then an impairment review is undertaken and the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Group's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation. The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value in use amounts.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined. The carrying value is net of deferred tax liability recognised in the fair value of assets acquired in the business combination.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised except if initially attributed to goodwill.

Exploration and evaluation intangible assets:

In assessing whether there is any indication that an exploration and evaluation asset may be impaired, the Group considers, as a minimum, the following indicators:

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area;
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale; and
- reserve information prepared annually by external experts.

When a potential impairment is identified, an assessment is performed for each area of interest in conjunction with the Group of operating assets (representing a cash-generating unit) to which the exploration and evaluation assets is attributed. Exploration areas in which reserves have been discovered but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway or planned. To the extent that capitalised expenditure is no longer expected to be recovered, it is charged to the consolidated statement of profit and loss.

(H) Financial instruments

(i) Financial assets - recognition and subsequent measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

For purposes of subsequent measurement, financial assets are classified in four categories:

- **Financial assets at amortised cost**

  After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.

- **Financial assets at fair value through other comprehensive income (FVOCI)**

  Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in other comprehensive income is reclassified from the equity to consolidated statement of profit and loss. Interest earned whilst holding fair value through other comprehensive income debt instrument is reported as interest income using the EIR method.

  For equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the consolidated statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

- **Financial assets at fair value through profit or loss (FVTPL)**

  Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

  In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument at FVTPL.

  An equity instrument in the scope of Ind AS 109 is measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

  Further, the provisionally priced trade receivables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

(ii) Impairment of financial assets

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL.

a) Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Group does not reduce impairment allowance from the gross carrying amount.

b) Debt instruments measured at FVOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(iii) Financial Assets - Derecognition

A financial asset is derecognised when the contractual rights to receive cash flows from the financial asset expire, or when the financial asset is transferred, and the transfer qualifies for derecognition under Ind AS 109.

(iv) Financial liabilities – Recognition and Subsequent measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value, and in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

  Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to consolidated income statement. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the consolidated statement of profit and loss. The Group has not designated any financial liability at fair value through profit or loss.

  Further, the provisionally priced trade payables are marked to market using the relevant forward prices for the future period specified in the contract.

- **Financial liabilities at amortised cost (Loans, Borrowings and Trade and Other payables)**

  After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

(v) Financial liabilities - Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. When a new financial liability is recognised in place of an existing one, the difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

(vi) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

The Group recognises a liability to pay dividend to the equity holders when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution with respect to interim dividend is authorised when it is approved by the board of directors of the Company and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(I) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Group enters into forward, option, swap contracts and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the consolidated statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the consolidated statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the consolidated statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the consolidated statement of profit and loss. Hedge accounting is discontinued when the Group revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts recognised in OCI are transferred to the consolidated statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(J) Leases

The Group assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

b) Group as a lessee

The Group as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities towards future lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets ("ROU")

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as described in 'D' above.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are disclosed on the face of consolidated balance sheet.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(K) Inventories

Inventories and work-in-progress are valued at the lower of cost and net realisable value. Cost is determined on the following basis:

- Purchased copper concentrate is recorded at cost on a first-in, first-out ("FIFO") basis; all other materials including stores and spares are valued on weighted average basis except in Oil and Gas business where stores and spares are valued on FIFO basis;
- Finished products are valued at raw material cost plus costs of conversion, comprising labour cost and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a weighted average basis (except in copper business where FIFO basis is followed); and
- By-products and scrap are valued at net realisable value.

Net realisable value is determined based on estimated selling price, less further costs expected to be incurred for completion and disposal.

Inventories of 'Fuel Stock' mainly consist of coal which is used for generating power. On consumption, the

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

cost is charged off to 'Power and Fuel' expenses in the consolidated statement of profit and loss.

(L) Government grants

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Where the grant relates to an asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

(M) Taxation

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Subject to the exceptions below, deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and on carry forward of unused tax credits and unused tax losses:

- tax payable on the future remittance of the past earnings of subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future;
- deferred income tax is not recognised on:

(a) initial recognition as well as on the impairment of goodwill which is not deductible for tax purposes; or

(b) initial recognition of an asset or liability in a transaction that:

(i) is not a business combination;

(ii) at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss)and

(iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences; and

- deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax is provided on temporary differences arising on acquisitions that are categorised as Business Combinations. Deferred tax is recognised at acquisition as part of the assessment of the fair value of assets and liabilities acquired. Subsequently deferred tax is charged or credited in the consolidated statement of profit and loss/other comprehensive income as the underlying temporary difference is reversed.

Further, management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

(N) Retirement benefit schemes

The Group operates or participates in a number of defined benefits and defined contribution schemes, the assets of which (where funded) are held in separately administered funds. For defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation each year separately for each plan using the projected unit credit method by third party qualified actuaries.

Remeasurement including, effects of asset ceiling and return on plan assets (excluding amounts included in interest on the net defined benefit liability) and actuarial gains and losses arising in the year are recognised in full in other comprehensive income and are not recycled to the consolidated statement of profit and loss.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Net interest is calculated by applying a discount rate to the net defined benefit liability or asset at the beginning of the period. Defined benefit costs are split into current service cost, past service cost, net interest expense or income and remeasurement and gains and losses on curtailments and settlements. Current service cost and past service cost are recognised within employee benefit expense. Net interest expense or income is recognised within finance costs.

For defined contribution schemes, the amount charged to the consolidated statement of profit and loss in respect of pension costs and other post retirement benefits is the contributions payable in the year, recognised as and when the employee renders related services.

(O) Share-based payments

Certain employees (including executive directors) of the Group receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of equity-settled transactions with employees is measured at fair value of share awards at the date at which they are granted. The fair value of share awards is determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Group's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

The resultant increase in equity is recorded in share-based payment reserve.

In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined with the assistance of an external valuer.

(P) Provisions, contingent liabilities and contingent assets

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the consolidated statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated balance sheet.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

The Group has significant capital commitments in relation to various capital projects which are not recognised in the consolidated balance sheet.

(Q) Restoration, rehabilitation and environmental costs

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of a mine or oil fields. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalised at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the consolidated statement of profit and loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The impact of climate-related matters, such as changes in environmental regulations and other relevant legislation, is considered by the Group

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

in estimating the restoration, rehabilitation and environmental costs. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance cost in the consolidated statement of profit and loss.

Costs for the restoration of subsequent site damage, which is caused on an ongoing basis during production, are provided for at their net present value and charged to the consolidated statement of profit and loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.

(R) Accounting for foreign currency transactions and translations

The functional currency for each entity in the Group is determined as the currency of the primary economic environment in which it operates. For all principal operating subsidiaries, the functional currency is normally the local currency of the country in which it operates with the exception of oil and gas business operations which have a US dollar functional currency as that is the currency of the primary economic environment in which it operates. The financial statements are presented in Indian rupee (₹).

In the financial statements of individual Group companies, transactions in currencies other than the respective functional currencies are translated into their functional currencies at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into functional currencies at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the consolidated statement of profit and loss except those where the monetary item is designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognised in the other comprehensive income.

Exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalised as part of borrowing costs in qualifying assets.

For the purposes of the consolidation of financial statements, items in the consolidated statement of profit and loss of those businesses for which the Indian Rupees is not the functional currency are translated into Indian Rupees at the average rates of exchange during the year/ exchange rates as on the date of transaction. The related consolidated balance sheet is translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in consolidated statements of other comprehensive income. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in the consolidated statement of profit and loss.

The Group had applied paragraph 46A of AS 11 under Previous GAAP. Ind AS 101 gives an option, which has been exercised by the Group, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. Hence, foreign exchange gain/loss on long-term foreign currency monetary items recognised upto 31 March 2016 has been deferred/capitalised. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets.

Exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post 01 April 2016, pertaining to the acquisition of a depreciable asset are charged to the consolidated statement of profit and loss.

(S) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(T) Buyers' Credit/ Suppliers' Credit and vendor financing

The Group enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty six months (for project and materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit and disclosed on the face of the consolidated balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non-cash item and settlement of operational buyer's credit/ suppliers' credit by the Group is treated as cash flows from operating activity reflecting the substance of the payment.

Where such arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the consolidated balance sheet. Payments made to vendors are treated as cash item and disclosed as cash flows from operating/ investing activity depending on the nature of the underlying transaction. Settlement of dues to banks and financial institution are treated as cash flows from financing activity.

(U) Borrowing costs

Borrowing cost includes interest expense as per effective interest rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use, i.e., when they are capable of commercial production. Borrowing costs relating to the construction phase of a service concession arrangement is capitalised as part of the cost of the intangible asset. Where funds are borrowed specifically to finance a qualifying capital project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a qualifying capital project, the income generated from such short-term investments is deducted from the total capitalised borrowing cost. If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing then becomes part of general borrowing. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year.

All other borrowing costs are recognised in the consolidated statement of profit and loss in the year in which they are incurred.

Capitalisation of interest on borrowings related to construction or development projects is ceased when substantially all the activities that are necessary to make the assets ready for their intended use are complete or when delays occur outside of the normal course of business.

(V) Treasury shares

The Group has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares of the Company from the market, for giving shares to employees. The shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in equity. Share options whenever exercised, would be satisfied with treasury shares.

(W) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(X) Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence (including

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Also tax charges related to exceptional items and certain one-time tax effects are considered exceptional. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in note 36.

3(b) Application of new and amended standards

(A) The Group has adopted, with effect from 01 April 2024, the following new and revised standards. Their adoption has not had any material impact on the amounts reported in the consolidated financial statements.

Ind AS 116 Leases: The amendments in Ind AS 116 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

IND AS 117 Insurance Contracts: This standard is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features.

The application of Ind AS 117 had no impact on the Group's consolidated financial statements as the Group has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(B) Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Group's financial statements.

3(c) Significant accounting estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated financial statements and the reported amounts of revenues and expenses for the years presented. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as given below.

(A) Significant estimates

i) Carrying value of exploration and evaluation assets

Exploration assets are assessed by comparing the carrying value to higher of fair value less cost of disposal or value in use if impairment indicators, as contained in Ind AS 106, exists. Change to the valuation of exploration assets is an area of judgement. Further details on the Group's accounting policies on this are set out in accounting policy above. The amounts for exploration and evaluation assets represent active exploration projects. These amounts will be written off to the consolidated statement of profit and loss as exploration costs unless commercial reserves are established or the determination process is not completed and there are no indications of impairment. The outcome of ongoing exploration, and therefore whether the carrying value of exploration and evaluation assets will ultimately be recovered, is inherently uncertain.

Details of carrying values are disclosed in note 6.

ii) Recoverability of deferred tax and other income tax assets

The Group has carry forward tax losses and unabsorbed depreciation that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilized. This

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated statement of profit and loss.

During the year ended 31 March 2024, based on financial projections and requirements of Ind AS 12, ESL derecognised deferred tax assets on business losses amounting to ₹ 309 Crore. As at 31 March 2025, based on financial projections and requirements of Ind AS 12, ESL Steel Limited ("ESL") has deferred tax assets balance on carry forward unabsorbed depreciation of ₹ 2,787 Crore (31 March 2024: ₹ 2,787 Crore), which based on management's estimate is probable to realise.

iii) Copper operations in Tamil Nadu, India

Tamil Nadu Pollution Control Board ("TNPCB") had issued a closure order of the Tuticorin Copper smelter, against which the Company had filed an appeal with the National Green Tribunal ("NGT"). NGT had, on 08 August 2013, ruled that the Copper smelter could continue its operations subject to implementation of recommendations of the Expert Committee appointed by the NGT. The TNPCB had filed an appeal against the order of the NGT before the Hon'ble Supreme Court of India.

In the meanwhile, the application for renewal of Consent to Operate ("CTO") for existing copper smelter was rejected by TNPCB in April 2018. The Company had filed an appeal before the TNPCB Appellate Authority challenging the Rejection Order. During the pendency of the appeal, the TNPCB vide its order dated 23 May 2018 ordered closure of existing copper smelter plant with immediate effect.

Further, the Government of Tamil Nadu issued orders on the same date with a direction to seal the existing copper smelter plant permanently which were not in accordance with the procedure prescribed under applicable laws. Subsequently, the Directorate of Industrial Safety and Health passed orders dated 30 May 2018, directing the immediate suspension and revocation of the Factory License and the Registration Certificate for the existing smelter plant.

The Company appealed this before the NGT. NGT vide its order on 15 December 2018 had set aside the impugned orders and directed the TNPCB to pass fresh orders for renewal of consent and authorization to handle hazardous substances, subject to appropriate conditions for protection of environment in accordance with law.

The State of Tamil Nadu and TNPCB approached the Hon'ble Supreme Court in Civil Appeals on 02 January 2019 challenging the judgement of NGT dated 15 December 2018 and the previously passed judgement of NGT dated 08 August 2013. the Hon'ble Supreme Court vide its judgement dated 18 February 2019 set aside the judgements of NGT dated 15 December 2018 and 08 August 2013 solely on the basis of maintainability and directed the Company to file an appeal in High court.

The Company had filed a writ petition before the Madras High Court challenging the various orders passed against the Company in FY 2018 and FY 2013. On 18 August 2020, the Madras High Court delivered the judgement wherein it dismissed all the Writ Petitions filed by the Company. Thereafter, the Company had approached the Hon'ble Supreme Court and challenged the said High Court order by way of a Special Leave Petition ("SLP").

The Hon'ble Supreme Court, after hearing the parties to the proceedings had dismissed the SLP filed by the Company vide judgment dated 29 February 2024. On 01 April 2024, The Company preferred a review petition before the Hon'ble Supreme Court. In the said review petition, the Company also moved an application for open Court hearing of the review petition. The review petition, along-with the application for listing the review petition in the open Court, was dismissed on 22 October 2024. The Company is currently evaluating legal remedies available with it including filing of curative petition before the Hon'ble Supreme Court.

Expansion Project:

Separately, the Company had filed a fresh application for renewal of the Environmental Clearance for the proposed Copper Smelter Plant 2 ("Expansion Project") dated 12 March 2018 before the Expert Appraisal Committee of the Ministry of Environment, Forest and Climate Change ("MoEFCC") wherein a sub-committee was directed to visit the Expansion Project site prior to prescribing the Terms of Reference.

In the meantime, the Madurai Bench of Madras High Court in a Public Interest Litigation held vide 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

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

hearing and in the interim, ordered the Company to cease construction and all other activities on site for the proposed Expansion Project with immediate effect. The MoEFCC had delisted the Expansion Project since the matter was sub-judice. Separately, State Industries Promotion Corporation of Tamil Nadu Limited ("SIPCOT") vide its letter dated 29 May 2018, cancelled 342.22 acres of the land allotted for the proposed Expansion Project. Further, the TNPCB issued orders on 07 June 2018 directing the withdrawal of the Consent to Establish ("CTE") which was valid till 31 March 2023.

The Company had approached Madras High Court by way of writ petition challenging the cancellation of lease deeds of land (Gross block: ₹ 31 Crore (Net block: ₹ Nil Crore)) by SIPCOT pursuant to which an interim stay had been granted. The Company had also appealed this action before the TNPCB Appellate Authority. The matter has been adjourned until further notice.

As per the Company's assessment, it is in compliance with the applicable regulations and hence preferred a review petition before the Hon'ble Supreme Court. Considering prolonged time of plant closure and uncertainties around opening of plant due to rejection of SLP by Hon'ble Supreme Court, the Company has carried out an impairment assessment, on Tuticorin plant assets having carrying value of ₹ 1,681 Crore (including PPE, CWIP and inventory) using Depreciated Replacement Cost / Scrap Value method for PPE and CWIP, and Net recoverable method for inventory. Accordingly, impairment on assets of ₹ 746 Crore (including PPE of ₹ 553 Crore, CWIP of ₹ 130 Crore and loss on inventory of ₹ 63 Crore) has been recorded during the previous year ended 31 March 2024.

Property, plant and equipment of ₹ 410 Crore (31 March 2024: ₹ 432 Crore) and inventories of ₹ 226 Crore (31 March 2024: ₹ 217 Crore), pertaining to existing and expansion plant, could not be physically verified, anytime during the year, as the access to the plant is presently restricted. However, any difference between book and physical quantities is unlikely to be material.

(iv) ESL, had filed application for renewal of CTO on 24 August 2017 for a period of five years which was denied by Jharkhand State Pollution Control Board ("JSPCB") on 23 August 2018, as JSPCB awaited response from the MoEFCC over a 2012 show-cause notice. After a personal hearing towards the show cause notice, the MoEFCC revoked the Environment Clearance ("EC") on 20 September 2018. The High Court of Jharkhand granted stay against both revocation orders and allowed the continuous running of the plant operations under regulatory supervision of the JSPCB. Jharkhand High Court, on 16 September 2020, passed an order vacating the interim stay in place beyond 23 September 2020, while listed the matter for final hearing. ESL urgently filed a petition in the Hon'ble Supreme Court, and on 22 September 2020, ESL was granted permission to run the plant till further orders.

The Forest Advisory Committee ("FAC") of the MoEFCC granted the Stage 1 clearance and the MoEFCC approved the related Terms of Reference ("TOR") on 25 August 2020. ESL presented its proposal before the Expert Appraisal Committee ("EAC") after completing the public consultation process and the same has been recommended for grant of EC subject to Forest Clearance by the EAC in its 41st meeting dated 29 and 30 July 2021. Vide letter dated 25 August 2021, the MoEFCC rejected the EC "as of now" due to stay granted by Madras High Court vide order dated 15 July 2021 in a Public Interest Litigation filed against the Standard Operating Procedure which was issued by the MoEFCC for regularization of violation case on 07 July 2021. The Hon'ble Supreme Court vide order dated 09 December 2021 decided the matter by directing the MoEFCC to process the EC application of ESL as per the applicable law within a period of three months. The MoEFCC vide its letter dated 02 February 2022 has deferred the grant of EC till Forest Clearance ("FC") Stage-II is granted to ESL. ESL has submitted its reply against the MoEFCC letter vide letter dated 11 February 2022 for reconsidering the decision of linking EC with FC as the grant of FC Stage – II is not a condition precedent for grant of EC. As per Stage 1 clearance, the Group is required to provide non-forest land in addition to the afforestation cost. The Group, based on the report of an Environment Impact Assessment consultant, had recognised a provision of ₹ 213 Crore as part of exceptional item during the year ended 31 March 2021 with respect to the costs to be incurred by it for obtaining EC and an additional ₹ 7 Crore was provided against final order relating to wildlife conservation plan received during the year ended 31 March 2022.

On 05 June 2023, the MoEFCC revoked the FC Stage-I against which ESL has written a letter for reconsideration. Against the revocation, the State Govt of Jharkhand has also submitted its request letter to the MoEFCC to reconsider its decision and grant some more time. Referring to the State's letter, the MoEFCC has issued a letter dated 18 August 2023 to the Principal Secretary (Forest), Jharkhand to submit the compliance status report, which was submitted on 17 November 2023 with positive remarks. The MoEFCC has directed the State Government for updated status vide letter dated 12 February 2025 post receiving letter dated 01 February 2025 from ESL requesting for consideration in light of the land issues in the State.The MoEFCC is formulating a policy pertaining to CA Land imposition in violation cases. The Policy is awaited and expected to be released shortly. Meanwhile, ESL has applied for FC again in March 2025 (continuation of last FC) in light of the Policy and lapsing of 5 years statutory timeline. Project Steering Committee (PSC) has approved the proposal and forwarded the same to DFO, Bokaro. Pending completion of the entire process and determination of aggregate cost, ₹ 286 Crore (including ₹ 127 Crore provided during the year ended 31 March 2025) (net of ₹ 307 Crore paid) towards cost of land and ₹ 206 Crore towards other related costs etc. (net of ₹ 15 Crore paid) has been provided on estimated basis as on 31 March 2025. Differential amount and/ or adjustments in this respect will be given effect on determination thereof. On receipt of EC, application for obtaining CTE and then CTO will be made by ESL.

In the pending High Court case, while considering the fact that modalities are being worked out between the State government, the MoEFCC and ESL, the High Court has, vide its order dated 10 December 2024, adjourned the hearing. The next hearing is scheduled for 01 May 2025. Management believes no further provision is required.

(v) Oil and Gas reserves

Significant technical and commercial judgements are required to determine the Group's estimated oil and natural gas reserves. Reserves considered for computing depletion are proved reserves for acquisition costs and proved and developed reserves for successful exploratory wells, development wells, processing facilities, distribution assets, estimated future abandonment cost and all other related costs. Reserves for this purpose are considered on working interest basis which are reassessed at least annually. Details of such reserves are given in note 44. Changes in reserves as a result of change in management assumptions could impact the depreciation rates and the carrying value of assets (Refer note 6)."

(vi) Carrying value of developing/producing oil and gas assets

Management performs impairment tests on the Group's developing/producing oil and gas assets where indicators of impairment are identified in accordance with Ind AS 36.

Estimates/ assumptions	Basis
Future production	proved and probable reserves, production facilities, resource estimates and expansion projects
Commodity prices	management's best estimate benchmarked with external sources of information, to ensure they are within the range of available analyst forecast
Discount to price	management's best estimate based on historical prevailing discount and updated sales contracts
Period	For Rajasthan block, cash flows are considered based on economic life of the fields.
Discount rates	cost of capital risk-adjusted for the risk specific to the asset/ CGU

Any subsequent changes to cash flows due to changes in the above mentioned factors could impact the carrying value of the assets.

Details of carrying values and impairment (reversal)/ charge and the assumptions used are disclosed in note 6 and 36 respectively.

(vii) Climate Change

The Group aims to achieve net zero emissions for scope 1 and scope 2 by 2050 and has committed reduction in emission by 25% by 2030 from 2021 baseline. The group also aims to become a net water positive organization by 2030 as part of its climate risk mitigation strategy. Climate change may have various impacts on the Group in the medium to long term. These impacts include the risks and opportunities related to the demand of products and services, impact due to transition to a low-carbon economy, disruption to the supply chain, risk of physical harm to the assets due to extreme weather conditions, regulatory changes etc. The accounting related measurement and disclosure items that are most impacted by our commitments, and climate change risk more generally, relate to those areas of the financial statements that are prepared under the historical cost convention and are subject to estimation uncertainties in the medium to long term.

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets and (c) review of estimates of useful lives of property, plant and equipment.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The Group's strategy consists of mitigation and adaptation measures. The Group is committed to reduce its carbon footprint through high impact initiatives such as investment in Renewable Energy, fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities. During the current year, work has progressed towards the construction of renewable power delivery agreements in accordance with the Board approved plan (Refer note 40(A)(c)(iii)). Renewable sources have limitations in supplying round the clock power, so existing power plants would support transition and thermal fleet replacement is part of normal lifecycle renewal. The Group has also taken certain measures towards water management such as commissioning of sewage treatment plants, rainwater harvesting, and reducing freshwater consumption. Collectively, these measures have led to an increase of the Group water positivity from 0.52 in FY21 (baseline) to 0.60 in FY25. These initiatives are aligned with the group's ESG strategy, and no material changes were identified to the financial statements as a result.

As the Group's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in Group's climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Group's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the balance sheet date, the Group believes that there is no material impact on carrying values of its assets or liabilities.

(B) Significant judgements

(i) Determining whether an arrangement contains a lease:

The Group has ascertained that the Power Purchase Agreement (PPA) entered into between one of the subsidiaries and a State grid qualifies to be an operating lease under Ind AS 116 "Leases". Accordingly, the consideration receivable under the PPA relating to recovery of capacity charges towards capital cost have been recognised as operating lease rentals and in respect of variable cost that includes fuel costs, operations and maintenance, etc. is considered as revenue from sale of products/services.

Significant judgement is required in segregating the capacity charges due from the State grid, between fixed and contingent payments. The Group has determined that since the capacity charges under the PPA are based on the number of units of electricity made available by its Subsidiary which would be subject to variation on account of various factors like availability of coal and water for the plant, there are no fixed minimum payments under the PPA, which requires it to be accounted for on a straight line basis. The contingent rents recognised are disclosed in Note 27.

(ii) Contingencies and other litigations

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Group. A provision is recognised when the Group has a present obligation as a result of past events and it is probable that the Group will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific applicable law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision. Although there can be no assurance regarding the final outcome of the legal proceedings, the Group does not expect them to have a materially adverse impact on the Group's financial position or profitability. These are set out in note 40. For other significant litigations where the possibility of an outflow of resources embodying economic benefits is remote, refer note 41.

(iii) Revenue recognition and receivable recovery in relation to the power division

In certain cases, the Group's power customers are disputing various contractual provisions of Power Purchase Agreements (PPA). Significant judgement is required in both assessing the tariff to be charged under the PPA in accordance with Ind AS 115 and to assess the recoverability of withheld revenue currently accounted for as receivables.

In assessing this critical judgment, management considered favourable external legal opinions that the Group has obtained in relation to the claims. In addition, the fact that the contracts are with government owned companies implies that the credit risk is low (refer note 8).

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

4 Restructuring, Acquisitions and Stake sale in subsidiary

(A) Scheme of Arrangement for demerger

The Board of Directors, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Original Scheme") for demerger of various businesses of the Company, namely, demerger of the Company's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil & Gas (represented by the Oil and Gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) Undertakings, resulting in 6 separate companies (including Vedanta Limited, being the demerged Company), with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ("the Stock Exchanges"). The Stock Exchanges gave their no-objection to the Scheme.

A first motion application, in respect of the Original Scheme, was filed by demerged company (i.e., Vedanta Limited) and four resulting companies (i.e., Vedanta Aluminium Metal Limited ("VAML"), Malco Energy Limited ("MEL"), Vedanta Base Metals Limited ("VBML") and Vedanta Iron and Steel Limited ("VISL")) before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") on 06 August 2024 ("VEDL First Motion"). The Hon'ble NCLT by way of its order dated 21 November 2024 ("VEDL NCLT Order") inter alia:

a) directed the Company to convene a meeting of its equity shareholders, secured creditors and unsecured creditors within 90 days of the date of receipt of the order;

b) directed MEL to convene a meeting of its secured creditors and unsecured creditors within 90 days of the date of receipt of the order;

c) dispensed with the meeting of equity shareholders of VAML, MEL, VBML and VISL; and

d) dispensed with the meeting of secured and unsecured creditors of VAML, VBML and VISL.

In December 2024, Vedanta Limited and other five resulting companies decided not to proceed with implementation of Part V of the Original Scheme, i.e., demerger of Base Metal undertaking into VBML, along with making appropriate updates to the Original Scheme ("Updated Scheme"). The non-implementation of the demerger of the Base Metals undertaking shall not affect any other parts of the Original Scheme described above.

In compliance with VEDL NCLT Order, the meetings were held on 18 February 2025 and the Updated Scheme (with modification to exclude demerger of Base Metals Undertaking) was approved by the equity shareholders, secured creditors and unsecured creditors of the Company, as well as the secured and unsecured creditors of MEL.

On 05 March 2025, Vedanta Limited along with VAML, MEL and VISL, filed a second motion petition before the Hon'ble NCLT inter alia seeking sanction of the Updated Scheme. The same is currently pending for admission before the Hon'ble NCLT.

Further, a separate first motion application was filed by Talwandi Sabo Power Limited ("TSPL"), one of the resulting companies, with the Hon'ble NCLT, Mumbai on 22 October 2024 ("TSPL First Motion") for demerger of Merchant Power Undertaking of the Company, since TSPL's Registered Office ("RO") was in the process of being changed from Mansa (Punjab) to Mumbai (Maharashtra) at the time of filing VEDL First Motion. The Hon'ble NCLT, Mumbai by its order dated 04 March 2025, disposed the TSPL First Motion by rejecting the scheme ("TSPL NCLT Order"). TSPL has filed an appeal against the TSPL NCLT Order before the Hon'ble National Company Law Appellate Tribunal, New Delhi and the matter is being heard.

Pending regulatory and other substantive approvals, no adjustments have been recorded in the consolidated financial statements for the year ended 31 March 2025.

(B) Acquisition of additional Stake

During the year ended 31 March 2025, AvanStrate Inc. Japan ("ASI"), HOYA and Cairn India Holdings Limited ("CIHL") a wholly owned subsidiary of the Company, executed a comprehensive settlement agreement dated 05 August 2024 to settle all liabilities (including liability for put option with non controlling shareholders of ASI to sell their shareholding to the Group) and provide an exit to HOYA (the "Settlement agreement"). On account of the said agreement, the Group acquired its stake of ~46% in ASI. The outstanding obligation of HOYA, as determined by the Settlement Agreement, has been fully paid on 26 August 2024 and HOYA's shareholding has been transferred to CIHL on 29 August 2024. Post HOYA's exit, the Group holds ~98.20% in ASI.

In order to strengthen the ASI operations, the Group expects to re-organise the capital structure of ASI and its subsidiaries ("ASI Group") and is evaluating multiple options. The said reorganization is expected to result in utilization of brought forward losses at the ASI Group.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Hence, net deferred tax asset of ₹ 682 Crore pertaining to such unutilized tax losses have been recorded during the year, in accordance with principles of Ind AS 12 - Income taxes.

(C) Stake sale in subsidiary

During the year ended 31 March 2025, the Company has reduced its shareholding in its subsidiary, Hindustan Zinc Limited ("HZL") from 2,74,31,54,310 shares to 2,67,95,48,419 equity shares by way of an offer for sale for a net consideration of ₹ 3,134 Crore. Consequent to the aforesaid sale, the Company's overall stake has decreased from 64.92% to 63.42% of the total paid-up share capital of HZL and the resultant difference on change in the proportion of ownership attributable to non-controlling interest of ₹ 2,913 Crore has been recorded in Non Controlling Interest Reserve classified under "Other reserves".

(D) Disposal of subsidiary

During the year ended 31 March 2024, Monte Cello BV ("MCBV"), a wholly owned subsidiary of the Company, sold 100% of its equity ownership in its wholly owned subsidiary, Copper Mines of Tasmania ("CMT") which was previously engaged in copper mining operations in Australia. Consequently, upfront cash consideration of ₹ 84 crore (US$ 10 million) received by the Group and de-recognition of net liabilities of ₹ 94 crore (US$ 11 million) pertaining to CMT, has resulted in a total gain of ₹ 178 crore which has been included in other income in consolidated financial statements for the year ended 31 March 2024. Further, as part of the transaction, the acquirer shall pay the Group additional consideration in future upto US$ 310 million by way of fee/ royalties, on achieving certain pre-agreed milestones.

5 Segment Information

A) Description of segment and principal activities

The Group is a diversified natural resource group engaged in exploring, extracting and processing minerals and oil and gas. The Group produces zinc, lead, silver, copper, aluminium, iron ore, oil and gas, ferro alloys, steel, cement and commercial power and has a presence across India, South Africa, Namibia, U.A.E, Ireland, Australia, Japan, South Korea, Taiwan and Liberia. The Group is also in the business of port operations and manufacturing of glass substrate. The Group has seven reportable segments: copper, aluminium, iron ore, power, Zinc India (comprises zinc and lead India), Zinc international, oil and gas and others. The management of the Group is organized by its main products: copper, Zinc (comprises zinc and lead India, silver India and zinc international), aluminium, iron ore, oil and gas, power and others. "Others" segment mainly comprises port/berth, steel, glass substrate, semiconductor, display, ferro alloys and cement business and those segments which do not meet the quantitative threshold for separate reporting. Each of the reportable segments derives its revenues from these main products and hence these have been identified as reportable segments by the Group's chief operating decision maker ("CODM").

Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consist of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and unallocated liabilities respectively.

The accounting policies of the reportable segments are the same as the Group's accounting policies. The operating segments reported are the segments of the Group for which separate financial information is available. Earnings before interest, depreciation and amortisation and tax ("EBITDA") are evaluated regularly by the CODM in deciding how to allocate resources and in assessing performance. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

Pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The following table presents revenue, EBITDA, certain assets and liabilities information regarding the Group's business segments as at and for the year ended 31 March 2025 and 31 March 2024 respectively.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

For the year ended 31 March 2025

(₹ in Crore)

Particulars	Business Segments									
	Zinc India	Zinc International	Oil & Gas	Aluminium	Copper	Iron Ore	Power	Others	Eliminations	Total
Revenue										
External revenue	32,865	3,918	11,044	58,446	22,797	5,972	6,159	9,524	-	1,50,725
Add: Inter segment revenue	38	-	-	76	254	114	-	556	(1,038)	-
Segment revenue	**32,903**	**3,918**	**11,044**	**58,522**	**23,051**	**6,086**	**6,159**	**10,080**	**(1,038)**	**1,50,725**
Add: Other operating income	-	-	-	-	-	-	-	-	-	2,243
Total revenue from operations	**32,903**	**3,918**	**11,044**	**58,522**	**23,051**	**6,086**	**6,159**	**10,080**	**(1,038)**	**1,52,968**
Results										
Segment results (EBITDA)[a]	**17,365**	**1,321**	**4,664**	**17,798**	**(112)**	**1,006**	**737**	**762**	**-**	**43,541**
Less: Depreciation, depletion and amortisation	3,652	447	2,779	2,778	48	309	648	435	-	11,096
Add: Other expenses, net of income [b,c]	179	-	(459)	97	1	7	11	1	-	(163)
Add: Other unallocable income, net of expenses	-	-	-	-	-	-	-	-	-	2,640
Less: Finance costs	-	-	-	-	-	-	-	-	-	9,914
Add: Net exceptional gain	-	-	-	-	-	-	-	-	-	1,868
Add: Share in profit of jointly controlled entities and associates	-	-	-	-	-	-	-	-	-	1
Net profit before tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**26,877**
Other information										
Segment assets	**24,126**	**10,000**	**24,285**	**73,113**	**4,601**	**6,181**	**17,087**	**10,146**	**-**	**1,69,539**
Financial assets investments	-	-	-	-	-	-	-	-	-	14,532
Deferred tax assets	-	-	-	-	-	-	-	-	-	3,353
Income tax assets	-	-	-	-	-	-	-	-	-	1,611
Cash and bank balances (including restricted cash and bank balances)	-	-	-	-	-	-	-	-	-	8,714
Others	-	-	-	-	-	-	-	-	-	5,544
Total assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,03,293**
Segment liabilities	**7,800**	**1,847**	**12,185**	**22,036**	**7,169**	**3,213**	**1,387**	**4,524**	**-**	**60,161**
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	13,043
Borrowings	-	-	-	-	-	-	-	-	-	73,853
Income tax liabilities (net of payments)	-	-	-	-	-	-	-	-	-	1,158
Others	-	-	-	-	-	-	-	-	-	1,325
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,49,540**
Capital expenditure[d]	5,176	2,045	3,005	7,527	71	705	1,878	946	-	21,380
Net (impairment)/ reversal or (write off)/write back relating to assets	-	-	2,358	-	-	-	-	(268)	-	2,090

a) EBITDA is a non-GAAP measure.

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

c) Includes cost of exploration wells written off in Oil & Gas segment.

d) Includes capital expenditure of ₹ 27 Crore which is not allocable to any segment.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

For the year ended 31 March 2024

(₹ in Crore)

Particulars	Business Segments									
	Zinc India	Zinc International	Oil & Gas	Aluminium	Copper	Iron Ore	Power	Others	Eliminations	Total
Revenue										
External revenue*	27,889	3,555	17,837*	48,317	19,726	8,956	6,153	9,360	-	1,41,793
Add: Inter segment revenue	36	1	-	54	4	113	-	720	(928)	-
Segment revenue	**27,925**	**3,556**	**17,837**	**48,371**	**19,730**	**9,069**	**6,153**	**10,080**	**(928)**	**1,41,793**
Add: Other operating income	-	-	-	-	-	-	-	-	-	1,934
Total revenue from operations	**27,925**	**3,556**	**17,837**	**48,371**	**19,730**	**9,069**	**6,153**	**10,080**	**(928)**	**1,43,727**
Results										
Segment results (EBITDA)[a]	**13,562**	**693**	**9,777**	**9,657**	**(69)**	**1,676**	**971**	**188**	**-**	**36,455**
Less: Depreciation, depletion and amortisation	3,486	456	2,388	2,638	251	195	652	657	-	10,723
Add: Other expenses, net of income[b,c]	183	-	(785)	95	10	8	11	1	-	(477)
Add: Other unallocable income, net of expenses	-	-	-	-	-	-	-	-	-	1,770
Less: Finance costs	-	-	-	-	-	-	-	-	-	9,465
Add: Net exceptional gain	-	-	-	-	-	-	-	-	-	2,803
Add: Share in profit of jointly controlled entities and associates	-	-	-	-	-	-	-	-	-	2
Net profit before tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**20,365**
Other information										
Segment assets	**22,594**	**7,957**	**28,028**	**68,400**	**3,439**	**5,716**	**15,209**	**10,736**	**-**	**1,62,079**
Financial assets investments	-	-	-	-	-	-	-	-	-	11,869
Deferred tax assets	-	-	-	-	-	-	-	-	-	2,689
Income tax assets	-	-	-	-	-	-	-	-	-	3,844
Cash and bank balances (including restricted cash and bank balances)	-	-	-	-	-	-	-	-	-	5,152
Others	-	-	-	-	-	-	-	-	-	5,174
Total assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,90,807**
Segment liabilities	**7,353**	**2,099**	**14,671**	**25,322**	**5,398**	**3,486**	**837**	**3,805**	**-**	**62,971**
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	10,152
Borrowings	-	-	-	-	-	-	-	-	-	71,758
Income tax liabilities (net of payments)	-	-	-	-	-	-	-	-	-	2,498
Others	-	-	-	-	-	-	-	-	-	1,359
Total liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,48,738**
Capital expenditure[d]	3,530	2,139	3,217	7,773	104	621	1,364	1,355	-	20,118
Net (impairment)/ reversal or (write off)/write back relating to assets	-	(117)	1,179	(131)	(746)	-	-	-	-	185

* Refer note 36 (a)(ii)

a) EBITDA is a non-GAAP measure.

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

c) Includes cost of exploration wells written off in Oil & Gas segment.

d) Includes capital expenditure of ₹ 15 Crore which is not allocable to any segment.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

B) Geographical segment analysis

The following table provides an analysis of the Group's sales by region in which the customer is located, irrespective of the origin of the goods.

(₹ in Crore)

Geographical Segments	Year ended 31 March 2025	Year ended 31 March 2024
Revenue by geographical segment		
India	1,00,390	91,142
Europe	14,246	8,485
China	4,264	5,306
The United States of America	1,714	2,342
Mexico	3,011	1,562
Others	27,100	32,956
Total	**1,50,725**	**1,41,793**

The following is an analysis of the carrying amount of non-current assets, excluding deferred tax assets and financial assets, analysed by the geographical area in which the assets are located:

(₹ in Crore)

Carrying amount of non-current assets	As at 31 March 2025	As at 31 March 2024
India	1,27,973	1,20,302
South Africa	8,824	6,802
Namibia	653	661
Taiwan	610	1,161
Other	1,227	1,194
Total	**1,39,287**	**1,30,120**

C) Information about major customer

No single customer has accounted for more than 10% of the Group's revenue for the year ended 31 March 2025 and 31 March 2024.

D) Disaggregation of Revenue

Below table summarises the disaggregated revenue from contracts with customers

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Zinc metal	25,799	21,483
Lead metal	4,643	4,889
Silver metals and bars	6,264	5,503
Oil	8,312	14,873
Gas	2,790	2,885
Aluminium products	55,968	46,943
Copper products	22,368	19,328
Iron ore	2,384	5,400
Metallurgical coke	197	232
Pig iron	3,772	4,089
Power	4,515	4,574
Steel products	6,008	6,438
Ferro alloys	921	806
Others	6,736	5,070
Revenue from contracts with customers*	**1,50,677**	**1,42,513**
Revenue from contingent rents	1,387	1,423
Losses on provisionally priced contracts under Ind AS 109	(1,339)	(2,143)
Total revenue	**1,50,725**	**1,41,793**

* includes revenues from sale of services aggregating to ₹ 424 Crore (31 March 2024: ₹ 321 Crore) which is recorded over a period of time. The balance revenue from contracts with customers is recognised at a point in time.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

6 Property, Plant and Equipment, Intangible assets, Capital work-in-progress and Exploration intangible assets under development

(₹ in Crore)

Particulars	Freehold Land	Buildings	Plant and equipment	Mining property	Oil & gas producing facilities	Furniture and fixtures	Vehicles	Office equipment	Right of Use assets (Refer note below)	Total	Capital work-in-progress (CWIP)	Exploration intangible assets under development	Total including capital work-in-progress and exploration intangible assets under development
Property, Plant and Equipment													
Gross block													
As at 01 April 2023	2,285	15,932	1,21,013	22,225	1,04,356	467	396	1,165	1,399	2,69,238	50,201	9,797	3,29,236
Additions	129	198	1,794	386	-	8	15	53	774	3,357	14,412	1,195	18,964
CWIP written off (Refer note 36(b))	-	-	-	-	-	-	-	-	-	-	(131)	-	(131)
Transfers/ reclassifications [i]	2	296	6,692	1,939	1,859	4	4	11	38	10,845	(10,829)	(162)	(146)
Disposals/ adjustments	(13)	(21)	(2,018)	(548)	(269)	(10)	(15)	(26)	(15)	(2,935)	(3)	(52)	(2,990)
Exploration cost written off (Refer note 35)	-	-	-	-	-	-	-	-	-	-	-	(786)	(786)
Exchange differences	5	(55)	19	(219)	1,552	(7)	(3)	(5)	(11)	1,276	331	137	1,744
As at 31 March 2024	**2,408**	**16,350**	**1,27,500**	**23,783**	**1,07,498**	**462**	**397**	**1,198**	**2,185**	**2,81,781**	**53,981**	**10,129**	**3,45,891**
Additions	-	22	1,331	979	-	3	16	41	680	3,072	17,689	930	21,691
Transfers/ reclassifications [i]	24	487	6,131	1,982	647	2	20	30	(4)	9,319	(9,191)	(157)	(29)
CWIP written off (Refer note 36(c))	-	-	-	-	-	-	-	-	-	-	(268)	-	(268)
Disposals/ adjustments	-	(69)	(2,022)	11	(64)	(11)	(15)	(96)	(53)	(2,319)	(23)	-	(2,342)
Exploration cost written off (Refer note 35)	-	-	-	-	-	-	-	-	-	-	-	(459)	(459)
Exchange differences	10	150	771	318	2,775	8	-	(12)	14	4,034	979	249	5,262
As at 31 March 2025	**2,442**	**16,940**	**1,33,711**	**27,073**	**1,10,856**	**464**	**418**	**1,161**	**2,822**	**2,95,887**	**63,167**	**10,692**	**3,69,746**
Accumulated depreciation, depletion, amortisation and impairment													
As at 01 April 2023	363	8,057	52,130	13,962	99,095	344	174	1,051	294	1,75,470	32,928	7,541	2,15,939
Charge for the year	8	528	6,156	2,139	1,294	34	37	106	195	10,497	-	-	10,497
Disposals/ adjustments	(7)	(5)	(1,287)	(455)	-	(8)	(10)	(34)	(8)	(1,814)	45	-	(1,769)
Impairment charge/ (reversal) for the year	18	165	33	-	(789)	1	1	-	27	(544)	233	(45)	(356)
Transfers/ reclassifications [i]	-	(24)	23	-	33	-	-	-	-	32	-	(32)	-
Exchange differences	4	(25)	100	(91)	1,453	(4)	(2)	(5)	(5)	1,425	444	107	1,976
As at 31 March 2024	**386**	**8,696**	**57,155**	**15,555**	**1,01,086**	**367**	**200**	**1,118**	**503**	**1,85,066**	**33,650**	**7,571**	**2,26,287**
Charge for the year	8	492	6,014	2,264	1,643	11	37	87	390	10,946	-	-	10,946
Disposals/ adjustments	-	(41)	(1,169)	(21)	(13)	(3)	(11)	(95)	(47)	(1,400)	-	-	(1,400)
Impairment charge/ (reversal) for the year	-	-	(5)	-	-	-	-	-	-	(5)	(2,204)	(29)	(2,238)
Transfers/ reclassifications [i]	-	2	-	-	-	-	-	-	(1)	1	-	-	1
Exchange differences	8	124	585	115	2,605	7	-	(5)	6	3,445	782	193	4,420
As at 31 March 2025	**402**	**9,273**	**62,580**	**17,913**	**1,05,321**	**382**	**226**	**1,105**	**851**	**1,98,053**	**32,228**	**7,735**	**2,38,016**
Net book value/ carrying amount													
As at 01 April 2023	1,922	7,875	68,883	8,263	5,261	123	222	114	1,105	93,768	17,273	2,256	1,13,297
As at 31 March 2024	2,022	7,654	70,345	8,228	6,412	95	197	80	1,682	96,715	20,331	2,558	1,19,604
As at 31 March 2025	**2,040**	**7,667**	**71,131**	**9,160**	**5,535**	**82**	**192**	**56**	**1,971**	**97,834**	**30,939**	**2,957**	**1,31,730**

(i) Transfers/reclassification majorly includes capitalisation of CWIP to respective class of assets.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Right of use (ROU) assets

(₹ in Crore)

Particulars	ROU land	ROU building	ROU plant and equipment	Total
Gross block				
As at 01 April 2023	1,212	69	118	1,399
Additions	255	3	516	774
Transfers/ reclassification	1	-	37	38
Disposals/ adjustments	(13)	-	(2)	(15)
Exchange differences	(10)	-	(1)	(11)
As at 31 March 2024	**1,445**	**72**	**668**	**2,185**
Additions	152	48	480	680
Transfers/ reclassification	(164)	-	160	(4)
Disposals/ adjustments	(1)	(8)	(44)	(53)
Exchange differences	3	2	9	14
As at 31 March 2025	**1,435**	**114**	**1,273**	**2,822**
Accumulated depreciation & impairment				
As at 01 April 2023	194	55	45	294
Charge for the year	42	16	137	195
Disposals/ adjustments	(5)	(1)	(2)	(8)
Impairment charge for the year	27	-	-	27
Exchange differences	(3)	(1)	(1)	(5)
As at 31 March 2024	**255**	**69**	**179**	**503**
Charge for the year	51	4	335	390
Disposals/ adjustments	(1)	(8)	(38)	(47)
Impairment charge for the year (note 36)	-	-	-	-
Transfers/ reclassification	(1)	-	-	(1)
Exchange differences	1	2	3	6
As at 31 March 2025	**305**	**67**	**479**	**851**
Net book value				
As at 01 April 2023	1,018	14	73	1,105
As at 31 March 2024	1,190	3	489	1,682
As at 31 March 2025	**1,130**	**47**	**794**	**1,971**

(₹ in Crore)

Particulars	Software license	Right to use	Mining rights	Port concession rights (refer note i)	Brand & technological know-how	Total
Intangible assets						
Gross block						
As at 01 April 2023	220	-	1,964	690	220	3,094
Additions	11	260	112	-	-	383
Transfers/ reclassification	15	-	125	6	-	146
Disposals/ adjustments	(9)	-	-	(1)	-	(10)
Exchange differences	-	-	-	-	(22)	(22)
As at 31 March 2024	**237**	**260**	**2,201**	**695**	**198**	**3,591**
Additions	15	75	-	-	-	90
Transfers/ reclassification	16	-	7	5	-	28
Disposals/ adjustments	(6)	(75)	(1)	(4)	-	(86)
Exchange differences	-	1	-	-	8	9
As at 31 March 2025	**262**	**261**	**2,207**	**696**	**206**	**3,632**
Accumulated amortisation and impairment						
As at 01 April 2023	182	-	579	245	112	1,118
Charge for the year	23	36	141	26	21	247
Disposals/ adjustments	(9)	-	1	-	-	(8)
Exchange differences	-	-	-	-	(14)	(14)
As at 31 March 2024	**196**	**36**	**721**	**271**	**119**	**1,343**
Charge for the year	22	51	74	26	20	193
Disposals/ adjustments	(12)	10	22	-	-	20
Transfers/ reclassification	0	0	-	-	-	0
Exchange differences	-	-	-	-	5	5
As at 31 March 2025	**206**	**97**	**817**	**297**	**144**	**1,561**
Net book value/ carrying amount						
As at 01 April 2023	38	-	1,385	445	108	1,976
As at 31 March 2024	41	224	1,480	424	79	2,248
As at 31 March 2025	**56**	**164**	**1,390**	**399**	**62**	**2,071**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

6 Capital Work in Progress (CWIP) ageing schedule

(₹ in Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	14,873	15	11,527	-
1-2 years	7,464	74	4,008	-
2-3 years	4,405	-	628	-
More than 3 years	3,624	484	3,645	523
Total	**30,366**	**573**	**19,808**	**523**

CWIP completion schedule for projects whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Crore)

Particulars	As at 31 March 2025				As at 31 March 2024			
	To be completed in				To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress								
Lanjigarh alumina 2-5 MTPA expansion project	4,065	-	-	-	4,729	-	-	-
Oil & Gas development CWIP projects	2,285	858	-	-	1,474	-	-	-
Others*	1,746	-	-	-	2,822	-	-	-
Projects temporarily suspended**	-	-	-	360	-	-	-	382

* Includes projects which are individually less than 10% of CWIP balance.

** Excludes ageing for existing Copper smelter plant and Copper 4 LTPA Expansion project which were on halt since April 2018. On 29 February 2024, the Hon'ble Supreme Court dismissed the Special Leave Petition filed by the Group. Basis detailed impairment analysis carried out by the management, CWIP balance has been impaired during the year ended 31 March 2024. The carrying amount of CWIP as at 31 March 2025 is ₹ 28 Crore (31 March 2024: ₹ 38 Crore) for existing Copper smelter plant and ₹ 88 Crore (31 March 2024: ₹ 104 Crore) for Copper 4 LTPA Expansion project. Refer Note 3(c)(A)(iii).

Exploration intangible assets under development ageing schedule

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
	Projects in progress	Projects in progress
Less than 1 year	390	484
1-2 years	361	510
2-3 years	518	557
More than 3 years	1,688	1,007
Total	**2,957**	**2,558**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Title deeds of immovable properties not held in the name of Group

(₹ in Crore)

Relevant line item in the Balance sheet	Description of item of property	Gross block as at 31 March 2025	Gross block as at 31 March 2024	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Group
Property, plant and equipment	Land & building	3,716	3,622	Oil & Natural Gas Corporation Limited (ONGC) & Cairn India Ltd	No	10 April 2009	The title deeds of Oil & Gas exploration blocks jointly owned by the JV partners are in the name of ONGC, being the licensee of these exploration blocks.
	Land	0	4	National Thermal Power Corporation Ltd (NTPC)	No	20 June 2002	The 206.18 acres land transferred to BALCO by NTPC is yet to be registered in favour of BALCO due to non-availability of title deeds from NTPC. In the matter, arbitration was held where the Arbitrator passed the award in favour of BALCO but directed that transfer of title deeds of land will be effected by the Central Government with the assistance of State Government. The matter is sub-judice before the Hon'ble Delhi High Court.
	Land	105	105	The Government of Jharkhand	No	2008*	This land was taken on lease from Government of Jharkhand since incorporation of ESL Steel Limited and has been recorded as 'ROU Land' in accordance with the requirements of Ind AS 116 'Leases'. As at 31 March 2025, the formal execution of lease deed is still pending with the Government of Jharkhand.
	Freehold land	7	7	FACOR Power Limited (FPL), merged with FACOR	No	27 August 2007	The title deeds are in the names of FPL that merged with FACOR as per NCLT Order dated 15 November 2022. The application for change of name in the title deeds is currently pending.
	Leasehold land	0	0		No	16 December 2011	
	Leasehold land	1	1		No	17 November 2011	
	Land	2	2	Andhra Pradesh Industrial Infrastructure Corporation Limited	No	2011-12*	Certain land parcel aggregating to 40.23 acres is to be handed over to designated owners as per the NCLT Order. Meenakshi is in process of completing these transfers.
	Land	53	53	Erstwhile Sterlite Industries (India) Limited, merged with the Company	No	1965-2012*	The title deeds are in the names of erstwhile companies that merged with the Company under Section 391 to 394 of the erstwhile Companies Act, 1956 pursuant to Schemes of Amalgamation and Arrangement as approved by the Hon'ble High Courts.
	ROU land	50	50		No	1993-2009*	
	Land	20	20	Erstwhile Vedanta Aluminium Limited, merged with the Company	No	2008-2012*	

* Multiple dates of acquisitions during the period disclosed.

a) Plant and equipment include refineries, smelters, power plants, railway sidings, ships, river fleets and related facilities.

b) During the year ended 31 March 2025, interest capitalised was ₹ 1,430 Crore (31 March 2024: ₹ 960 Crore).

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

c) Certain property, plant and equipment are pledged as security against borrowings, the details related to which have been described in Note 19 on "Borrowings".

d) Freehold land includes 40 quarters at Bidhan Bagh Unit and 300.88 acres of land at Korba which have been occupied without authorisation for which Group is evaluating evacuation options and the Group has filed civil suits.

e) The division bench of the Hon'ble High Court of Chhattisgarh has vide its order dated 25 February 2010, upheld that BALCO is in legal possession of 1,804.67 acres of Government land. Subsequent to the said Order, the State Government has decided to issue the lease deed in favour of BALCO after the issue of forest land is decided by the Hon'ble Supreme Court. In the proceedings before the Hon'ble Supreme Court, pursuant to public interest litigations filed, it has been alleged that the land in possession of BALCO is being used in contravention of the Forest Conservation Act, 1980 even though the said land has been in its possession prior to the promulgation of the Forest Conservation Act, 1980 on which its Aluminium complex, allied facilities and township were constructed between 1971-76. The Central Empowered Committee of the Supreme Court was reconstituted vide Order dtd: 23 July 2024 and was asked to look into the matter afresh and submit its recommendation. The matter is now posted for hearing on 29 May 2025 before the Hon'ble Supreme Court.

f) Property, plant and equipment, capital work-in-progress and exploration and evaluation assets net block includes share of jointly owned assets with the joint venture partners ₹ 13,828 crore (31 March 2024: ₹ 11,568 crore)

g) In accordance with the exemption given under Ind AS 101, which has been exercised by the Group, a first time adopter can continue its previous GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the previous GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period, i.e., 01 April 2016.

Accordingly, foreign currency exchange differences arising on translation/settlement of long-term foreign currency monetary items acquired before 01 April 2016 pertaining to the acquisition of a depreciable asset amounting to ₹ Nil Crore (31 March 2024: 1 Crore) are adjusted to the cost of respective item of property, plant and equipment.

h) **Reconciliation of depreciation, depletion and amortisation expense**

(₹ in Crore)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation/depletion/amortisation expense on:		
Property, plant and equipment	10,946	10,497
Intangible assets	193	247
As per property, plant and equipment and intangibles schedule	11,139	10,744
Less: cost allocated to joint ventures and other adjustments	(43)	(21)
As per consolidated statement of profit and loss	11,096	10,723

i) Vizag General Cargo Berth Private Limited ("VGCB"), a special purpose vehicle and wholly owned subsidiary of the Company, was incorporated for the coal berth mechanisation and upgradation at Visakhapatnam port. The project was to be carried out on a design, build, finance, operate, transfer basis and the concession agreement between Visakhapatnam Port Trust ('VPT') and VGCB was signed in June 2010. In October 2010, VGCB was awarded with the concession after fulfilling conditions stipulated as a precedent to the concession agreement. Visakhapatnam port trust has provided, in lieu of license fee an exclusive license to the VGCB for designing, engineering, financing, constructing, equipping, operating, maintaining, and replacing the project/project facilities and services. The concession period is 30 years from the date of the award. The upgraded capacity is 10.18 mmtpa and the Visakhapatnam port trust would be entitled to receive 38.10% share of the gross revenue as royalty. VGCB is entitled to recover a tariff from the user(s) of the project facilities and services as per its Tariff Authority for Major Ports (TAMP) notification. The tariff rates are linked to the Wholesale Price Index (WPI) and would accordingly be adjusted as specified in the concession agreement every year. The ownership of all infrastructure assets, buildings, structures, berths, wharfs, equipment and other immovable and movable assets constructed, installed, located, created or provided by VGCB at the project site and/or in the port's

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

assets pursuant to concession agreement would be with the VGCB until expiry of this concession agreement. The cost of any repair, replacement or restoration of the project facilities and services shall be borne by VGCB during the concession period. VGCB has to transfer all its rights, titles and interest in the project facilities and services free of cost to VPT at the end of the concession period. VGCB has entered into a supplementary agreement to the original concession agreement with VPT dated 20 October 2021, wherein VPT can handle other compatible cargos during idling of the berth. Intangible asset port concession rights represents consideration for construction services. No Revenue from construction contract of service concession arrangements on exchanging construction services for the port concession rights was recognised for the years ended 31 March 2025 and 31 March 2024.

j) During the year ended 31 March 2025, the Group received all the relevant documents for the title deed of 264 acres of freehold land related to ESL Steel Limited, which were not available in previous years.

k) As at 31 March 2025, TSPL's assets consisting of land (including ROU land), building and plant and machinery having net carrying value of ₹ 391 crore (31 March 2024: ₹ 391 crore), ₹ 122 crore (31 March 2024: ₹ 138 crore) and ₹ 6,903 crore (31 March 2024: ₹ 7,327 crore) respectively have been given on operating lease (refer note 3(c)(B)(i)).

l) Freehold land includes gross block of ₹ 363 Crore (31 March 2024: ₹ 353 Crore) and accumulated depreciation ₹ 334 Crore (31 March 2024: ₹ 319 Crore), which is available for use during the lifetime of the Production Sharing Contract of the respective Oil and Gas blocks.

7 Financial assets - Investments

A) Non-current Investments

(₹ in Crore)

	Particulars	As at 31 March 2025	As at 31 March 2024
(I)	**Investments at fair value through other comprehensive income**		
	Investment in Equity Shares - quoted		
	Sterlite Technologies Limited- 47,64,295 shares of ₹ 2 each (31 March 2024: 47,64,295 shares of ₹ 2 each)	39	53
	Investment in Equity Shares - unquoted		
	Sterlite Power Transmission Limited - 19,05,718 equity shares of ₹ 2 each (31 March 2024: 19,05,718 equity shares of ₹ 2 each)*	10	11
	Sterlite Grid 5 Limited - 19,05,718 equity shares of ₹ 2 each (31 March 2024: Nil)*	1	-
	Investment in Equity Shares - unquoted (Refer Note 40(A)(c)(iii))**		
	Serentica Renewables India 1 Private Limited- 4,10,00,000 equity shares of class B of ₹ 10 each (31 March 2024: Nil)	41	-
	Serentica Renewables India 3 Private Limited- 8,10,00,000 equity shares of class B of ₹ 10 each (31 March 2024: Nil)	81	-
	Serentica Renewables India 4 Private Limited- 5,60,00,000 equity shares of class B of ₹ 10 each (31 March 2024: 5,60,00,000 Equity shares of class B of ₹ 10 each)	56	56
	Serentica Renewables India 5 Private Limited- 3,30,00,000 equity shares of class B of ₹ 10 each (31 March 2024: 3,30,00,000 Equity shares of class B of ₹ 10 each)	33	33
	Investment in Bonds - quoted	184	169
(II)	**Investments at fair value through profit and loss**		
	Investment in Bonds - quoted		
	Infrastructure Leasing & Financial Services Limited	19	22
	Investment in Optionally Convertible Redeemable Preference Shares ("OCRPS") - unquoted (Refer Note 40(A)(c)(iii))**		
	Serentica Renewables India 1 Private Limited- 14,90,00,000 shares of ₹ 10 each (31 March 2024: 7,50,00,000 shares of ₹ 10 each)	149	75
	Serentica Renewables India 3 Private Limited- 11,31,80,000 shares of ₹ 10 each (31 March 2024: 13,99,80,000 shares of ₹ 10 each)	113	140
	Serentica Renewables India 4 Private Limited- 22,40,00,000 shares of ₹ 10 each (31 March 2024: 22,40,00,000 shares of ₹ 10 each)	224	224

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Serentica Renewables India 5 Private Limited- 32,85,00,000 shares of ₹ 10 each (31 March 2024: 9,82,50,000 shares of ₹ 10 each)	328	98
Serentica Renewables India 6 Private Limited- 5,00,00,000 shares of ₹ 10 each (31 March 2024: Nil)	50	-
Serentica Renewables India 7 Private Limited- 9,03,20,000 shares of ₹ 10 each (31 March 2024: 4,03,20,000 shares of ₹ 10 each)	90	40
Serentica Renewables India 8 Private Limited- 6,30,00,000 shares of ₹ 10 each (31 March 2024: 3,30,00,000 shares of ₹ 10 each)	63	33
Serentica Renewables India 9 Private Limited- 11,50,00,000 shares of ₹ 10 each (31 March 2024: 3,00,00,000 shares of ₹ 10 each)	115	30
(III) Investment in Equity Shares (fully paid)		
Associate Companies and Joint ventures – unquoted		
Gaurav Overseas Private Limited - 14,23,000 equity shares of ₹ 10 each (31 March 2024: 14,23,000 equity shares of ₹ 10 each)	1	1
RoshSkor Township (Proprietary) Limited - 50 equity shares of NAD 1 each (31 March 2024: 50 equity shares of NAD 1 each)	3	2
Madanpur South Coal Company Limited - 1,14,421 equity shares of ₹ 10 each (31 March 2024: 1,14,421 equity shares of ₹ 10 each)	2	2
Goa Maritime Private Limited - 5,000 equity shares of ₹ 10 each (31 March 2024: 5,000 equity shares of ₹ 10 each)	0	0
Rosh Pinah Health Care (Proprietary) Limited- 69 equity shares of NAD 1 each (31 March 2024: 69 equity shares of NAD 1 each)	0	0
Gergarub Exploration and Mining (Proprietary) Limited - 51 equity shares of NAD 1 each (31 March 2024: 51 equity shares of NAD 1 each)	23	-
Less: Impairment in the value of investment	(2)	(2)
(IV) Others		
Total	**1,623**	**987**
Aggregate carrying amount of quoted investments, and market value thereof	242	244
Aggregate carrying amount of unquoted investments	1,383	745
Aggregate carrying amount of impairment in the value of investments	(2)	(2)
Total	**1,623**	**987**

* Pursuant to the NCLT-approved Scheme of Arrangement, the Company's investment in Sterlite Power Transmission Limited ("SPTL") has been restructured following the demerger of Sterlite Grid 5 Limited ("SGL5") effective 08 October 2024. Shareholders received 1 equity share of SGL5 for every 1 equity share of SPTL, with the cost of acquisition allocated as 8% to SPTL and 92% to SGL5. The transaction qualifies as a tax-neutral demerger under Section 2 (19AA) of the Income Tax Act, 1961.

** During the year ended 31 March 2025, OCRPS worth of ₹ 122 Crore (31 March 2024: ₹ 89 Crore) were converted into equity shares with differential voting rights of Serentica Renewable Power Companies as per terms of the Power Delivery Agreement ("PDA"). Accordingly, these shares have been reclassified from Investments at fair value through profit and loss to Investments at fair value through other comprehensive income. The Group has pledged all of its investments in SRI4PL for financing the project as per the terms of the PDA.

B) Current Investments

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Investments carried at fair value through other comprehensive income (fully paid)		
Investment in bonds - quoted	3,794	4,427
Investments carried at fair value through profit and loss (fully paid)		
Investment in mutual funds - unquoted	5,350	2,659
Investment in bonds - quoted***	3,765	3,796
Total	**12,909**	**10,882**

*** Includes investments amounting to ₹ 949 Crore (31 March 2024: ₹ 2,033 Crore) pledged as security for repurchase liability (Refer Note 19(c)). The Group continues to record these investments as it retains rights to contractual cash flows on such investments and thus do not meet the criteria for derecognition or transfer of financial asset as per Ind AS 107.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Aggregate amount of quoted investments, and market value thereof	7,559	8,223
Aggregate amount of unquoted investments	5,350	2,659
Total	**12,909**	**10,882**

8 Financial assets - Trade receivables

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Non-current	Current	Total	Non-current	Current	Total
Secured, Undisputed						
Not due	-	381	381	-	356	356
Less than 6 months	-	105	105	-	276	276
6 months -1 year	-	17	17	-	4	4
1-2 years	-	-	-	-	2	2
2-3 years	-	-	-	-	-	-
More than 3 years	-	-	-	-	-	-
Sub-total	**-**	**503**	**503**	**-**	**638**	**638**
Unsecured, disputed						
Unbilled dues	-	-	-	-	-	-
Not due	28	-	28	27	-	27
Less than 6 months	191	-	191	229	3	232
6 months -1 year	237	-	237	126	-	126
1-2 years	319	-	319	321	-	321
2-3 years	347	-	347	392	1	393
More than 3 years	2,365	88	2,453	2,393	9	2,402
Sub-total	**3,487**	**88**	**3,575**	**3,488**	**13**	**3,501**
Unsecured, Undisputed						
Unbilled dues	-	97	97	-	96	96
Not due	-	1,486	1,486	-	1,654	1,654
Less than 6 months	-	1,437	1,437	-	1,201	1,201
6 months -1 year	-	50	50	-	6	6
1-2 years	-	8	8	-	14	14
2-3 years	-	8	8	-	2	2
More than 3 years	-	1	1	-	(1)	(1)
Sub-total	**-**	**3,087**	**3,087**	**-**	**2,972**	**2,972**
Less: Provision for expected credit loss	(1,036)	(42)	(1,078)	(1,079)	(16)	(1,095)
Total	**2,451**	**3,636**	**6,087**	**2,409**	**3,607**	**6,016**

a) The credit period given to customers is up to 180 days (31 March 2024: 180 days), refer note 24 (C)(d).

b) Trade receivables does not include any receivables from directors and officers of the company. For amount due and terms and conditions of related party receivables, refer note 42.

c) In a matter pertaining to mega power project benefit between TSPL and Punjab State Power Corporation Limited (PSPCL) relating to assessment of whether there has been a change in law following the execution of the Power Purchase Agreement, the Appellate Tribunal for Electricity has dismissed the appeal in July 2017 filed by TSPL. TSPL later filed an appeal before the Hon'ble Supreme Court. After hearing of arguments, the Order has been reserved.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The outstanding trade receivables in relation to this dispute and other matters is ₹ 1,691 Crore as at 31 March 2025 (31 March 2024: ₹ 1,620 Crore). The Group, based on external legal opinion and its own assessment of the merits of the case, remains confident that it is highly probable that the Supreme court will uphold TSPL's appeal and has thus continued to treat these balances as recoverable.

d) Trade receivables includes ₹ 634 Crore (net of Provision for expected credit loss (""ECL"") of ₹ 200 Crore recognised on account of time value of money) as at 31 March 2025 (31 March 2024: ₹ 726 Crore, net of ECL of ₹ 157 Crore) withheld by GRIDCO Limited (""GRIDCO"") primarily on account of litigation and alleged short-supply of power by the Group under the terms of long term power supply agreement.

Out of the above, ₹ 341 Crore, net of ECL of ₹ 107 Crore (31 March 2024: ₹ 365 Crore, net of ECL of ₹ 83 Crore) relates to the amounts withheld by GRIDCO due to tariff adjustments on account of transmission line constraints in respect of which GRIDCO's appeal against order of APTEL is pending before the Hon'ble Supreme Court of India and ₹ 223 Crore, net of ECL of ₹ 63 Crore (31 March 2024: ₹ 234 Crore, net of ECL of ₹ 47 Crore) relates to alleged short supply of power for which the Group's appeal on certain grounds are pending before APTEL.

e) The total trade receivables as at 01 April 2023 were ₹ 6,546 Crore (net of provision for expected credit loss).

9 Financial assets - Loans

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Non-current	Current	Total	Non-current	Current	Total
Unsecured, considered good						
Loans to related parties (Refer note 42)	1,799	1,837	3,636	5	3,361	3,366
Loans and advances to employees	-	3	3	0	3	3
Unsecured, considered credit impaired						
Loans to related parties (Refer note 42)	99	17	116	82	323	405
Less: Provision for expected credit loss	(99)	(17)	(116)	(82)	(323)	(405)
Total	**1,799**	**1,840**	**3,639**	**5**	**3,364**	**3,369**

10 Financial assets - Others

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Non-current	Current	Total	Non-current	Current	Total
Bank deposits[a, b, c]	861	-	861	811	-	811
Site Restoration asset[c]	1,669	-	1,669	1,426	-	1,426
Unsecured, considered good						
Receivables from related parties (Refer note 42)	-	16	16	-	10	10
Security deposits	475	69	544	415	57	472
Others						
Advance recoverable (oil and gas business)	-	4,346	4,346	-	7,791	7,791
Others[d]	10	2,296	2,306	18	4,899	4,917
Unsecured, considered credit impaired						
Security deposits	44	1	45	43	1	44
Balance with government authorities	-	3	3	-	3	3
Others[d]	351	690	1,041	352	697	1,049
Less: Provision for expected credit loss	(395)	(694)	(1,089)	(395)	(701)	(1,096)
Total	**3,015**	**6,727**	**9,742**	**2,670**	**12,757**	**15,427**

a) Bank deposits includes fixed deposit with maturity more than twelve months of ₹ 236 Crore (31 March 2024: ₹ 300 Crore) under lien with bank, ₹ 208 Crore (31 March 2024: ₹ 207 Crore) reserve created against principal payment on loans from banks, restricted funds of ₹ 264 Crore (31 March 2024: ₹ 202 Crore) held as interest reserve created against interest payment on loans from banks and margin money of ₹ 53 Crore (31 March 2024: ₹ 0 Crore).

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

b) Restricted funds of ₹ 13 Crore (31 March 2024: ₹ 9 Crore) held as lien with Others, ₹ 65 Crore (31 March 2024: ₹ 68 Crore) held as margin money against bank guarantees and ₹ 2 Crore (31 March 2024: ₹ 2 Crore) held as fixed deposit for closure cost.

c) Bank deposits and site restoration asset earn interest at fixed rate based on respective deposit rates.

d) Government of India (GoI) vide Office Memorandum ("OM") No. O-19025/10/2005-ONG-DV dated 01 February 2013 allowed for Exploration in the Mining Lease Area after expiry of Exploration period and prescribed the mechanism for recovery of such Exploration cost incurred. Vide another Memorandum dated 24 October 2019, GoI clarified that all approved Exploration costs incurred on Exploration activities, both successful and unsuccessful, are recoverable in the manner as prescribed in the OM and as per the provisions of PSC. Accordingly, the Group has started recognizing revenue for past exploration costs, through increased share in the joint operations revenue as the Group believes that cost recovery mechanism prescribed under OM for profit petroleum payable to GoI is not applicable to its Joint operation partner. During the year ended 31 March 2024, the Arbitration Tribunal issued final partial Award which allowed for recovery of exploration costs (refer note 36(a)(ii)). Accordingly, the Group had recognised additional ₹ 480 Crore (US$ 58 million) as on 31 March 2024. At 31 March 2025, an amount of ₹ 2,285 Crore (US$ 267 million) (31 March 2024: ₹ 2,229 Crore (US$ 267 million)) is receivable from its joint operation partner on account of this. The Group is actively engaging with joint operation partner and the same will be recovered through revenue in due course.

11 Other assets

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Non-current	Current	Total	Non-current	Current	Total
Unsecured, considered good						
Capital advances	2,123	-	2,123	2,519	-	2,519
Advances other than capital advances						
Advances for supplies to related party (Refer note 42)	-	312	312	81	239	320
Advances for supplies	86	1,224	1,310	60	1,554	1,614
Others						
Balance with government authorities [a]	733	1,293	2,026	923	1,288	2,211
Others [b]	1,021	988	2,009	889	689	1,578
Unsecured, considered doubtful						
Capital advances	178	-	178	178	-	178
Advance for supplies	-	81	81	-	78	78
Balance with government authorities	4	107	111	4	107	111
Claims and other receivables						
Others [b]	776	6	782	758	6	764
Less: Provision for doubtful advances	(958)	(194)	(1,152)	(940)	(191)	(1,131)
Total	**3,963**	**3,817**	**7,780**	**4,472**	**3,770**	**8,242**

a) Includes ₹ 66 Crore (31 March 2024: ₹ 66 Crore), being Company's share of gross amount of ₹ 97 Crore (31 March 2024: ₹ 97 Crore) paid under protest on account of Education Cess and Secondary Higher Education Cess for the year ended 2013-14.

b) Others include claim receivables, advance recoverable (oil and gas business), prepaid expenses and export incentive receivables.

12 Inventories

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials	2,730	2,312
Goods-in transit	1,434	1,615
Work-in-progress	5,788	4,666
Goods-in transit	-	-
Finished good	1,224	954
Goods-in transit	1	9
Fuel stock	1,204	1,253

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Goods-in transit	288	214
Stores and spares	1,750	1,914
Goods-in transit	55	64
Total	**14,474**	**13,001**

a) Inventory held at net realisable value of ₹ 2,616 Crore as at 31 March 2025 (31 March 2024: ₹ 1,830 Crore).

b) A write down of inventories amounting to ₹ 126 Crore (31 March 2024: ₹ 167 Crore) has been charged to the consolidated statement of profit and loss during the year.

c) For method of valuation for each class of inventories, refer note 3(a)(K).

13 Cash and cash equivalents

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks [a]	3,078	2,682
Bank deposits with original maturity of less than 3 months (including interest accrued thereon) [b]	913	129
Cash on hand	2	1
Total	**3,993**	**2,812**

a) Including foreign inward remittances aggregating ₹ 103 Crore (US$ 12 million) (31 March 2024: ₹ 15 Crore (US$ 2 million) held by banks in their nostro accounts on behalf of the Group.

b) Bank deposits earn interest at fixed rate based on respective deposit rates.

14 Other bank balances

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits with original maturity of more than 3 months but less than 12 months (including interest accrued thereon) [a,b,c]	2,818	1,265
Bank deposits with original maturity of more than 12 months (including interest accrued thereon) [c,d]	870	90
Earmarked unpaid dividend accounts [e]	156	158
Earmarked escrow account [f]	3	2
Total	**3,847**	**1,515**

a) The above bank deposits includes ₹ 79 Crore (31 March 2024: ₹ 49 Crore) on lien with banks, margin money of ₹ 119 Crore (31 March 2024: ₹ 82 Crore).

b) ₹ 43 Crore (31 March 2024: ₹ 42 Crore) held as collateral in respect of closure costs, ₹ 25 Crore (31 March 2024: ₹ 23 Crore) held as lien with Others and ₹ 617 Crore (31 March 2024: ₹ 258 Crore) held as margin money against bank guarantees.

c) Bank deposits earn interest at fixed rate based on respective deposit rates.

d) Includes ₹ 0 Crore (31 March 2024: ₹ 38 Crore) margin money with banks and fixed deposit under lien with others of ₹ 0 Crore (31 March 2024: ₹ 0 Crore).

e) Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed dividends or unpaid dividend as per the provisions of the Companies Act, 2013.

f) Earmarked escrow account includes amount restricted in use as it relates to unclaimed redeemable preference shares.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

15 Share capital

(₹ in Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number (in Crore)	Amount (₹ in Crore)	Number (in Crore)	Amount (₹ in Crore)
A) Authorised equity share capital				
Opening and closing balance (equity shares of ₹ 1 each with voting rights)	4,402	4,402	4,402	4,402
Authorised preference share capital				
Opening and closing balance (preference shares of ₹ 10 each)	301	3,010	301	3,010
B) Issued, subscribed and paid up				
Equity shares of ₹ 1 each with voting rights [a,b,c]	391	391	372	372
Total	**391**	**391**	**372**	**372**

a) Includes 2,98,632 (31 March 2024: 2,98,632) equity shares kept in abeyance. These shares are not part of listed equity capital and pending allotment as they are sub-judice.

b) Includes 50,83,517 (31 March 2024: 78,66,397) equity shares held by Vedanta Limited ESOS Trust (Refer note 16).

c) During the year ended 31 March 2025, the Company has allotted 19,31,81,818 equity shares on 20 July 2024 to eligible Qualified Institutional Buyers ("QIB") at a price of ₹ 440 per equity share (including a premium of ₹ 439 per equity share) aggregating to ~₹ 8,500 Crore pursuant to Qualified Institutions Placement ("QIP") in accordance with provisions of SEBI Issue of Capital and Disclosure Requirements ("ICDR") Regulations. Upto 31 March 2025, ₹ 6,375 crores were used for specific purposes of loan repayments and ₹ 2,061 crores were used for general corporate purposes. As at 31 March 2025, unutilised QIP proceeds of ₹ 64 crores are invested in fixed deposits. Necessary compliance certificates for "Use of Proceeds" have been obtained.

C) Shares held by ultimate holding company and its subsidiaries*

(₹ in Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares held (in Crore)	% of holding	No. of Shares held (in Crore)	% of holding
Twin Star Holdings Limited	156.48	40.02	156.48	42.10
Finsider International Company Limited	-	-	9.79	2.63
Welter Trading Limited	3.82	0.98	3.82	1.03
Vedanta Holdings Mauritius II Limited	49.28	12.60	49.28	13.26
Vedanta Holdings Mauritius Limited	10.73	2.74	10.73	2.89
Vedanta Netherlands Investment BV	0.15	0.04	0.15	0.04
Total	**220.46**	**56.38**	**230.25**	**61.95**

* The % of holding has been calculated on the issued and subscribed share capital as at the respective balance sheet date.

All the above entities are subsidiaries of Vedanta Incorporated (erstwhile, Volcan Investments Limited), the ultimate holding company.

D) Details of shareholders holding more than 5% shares in the Company*

(₹ in Crore)

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares held (in Crore)	% of holding	No. of Shares held (in Crore)	% of holding
Twin Star Holdings Limited	156.48	40.02	156.48	42.10
Vedanta Holdings Mauritius II Limited	49.28	12.60	49.28	13.26
Life Insurance Corporation of India	26.99	6.90	32.79	8.82

* The % of holding has been calculated on the issued and subscribed share capital as at respective balance sheet dates.

As per the records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

E) Disclosure of Shareholding of Promoters and Promoter Group

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024	
	No. of Shares held (in Crore)	% of holding	% Change during the year	No. of Shares held (in Crore)	% of holding
Twin Star Holdings Limited	156.48	40.02	(2.08)	156.48	42.10
Finsider International Company Limited	-	-	(2.63)	9.79	2.63
Welter Trading Limited	3.82	0.98	(0.05)	3.82	1.03
Vedanta Holdings Mauritius II Limited	49.28	12.60	(0.66)	49.28	13.26
Vedanta Holdings Mauritius Limited	10.73	2.74	(0.15)	10.73	2.89
Vedanta Netherlands Investment BV	0.15	0.04	(0.00)	0.15	0.04
Mr. Pravin Agarwal	0.00	0.00	(0.00)	0.00	0.00
Ms. Suman Didwania	0.01	0.00	(0.00)	0.01	0.00
Mr. Ankit Agarwal	0.00	0.00	(0.00)	0.00	0.00
Ms. Sakshi Mody	0.00	0.00	(0.00)	0.00	0.00
Total	**220.47**	**56.38**	**(5.57)**	**230.28**	**61.95**

F) Other disclosures

i) The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held and dividend as and when declared by the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

ii) In terms of Scheme of Arrangement as approved by the Hon'ble High Court of Judicature at Mumbai, vide its order dated 19 April 2002, the erstwhile Sterlite Industries (India) Limited (merged with the Company during 2013-14) during 2002-2003 reduced its paid up share capital by ₹ 10 Crore. There are 1,99,876 equity shares (31 March 2024: 1,99,366 equity shares) of ₹ 1 each pending clearance from NSDL. The Company has filed an application in Hon'ble High Court of Mumbai to cancel these shares, the final decision on which is pending. Hon'ble High Court of Judicature at Mumbai, vide its interim order dated 06 September 2002 restrained any transaction with respect to subject shares.

16 Other equity (Refer consolidated statement of changes in equity)

a) **General reserve:** Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013 ("Act"), the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn.

(i) The Board of Directors of the Company, on 29 October 2021, approved the Scheme of Arrangement between the Company and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act") ("Scheme"). The Scheme provides for capital reorganization of the Company, inter alia, providing for transfer of amounts standing to the credit of the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date.

Post the requisite approvals obtained from Stock Exchanges and pursuant to the National Company Law Tribunal, Mumbai Bench ("NCLT") Order dated 26 August 2022 ("NCLT Order"), the proposed scheme was approved by the shareholders with requisite majority on 11 October 2022.

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

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(ii) The Board of Directors of HZL, on 21 January 2022, approved the Scheme of Arrangement between HZL and its shareholders under Section 230 and other applicable provisions of the Companies Act, 2013 ("Act") (" the Scheme"). The Scheme provides for capital reorganization of HZL, inter alia, providing for transfer of amounts standing to the credit of the General Reserves to the Retained Earnings of the HZL with effect from the Appointed Date.

Post the requisite approvals obtained from Stock Exchanges and pursuant to the National Company Law Tribunal, Mumbai Bench ("NCLT") Order dated 06 February 2023 ("NCLT Order"), the proposed scheme was approved by the shareholders with requisite majority on 29 March 2023.

The Hon'ble NCLT vide its order dated 16 July 2024 ("the Order") has sanctioned the Scheme at HZL which envisages transfer of the entire balance of ₹10,383 Crores standing to the credit of the General Reserves ("GR") of HZL as at 31 March 2024 to Retained Earnings ("RE"). The certified true copy of the said Order was filed with the Registrar of Companies on 22 July 2024 and accordingly the Scheme has come into effect. HZL will maintain the minimum net worth of ₹ 5,000 Crores as per the undertaking given to NCLT as mentioned in the Order.

b) **Preference share redemption reserve:** The Companies Act, 2013 provides that companies that issue preference shares may redeem those shares from profits of the Company which otherwise would be available for dividends, or from proceeds of a new issue of shares made for the purpose of redemption of the preference shares. If there is a premium payable on redemption, the premium must be provided for, either by reducing the additional paid up capital (securities premium account) or net income, before the shares are redeemed. If profits are used to redeem preference shares, the value of the nominal amount of shares redeemed should be transferred from profits (retained earnings) to the preference share redemption reserve. This amount should then be utilised for the purpose of redemption of redeemable preference shares. This reserve can be used to issue fully paid-up bonus shares to the shareholders of the Company.

c) **Capital reserve:** The balance in capital reserve has mainly arisen pursuant to extinguishment of non-controlling interests of erstwhile Cairn India Limited, acquisition of ASI and FACOR. Further, changes in capital reserve are due to recognition/derecognition of put option liability and non controlling interests pertaining to ASI.

d) **Securities premium:** The amount received in excess of nominal value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Act.

e) **Foreign currency translation reserve:** Items in the consolidated statement of profit and loss of those businesses for which the Indian Rupees is not the functional currency are translated into Indian Rupees at the average rates of exchange during the year/ exchange rates as on the date of transaction. The related consolidated balance sheet is translated into Indian rupees at the rates as at the reporting date. Exchange differences arising on translation are recognised in consolidated statements of other comprehensive income. On disposal of such entities the deferred cumulative exchange differences recognised in equity relating to that particular foreign operation are recognised in the consolidated statement of profit and loss.

f) **Equity settled share based payment reserve:** Share-based payments reserve represents amount of fair value, as on the date of grant, of unvested options and vested options not exercised till date, that have been recognised as expense in the statement of profit and loss till date.

g) Legal reserve is created at Fujairah Gold FZC in accordance with free zone regulations.

h) Treasury share represents 50,83,517 (31 March 2024: 78,66,397) equity shares (face value of ₹ 1 each) of the Company purchased by Vedanta Limited ESOP Trust pursuant to the Company's stock option scheme as detailed in note 32.

i) **Hedging reserve:** Hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

j) **Non-Controlling Interest reserve:** During the year ended 31 March 2025, the Company has reduced its shareholding in its subsidiary, Hindustan Zinc Limited ("HZL") from 2,74,31,54,310 shares to 2,67,95,48,419 equity shares by way of an offer for sale for a net consideration of ₹ 3,134 Crore. Consequent to the aforesaid sale, the Company's overall stake has decreased from 64.92% to 63.42% of the total paid-up share capital of HZL and the resultant difference on change in the proportion of ownership attributable to non-controlling interest of ₹ 2,913 Crore has been recorded in Non Controlling Interest Reserve classified under "Other reserves".

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

17 Non-controlling interests (NCI)

The Non-controlling interests that are material to the Group relate to Hindustan Zinc Limited (HZL) and Bharat Aluminium Company Limited (BALCO).

As at 31 March 2025, NCIs hold an economic interest by virtue of their shareholding of 36.58% (31 March 2024: 35.08%), 49.00% (31 March 2024: 49%), 26.00% (31 March 2024: 26%), 1.79% (31 March 2024: 48.37%), 4.51% (31 March 2024: 4.51%) and 0.00% (31 March 2024: 0.00%) in Hindustan Zinc Limited (HZL), Bharat Aluminium Company Limited (BALCO), Black Mountain Mining (BMM), Avanstrate Inc. (ASI), ESL Steel Limited (ESL) and Ferro Alloys Corporation Limited (FACOR), respectively.

The principal place of business of HZL, BALCO, ESL and FACOR is in India, that of BMM is in South Africa, that of Avanstrate Inc. is in Japan, South Korea and Taiwan.

The table below shows summarized financial information of subsidiaries of the Group that have non-controlling interests. The amounts are presented before inter-company elimination.

(₹ in Crore)

Particulars	As at 31 March 2025			
	HZL	BALCO	Others	Total
Non-current assets	23,267	19,267	19,938	62,472
Current assets	11,629	3,174	2,791	17,594
Non-current liabilities	10,113	5,300	6,532	21,945
Current liabilities	11,199	4,294	7,253	22,746
Equity attributable to owners of the Vedanta Limited	8,615	6,552	7,667	22,834
Non-controlling interests	4,969	6,295	1,277	12,541

(₹ in Crore)

Particulars	As at 31 March 2024			
	HZL	BALCO	Others	Total
Non-current assets	21,714	15,763	17,230	54,707
Current assets	12,628	2,221	2,974	17,823
Non-current liabilities	8,020	4,131	4,572	16,723
Current liabilities	10,840	3,980	8,049	22,869
Equity attributable to owners of the Vedanta Limited	10,052	5,035	6,890	21,977
Non-controlling interests [a]	5,430	4,838	1,079	11,347

(a) ₹ 386 crore loss attributable to NCI of ASI transferred to put option liability. Refer note 22(a).

(₹ in Crore)

Particulars	For the year ended 31 March 2025			
	HZL	BALCO	Others	Total
Total Income	35,042	16,474	13,931	65,447
Profit after tax for the year	10,326	2,908	1,191	14,425
Profit attributable to equity shareholders of the Company	6,600	1,484	794	8,878
Profit attributable to the non-controlling interests	3,726	1,424	397	5,547
Other comprehensive income during the year	30	67	171	268
Other comprehensive income attributable to the equity shareholders of the Company	19	34	124	177
Other comprehensive income attributable to non-controlling interests	11	33	47	91
Total comprehensive income during the year	10,356	2,975	1,362	14,693
Total comprehensive income attributable to equity shareholders of the Company	6,619	1,518	918	9,055

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Particulars	For the year ended 31 March 2025			
	HZL	BALCO	Others	Total
Total comprehensive income attributable to non-controlling interests	3,737	1,457	444	5,638
Other changes in NCI due to change in ownership interests (Refer notes 4(B) and 4(C))	221	-	(246)	(25)
Dividends paid to non-controlling interests	4,419	-	-	4,419
Net cash inflow from operating activities	14,161	3,335	1,646	19,142
Net cash outflow from investing activities	(2,706)	(4,406)	(2,299)	(9,411)
Net cash (outflow)/ inflow from financing activities	(11,412)	983	576	(9,853)
Net cash inflow/ (outflow)	43	(88)	(77)	(122)

(₹ in Crore)

Particulars	For the year ended 31 March 2024			
	HZL	BALCO	Others	Total
Total Income	30,009	13,563	13,917	57,489
Profit/ (loss) after tax for the year	7,726	1,309	(940)	8,095
Profit/ (loss) attributable to equity shareholders of the Company	5,016	667	(888)	4,795
Profit/ (loss) attributable to the non-controlling interests	2,710	642	(52)	3,300
Other comprehensive loss during the year	(3)	(12)	(86)	(101)
Other comprehensive loss attributable to the to equity shareholders of the Company	(2)	(6)	(84)	(92)
Other comprehensive loss attributable to non-controlling interests	(1)	(6)	(2)	(9)
Total comprehensive income during the year	7,723	1,297	(1,026)	7,994
Total comprehensive income/ (loss) attributable to equity shareholders of the Company	5,014	661	(972)	4,703
Total comprehensive income/ (loss) attributable to non-controlling interests	2,709	636	(54)	3,291
Dividends paid to non-controlling interests	1,928	-	-	1,928
Net cash inflow from operating activities	13,346	1,603	2,902	17,851
Net cash outflow from investing activities	(3,408)	(2,262)	(2,096)	(7,766)
Net cash (outflow)/ inflow from financing activities	(9,944)	632	(947)	(10,259)
Net cash outflow	(6)	(27)	(141)	(174)

18 Capital management

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and borrowings. The Group's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Group monitors capital on the basis of the net gearing ratio which is Net debt/ Total Capital (equity + net debt). The Group is not subject to any externally imposed capital requirements.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Net debt are non-current and current debt as reduced by cash and cash equivalents, bank and other current and non-current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Group:

(₹ in Crore except otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents (Refer note 13)	3,993	2,812
Other bank balances[a] (including interest accrued) (Refer note 14)	3,000	1,030
Non-current Bank deposits[a] (Refer note 10)	517	531
Long term investments (Refer note 7A)	184	169
Short term investments (Refer note 7B)	12,909	10,882
Total cash (a)	**20,603**	**15,424**
Non-current borrowings (Note 19A)	52,712	50,633
Current borrowings (Note 19B)	21,141	21,125
Total borrowings (b)	**73,853**	**71,758**
Net debt (c=(b-a))	**53,250**	**56,334**
Total equity (d)	53,753	42,069
Total capital (e = equity + net debt)	**1,07,003**	**98,403**
Gearing ratio (times) (c/e)	**0.50**	**0.57**

a) The constituents of 'total cash' for the purpose of capital management disclosure include only those amounts of restricted funds that are corresponding to liabilities (e.g., margin money deposits). Restricted funds amounting to ₹ 1,191 Crore (31 March 2024: ₹ 765 Crore) have been excluded from 'total cash' in the capital management disclosures.

19 Financial liabilities - Borrowings

A) Non-current borrowings

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Secured		
Non convertible debentures	13,725	13,402
Term loans from banks		
-Rupee term loans	32,457	34,165
-Foreign currency term loans	4,122	1,917
-External commercial borrowings	3,820	2,917
Term loans from others	4,669	7,433
Others	5	440
Unsecured		
Non convertible debentures	3,088	-
Deferred sales tax liability	1	12
Non convertible bonds	32	31
Term loans from banks		
-Rupee term loans	8,276	7,168
Redeemable preference shares	2	2
Term loans from others	62	7
Non-current borrowings	70,259	67,494
Less: current maturities of long term borrowings [a]	**(17,547)**	**(16,861)**
Total non-current Borrowings (Net) (A)	**52,712**	**50,633**
Current Borrowings (Refer note 19B) (B)	**21,141**	**21,125**
Total Borrowings (A+B)	**73,853**	**71,758**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

B) Current borrowings

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
At amortised cost		
Secured		
Non convertible debentures	-	1,600
Working capital loan	442	489
Term loans from banks	-	352
Repurchase liability**	903	1,504
Amounts due on factoring	-	29
Bank Overdraft	18	9
Current maturities of long term borrowings [a]	14,760	13,925
Unsecured		
Rupee term loans from banks	-	58
Loans repayable on demand from banks	-	21
Commercial paper	1,036	-
Packing credit in foreign currencies from banks	8	-
Working capital loan	1,187	202
Current maturities of long term borrowings [a]	2,787	2,936
Total	**21,141**	**21,125**

a) Current maturities of long term borrowings consists of:

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured		
Non convertible debentures	5,183	3,367
Term loans from banks		
-Rupee term loans	8,141	9,099
-Foreign currency term loans	329	157
External commercial borrowings	1,105	859
Others	-	443
Unsecured		
Non convertible debentures	100	-
Term loans from banks	2,623	2,923
Deferred sales tax liability	-	11
Redeemable preference shares	2	2
Term loans from others	64	-
Grand total	**17,547**	**16,861**

b) Details of non-convertible debentures issued by Group have been provided below (carrying value)

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
9.24% due June 2032	4,089	4,089
9.20% due February 2030	2,000	2,000
0.00% due October 2029	866	776
7.85% due March 2028	499	-
9.50% due August 2027	537	-
9.40% due February 2027	2,052	-
10.00% due May 2026	2,418	-

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
11.80% due October 2025	1,000	-
12.00% due June 2025	3,352	3,170
12.00% due March 2025	-	2,368
7.68% due December 2024	-	999
11.85% due May 2024	-	1,600
Total	**16,813**	**15,002**

c) The Group has taken borrowings in various countries towards funding of its acquisitions, capital expenditure and working capital requirements. The borrowings comprises funding arrangements from various banks and financial institutions taken by the parent and subsidiaries. The details of security provided by the Group in various countries, to various lenders on the asset of the parent and subsidiaries are as follows:

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured non-current borrowings	44,038	46,349
Secured current borrowings	16,123	17,908
Total	**60,161**	**64,257**

(₹ in Crore)

Facility Category	Security details	As at 31 March 2025	As at 31 March 2024
Working capital loans*	First pari pasu charge on current assets of FACOR	21	29
	Secured by second pari passu charge on fixed assets of TSPL and first pari passu charge on current assets of TSPL, both present and future	357	434
	Secured by fixed deposits held by ASI	13	-
	First ranking pari passu charge by deed of Hypothecation on 28 March 2023 in favour of Vistra ITCL (India) Limited, security trustees	69	64
External commercial borrowings	First pari passu charge by way of hypothecation on all present and future movable assets of the Company with a minimum fixed asset cover of 1.10 times of the outstanding facility during the period of the facility comprising: (i) 1.6 MTPA (proposed capacity of 1.8 MTPA) aluminium smelter along with 1,215 MW CPP (Captive power plant) at Jharsuguda (ii) 1 MTPA (proposed capacity of 6 MTPA) alumina refinery along with CPP of 75 MW (Captive power plant) at Lanjigarh, Odisha (iii) 2,400 MW Power plant (1,800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha and (iv) Oil & Gas division comprising RJ-ON-90/1 Oil & Gas block (Rajasthan), Cambay oil fields, Ravva Oil & Gas fields (under PKGM-1 block) and OALP blocks	919	1,094
	A First pari passu charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its manufacturing facilities comprising: (i) alumina refinery having output of 6 MTPA along with co-generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha; and (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Odisha	1,191	1,823
	Secured by way of Hypothecation over movable fixed assets pertaining to: (i) 1.8 MTPA aluminium smelter capacity (ii) 1,215 MW power division at Jharsuguda (iii) 6 MTPA alumina refinery located at Lanjigarh, Odisha		

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Facility Category	Security details	As at 31 March 2025	As at 31 March 2024
	(iv) 270 MW co-generation power plant at Lanjigarh (v) 1,800 MW power plant CPP located at Jharsuguda	1,710	-
Non convertible debentures	First ranking pari passu charge by way of mortgage over 18.92 acres freehold land in Jharsuguda, Odisha together with the building and structures/ erections constructed/ to be constructed thereon and all the plant and machinery and other furniture and fixtures erected/ installed or to be erected/installed thereon and hypothecation over movable fixed assets excluding capital work in progress in relation to the aluminium division comprising 6 MTPA alumina refinery along with 75 MW co-generation captive power plant in Lanjigarh, Odisha; and 1.6 MTPA aluminium smelter plant along with 1,215 MW (9*135 MW) power plant and 2,400 MW power plant in Jharsuguda, Odisha including its movable plant and machinery, machinery spares, tools and accessories and other movable fixed assets	4,089	4,089
	Secured by way of first pari passu charge on whole of the movable fixed assets of: (i) alumina refinery having output of 1 MTPA along with co-generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha; and (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Odisha. Additionally, secured by way of mortgage on the freehold land comprising 19.32 acres situated at Jharsuguda, Odisha	2,000	2,000
	Secured by :- (i) first ranking pari passu charge, by way of hypothecation, over the movable fixed assets of the Company to be more particularly set out in the deed of hypothecation; (ii) first ranking exclusive charge, by way of hypothecation, over certain charged receivables and designated cash account to be more particularly set out in the deed of hypothecation; and (iii) a pledge over shares constituting 100 per cent of the share capital of Sesa Iron and Steel Limited; and (iv) any other security as may be agreed between the Company and the trustee	3,352	3,170
Non convertible debentures	Secured by first ranking pari- passu charge of movable fixed assets of following facilities: (i) 6 MTPA alumina refinery along with 130 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha; (ii) 1.8 MTPA aluminium smelter plant along with 1215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha; and (iii) 2400 MW power plant (1800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha	1,000	-
	Secured in favour of the debenture holders, by a first charge on all existing fixed assets of Meenakshi, as on the last available audited accounts of the Meenakshi as of the Closing Date, as more particularly set out in the Security documents (hereinafter referred to as the "Security"), with each asset (which shall also include each of the sale deeds that may be executed by the Meenakshi in relation to the relevant agreement to sell assets and the Patta land). The Security specified above, shall be created as a first ranking security ranking pari passu amongst: (i) the debenture holders, to secure the due repayment of the outstanding amounts; and (ii) the persons who have provided/shall provide any additional financial indebtedness, to secure such additional financial indebtedness	866	776

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Facility Category	Security details	As at 31 March 2025	As at 31 March 2024
	(i) First ranking pari passu security by way of hypothecation over the VEDL hypothecated Properties. (ii) First ranking exclusive security by way of pledge over 100% of the paid-up share capital of VSPL, on a fully diluted basis. (iii) Pledge over the HZL shares. (iv) First ranking exclusive security by way of hypothecation over the VSPL hypothecated properties	2,418	-
	Other secured non convertible debentures	-	4,967
Term loans from banks (includes rupee term loans and foreign currency term loans)	Secured by first pari passu charge on fixed assets of TSPL and second pari passu charge on current assets of TSPL, both present and future	4,871	5,616
	Secured by a pari passu charge by way of hypothecation of all the movable fixed assets of the Company pertaining to its aluminium division project consisting: (i) alumina refinery having output of 1 MTPA (Refinery) along with co-generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Orissa (Power Plant); and (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Orissa (Smelter) (the Refinery, Power Plant and Smelter). Also, a first pari passu charge by way of equitable mortgage on the land pertaining to the mentioned project of aluminium division	1,260	1,243
	Secured by a pari passu charge by way of hypothecation on the movable fixed assets of the Lanjigarh refinery expansion project including 210 MW power project. Lanjigarh refinery expansion project shall specifically exclude the 1 MTPA alumina refinery of the Company along with 90 MW power plant in Lanjigarh and all its related expansions	258	310
	Secured by a pari passu charge by way of hypothecation on the movable fixed assets of the Company pertaining to its aluminium division comprising 1 MTPA alumina refinery plant with 75 MW captive power plant at Lanjigarh, Odisha and 1.6 MTPA aluminium smelter plant with 1,215 MW captive power plant at Jharsuguda, Odisha	856	2,729
	Secured by a pari passu charge by way of hypothecation/ equitable mortgage of the movable/ immovable fixed assets of the Company pertaining to its aluminium division comprising 1 MTPA alumina refinery plant with 75 MW captive power plant at Lanjigarh, Odisha and 1.6 MTPA aluminium smelter plant with 1,215 MW captive power plant at Jharsuguda, Odisha	3,157	4,924
Term loans from banks (includes rupee term loans and foreign currency term loans)	First pari passu charge by way of hypothecation/ equitable mortgage on the movable/ immovable assets of the aluminium division of the Company comprising alumina refinery having output of 1 MTPA along with co-generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Orissa; aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Orissa and additional charge on Lanjigarh expansion project, both present and future	156	468
	Secured by a first pari passu charge on the identified fixed assets of the Company both present and future, pertaining to its aluminium business (Jharsuguda plant, Lanjigarh plant), 2,400 MW power plant assets at Jharsuguda, copper plant assets at Silvassa, iron ore business in the states of Karnataka and Goa, dividends receivable from HZL and the debt service reserve account to be opened for the facility along with the amount lying to the credit thereof	5,110	6,387
	Secured by; (i) floating charge on the CIHL collection account and associated permitted investments; and (ii) corporate guarantee from CEHL and floating charge on collection account and current assets of CEHL	1,986	1,835

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Facility Category	Security details	As at 31 March 2025	As at 31 March 2024
	A first pari passu first charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its manufacturing facilities comprising: (i) alumina refinery having output of 1 MTPA along with co- generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Orissa (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Orissa	721	942
	Secured by first pari passu charge on all present and future movable fixed assets including but not limited to plant and machinery, spares, tools and accessories of BALCO (excluding of coal block assets) by way of a deed of hypothecation	3,424	2,050
	First ranking pari passu charge by way of hypothecation/mortgage on all fixed/ immovable assets of ESL but excluding any current assets or pledge over any shares	1,410	1,842
	Secured by first pari-passu charge by way of hypothecation on all present and future movable assets of the Company with a minimum fixed asset cover of 1.10 times of the outstanding facility during the currency of the facility comprising:– (i) 6 MTPA alumina refinery along with 90 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha. (ii) 1.6 MTPA aluminium smelter plant along with 1,215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha. (iii) 2,400 MW power plant (1,800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha. (iv) Oil & Gas division comprising of RJ-ON-90/1 Oil & Gas block (Rajasthan), Cambay Oil fields, Ravva Oil & Gas fields (under PKGM-1 block) and OALP blocks	648	-
	A first pari passu charge by way of mortgage/ hypothecation over the specified movable fixed assets of the Company. Security comprises assets of the aluminum and power division of the Company, comprising: (i) 1.6 MTPA aluminium smelter along with 1,215 MW CPP at Jharsuguda and (ii) 1 MTPA alumina refinery along with 75 MW CPP at Lanjigarh, Odisha	700	985
Term loans from banks (includes rupee term loans and foreign currency term loans)	Term loan by Infradebt - secured by (a) an exclusive first ranking charge by way of hypothecation on the all-movable fixed properties of the Company ('project asset') pertaining to the 658-km operational oil and gas pipeline assets operated between Barmer district in the state of Rajasthan and Bhogat village in Jamnagar district in the state of Gujarat ('Project'), both present and future to the extent of Company's participating interest; (b) an exclusive first-ranking charge over the escrow account, financing documents and in all funds inclusive of debt service reserve to the extent of the required debt service reserve amount, revenue amount and realisations made out of the permitted investments, from time to time deposited therein, both present and future; and (c) a first ranking pari passu charge, by way of mortgage, on the super structure related to immovable oil wells, to the extent of Company's participating interest; and (d) a first ranking pari passu charge by way of hypothecation on all present and future movable aixed assets and intangible assets of the Oil & Gas division (excluding the project assets);	775	-

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Facility Category	Security details	As at 31 March 2025	As at 31 March 2024
	(e) second ranking pari passu charge by way of hypothecation over the power assets of the Company, both present and future; (f) a first ranking pari passu charge and assignment by way of hypothecation on: - save and except current assets and receivables of the Company to the extent they are assignable, both present and future - the right, title and interest of the Company in, to and under all the clearances, to the extent they are assignable, both present and future to the extent of the participating interest of the Company; and - all the right, title, interest, benefits, claims and demands whatsoever of the Company under the insurance contracts together with all insurance proceeds, both present and future, to the extent of the participating interest of the Company; and (g) and any other security, which may be furnished from time to time to secure the facility Until the final settlement date, the Company shall not create any charge, lien or security interest over the security stipulated in Clause (a) and (b), which is exclusively charged in favor of the lender		
	Secured by first pari passu charge by way of movable fixed assets of the aluminium division of the Company comprising: (i) 6 MTPA aluminium refinery along with 75 MW co-generation captive power plant in Lanjigarh, Orissa; (ii) 1.6 MTPA aluminium smelter along with 1,215 MW CPP at Jharsuguda; (iii) 2,400 MW power plant (1,800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha; and (iv) Oil and gas division comprising RJ-ON-90/91 Oil and Gas Block (Rajasthan), Cambay Oil Fields, Ravva Oil and gas Fields under (PKMGH-1 block) and OLAP blocks	691	728
	A first pari passu first charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its manufacturing facilities comprising: (i) 1.6 MTPA aluminium smelter along with 1,215 MW CPP at Jharsuguda and (ii) 1 MTPA alumina refinery along with CPP of 75 MW at Lanjigarh, Odisha	878	470
	A first pari passu charge by way of mortgage/ hypothecation over the specified immovable and movable fixed assets of the Company. Security comprises assets of the aluminum and power division of the Company, comprising: (i) 1.6 MTPA Aluminium Smelter along with 1215 MW CPP at Jharsuguda; and (ii) 1 MTPA Alumina refinery along with CPP of 75 MW CPP at Lanjigarh, Odisha	682	814
	First pari passu charge by way of hypothecation on all present and future movable fixed assets of the Company including but not limited to plant and machinery, spares, tools and accessories of 1.6 MTPA aluminium smelter along with 1,215 MW CPP at Jharsuguda, Odisha and 1 MTPA alumina refinery along with 90 MW CPP at Lanjigarh, Odisha	180	423
Term loans from banks (includes rupee term loans and foreign currency term loans)	A first pari-passu first charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its manufacturing facilities comprising:- (i) alumina refinery having output of 1 MTPA along with co- generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Orissa; (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP Jharsuguda, Orissa	1,247	-

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Facility Category	Security details	As at 31 March 2025	As at 31 March 2024
	First pari passu charge by way of hypothecation of the moveable fixed assets pertaining to the aluminum division, iron ore division and Oil and Gas division (excluding operational oil and gas pipeline assets)	300	-
	First pari passu charge by way of hypothecation of the specified movable fixed assets both present and future comprising:- (i) 6 MTPA alumina refinery along with 270 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha (ii) 1.8 MTPA aluminium smelter plant along with 1,215 MW (9*135) captive power plant in Jharsuguda, Odisha (iii) 1,800 MW Power Plant CPP located at Jharsuguda, Odisha	2,053	-
	Secured by: (i) A first charge by way of mortgage in a form and manner acceptable to the Lender, over all the Company's immovable properties pertaining to the Project i.e. 1,200 MW domestic coal based thermal plant in Chhattisgarh (excluding forest land), both present and future; and (ii) A first charge by way of hypothecation, in a form and manner acceptable to the lender, over all the Company's movable properties and assets, including plant & machinery, machinery spares, equipment, tools & accessories, furniture, fixtures, vehicles, and all other movable assets pertaining to the project i.e. 1,200 MW domestic coal based thermal plant in Chhattisgarh, both present and future	1,331	-
	First pari-passu charge on specific identified movable assets of the Company with fixed asset coverage ratio of 1.25 times	982	-
	Secured by first ranking pari- passu charge of movable fixed assets of following facilities: (i) 6 MTPA alumina refinery along with 130 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha; (ii) 1.8 MTPA aluminium smelter plant along with 1,215 MW (9x135 MW) captive power plant in Jharsuguda, Odisha; and (iii) 2,400 MW power plant (1800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha	341	-
	Secured by first pari pasu charge on all bank accounts, insurance policies and trade receivables of BMM by way of a deed of hypothecation	2,137	436
	First pari-passu charge by way of hypothecation of Aluminium, Power and Oil & Gas division comprising:- (i) 6 MTPA alumina refinery along with 75 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha; (ii) 1.6 MTPA aluminium smelter plant along with 1,215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha 1.6 MTPA Aluminium Smelter along with 1,215 MW captive power plant in Jharsuguda; (iii) 2,400 MW Power Plant (1,800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha; and (iv) Oil & Gas division comprising of RJ-ON-90/1 Oil & Gas block (Rajasthan), Cambay Oil fields, Ravva Oil & Gas fields (under PKGM-1 block) and OALP blocks.	150	200
Term loans from banks (includes rupee term loans and foreign currency term loans)	Term loan from a bank - secured by first pari passu charged by way of hypothecation on the specified movable fixed assets (present and future) including movable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicle, Capital work-in progress, etc. of the Company pertaining to aluminium division (Jharsuguda plant, Lanjigarh plant) and 2,400 MW power plant at Jharsuguda as more particularly described as below: (i) alumina refinery upto 6 MTPA along with co-generation captive power plant with aggregate capacity of 90 MW located in Lanjigarh, Odisha	275	-

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Facility Category	Security details	As at 31 March 2025	As at 31 March 2024
	(ii) alumina smelter output of 1.6 MTPA aluminium smelter including 1,215 (9*135) MW power plant in Jharsuguda, Odisha (iii) 2,400 MW power plant (1,800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha		
	Other secured term loans from banks	-	4,032
Term loan from others	Secured by: (i) Exclusive pledge on 1.28% (2024: 3.3%) of HZL shares; (ii) 100% share pledge of THL Zinc Ventures Limited, THL Zinc Limited, THL Zinc Holding BV and THL Zinc Namibia Holdings (Pty) Limited; (iii) 100% share pledge of Zinc holding in BMM.	2,989	7,433
	Secured by secured VEDL corporate guarantee, assets of Bloom Fountain Limited ("BFL"), 100% share pledge of BFL and other security as agreed with lender.	1,680	-
Repurchase liability	Secured by tax free perpetual bonds**	903	1,504
Others	Secured by fixed asset (platinum) of ASI	5	440
Total		**60,161**	**64,257**

* Includes loans repayable on demand from banks, export packing credit from banks, bank overdraft and amounts due on factoring.

** Repurchase liability as on 31 March 2025 are secured by current investments amounting to ₹ 949 Crore (31 March 2024: ₹ 2,033 Crore) and are repayable in 365 days (31 March 2024: 365 days) from the date of borrowings through repurchase obligation.

d) The loan facilities are subject to certain financial and non- financial covenants. The primary covenants which must be complied with include interest service coverage ratio, current ratio, debt service coverage ratio, total outside liabilities to total net worth, fixed assets coverage ratio, ratio of total term liabilities to net worth and debt/ EBITDA. The Group has complied with the covenants as per the terms of the respective loan agreements. Also, refer note 2.

Further, in case of borrowings having current assets as security, the quarterly statements of current assets filed by the Group with its lenders are in agreement with the books of accounts.

e) Term of repayment of total borrowings outstanding as at 31 March 2025 are provided below -

(₹ in Crore)

Borrowings	Weighted average of interest as at 31 March 2025	Total carrying value	<1 year	1-3 years	3-5 years	>5 years	Remarks
Foreign currency term loan	8.65%	8,792	337	7,008	1,072	422	Repayable in 33 quarterly installments
Rupee term loan	9.20%	41,636	11,701	21,243	4,581	4,236	Repayable in 393 monthly, 680 quarterly installments and 2 bullet payments
External commercial borrowings	7.72%	3,820	1,111	1,949	769	-	Repayable in 16 half yearly installments
Non convertible debentures	9.56%	16,813	5,283	5,265	2,451	4,089	Repayable in 5 annual installments and 7 bullet payments
Commercial paper	7.73%	1,036	1,036	-	-	-	Repayable in 1 bullet payment
Working capital loan	9.02%	1,655	1,655	-	-	-	Working capital loan are repayable within one year from the date of drawal, cash credit can be repaid anytime as per the availability of business surplus during the validity of the facility
Deferred sales tax liability	NA	0	0	0	-	-	Repayable in 19 monthly installments
Redeemable preference shares	NA	2	2	-	-	-	The redemption and dividend paid to the preference shares unclaimed if any, is payable on claim.
Non-convertible bonds	0.30%*	32	4	13	9	7	Repayable in 6 annual installments
Others	5.00%	67	67	-	-	-	Repayable in 1 year as per lender's demand
Total		**73,853**	**21,196**	**35,478**	**8,882**	**8,754**	

The above maturity is based on the total principal outstanding, gross of issue expenses and discounting impact of deferred sales tax liability.

* Increasing interest rate to 0.50% till maturity

f) Term of repayment of total borrowings outstanding as at 31 March 2024 are provided below -

(₹ in Crore)

Borrowings	Weighted average of interest as at 31 March 2024	Total carrying value	<1 year	1-3 years	3-5 years	>5 years	Remarks
Foreign currency term loan	11.58%	11,206	2,013	8,456	824	-	Repayable in 6 monthly, 16 quarterly, 1 half yearly, 6 annual installments and 1 bullet payment
Rupee term loan	10.19%	41,391	12,126	18,476	7,100	3,805	Repayable in 288 monthly, 437 quarterly, 2 half yearly, 16 annual installments and 3 bullet payments
External commercial borrowings	8.16%	2,917	867	1,717	350	-	Repayable in 30 half yearly payments
Non convertible debentures	11.14%	15,002	6,700	2,183	276	6,206	Repayable in 5 annual installments and 6 bullet payments
Working capital loan*	9.26%	721	721	-	-	-	Working capital loan are repayable within one year from the date of drawal, cash credit can be repaid anytime as per the availability of business surplus during the validity of the facility
Amounts due on factoring	8.28%	29	29	-	-	-	Repayable within one month
Deferred sales tax liability	NA	12	11	1	-	-	Repayable in 31 monthly installments
Redeemable preference shares	NA	2	2	-	-	-	The redemption and dividend paid to the preference shares unclaimed if any, is payable on claim.
Non-convertible bonds	0.30%**	31	4	10	8	10	Repayable in 10 annual installments
Others	5.12%	447	441	7	-	-	Repayable in 1 year as per lender's demand
Total		**71,758**	**22,914**	**30,850**	**8,558**	**10,021**	

The above maturity is based on the total principal outstanding, gross of issue expenses and discounting impact of deferred sales tax liability.

*Includes loans repayable on demand from banks of ₹ 21 Crore

** Increasing interest rate to 0.50% till maturity

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

g) Movement in borrowings during the year is provided below -

(₹ in Crore)

Particulars	Short term borrowing	Long term borrowing*	Total
Opening balance at 01 April 2023	12,458	53,724	66,182
Net cash (outflow)/ inflow	(8,148)	12,963	4,815
Other non-cash changes	(47)	815	768
Foreign exchange currency translation differences	1	(8)	(7)
As at 31 March 2024	**4,264**	**67,494**	**71,758**
Opening balance at 01 April 2024	4,264	67,494	71,758
Net cash (outflow)/ inflow	(799)	2,174	1,375
Other non-cash changes	(1)	304	303
Foreign exchange currency translation differences	129	287	416
As at 31 March 2025	**3,593**	**70,259**	**73,852**

*including current maturities of long term borrowings

Other non-cash changes include amortisation of borrowing costs and foreign exchange difference on borrowings.

h) In December 2021, the Company executed a ₹ 8,000 Crore facility agreement with Union Bank of India Limited to take over a long term syndicated facility of ₹ 10,000 Crore. This loan is secured by the way of pledge over the shares held by the Company in HZL equal to minimum 1x of outstanding loan value (calculated quarterly at value weighted average price), currently representing 4.90% (31 March 2024: 6.10%) of the paid-up shares of HZL. Further, the Company has also signed a Non-Disposal Undertaking ("NDU") in respect of its shareholding in HZL to the extent of 50.10% of the paid-up share capital of HZL. As at 31 March 2025, the outstanding loan amount under the facility is ₹ 5,120 Crore (31 March 2024: ₹ 6,400 Crore).

20 Financial liabilities -Trade payables

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Undisputed dues		
Unbilled dues	4,708	2,304
Not due	2,393	3,132
Less than 1 year	2,819	4,069
1-2 years	167	170
2-3 years	28	88
More than 3 years	40	110
Sub-total	**10,155**	**9,873**
Disputed dues		
Less than 1 year	4	50
1-2 Years	4	26
2-3 years	2	25
More than 3 years	30	121
Sub-total	**40**	**222**
Total	**10,195**	**10,095**

a) Trade payables are majorly non-interest bearing and are normally settled upto 180 days (31 March 2024: 180 days) terms.

b) For amount due and terms and conditions of related party payables, refer note 42.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

21 Operational Buyers' /Suppliers' Credit is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate ranging from 3.93% - 7.59% (31 March 2024: 4.85% - 8.43%) per annum and in rupee from domestic banks at interest rate ranging from 5.27% - 8.98% (31 March 2024: 6.25% - 10.00%) per annum. These trade credits are largely repayable within 180 days from the date of draw down. Operational Buyers' credit availed in foreign currency are partly backed by standby letter of credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Group.

22 Financial liabilities - Others

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Non-current	Current	Total	Non-current	Current	Total
Liabilities for capital expenditure [c]	629	7,656	8,285	162	10,189	10,351
Security deposits from vendors and others	-	389	389	-	328	328
Interest accrued but not due	2	835	837	-	835	835
Put option liability with non-controlling interest [a]	-	-	-	-	264	264
Unpaid/ unclaimed dividend	-	156	156	-	158	158
Profit petroleum payable	-	3,665	3,665	-	3,401	3,401
Dues to related parties (Refer note 42)	-	58	58	-	131	131
Other liabilities [b]	354	3,247	3,601	331	2,263	2,594
Total	**985**	**16,006**	**16,991**	**493**	**17,569**	**18,062**

a) The non-controlling shareholders of ASI had an option to sell their shareholding to the Group (the "put option"). The option was exercisable at any time during the three-year period following the fifth anniversary of the shareholders' agreement dated 22 December 2017, at the higher of ₹52 (US$ 0.757) per share or the fair market value of the share. Accordingly, the liability was measured at the higher of the two, and subsequent changes in the put option liability were treated as equity transactions and accounted for in equity. During the year ended 31 March 2025, the Group executed a comprehensive settlement agreement to settle all outstanding liabilities including the put option liability (Refer Note 4(B)).

b) Includes revenue received in excess of entitlement interest of ₹ 446 Crore (31 March 2024: ₹ 484 Crore) of which ₹ 317 Crore (31 March 2024: ₹ 295 Crore) is payable to ONGC and reimbursement of expenses, interest accrued on other than borrowings, liabilities related to claim, liability for stock options etc.

c) Includes acceptances of ₹ 626 Crore (31 March 2024: ₹ 343 Crore) against current and non-current capital creditors of HZL. Acceptances are given for invoices payable up to 2 years against letter of credit and are non-interest bearing.

23 Movement in lease liabilities is as follows :

(₹ in Crore)

Particulars	Amount
At 01 April 2023	**446**
Additions	945
Interest on lease liabilities	50
Payments [a]	(382)
Exchange differences and other adjustments	(46)
As at 31 March 2024 [b]	**1,013**
Additions	755
Interest on lease liabilities	109
Payments [a]	(468)
Exchange differences and other adjustments	(76)
As at 31 March 2025 [b]	**1,333**

a) Includes payment of interest on lease liabilities of ₹ 81 Crore (31 March 2024: ₹ 50 Crore).

b) Includes non-current lease liabilities of ₹ 572 Crore (31 March 2024: ₹ 536 Crore) and current lease liabilities of ₹ 761 Crore (31 March 2024: ₹ 477 Crore).

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

24 Financial instruments

A. Financial assets and liabilities:

The accounting classification of each category of financial instruments, their carrying amounts and their fair values are set out below:

As at 31 March 2025

(₹ in Crore)

Financial Assets	Fair value through profit or loss	Fair value through other comprehensive income	Derivatives designated as hedging instruments	Amortised cost	Total carrying value	Total fair value
Investments*	10,266	4,239	-	-	14,505	14,505
Trade receivables	151	-	-	5,936	6,087	6,087
Loans	-	-	-	3,639	3,639	3,639
Other financial assets	-	-	-	9,742	9,742	9,742
Derivatives	68	-	366	-	434	434
Cash and cash equivalents	-	-	-	3,993	3,993	3,993
Other bank balances	-	-	-	3,847	3,847	3,847
Total	**10,485**	**4,239**	**366**	**27,157**	**42,247**	**42,247**

(₹ in Crore)

Financial Liabilities	Fair value through profit or loss	Derivatives designated as hedging instruments	Amortised cost	Others	Total carrying value	Total fair value
Borrowings	-	-	73,853	-	73,853	74,401
Trade payables	888	-	9,307	-	10,195	10,195
Operational buyers' credit / suppliers' credit	-	-	16,293	-	16,293	16,293
Derivatives	104	221	-	-	325	325
Other financial liabilities**	-	-	18,324	-	18,324	18,324
Total	**992**	**221**	**1,17,777**	**-**	**1,18,990**	**1,19,538**

As at 31 March 2024

(₹ in Crore)

Financial Assets	Fair value through profit or loss	Fair value through other comprehensive income	Derivatives designated as hedging instruments	Amortised cost	Total carrying value	Total fair value
Investments*	7,117	4,749	-	-	11,866	11,866
Trade receivables	196	-	-	5,820	6,016	6,016
Loans	-	-	-	3,369	3,369	3,369
Other financial assets	-	-	-	15,427	15,427	15,427
Derivatives	67	-	104	-	171	171
Cash and cash equivalents	-	-	-	2,812	2,812	2,812
Other bank balances	-	-	-	1,515	1,515	1,515
Total	**7,380**	**4,749**	**104**	**28,943**	**41,176**	**41,176**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Financial Liabilities	Fair value through profit or loss	Derivatives designated as hedging instruments	Amortised cost	Others***	Total carrying value	Total fair value
Borrowings	-	-	71,758	-	71,758	72,024
Trade payables	555	-	9,540	-	10,095	10,095
Operational buyers' credit / suppliers' credit	-	-	14,935	-	14,935	14,935
Derivatives	61	83	-	-	144	144
Other financial liabilities**	-	-	18,811	264	19,075	19,075
Total	**616**	**83**	**1,15,044**	**264**	**1,16,007**	**1,16,273**

* Investments exclude equity investment in associates and joint ventures which are accounted as per the equity method of accounting.

** Includes lease liability of ₹ 1,333 Crore (31 March 2024: ₹ 1,013 Crore).

*** Represents net put option liability with non-controlling interests accounted for at fair value.

B. Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The below table summarises the categories of financial assets and liabilities as at 31 March 2025 and 31 March 2024 measured at fair value:

As at 31 March 2025

(₹ in Crore)

Financial Assets	Level 1	Level 2	Level 3
At fair value through profit or loss			
Investments	5,350	3,765	1,151
Derivative financial assets	-	68	-
Trade receivables	-	151	-
At fair value through other comprehensive income			
Investments	39	3,978	222
Derivatives designated as hedging instruments			
Derivative financial assets	-	366	-
Total	**5,389**	**8,328**	**1,373**

(₹ in Crore)

Financial liabilities	Level 1	Level 2	Level 3
At fair value through profit or loss			
Derivative financial liabilities	-	104	-
Trade payables	-	888	-
Derivatives designated as hedging instruments			
Derivative financial liabilities	-	221	-
Other financial liabilities - Net put option liability with non-controlling interests accounted for at fair value.	-	-	-
Total	**-**	**1,213**	**-**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

As at 31 March 2024

(₹ in Crore)

Financial Assets	Level 1	Level 2	Level 3
At fair value through profit or loss			
Investments	2,659	3,796	662
Derivative financial assets	-	67	-
Trade receivables	-	196	-
At fair value through other comprehensive income			
Investments	53	4,596	100
Derivatives designated as hedging instruments			
Derivative financial assets	-	104	-
Total	**2,712**	**8,759**	**762**

(₹ in Crore)

Financial liabilities	Level 1	Level 2	Level 3
At fair value through profit or loss			
Derivative financial liabilities	-	61	-
Trade payables	-	555	-
Derivatives designated as hedging instruments			
Derivative financial liabilities	-	83	-
Other financial liabilities - Net put option liability with non-controlling interests accounted for at fair value.	-	-	264
Total	**-**	**699**	**264**

Reconciliation of Level 3 fair value measurement

	(₹ in Crore)
At 01 April 2023	**290**
Investments made during the year	480
Investments redeemed during the year	(8)
As at 31 March 2024	**762**
Investments made during the year	614
Investments redeemed during the year	(3)
As at 31 March 2025	**1,373**

The below table summarises the fair value of loans and borrowings which are carried at amortised cost as at 31 March 2025 and 31 March 2024

As at 31 March 2025

(₹ in Crore)

Financial Assets	Level 1	Level 2	Level 3
Loans*	-	3,639	-
Total	**-**	**3,639**	**-**

(₹ in Crore)

Financial Liabilities	Level 1	Level 2	Level 3
Borrowings	-	74,401	-
Total	**-**	**74,401**	**-**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

As at 31 March 2024

(₹ in Crore)

Financial Assets	Level 1	Level 2	Level 3
Loans*	-	3,369	-
Total	**-**	**3,369**	**-**

(₹ in Crore)

Financial Liabilities	Level 1	Level 2	Level 3
Borrowings	-	72,024	-
Total	**-**	**72,024**	**-**

*Refer note 42 (L)

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- Investments traded in active markets are determined by reference to quoted prices in an active market in case of listed securities and by quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house. For other listed securities traded in markets which are not active, the quoted price is used wherever the pricing mechanism is same as for other marketable securities traded in active markets. Other investments, inputs for which are not based on observable market data (unobservable inputs), are valued on the basis of net assets value method.

  Other current investments are valued on the basis of market trades, poll and primary issuances for securities issued by the same or similar issuer and for similar maturities or based on the applicable spread movement for the security derived based on the aforementioned factor(s).

- Trade receivables, cash and cash equivalents, other bank balances, other financial assets, current borrowings, trade payables, operational buyers' credit and other current financial liabilities: Fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

- Borrowings: Fair value has been determined using discounted cash flow model based on parameters such as interest rates, specific country risk factors, and the risk characteristics of the financed project for non-current fixed-rate and variable-rate borrowings.

- Derivative financial assets/liabilities: The Group executes derivative financial instruments with various counterparties. Interest rate swaps, foreign exchange forward contracts and commodity forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include the forward pricing and swap models, using present value calculations. The models incorporate various inputs including foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange, i.e., London Metal Exchange, United Kingdom (U.K.).

- Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value. Fair value of non current investments that are in the nature of 'Investment in OCRPS and Equity shares' are derived from Black Scholes Option Pricing Method (BSOP).

  For all other financial instruments, the carrying amount is either the fair value, or approximates the fair value.

  The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and the value of other financial instruments recognised at fair value.

NOTES
forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The estimated fair value amounts as at 31 March 2025 and 31 March 2024 have been measured as at respective date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each period-end.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

C. Risk management framework

The Group's businesses are subject to several risks and uncertainties including financial risks.

The Group's documented risk management policies act as an effective tool in mitigating the various financial risks to which the businesses are exposed in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty credit risk and capital management. Risks are identified at both the corporate and individual subsidiary level with active involvement of senior management. Each operating subsidiary in the Group has in place risk management processes which are in line with the Group's policy. Each significant risk has a designated 'owner' within the Group at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Group's Audit and Risk Management Committee. The Audit and Risk Management Committee is aided by the other Committees of the Board including the Risk Management Committee, which meets regularly to review risks as well as the progress against the planned actions. Key business decisions are discussed at the periodic meetings of the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Group's risk situation
- improve financial returns

Treasury management

Treasury management focuses on liability management, capital protection, liquidity maintenance and yield maximisation. The treasury policies are approved by the Committee of the Board. Daily treasury operations of the subsidiary companies are managed by their respective finance teams within the framework of the overall Group treasury policies. Long-term fund raising including strategic treasury initiatives are managed jointly by the business treasury team and the central team at corporate treasury while short-term funding for routine working capital requirements is delegated to subsidiary companies. A monthly reporting system exists to inform senior management of the Group's investments and debt position, exposure to currency, commodity and interest rate risk and their mitigants including the derivative position. The Group has a strong system of internal control which enables effective monitoring of adherence to Group's policies. The internal control measures are effectively supplemented by regular internal audits.

The Group uses derivative instruments to manage the exposure in foreign currency exchange rates, interest rates and commodity prices. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts, interest rate and currency swaps and these are in line with the Group's policies.

Commodity price risk

The Group is exposed to the movement of base metal commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Group produces and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Group aims to sell the products at prevailing market prices. The commodity price risk in imported input commodity such as Alumina, anodes, etc., for our aluminium and Copper business respectively, is hedged on back-to-back basis ensuring no price risk for the business. Hedging is used primarily

NOTES
forming part of the consolidated financial statements as at and for the year ended 31 March 2025

as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and to a strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level, basis clearly laid down guidelines.

Whilst the Group aims to achieve average LME prices for a month or a year, average realised prices may not necessarily reflect the LME price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

The Group is also exposed to the movement of international crude oil price and the discount in the price of Rajasthan crude oil to Brent price.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realised on commodity contracts
- cash flow hedging of revenues, forecasted highly probable transactions

Aluminium

The requirement of the primary raw material, alumina, is partly met from own sources and the rest is purchased primarily on negotiated price terms. Sales prices are linked to the LME prices. At present, the Group, on selective basis hedges the aluminium content in outsourced alumina to protect its margins. The Group also executes hedging arrangements for its aluminium sales to realise average month of sale LME prices.

Copper

The Group's custom refining copper operations at Silvassa is benefitted by a natural hedge except to the extent of a possible mismatch in quotational periods between the purchase of anodes / blisters and the sale of finished copper. The Group's policy on custom smelting is to generate margins from Refining Charges or "RCs", improving operational efficiencies, minimising conversion cost, generating a premium over LME on sale of finished copper, sale of by-products and from achieving import parity on domestic sales. Hence, mismatches in quotational periods are managed to ensure that the gains or losses are minimised. The Group hedges this variability of LME prices through forward contracts and tries to make the LME price a pass-through cost between purchases of anodes / blisters and sales of finished products, both of which are linked to the LME price.

RCs are a major source of income for the Indian copper refining operations. Fluctuations in RCs are influenced by factors including demand and supply conditions prevailing in the market for smelters output. The Group's copper business has a strategy of securing a majority of its anodes / blisters feed requirement under long-term contracts with smelters / traders.

Zinc, lead and silver

The sales prices are linked to the LME prices. The Group also executes hedging arrangements for its Zinc, Lead and Silver sales to realise average month of sale LME prices. In exceptional circumstances, we may enter into strategic hedging with prior approval of the Committee of Directors.

Zinc International

Raw material for zinc and lead is mined in Namibia and South Africa with sales prices linked to the LME prices.

Iron ore

The Group sells its Iron Ore production from Goa on the prevailing market prices and from Karnataka through e-auction route as mandated by State Government of Karnataka in India.

Oil and gas

The prices of various crude oils are based upon the price of the key physical benchmark crude oil such as Dated Brent, West Texas Intermediate, and Dubai/Oman etc. The crude oil prices move based upon market factors like supply and

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

demand. The regional producers price their crude basis these benchmark crude with a premium or discount over the benchmark based upon quality differential and competitiveness of various grades.

Natural gas markets are evolving differently in important geographical markets. There is no single global market for natural gas. This could be owing to difficulties in large-scale transportation over long distances as compared to crude oil. Globally, there are three main regional hubs for pricing of natural gas, which are USA (Henry Hub Prices), UK (NBP Price) and Japan (imported gas price, mostly linked to crude oil).

Provisionally priced financial instruments

On 31 March 2025, the value of net financial liabilities linked to commodities (excluding derivatives) accounted for on provisional prices was ₹ 737 Crore (31 March 2024: ₹ 359 Crore). These instruments are subject to price movements at the time of final settlement and the final price of these instruments will be determined in the financial year beginning 01 April 2025.

Set out below is the impact of 10% increase in LME prices on pre-tax profit for the year and pre-tax equity as a result of changes in value of the Group's commodity financial instruments:

(₹ in Crore)

For the year ended 31 March 2025	Total Exposure	Effect on pre-tax profit of a 10% increase in the LME	Effect on equity of a 10% increase in the LME
Copper	(1,739)	(174)	-

(₹ in Crore)

For the year ended 31 March 2024	Total Exposure	Effect on pre-tax profit of a 10% increase in the LME	Effect on equity of a 10% increase in the LME
Copper	(590)	(59)	-

The above sensitivities are based on volumes, costs, exchange rates and other variables and provide the estimated impact of a change in LME prices on profit and equity assuming that all other variables remain constant. A 10% decrease in LME prices would have an equal and opposite effect on the Group's financial statements.

The impact on pre-tax profit/(loss) mentioned above includes the impact of a 10% increase in closing copper LME for provisionally priced copper concentrate purchased at Copper division custom smelting operations in India of ₹ 209 Crore loss (31 March 2024: ₹ 101 Crore loss), which is pass through in nature and as such will not have any impact on the profitability.

(a) Financial risk

The Group's Board approved financial risk policies include monitoring, measuring and mitigating the liquidity, currency, interest rate and counterparty risk. The Group does not engage in speculative treasury activity but seeks to manage risk and optimize interest and commodity pricing through proven financial instruments.

Liquidity risk

The Group requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Group generates sufficient cash flows from the current operations, which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short term as well as in the long term. The Company has been rated by CRISIL Limited (CRISIL), ICRA Limited (ICRA) and India Ratings and Research Private Limited (India Rating) for its capital market issuance in the form of CPs and NCDs and for its banking facilities in line with Basel II norms.

During the year ended 31 March 2025, CRISIL upgraded the Company's long-term bank facilities and debt instruments from 'CRISIL AA-' to 'CRISIL AA' while reaffirming its short-term rating at 'CRISIL A1+', ratings under 'Watch with Developing Implications'. Further, the Company engaged ICRA to rate long-term bank facilities and debt instruments. ICRA upgraded its long-term rating from 'ICRA AA-' to 'ICRA AA' and assigned a short-term rating of 'ICRA A1+', ratings under 'Watch with Developing Implications'. India Ratings raised the Company's long-term rating from 'IND A+' to 'IND AA-', maintaining 'Watch with Developing Implications'. Additionally, the Company withdrew ratings from India Ratings for its bank facilities, proposed NCDs, short-term loans, and Commercial Paper.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The rating upgrades are driven by a significant improvement in the Group's consolidated operating profitability, along with an improved capital structure marked by a reduction in debt and leverage below rating thresholds. Additionally, the Company has demonstrated an overall improvement in its credit profile and financial flexibility. The Rating remain under watch with developing Implications due to pending demerger outcome, as rating agencies await further clarity on the allocation of assets and liabilities and its potential impact on the Group's liquidity.

Anticipated future cash flows, together with undrawn fund based committed facilities of ₹ 6,982 Crore, and cash, bank and other non-current and current investments of ₹ 20,603 Crore as at 31 March 2025, are expected to be sufficient to meet the liquidity requirement of the Group in the near future.

The Group remains committed to maintaining a healthy liquidity, a low gearing ratio, deleveraging and strengthening its balance sheet. The maturity profile of the Group's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Group.

As at 31 March 2025

(₹ in Crore)

Payments due by year	<1 year	1-3 years	3-5 years	>5 years	Total
Borrowings*	25,787	43,326	10,423	10,668	90,204
Derivative financial liabilities	279	46	-	-	325
Lease liabilities	761	463	81	313	1,618
Trade Payables, Operational Buyers' Credit and Other financial liabilities**	41,928	1,020	-	-	42,948
	68,755	**44,855**	**10,504**	**10,981**	**1,35,095**

As at 31 March 2024

(₹ in Crore)

Payments due by year	<1 year	1-3 years	3-5 years	>5 years	Total
Borrowings*	33,732	32,267	15,602	22,995	1,04,597
Derivative financial liabilities	144	-	-	-	144
Lease liabilities	477	400	93	43	1,013
Trade Payables, Operational Buyers' Credit and Other financial liabilities**	42,033	493	-	-	42,526
	76,386	**33,160**	**15,695**	**23,038**	**1,48,280**

* Includes non-current borrowings, current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

** Includes both non-current and current financial liabilities and committed interest payment, as applicable. Excludes interest accrued on borrowings.

The Group had access to following funding facilities :

As at 31 March 2025

(₹ in Crore)

Funding facility	Total Facility	Drawn	Undrawn
Fund/non-fund based	1,01,218	86,530	14,688

As at 31 March 2024

(₹ in Crore)

Funding facility	Total Facility	Drawn	Undrawn
Fund/non-fund based	97,629	82,932	14,697

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(b) Foreign exchange risk

Fluctuations in foreign currency exchange rates may have an impact on the consolidated statement of profit and loss, the consolidated statement of change in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the respective consolidated entities.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from the fluctuations primarily in the US dollar, Australian dollar, Namibian dollar, AED, ZAR, GBP, JPY, INR and Euro against the functional currencies of Vedanta Limited and its subsidiaries.

Exposures on foreign currency loans are managed through the Group wide hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Group strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged.

The Group's presentation currency is the Indian Rupee (INR). The majority of the assets are located in India and the Indian Rupee is the functional currency for the Indian operating subsidiaries except for Oil and Gas business operations which have a US dollar functional currency. Natural hedges available in the business are identified at each entity level and hedges are placed only for the net exposure. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns, where cost of the project is calculated taking into account the hedge cost. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

The following analysis is based on the gross exposure as at the reporting date which could affect the consolidated statement of profit and loss. The exposure is mitigated by some of the derivative contracts entered into by the Group as disclosed under the section on "Derivative financial instruments".

The carrying amount of the Group's financial assets and liabilities in different currencies are as follows :

(₹ in Crore)

Currency	As at 31 March 2025		As at 31 March 2024	
	Financial Asset	Financial liabilities	Financial Asset	Financial liabilities
INR	31,011	83,613	23,390	79,501
USD	10,478	33,052	16,618	32,238
Others	757	2,326	1,168	4,268
Total	**42,246**	**1,18,991**	**41,176**	**1,16,007**

The Group's exposure to foreign currency arises where a Group entity holds monetary assets and liabilities denominated in a currency different to the functional currency of the respective business, with US dollar being the major non-functional currency.

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the foreign currencies by 10% against the functional currency of the respective entities.

Set out below is the impact of a 10% strengthening in the functional currencies of the respective businesses on pre-tax profit and pre-tax equity arising as a result of the revaluation of the Group's foreign currency monetary financial assets/ liabilities:

For the year ended 31 March 2025

(₹ in Crore)

	Effect of 10% strengthening of functional currency on pre-tax profit	Effect of 10% strengthening of functional currency on equity
USD	1,950	-
INR	(142)	-

For the year ended 31 March 2024

(₹ in Crore)

	Effect of 10% strengthening of functional currency on pre-tax profit	Effect of 10% strengthening of functional currency onequity
USD	1,190	-
INR	(19)	-

A 10% weakening of functional currencies of the respective businesses would have an equal and opposite effect on the Group's financial statements.

In respect of loans granted to group companies, there have been no non-compliances of the relevant provisions of the Foreign Exchange Management Act, 1992 and the Prevention of Money Laundering Act, 2002.

(c) Interest rate risk

At 31 March 2025, the Group's net debt of ₹ 53,250 Crore (31 March 2024: ₹ 56,334 Crore) comprises debt of ₹ 73,853 Crore (31 March 2024: ₹ 71,758 Crore) offset by cash, bank and investments of ₹ 20,603 Crore (31 March 2024: ₹ 15,424 Crore).

The Group is exposed to interest rate risk on short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. The USD floating rate debt is linked to US dollar SOFR and INR Floating rate debt to Bank's base rate. The Group has a policy of selectively using interest rate swaps, option contracts and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a monthly basis. The Group invests cash and liquid investments in short-term deposits and debt mutual funds, some of which generate a tax-free return, to achieve the Group's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of the Group's financial assets as at 31 March 2025 to interest rate risk is as follows:

(₹ in Crore)

	Total	Floating rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets
Financial Assets	42,247	4,357	18,586	19,304

The exposure of the Group's financial liabilities as at 31 March 2025 to interest rate risk is as follows:

(₹ in Crore)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
Financial Liabilities	1,18,990	40,987	50,326	27,677

The exposure of the Group's financial assets as at 31 March 2024 to interest rate risk is as follows:

(₹ in Crore)

	Total	Floating rate financial assets	Fixed rate financial assets	Non-interest bearing financial assets
Financial Assets	41,176	2,695	16,051	22,430

The exposure of the Group's financial liabilities as at 31 March 2024 to interest rate risk is as follows:

(₹ in Crore)

	Total	Floating rate financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
Financial Liabilities	1,16,007	50,182	36,985	28,840

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Considering the net debt position as at 31 March 2025 and the investment in Bank deposits, corporate bonds and debt mutual funds, any increase in interest rates would result in a net loss and any decrease in interest rates would result in a net gain. The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments at the balance sheet date.

The table below illustrates the impact of a 0.5% to 2.0% movement in interest rates on floating rate financial assets/ liabilities (net) on profit/(loss) and equity assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of that date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

(₹ in Crore)

Increase in interest rates	Effect on pre-tax profit/(loss) during the year ended 31 March 2025	Effect on pre-tax profit/(loss) during the year ended 31 March 2024
0.50%	(183)	(237)
1.00%	(366)	(475)
2.00%	(733)	(950)

An equivalent reduction in interest rates would have an equal and opposite effect on the Group's financial statements.

(d) Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group is exposed to credit risk from trade receivables, contract assets, investments, loans, other financial assets, and derivative financial instruments.

Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of national standing.

Moreover, given the diverse nature of the Group's businesses, trade receivables are spread over a number of customers with no significant concentration of credit risk. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties.

The Group has clearly defined policies to mitigate counterparty risks. For short-term investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for our mutual fund and bond investments. For derivative and financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of the financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk is ₹ 42,247 Crore (31 March 2024: ₹ 41,176 Crore).

The maximum credit exposure on financial guarantees given by the Group for various financial facilities is described in Note 40 on "Contingent liability and capital commitments".

None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables, loans and other financial assets (both current and non-current), there were no indications as at the year end, that defaults in payment obligations will occur except as described in Notes 8, 9 and 10 on allowance for impairment of trade receivables, loans and other financial assets.

Of the year end trade receivables, loans and other financial assets (excluding Bank deposits and site restoration fund) balance the following, though overdue, are expected to be realised in the normal course of business and hence, are not considered impaired as at 31 March 2025 and 31 March 2024:

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Neither impaired nor past due	8,404	12,381
Past due but not impaired		
- Less than 1 month	1,571	1,242
- Between 1–3 months	230	464
- Between 3–12 months	1,086	3,337
- Greater than 12 months	5,647	5,151
Total	**16,938**	**22,575**

Receivables are deemed to be past due or impaired with reference to the Group's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer. The Group based on past experiences does not expect any material loss on its receivables.

The credit quality of the Group's customers is monitored on an ongoing basis. Where receivables have been impaired, the Group actively seeks to recover the amounts in question and enforce compliance with credit terms.

Movement in allowances for Financial Assets (Trade receivables and Financial assets - others)

The change in the allowance for financial assets (current and non-current) is as follows:

(₹ in Crore)

Particulars	Trade receivables	Financial assets -Others	Financial assets - Loans
As at 01 April 2023	1,396	872	87
Allowance made during the year	280	217	315
Reversals/ write-off during the year	(581)	(1)	-
Exchange differences	0	8	3
As at 31 March 2024	**1,095**	**1,096**	**405**
Allowance made during the year	298	1	0
Reversals/ write-off during the year	(315)	(26)	(296)
Exchange differences	0	18	7
As at 31 March 2025	**1,078**	**1,089**	**116**

D Derivative financial instruments

The Group uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Group does not acquire or issue derivative financial instruments for trading or speculative purposes. The Group does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the Group guidelines and policies.

The fair values of all derivatives are separately recorded in the consolidated balance sheet within current and non-current assets and liabilities. Derivatives that are designated as hedges are classified as current or non-current depending on the maturity of the derivative.

The use of derivatives can give rise to credit and market risk. The Group tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Cash flow hedges

The Group enters into forward exchange and commodity price contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity through OCI until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to profit or loss. These hedges have been effective for the year ended 31 March 2025 and 31 March 2024.

The Group uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. The Group hedged part of its foreign currency exposure on capital commitments during the year ended 31 March 2025 and 31 March 2024. Fair value changes on such forward contracts are recognized in other comprehensive income.

The majority of cash flow hedges taken out by the Group during the year comprise non-derivative hedging instruments for hedging the foreign exchange rate of highly probable forecast transactions and commodity price contracts for hedging the commodity price risk of highly probable forecast transactions.

The cash flows related to above are expected to occur during the year ending 31 March 2025 and consequently may impact profit or loss for that year depending upon the change in the commodity prices and foreign exchange rates movements. For cash flow hedges regarded as basis adjustments to initial carrying value of the property, plant and equipment, the depreciation on the basis adjustments made is expected to affect profit or loss over the expected useful life of the property, plant and equipment.

Fair value hedges

The fair value hedges relate to forward covers taken to hedge currency exposure and commodity price risks.

The Group's sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer's facility. The Group enters into forward contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales. Net gains and losses are recognized in the consolidated statement of profit and loss.

The Group uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. Fair value changes on such forward contracts are recognized in the consolidated statement of profit and loss.

Non-designated economic hedges

The Group enters into derivative contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Hedging instruments include copper, aluminium future contracts on the LME and certain other derivative instruments. Fair value changes on such derivative instruments are recognized in the consolidated statement of profit and loss.

The fair value of the Group's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows:

(₹ in Crore)

Derivative Financial Instruments	As at 31 March 2025		As at 31 March 2024	
	Assets	Liabilities	Assets	Liabilities
Current				
Cash flow hedge*				
- Commodity contracts	346	13	-	22
- Forward foreign currency contracts	0	38	-	-
- Interest rate swap	4	88	-	-
Fair Value hedge				
- Commodity contracts	16	31	96	48
- Forward foreign currency contracts	-	51	5	13
Non - qualifying hedges/economic hedge				
- Commodity contracts	26	-	58	3
- Forward foreign currency contracts	42	58	9	58
Sub-total (A)	**434**	**279**	**168**	**144**
Non-current				
Fair Value hedge				
- Forward foreign currency contracts	-	-	3	-
Non - qualifying hedges/economic hedge				
- Cross currency swap	-	44	-	-
- Forward foreign currency contracts	-	2	-	-
Sub-total (B)	**-**	**46**	**3**	**-**
Total (A+B)	**434**	**325**	**171**	**144**

* Refer the Consolidated Statement of Profit and Loss and the Consolidated Statement of Changes in Equity for the change in the fair value of cash flow hedges.

E. Disclosure of effect of Hedge Accounting:

1. Cash Flow Hedge

Hedging instrument

Particular	Nominal Value	Quantity	Carrying Amount		Line item in consolidated balance sheet
			Assets	Liabilities	
As at 31 March 2025					
Commodity Price risk					
Derivative Contracts - Aluminium	6,681	3,76,650	346	0	Current financial assets/ liabilities - Derivatives
Derivative Contracts - Zinc	11	50,000	-	11	Current financial liabilities - derivatives
Interest Rate Risk					
Interest rate swaps	1,855	-	4	88	Current financial assets/ liabilities - Derivatives
Foreign Currency Risk					
Derivative Contract	463	-	-	38	Current financial liabilities - derivatives

Particular	Nominal Value	Quantity	Carrying Amount		Line item in consolidated balance sheet
			Assets	Liabilities	
As at 31 March 2024					
Commodity Price risk					
Derivative Contracts - Aluminium	560	30,150	-	22	Current financial liabilities - derivatives

2. Fair Value Hedge

Hedging instrument

Particular	Nominal Value	Quantity	Carrying Amount		Line item in consolidated balance sheet
			Assets	Liabilities	
As at 31 March 2025					
Commodity Price risk					
Derivative Contract - Aluminium	685	30,925	10	19	Current financial assets/ liabilities - Derivatives
Derivative Contract - Copper	647	7,825	4	-	Current Financial Assets -Derivatives

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Particular	Nominal Value	Quantity	Carrying Amount		Line item in consolidated balance sheet
			Assets	Liabilities	
Derivative Contract - Silver	43	1,46,834	0	0	Current financial assets/ liabilities - Derivatives
Derivative Contract - Gold	462	16,404	-	5	Current financial liabilities - derivatives
Derivative Contract - Nickle	10	650	2	7	Current financial assets/ liabilities - Derivatives
Foreign Currency Risk					
Forward Contracts	4,171	-	1	51	Current financial assets/ liabilities - Derivatives

Particular	Nominal Value	Quantity	Carrying Amount		Line item in consolidated balance sheet
			Assets	Liabilities	
As at 31 March 2024					
Commodity Price risk					
Derivative Contracts - Aluminium	2,725	1,43,125	86	47	Current financial assets/ liabilities - Derivatives
Derivative Contracts - Copper	293	4,025	7	0	Current financial assets/ liabilities - Derivatives
Derivative Contracts - Silver	36	1,75,411	1	0	Current financial assets/ liabilities - Derivatives
Derivative Contracts - Nickle	40	958	2	0	Current financial assets/ liabilities - Derivatives
Foreign Currency Risk					
Forward Contract	13,086	-	7	13	Current/ non-current financial asset/ liabilities - Derivatives

Hedged Item

Particular	Carrying Amount		Line item in consolidated balance sheet
	Asset	Liability	
As at 31 March 2025			
Commodity Price risk			
Firm Commitments on sale of inventories - Aluminium	675	-	Inventories
Firm Commitments on sale of inventories - Copper	4	-	Inventories
Firm Commitments on sale of inventories - Silver	43	-	Inventories
Firm Commitments on sale of inventories - Gold	437	-	Inventories
Firm Commitments on sale of inventories - Nickle	151	-	Inventories
Foreign Currency Risk			
Foreign currency payables	-	4,171	Borrowings

Particular	Carrying Amount		Line item in consolidated balance sheet
	Asset	Liability	
As at 31 March 2024			
Commodity Price risk			
Firm Commitments on sale of inventories - Aluminium	2,726	-	Inventories
Firm Commitments on sale of inventories - Copper	293	-	Inventories
Firm Commitments on sale of inventories - Silver	36	-	Inventories
Firm Commitments on sale of inventories - Nickle	156	-	Inventories
Foreign Currency Risk			
Foreign currency payables	-	9,934	Trade payables
Foreign currency payables	-	3,153	Borrowings

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

F. Movement in cash hedging reserve

(₹ in Crore)

Particulars	2024-25	2023-24	Line item in consolidated balance sheet/ consolidated statement of profit and loss
At the beginning of the year	(50)	18	
Other comprehensive loss for the year (net of tax impact)	494	(18)	Net gain/ (loss) on cash flow hedges recognised
Amount reclassified to consolidated profit and Loss during the year	(296)	(50)	
At the end of the year	**148**	**(50)**	Effective portion of cash flow hedges

25 Provisions

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Non-current	Current	Total	Non-current	Current	Total
Provision for employee benefits [a] (Refer note 33)						
- Retirement benefit	236	50	286	231	52	283
- Others	11	204	215	12	183	195
Provision for restoration, rehabilitation and environmental costs [b]	2,976	28	3,004	2,862	20	2,882
Other provisions [b]	-	90	90	-	86	86
Total	**3,223**	**372**	**3,595**	**3,105**	**341**	**3,446**

a) Provision for employee benefits includes gratuity, compensated absences, deferred cash bonus etc.

(₹ in Crore)

b)

Particulars	Restoration, rehabilitation and environmental costs (Refer c)	Others (Refer d)
As at 01 April 2023	**3,224**	**114**
Additions	7	5
Amounts utilised	(14)	(33)
Unwinding of discount (Refer note 34)	135	-
Revision in estimates	(333)	-
Disposals	(151)	-
Exchange differences	14	-
As at 31 March 2024	**2,882**	**86**
Additions	-	4
Amounts utilised	(17)	-
Unwinding of discount (Refer note 34)	142	-
Revision in estimates	(50)	-
Disposals	(17)	-
Exchange differences	64	-
As at 31 March 2025	**3,004**	**90**

c) **Restoration, rehabilitation and environmental costs**

The provisions for restoration, rehabilitation and environmental liabilities represent the management's best estimate of the costs which will be incurred in the future to meet the Group's obligations under existing Indian, Australian, Namibian, South African and Irish law and the terms of the Group's exploration and other licences and contractual arrangements.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Within India, the principal restoration and rehabilitation provisions are recorded within Oil & Gas business where a legal obligation exists relating to the oil and gas fields, where costs are expected to be incurred in restoring the site of production facilities at the end of the producing life of an oil field. The Group recognises the full cost of site restoration as a liability when the obligation to rectify environmental damage arises.

These amounts are calculated by considering discount rates within the range of 1% to 15% and are payable upon mine closure These costs are expected to be spread out over a period of one to forty-six years. The lower end of the discount rate is seen at ASI, Oil and Gas business, and Zinc International operations in Ireland, while the higher end is observed at ESL Steels and Zinc International operations in African countries.

d) **Other provisions**

Other provisions include provision for disputed cases and claims.

26 Other liabilities

(₹ in Crore)

Particulars	As at 31 March 2025			As at 31 March 2024		
	Non-current	Current	Total	Non-current	Current	Total
Amount payable to owned post-employment benefit trust	-	34	34	-	25	25
Other statutory liabilities [a]	78	2,107	2,185	-	2,846	2,846
Deferred government grants [b]	4,223	309	4,532	4,208	288	4,496
Advance from customer [c]	1,083	4,707	5,790	950	8,076	9,026
Advance from related party	-	-	-	-	3	3
Other liabilities	-	213	213	-	239	239
Total	**5,384**	**7,370**	**12,754**	**5,158**	**11,477**	**16,635**

a) Statutory liabilities mainly includes payables for Provident fund, ESIC, withholding taxes, goods and services tax, VAT, service tax, etc.

b) Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme and SEZ scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over the useful life of such assets.

c) Advance from customers are contract liabilities to be settled through delivery of goods. The amount of such balances as on 01 April 2023 was ₹ 8,931 Crore. During the year ended 31 March 2025, the Group has recognised revenue of ₹ 8,931 Crore (31 March 2024: ₹ 8,954 Crore) out of opening balances. All other changes are either due to receipt of new advances or exchange differences.

27 Revenue from operations

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products (Refer note 36(a)(ii))	1,48,914	1,40,049
Sale of services	424	321
Revenue from contingent rents	1,387	1,423
Total	**1,50,725**	**1,41,793**

a) Revenue from sale of products and from sale of services for the year ended 31 March 2025 includes revenue from contracts with customers of ₹ 1,50,627 Crore (31 March 2024: ₹ 1,42,513 Crore) and a net loss on mark-to-market of ₹ 1,339 Crore (31 March 2024: ₹ 2,143 Crore) (Refer note 5(D)) on account of gains/ losses relating to sales that were provisionally priced as at 31 March 2024 with the final price settled in the current year, gains/ losses relating to sales fully priced during the year, and marked to market gains/ losses relating to sales that were provisionally priced as at 31 March 2025.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

b) Majority of the Group's sales are against advance or are against letters of credit/ cash against documents/ guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within the normal credit period.

As per the terms of the contract with its customers, either all performance obligations are to be completed within one year from the date of such contracts or the Group has a right to receive consideration from its customers for all completed performance obligations. Accordingly, the Group has availed the practical expedient available under paragraph 121 of Ind AS 115 and dispensed with the additional disclosures with respect to performance obligations that remained unsatisfied (or partially unsatisfied) at the balance sheet date. Further, since the terms of the contracts directly identify the transaction price for each of the completed performance obligations, in all material respects, there are no elements of transaction price which have not been included in the revenue recognised in the consolidated financial statements.

Further, there is no material difference between the contract price and the revenue from contract with customers.

28 Other operating income

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Export incentives	611	379
Scrap sales	1,031	911
Miscellaneous income	601	644
Total	**2,243**	**1,934**

29 Other income

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net gain on investment measured at FVTPL	262	128
Interest income from investments measured at FVTPL	295	303
Interest income from investments measured at FVOCI	327	369
Interest income from financial assets at amortised cost		
- Bank deposits	550	208
- Loans (Refer note 42)	507	452
- Others	404	301
Interest on income tax refund	305	53
Dividend income from		
- Financial assets at FVTPL	35	40
- Financial assets at FVOCI	-	1
Profit on sale of assets	191	-
Deferred government grant income	296	308
Net gain on foreign currency transactions and translation	3	-
Gain on loss of control on subsidiary (Refer note 4(D))	-	178
Miscellaneous income	500	209
Total	**3,675**	**2,550**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

30 Changes in inventories of finished goods, work-in-progress and stock-in-trade*

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening stock:		
Finished goods	963	1,028
Work in progress	4,666	5,081
Total	**5,629**	**6,109**
Add: exchange differences	14	(19)
Less: capitalisation and other adjustments	(77)	(237)
Add: sale of raw material	(1)	(48)
Less: closing stock		
Finished goods	1,225	963
Work in progress	5,788	4,666
Total	**7,013**	**5,629**
Changes in inventory	**(1,448)**	**176**

* Inventories include goods-in-transit

31 Employee benefits expense [a]

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	3,410	3,172
Share based payments	58	70
Contributions to provident and other funds	287	265
Staff welfare expenses	361	348
Less: cost allocated/directly booked in joint ventures	(613)	(555)
Total	**3,503**	**3,300**

[(a)] net of capitalisation of ₹ 71 Crore (31 March 2024: ₹ 62 Crore).

32 Share based payments

The Group offers equity based and cash based option plans to its employees, officers and directors through the Company's stock option plan introduced in 2016.

The Vedanta Limited Employee Stock Option Scheme (ESOS) 2016

The Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based (EBITDA) and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares.

Options granted during the year ended 31 March 2025 and year ended 31 March 2024 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG & Carbon footprint or a combination of these for the respective business/ Strategic Business Unit entities.

The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The details of share options for the year ended 31 March 2025 is presented below:

Financial year of Grant	Exercise Period	Options outstanding 01 April 2024	Options granted during the year	Options forfeited/ lapsed during the year	Options exercised during the year	Options outstanding 31 March 2025	Options exercisable 31 March 2025
2018-19	01 November 2021 - 30 April 2022	40,356	-	40,356	-	-	-
2020-21	06 November 2023 - 05 May 2024	15,17,772	-	16,148	15,01,624	-	-
2020-21	Cash settled	3,27,561	-	-	3,27,561	-	
2021-22	01 November 2024 - 30 April 2025	82,25,376	-	48,52,787	31,10,779	2,61,810	2,61,810
2021-22	Cash settled	6,11,700	-	3,70,528	2,41,172	-	-
2022-23	01 November 2025 - 30 April 2026	1,16,66,684	-	18,47,300	-	98,19,384	-
2022-23	Cash settled	7,13,780	-	86,800	-	6,26,980	-
2023-24	04 November 2026 - 04 May 2027	1,71,77,541	-	28,28,681	-	1,43,48,860	-
2023-24	Cash Settled	33,45,837		14,24,207	-	19,21,630	-
2024-25	04 November 2027 - 04 May 2028	-	89,26,163	41,210	-	88,84,953	-
2024-25	Cash Settled	-	10,44,750	16,125	-	10,28,625	-
		4,36,26,607	**99,70,913**	**1,15,24,142**	**51,81,136**	**3,68,92,242**	**2,61,810**

The details of share options for the year ended 31 March 2024 is presented below:

Financial year of Grant	Exercise Period	Options outstanding 01 April 2023	Options granted during the year	Options forfeited/ lapsed during the year	Options exercised during the year	Options outstanding 31 March 2024	Options exercisable 31 March 2024
2018-19	01 November 2021 - 30 April 2022	41,450	-	-	1,094	40,356	40,356
2019-20	29 November 2022 - 28 May 2023	11,52,087	-	70,526	10,81,561	-	-
2020-21	06 November 2023 - 05 May 2024	83,25,751	-	41,53,161	26,54,818	15,17,772	15,17,772
2020-21	Cash settled	6,17,641	-	2,90,080	-	3,27,561	-
2021-22	01 November 2024 - 30 April 2025	95,21,390	-	12,96,014	-	82,25,376	-
2021-22	Cash settled	7,07,700	-	96,000	-	6,11,700	-
2022-23	01 November 2025 - 30 April 2026	1,35,26,444	-	18,59,760	-	1,16,66,684	-
2022-23	Cash settled	10,16,571	-	3,02,791	-	7,13,780	-
2023-24	04 November 2026 - 04 May 2027	-	1,81,38,912	9,61,371	-	1,71,77,541	-
2023-24	Cash Settled	-	35,07,647	1,61,810	-	33,45,837	-
		3,49,09,034	**2,16,46,559**	**91,91,513**	**37,37,473**	**4,36,26,607**	**15,58,128**

The fair value of all options has been determined at the date of grant of the option allowing for the effect of any market-based performance conditions. This fair value, adjusted by the Group's estimate of the number of options that will eventually vest as a result of non-market conditions, is expensed over the vesting period.

Business Performance-Based and Sustained Individual Performance-Based Options:

The fair values of stock options following these types of vesting conditions have been estimating using the Black-ScholesMerton Option Pricing model. The value arrived at under this model has been then multiplied by the expected % vesting based on business performance conditions (only for business performance-based options) and the expected multiplier on account of sustained individual performance (for both type of options). The inputs used in the Black-Scholes-MertonOption Pricing model include the share price considered as of the valuation date, exercise price as per the scheme/ plan of the options, expected dividend yield (estimated based on actual/ expected dividend trend of the company), expected tenure (estimated as the remaining vesting period of the options), the risk-free rate (considered as the zero coupon yield as of the valuation date for a term commensurate with the expected tenure of the options) and expected volatility (estimated based on the historical volatility of the return in company's share prices for a term commensurate with the expected tenure of the options). The exercise period of 6 months post vesting period has not been considered as the options are expected to be exercised immediately post the completion of the vesting period.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The assumptions used in the calculations of the charge in respect of the ESOS options granted during the years ended 31 March 2025 and 31 March 2024 are set out below:

(₹ in Crore)

Particulars	Year ended 31 March 2025 ESOS 2024	Year ended 31 March 2024 ESOS 2023
Number of Options	Cash settled - 1,044,750 Eqity settled - 8,926,163	Cash settled - 3,507,647 Equity settled - 18,138,912
Exercise Price	₹ 1	₹ 1
Share Price at the date of grant	₹ 469.80	₹ 232.75
Contractual Life	3 years	3 years
Expected Volatility	38.65%	41.16%
Expected option life	3 years	3 years
Expected dividends	19.69%	14.94%
Risk free interest rate	6.61%	7.18%
Expected annual forfeitures	10% p.a	10% p.a
Fair value per option granted (Non-market performance based)	₹ 190.66	₹ 121.98

Weighted average share price at the date of exercise of stock options was ₹ 452.48 (31 March 2024: ₹ 210.15)

The weighted average remaining contractual life for the share options outstanding was 1.58 years (31 March 2024: 1.87 years).

The Group recognised total expenses of ₹ 60 Crore (31 March 2024: ₹ 92 Crore) related to equity settled share-based payment transactions for the year ended 31 March 2025. The total expense recognised on account of cash settled share based plan during the year ended 31 March 2025 is ₹ 24 Crore (31 March 2024: ₹ 10 Crore) and the carrying value of cash settled share based compensation liability as at 31 March 2025 is ₹ 30 Crore (31 March 2024: ₹ 15 Crore).

In respect of one of the Group's subsidiary, the Group has awarded certain cash settled share based options indexed to equity valuation of the subsidiary. The total (reversal)/expense recognised on account of cash settled share based plan during the year ended 31 March 2025 is ₹ (26) Crore (31 March 2024: ₹ (9) Crore) and the carrying value of cash settled share based compensation liability as at 31 March 2025 is ₹ 0 Crore (31 March 2024: ₹ 33 Crore).

Out of the total expense of ₹ 58 Crore (31 March 2024: ₹ 93 Crore) pertaining to equity settled and cash settled options for the year ended 31 March 2025, the Group has capitalised ₹ 1 Crore (31 March 2024: ₹ 3 Crore).

33 Employee Benefit Plans

The Group participates in defined contribution and benefit plans, the assets of which are held (where funded) in separately administered funds.

For defined contribution plans, the amount charged to the consolidated statement of profit and loss is the total amount of contributions payable in the year.

For defined benefit plans, the cost of providing benefits under the plans is determined by actuarial valuation separately each year for each plan using the projected unit credit method by independent qualified actuaries as at the year end. Remeasurement gains and losses arising in the year are recognised in full in other comprehensive income for the year.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

i) Defined contribution plans

The Group contributed a total of ₹ 158 Crore and ₹ 152 Crore for the year ended 31 March 2025 and 31 March 2024 respectively to the following defined contribution plans.

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Employer's contribution to recognised provident fund and family pension fund	123	118
Employer's contribution to superannuation	24	25
Employer's contribution to National Pension Scheme	11	9
	158	**152**

Indian pension plans

Central recognised provident fund

In accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (12% for 2025 and 2024) of an employee's basic salary, and includes contribution made to Family Pension fund as explained below. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GoI) or to independently managed and approved funds. The Group has no further obligations under the fund managed by the GoI beyond its monthly contributions which are charged to the consolidated statement of profit and loss in the year they are incurred.

Family pension fund

The Pension Fund was established in 1995 and is managed by the Government of India. The employee makes no contribution to this fund but the employer makes a contribution of 8.33% of salary each month subject to a specified ceiling per employee (included in the 12% rate specified above). This is provided for every permanent employee on the payroll.

At the age of superannuation, contributions ceases and the individual receives a monthly payment based on the level of contributions through the years, and on their salary scale at the time they retire, subject to a maximum ceiling of salary level. The Government funds these payments, thus the Group has no additional liability beyond the contributions that it makes, regardless of whether the central fund is in surplus or deficit.

Superannuation

Superannuation, another pension scheme, is applicable only to executives above certain grade. However, in case of the oil & gas business (applicable from the second year of employment) and Iron Ore Segment, the benefit is applicable to all executives. Vedanta Limited and each relevant Indian subsidiary holds a policy with Life Insurance Corporation of India ("LIC"), to which each of these entities contributes a fixed amount relating to superannuation and the pension annuity is met by LIC as required, taking into consideration the contributions made. The Group has no further obligations under the scheme beyond its monthly contributions which are charged to the consolidated statement of profit and loss in the year they are incurred.

National Pension Scheme

National Pension Scheme is a retirement savings account for social security and welfare applicable for executives covered under the superannuation benefit of Vedanta Limited and each relevant Indian subsidiary, on a choice basis. It was introduced to enable employees to select the treatment of superannuation component of their fixed salaries and avail the benefits offered by National Pension Scheme launched by Government of India. Vedanta Limited and each relevant entity holds a corporate account with one of the pension fund managers authorized by the Government of India to which each of the entity contributes a fixed amount relating to superannuation and the pension annuity will be met by the fund manager as per rules of National Pension Scheme. The Group has no further obligations under the scheme beyond its monthly contributions which are charged to the consolidated statement of profit and loss in the year they are incurred.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Skorpion Zinc Provident Fund, Namibia

The Skorpion Zinc Provident Fund is a defined contribution fund and is mandatory for all full-time employees under 60. The Group contributes a fixed 9% of your pensionable salary each month.

The normal retirement age is 60, and the benefit payable is your fund credit, which includes all employer and employee contributions plus interest. This also applies if you resign from Skorpion Zinc.

The Group has no additional liability beyond its contributions. Therefore, this scheme is accounted for on a defined contribution basis, with contributions charged directly to the consolidated statement of profit and loss in the year they're incurred.

Black Mountain (Pty) Limited, South Africa Pension and Provident Funds

Black Mountain Mining (Pty) Ltd has two retirement funds, both administered by Alexander Forbes, a registered financial service provider. The purpose of the funds is to provide retirement and group risk benefits to all eligible employees. The Group contributes at a fixed percentage of 22.5% for pension fund (Employer 15% and Employee 7.5%) and 20.0% for provident fund (Employer 12.5% and Employee 7.5%) of the members pensionable salary.

Membership of both funds is compulsory for all permanent employees under the age of 60.

The Group has no additional liability beyond the contributions that it makes. Accordingly, this scheme has been accounted for on a defined contribution basis and contributions are charged directly to the consolidated statement of profit and loss in the year they are incurred.

ii) Defined benefit plans

(a) Contribution to provident fund trust (the "trusts") of Iron ore division, Bharat Aluminium Company Limited (BALCO), Hindustan Zinc Limited (HZL), Sesa Resources Limited (SRL) and Sesa Mining Corporation Limited (SMCL)

The provident funds of Iron ore division, BALCO, HZL, SRL and SMCL are exempted under section 17 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulates that the employer shall make good deficiency, if any, between the return guaranteed by the statute and actual earning of the Fund. Based on actuarial valuation in accordance with Ind AS 19 and the Guidance note issued by the Institute of Actuaries of India for interest rate guarantee of exempted provident fund liability of employees, there is no interest shortfall that is required to be met by Iron ore division, SRL, BALCO and SMCL as at 31 March 2025 and 31 March 2024. Having regard to the assets of the fund and the return on the investments, the Group does not expect any deficiency in the foreseeable future.

The Group contributed a total of ₹ 77 Crore for the year ended 31 March 2025 and ₹ 62 Crore for the year ended 31 March 2024 in relation to the independently managed and approved funds. The present value of obligation and the fair value of plan assets of the trust are summarised below.

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Fair value of plan assets of trusts	2,050	2,696
Present value of defined benefit obligation	(2,067)	(2,652)
Net liability arising from defined benefit obligation	**(17)**	**NIL**

(₹ in Crore)

Percentage allocation of plan assets of the trust	Year ended 31 March 2025	Year ended 31 March 2024
Assets by category		
Government Securities	55.48%	21.09%
Debentures / bonds	36.41%	69.67%
Equity	8.11%	8.70%
Money Market Instruments	0.00%	0.00%
Fixed deposits	0.00%	0.54%

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(b) Post-Retirement Medical Benefits:

The Group has a scheme of medical benefits for employees at BMM and BALCO subsequent to their retirement on completion of tenure including retirement on medical grounds and voluntary retirement on contributory basis. The scheme includes an employee's spouse as well. Based on an actuarial valuation conducted as at year-end, a provision is recognised in full for the benefit obligation. The obligation relating to post-retirement medical benefits as at 31 March 2025 was ₹ 103 Crore (31 March 2024: ₹ 92 Crore). The obligation under this plan is unfunded. The Group considers these amounts as not material and accordingly has not provided further disclosures as required by Ind AS 19 'Employee benefits'. The current service cost for the year ending 31 March 2025 of ₹ 1 Crore (31 March 2024: ₹ 2 Crore) has been recognised in consolidated statement of profit and loss. The remeasurement losses/ (gains) and net interest on the obligation of post-retirement medical benefits of ₹ 7 Crore (31 March 2024: ₹ (13) Crore) and ₹ 9 Crore (31 March 2024: ₹ 9 Crore) for the year ended 31 March 2025 have been recognised in other comprehensive income and finance cost respectively.

(c) Other Post-employment Benefits:

India - Gratuity plan

In accordance with the Payment of Gratuity Act of 1972, Vedanta Limited and its Indian subsidiaries contribute to a defined benefit plan (the "Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Group.

Based on actuarial valuations conducted as at year end using the projected unit credit method, a provision is recognised in full for the benefit obligation over and above the funds held in the Gratuity Plan. For entities where the plan is unfunded, full provision is recognised in the consolidated balance sheet. As a part of asset-liability matching strategy, each year, the Group based on actuarial valuations reviews funding and investments of these Plans and contributes the necessary amount to respective funds.

The iron ore and oil & gas division of Vedanta Limited, SRL, SMCL, HZL and FACOR have constituted a trust recognized by Income Tax Authorities for gratuity to employees and contributions to the trust are funded with the Life Insurance Corporation of India (LIC), ICICI Prudential Life Insurance Company Limited (ICICI) and HDFC Life Insurance Company Limited (HDFC).

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the other post-employment benefit plan obligation are as follows:

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate	7.03%	7.10%
Expected rate of increase in compensation level of covered employees	2%-15%	2%-15%
Mortality table	IALM (2012-14)	IALM (2012-14)

Amount recognised in the consolidated balance sheet consists of:

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Fair value of plan assets	472	459
Present value of defined benefit obligations	(655)	(650)
Net liability arising from defined benefit obligation	**(183)**	**(191)**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Amounts recognised in the consolidated statement of profit and loss in respect of Other post-employment benefit plan are as follows:

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current service cost	51	49
Net interest cost	16	14
Components of defined benefit costs recognised in consolidated statement of profit and loss	**67**	**63**

Amounts recognised in other comprehensive income in respect of Other post-employment benefit plan are as follows:

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Re-measurement of the net defined benefit obligation:-		
Actuarial (gains)/ losses arising from changes in financial assumptions	(9)	9
Actuarial losses arising from experience adjustments	8	6
Actuarial (gains)/ losses arising from changes in demographic assumptions	(4)	4
Actuarial losses on plan assets (excluding amounts included in net interest cost)	1	2
Components of defined benefit (gains)/ costs recognised in Other comprehensive income	**(4)**	**21**

The movement of the present value of the Other post-employment benefit plan obligation is as follows:

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening balance	650	623
Current service cost	51	49
Benefits paid	(88)	(86)
Interest cost	47	45
Actuarial (gains)/ losses arising from changes in assumptions	(5)	19
Closing balance	**655**	**650**

The movement in the fair value of Other post-employment benefit plan assets is as follows:

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening balance	459	440
Contributions received	71	67
Benefits paid	(88)	(77)
Re-measurement loss arising from return on plan assets	(1)	(2)
Interest income	31	31
Closing balance	**472**	**459**

The above plan assets have been invested in the qualified insurance policies.

The actual return on plan assets was ₹ 30 Crore (31 March 2024: ₹ 29 Crore).

The weighted average duration of the defined benefit obligation is 13.01 years (31 March 2024: 12.45 years).

The Group expects to contribute ₹ 67 Crore to the funded defined benefit plans during the year ending 31 March 2026.

Sensitivity analysis for Defined Benefit Plan

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

Particulars	Increase/(Decrease) in defined benefit obligation	
	Year ended 31 March 2025	Year ended 31 March 2024
Discount rate		
Increase by 0.50%	(27)	(28)
Decrease by 0.50%	29	30
Expected rate of increase in compensation level of covered employees		
Increase by 0.50%	25	26
Decrease by 0.50%	(24)	(25)

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the consolidated balance sheet.

Maturity analysis of defined benefit obligation

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Less than 1 year	100	63
1-2 years	57	58
2-5 years	236	145
More than 5 years	262	384
	655	**650**

Risk analysis

Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management estimation of the impact of these risks are as follows:

Investment risk

Most of the Indian defined benefit plans are funded with the LIC and ICICI. The Group does not have any liberty to manage the fund provided to LIC and ICICI.

The present value of the defined benefit plan obligation is calculated using a discount rate determined by reference to Government of India bonds for the Group's Indian operations. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the net plan obligation.

Longevity risk / Life expectancy

The present value of the defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan obligation.

Salary growth risk

The present value of the defined benefit plan obligation is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan obligation.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Code on Social Security, 2020[#]

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Certain sections of the Code came into effect on 3 May 2024. However, the final rules/ interpretation have not yet been issued. Based on preliminary assessment, the Group believes the impact of changes will not be material.

34 Finance cost

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense on financial liabilities at amortised cost[b,c]	10,139	9,235
Other finance costs	1,048	1,033
Net interest on defined benefit arrangement	25	23
Unwinding of discount on provisions	142	135
Less: Capitalisation of finance cost/ borrowing cost[a]	(1,430)	(960)
Less: Cost allocated/directly booked in joint ventures	(10)	(1)
Total	**9,914**	**9,465**

a) Interest rate of 10.40% (31 March 2024: 8.65%) was used to determine the amount of general borrowing costs eligible for capitalization in respect of qualifying asset for the year ended 31 March 2025.

b) Interest expense on income taxes is ₹ 74 Crore (31 March 2024: ₹192 Crore).

c) Interest expense on lease liabilities for the year ended is ₹ 109 Crore (31 March 2024: ₹ 50 Crore)

35 Other expenses

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Cess on crude oil	2,497	3,688
Royalty	6,297	6,249
Consumption of stores and spare parts	4,006	3,631
Share of expenses in producing oil and gas blocks	3,231	3,486
Repairs to plant and equipment	3,997	3,636
Repairs to building	257	226
Repairs others	207	194
Carriage expenses	2,033	2,285
Mine expenses	3,114	3,601
Net loss on foreign currency transactions and translations	117	263
Other selling expenses	3	3
Insurance	236	278
Loss on sale/disposal of fixed asset (net)	-	114
Rent*	62	55
Rates and taxes	127	222
Exploration costs written off	459	786
Allowance of impairment on financial and non-financial assets/ bad debts written off	343	261
Miscellaneous expenses[a,b]	8,816	8,629
Less: cost allocated/directly booked in joint ventures	(301)	(332)
Total	**35,501**	**37,275**

* Rent represents expense on short term/ low value leases.

a Includes contributions to Bhartiya Janta Party of ₹ 97 Crore (31 March 2024: ₹ 26 Crore), Biju Janta Dal of ₹ 25 Crore (31 March 2024: ₹ 15 Crore), Jharkhand Mukti Morcha of 20 Crore (31 March 2024: ₹ 5 Crores) and All India Congress Committee of ₹ 10 Crore (31 March 2024: ₹ 49 Crore)

b Includes Management and Brand fees expense of ₹ 3,039 Crore (31 March 2024: ₹ 2,865 Crore) (Refer note 42).

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

36 Exceptional items

(₹ in Crore)

Particulars	Year ended 31 March 2025			Year ended 31 March 2024		
	Exceptional items	Tax effect of Exceptional items	Exceptional items after tax	Exceptional items	Tax effect of Exceptional items	Exceptional items after tax
Property, plant and equipment, exploration intangible assets under development, capital work-in-progress and other assets (impaired)/ reversal or (written off)/ written back in:						
- Oil & Gas [a (i), (ii)]						
- Reversal of previously recorded impairment	2,358	(782)	1,576	1,179	(413)	766
- Copper (refer note 3(c)(A)(iii))	-	-	-	(746)	188	(558)
- Aluminium [b]	-	-	-	(131)	33	(98)
- Zinc International	-	-	-	(117)	-	(117)
- Others [c]	(268)	-	(268)	-	-	-
Impact of State levies :						
- Zinc [d,e]	(83)	21	(62)	-	-	-
- Iron Ore [e]	(139)	29	(110)	-	-	-
Foreign currency translation reserve recycled to profit or loss on redemption of optionally convertible redeemable preference shares [f]	-	-	-	1,825	-	1,825
Capital creditors written back in Power segment [g]	-	-	-	793	(200)	593
Total	**1,868**	**(732)**	**1,136**	**2,803**	**(392)**	**2,411**

a (i) During the year ended 31 March 2025, the Oil & Gas segment of the Group has commenced injection of Alkaline Surfactant Polymer ("ASP") flooding in selective well pads of the Mangala field. In order to extend the injection across the field, the Group has identified cluster-based development approach. The execution of cluster-based approach has commenced with the award of surface facilities and on ground mobilization. As a result of the above, the Group is planning for the development of remaining clusters. Accordingly, the recoverable amount of the Company's share in Rajasthan Oil and Gas cash generating unit ("RJ CGU") is determined to be ₹ 13,188 Crore (US$ 1,574 million) as at 30 September 2024, resulting in an impairment reversal of ₹ 2,358 Crore (US$ 282 million) on its assets in the oil and gas producing facilities.

The recoverable value of the RJ CGU is determined based on the fair value less costs of disposal approach, a level-3 valuation technique in the fair value hierarchy, as it more accurately reflects the recoverable amount based on the Company's view of the assumptions that would be used by a market participant. This is based on the cash flows expected to be generated by the projected oil and natural gas production profiles (reserves and resources) extractable up to 2040 (including expected 10 year additional term of license extension), the expected dates of cessation of production sharing contract ("PSC")/ cessation of production from each producing field based on the current estimates of reserves and risked resources and after factoring tax outflows at 25.17% tax rate, etc.

Management believes that an additional 10-year term of license extension would be available and would also be considered by a market participant based on past precedence on license extensions, industry practice with relation to granting of extensions and understanding of Indian economy's focus on self-reliance for oil production which is indicated by various initiatives through award of new blocks, etc. Further, management considers that as the RJ Block is in India, an independent market participant would pay tax at 25.17% tax rate instead of the Company's actual tax rate (validated by independent expert) and accordingly, believes that such assumption on taxation is appropriate. The discounted cash flow analysis used to calculate 'fair value less costs of disposal' uses assumption for short-term oil price of US$ 79 per barrel for the next one year and tapers down to long-term nominal price of US$ 73 per barrel three years thereafter derived from a consensus of various analyst recommendations. Thereafter, these have been escalated at a rate of 2% per annum. The cash flows are discounted using the post-tax nominal

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

discount rate of 11.91% (15% for ASP remaining clusters), derived from the post-tax weighted average cost of capital after factoring in the risks ascribed to PSC extension, including successful implementation of key growth projects. Based on the sensitivities carried out by the Company, change in crude price assumptions by US $ 1/bbl and changes to discount rate by 1% would lead to a change in recoverable value by ₹ 17 Crore (US$ 2 million) and ₹ 685 Crore (US$ 82 million) respectively. The sensitivities around change in crude price and discount rate are not material to the consolidated financial statements.

a (ii) The Government of India ("GoI"), acting through the Directorate General of Hydrocarbons ("DGH"), had raised demand up to 14 May 2020 for Government's additional share of Profit Oil, based on its computation of disallowance of cost incurred over retrospective re-allocation of certain common costs between Development Areas (DAs) of Rajasthan Block and certain other matters aggregating to ₹ 9,545 Crore (US$ 1,162 million) and applicable interest thereon representing share of Vedanta Limited and its subsidiary.

The Group had disputed the aforesaid demand and invoked arbitration as per the provisions of the Production Sharing Contract ("PSC"). The Group had received the Final Partial Award dated 22 August 2023 from the Arbitration Tribunal ('the Tribunal') as amended by order dated 15 November 2023 and 08 December 2023 ("the Award"), dismissing the Government's contention of additional Profit Petroleum in relation to allocation of common development costs across Development Areas and certain other matters in accordance with terms of the PSC for Rajasthan Block, while allowing some aspects of the objections. Further, the Tribunal had decided that the Group was allowed to claim cost recovery of exploration cost as per terms of the PSC.

Pursuant to the Award, the Group had recognized a benefit of ₹ 4,761 Crore (US$ 578 million) in revenue from operations during the year ended 31 March 2024. The Group has been adjusting the profit petroleum liability against the aforesaid benefit.

GoI filed interim relief application to the Tribunal on 03 February 2024 stating that the Group has unilaterally enforced the Award although the quantification of the same is pending. The matter was heard and the Tribunal vide its order dated 29 April 2024 has denied GoI's interim relief application. GoI has filed an appeal before the Delhi High Court ("Section 37 Appeal"). The hearing was concluded and the matter has been reserved for judgement. In the interim, vide letter dated 06 May 2024, GoI has submitted its calculation of the quantum, basis the Award. GoI has claimed a sum of US$ 224 million from the Group. The Group is of the view that the GoI computation is prima-facie contrary to the Award including clarifications issued by the Tribunal. The Tribunal has allowed these costs for cost recovery but this was not considered by GoI in their calculation of the quantum. The Group has responded to the GoI with its detailed analysis. As the Parties are unable to agree on quantum of the calculations, the matter will be decided by the Tribunal in the quantum proceedings.

GoI had also filed a challenge against the Award on 07 March 2024 in Delhi High Court ("Section 34 Appeal") and the matter was first heard on 14 March 2024. Notice has been issued on 01 August 2024 and liberty was granted to the Group to file its response. The response was filed on 30 August 2024. Further, no stay has been granted to GoI against adjustment of liability by the Group. Next date of hearing is awaited. The Group believes that the Court may not re-appreciate the evidence in Section 34 Appeal, as the interpretation by the Tribunal is plausible.

During the previous year ended 31 March 2024, the Group had recognised a net impairment reversal of ₹ 1,179 crore (US$ 143 million) on its assets in the oil and gas producing facilities pursuant to the Award. The recoverable amount of the Company's share in RJ CGU was determined to be ₹ 11,313 crore (US$ 1,360 million) as at 30 September 2023. The recoverable amount of the RJ CGU was determined based on the fair value less costs of disposal approach, a level-3 valuation technique in the fair value hierarchy, as it more accurately reflects the recoverable amount based on the Group's view of the assumptions that would be used by a market participant. This was based on the cash flows expected to be generated by the projected oil and natural gas production profiles up to 2040, the expected dates of cessation of PSC/ cessation of production from each producing field based on the current estimates of reserves and risked resources. Reserves assumptions for fair value less costs of disposal tests considered all reserves that a market participant would consider when valuing the asset, which are usually broader in scope than the reserves used in a value-in-use test. Discounted cash flow analysis used to calculate fair value less costs of disposal uses assumption for short-term oil price of US$ 79 per barrel for the next one year and tapers down to long-term nominal price of US$ 74 per barrel three years thereafter derived from a consensus

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

of various analyst recommendations. Thereafter, these have been escalated at a rate of 2.4% per annum. The cash flows are discounted using the post-tax nominal discount rate of 11.32% derived from the post-tax weighted average cost of capital after factoring in the risks ascribed to PSC extension including successful implementation of key growth projects. Based on the sensitivities carried out by the Group, change in crude price assumptions by US $ 1/bbl and changes to discount rate by 1% would lead to a change in recoverable value by ₹ 75 crore (US$ 9 million) and ₹ 415 crore (US$ 50 million) respectively.

b) Represents certain items of CWIP, which have been written off during the year ended 31 March 2024 as they are no longer expected to be used.

c) During the year ended 31 March 2025, ASI recorded a provision for impairment for certain CWIP projects as they are no longer expected to be viable pursuant to the settlement with HOYA (Refer Note 4 (B)) and as part of the Group's broader expansion strategy, wherein management reassessed the CWIP portfolio from a future usage, efficiency, and viability perspective.

d) **Zinc - Land tax:**

During the year ended 31 March 2025, the Group has opted to settle matters pertaining to land tax for the period till February 2024, by availing the Amnesty Scheme 2024 as launched by State of Rajasthan. Pursuant to which the Group has recorded a expense of ₹ 27 Crore. Furthermore, the State of Rajasthan vide the same notification has exempted land tax payable on all classes of land with effect from 08 February 2024.

e) The Hon'ble Supreme Court of India vide its order dated 25 July 2024 (the "Supreme Court Order") opined that the state governments have powers to levy additional taxes/cess on mineral bearing land and mining rights thereof and also held that royalty is not a tax. The Supreme Court vide its further order dated 14 August 2024, clarified that the state governments can levy or renew demands of tax/cess on the existing cases initiated on or after 01 April 2005 which will be payable in 12 annual installments commencing from 01 April 2026.

Zinc - Environment and Health Cess:

The State of Rajasthan had levied Environment and Health Cess through a notification in year 2008 on major minerals including lead and zinc which later got rescinded in 2017. As per management's assessment of the Supreme Court Order, the Group has recorded a provision of ₹ 56 Crore. However, the Group has not received any demand notice post the Supreme Court Order till date.

Iron Ore - Transport Cess:

The Group and other miners had challenged the cess imposition under Goa Rural Improvement and Welfare Cess Act, 2000 (the "Act") in the High Court of Bombay, which upheld the Act's validity in September 2018. The Group's appeal is currently pending before the Hon'ble Supreme Court. As per management's assessment of the Supreme Court Order, the Group has recorded a provision of ₹ 139 Crore.

f) The Company recorded reversal of previously recognised impairment on investments in OCRPS in THL Zinc Holding BV ("THLZBV") and THL Zinc Ventures Limited ("THLZVL"), wholly owned subsidiaries of the Company during the year ended 31 March 2024 and 31 March 2023, respectively.

Further, the above investment in OCRPS of THLBV and THLZVL was redeemed previous year ended 31 March 2024, pursuant to which ₹ 1,825 crore, being the proportionate share of FCTR in the subsidiaries, has been recycled to the consolidated statement of profit and loss.

g) During the year ended 31 March 2024, Talwandi Sabo Power Limited ("TSPL"), a wholly owned subsidiary, terminated its contract with one of its major capital contractors (the "Contractor"), due to its persistent failure to fulfil its contractual obligations, which adversely affected the plant's performance since commissioning. Consequently, as of 31 March 2024, TSPL had written back creditors amounting to ₹ 1,252 crores, representing amounts assessed as no longer payable under the terminated contract. The management had assessed that the amount written back comprised of ₹ 793 Crore towards loss of profit due to plant performance in the previous and earlier years and therefore recognised the same as

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Exceptional gain in the consolidated statement of profit and loss and adjusted the balance amount towards the cost of spares and ancillaries capitalised in Property, Plant & Equipment in earlier years.

Subsequently, the Contractor disputed the termination of the contract and claimed dues along with damages arising from the TSPL's action. TSPL issued a counter claim on the Contractor and also initiated arbitration proceedings to enforce its claims. Nominee arbitrators have been appointed by both the parties and on 03 April 2025, the Hon'ble Supreme Court appointed the presiding arbitrator.

Based on its detailed evaluations, merits of the case and independent legal advice obtained, the management continues to believe that the termination of the contract is contractually enforceable. The management believes that this position is sustainable, when this matter is finally decided by the adjudicating authority and accordingly, no adjustments in respect of the Contractor's claims are required to be made in the consolidated financial statements for the year ended 31 March 2025.

37 Tax

(a) Tax expense/ (benefit) recognised in consolidated statement of profit and loss (including on exceptional items)

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax:		
Current tax for the year	4,923	5,877
(Benefit)/ expense in respect of current tax for earlier years	(546)	29
Benefit in respect of exceptional items (Refer note 36)	(50)	(33)
Net effect of change in tax regime*	-	(1,786)
Total current tax (a)	**4,327**	**4,087**
Deferred tax:		
Expense of temporary differences (Refer note 4(B))	939	436
Expense/ (benefit) in respect of deferred tax for earlier years	294	(36)
Expense in respect of exceptional items (Refer note 36)	782	425
Net effect of change in tax regime*	-	7,914
Deferred tax (b)	**2,015**	**8,739**
Total income tax expense for the year (a+b)	**6,342**	**12,826**
Profit before tax	**26,877**	**20,365**
Effective income tax rate (%)	**24%**	**63%**

Tax expense/ (benefit)

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Tax effect on exceptional items	732	392
Net effect of change in tax regime*	-	6,128
Tax expense - others	5,610	6,306
Net tax expense	**6,342**	**12,826**

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(b) A reconciliation of income tax expense applicable to profit before tax at the Indian statutory income tax rate to recognise income tax expense for the year indicated are as follows

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax	**26,877**	**20,365**
Indian statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	**6,764**	**5,125**
(Non-taxable)/ non-deductible items	(121)	84
Tax holidays and similar exemptions	20	0
Effect of tax rate differences of subsidiaries operating at other tax rates	459	936
Unrecognised tax assets (net)	(652)	445
Change in deferred tax balances due to change in tax law	(200)	11
Capital gains/ other income subject to lower tax rate	(31)	(24)
Credit in respect of earlier years	(242)	(7)
Net impact of change in tax regime*	-	6,128
Other permanent differences	345	128
Total	**6,342**	**12,826**

* Pursuant to the introduction of Section 115BAA of the Income tax Act, 1961 (""New Tax Regime""), the Company has an option to pay corporate income tax at a lower rate of 22% plus applicable surcharge and cess as against the currently applicable rate of 30% plus surcharge and cess. Under the new tax regime, provisions of Section 115 JB-Minimum Alternate Tax (MAT) are no longer applicable.

During the year ended 31 March 2024, the Company has elected to adopt new tax regime from FY 2022-23 onwards due to expected corporate actions and other considerations and the first tax return under the new tax regime was filed for FY 2022-23 on 29 November 2023. Upon adoption of new tax regime for FY 2022-23, the current tax charge is lower by ₹ 1,786 Crore (mainly on account of section 80M benefit not available under MAT) and deferred tax charge is higher by ₹ 151 Crore. Further, the MAT credit balance of ₹ 7,763 Crore, for periods up to 31 March 2023, has been expensed. Consequently, the net impact of the above amounting to ₹ 6,128 Crore is accounted for as exceptional tax expense in the previous year ended 31 March 2024.

(c) Deferred tax assets/liabilities

The Group has accrued significant amounts of deferred tax. The majority of the deferred tax liability represents accelerated tax relief for the depreciation of property, plant and equipment, depreciation of mining reserves and the fair value uplifts created on acquisitions net of deferred tax assets representing unabsorbed depreciation and carried forward losses.

Significant components of deferred tax (assets) and liabilities recognised in the consolidated balance sheet are as follows :

For the year ended 31 March 2025

(₹ in Crore)

Significant components of Deferred tax (assets) and liabilities	Opening balance as at 01 April 2024	Charged / (credited) to profit and loss	Charged/ (credited) to OCI #	Charged / (credited) to other equity	Exchange difference and other adjustments	Closing balance as at 31 March 2025
Property, plant and equipment	12,113	1,672	-	6	221	14,012
Voluntary retirement scheme	(18)	10	-	-	-	(8)
Employee benefits	(370)	71	4	-	(6)	(301)
Fair valuation of derivative asset/ liability	(64)	(8)	75	-	-	3
Fair valuation of other asset/ liability	924	(762)	3	-	15	180
Unabsorbed depreciation and business losses	(4,352)	(96)	-	-	-	(4,448)
Other temporary differences	(770)	1,127	(4)	-	(101)	252
Total	**7,463**	**2,014**	**78**	**6**	**129**	**9,690**

Out of the total tax benefit on OCI items in the consolidated statement of profit and loss, the deferred tax benefit is presented in the table above. The remaining tax benefit, amounting to ₹17 crore, relates to current tax.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

For the year ended 31 March 2024

(₹ in Crore)

Significant components of Deferred tax (assets) and liabilities	Opening balance as at 01 April 2023	Charged / (credited) to profit and loss	Charged/ (credited) to OCI #	Charged / (credited) to other equity	Exchange difference and other adjustments	Closing balance as at 31 March 2024
Property, plant and equipment	12,415	(311)	-	-	9	12,113
Voluntary retirement scheme	(25)	7	-	-	-	(18)
Employee benefits	(356)	(8)	(7)	-	1	(370)
Fair valuation of derivative asset/ liability	(75)	26	(15)	-	-	(64)
Fair valuation of other asset/ liability	760	266	-	-	(102)	924
MAT credit entitlement	(7,960)	7,957	-	-	3	-
Unabsorbed depreciation and tax losses	(4,888)	533	-	-	3	(4,352)
Other temporary differences	(1,023)	269	(14)	-	(2)	(770)
Total	**(1,152)**	**8,739**	**(36)**	**-**	**(88)**	**7,463**

Out of the total tax benefit on OCI items in the consolidated statement of profit and loss, the deferred tax benefit is presented in the table above. The remaining tax benefit, amounting to ₹17 crore, relates to current tax.

Deferred tax assets and liabilities have been offset where they arise in the same taxing jurisdiction with a legal right to offset current income tax assets against current income tax liabilities but not otherwise. Accordingly, the net deferred tax (assets)/liability has been disclosed in the Consolidated Balance Sheet as follows:

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Deferred tax assets	(3,353)	(2,689)
Deferred tax liabilities	13,043	10,152
Net Deferred tax assets	**9,690**	**7,463**

Deferred tax assets in the Group have been recognised to the extent there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity which are expected to reverse. For certain components of the Group, deferred tax assets on carry forward unused tax losses have been recognised to the extent of deferred tax liabilities on taxable temporary differences available. It is expected that any reversals of the deferred tax liability would be offset against the reversal of the deferred tax asset at respective entities.

Unused tax losses for which no deferred tax asset has been recognized amount to ₹ 9,794 Crore and ₹ 9,106 Crore as at 31 March 2025 and 31 March 2024 respectively.

As at 31 March 2025

(₹ in Crore)

Unused tax losses	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Total
Unutilised business losses	296	2,254	3,624	-	6,174
Unabsorbed depreciation	-	-	-	3,620	3,620
Total	**296**	**2,254**	**3,624**	**3,620**	**9,794**

As at 31 March 2024

(₹ in Crore)

Unused tax losses	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	Total
Unutilised business losses	318	3,472	2,810	-	6,600
Unabsorbed depreciation	-	-	-	2,506	2,506
Total	**318**	**3,472**	**2,810**	**2,506**	**9,106**

No deferred tax assets has been recognised on these unused tax losses as there is no evidence that sufficient taxable profit will be available in future against which these can be utilised by the respective entities.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

The Group has not recognised any deferred tax liabilities for taxes that would be payable on the Group's share in unremitted earnings of certain of its subsidiaries because the Group controls when the liability will be incurred and it is probable that the liability will not be incurred in the foreseeable future. The amount of unremitted earnings are ₹ 25,220 Crore and ₹ 24,222 Crore as at 31 March 2025 and 31 March 2024 respectively.

(d) Non- current tax assets

Non- current tax assets of ₹ 1,523 Crore (31 March 2024: ₹ 3,796 Crore) mainly represents income tax receivable from Indian tax authorities by Vedanta Limited consequent to the Scheme of Amalgamation & Arrangement made effective in August 2013 pursuant to approval by the jurisdiction High Court and receivables relating to matters in tax disputes in Group companies including tax holiday claim.

(e) The tax department had issued demands on account of remeasurement of certain tax incentives, under section 80-IA and 80- IC of the Income-tax Act, 1961. During the year ended 31 March 2020, based on the favourable orders from Income-tax Appellate Tribunal ('the Tribunal') relating to AY 09-10 to AY 2012-13, the Commissioner of Income-tax (Appeals) had allowed these claims for AY 2014-15 to AY 2016-17, which were earlier disallowed and has granted refund of amounts deposited under protest. Currently, for AY 2013-14 to AY 2016-17, the department had filed appeals before the Tribunal, which are pending for disposal.

The department had appealed to the Hon'ble Rajasthan High Court in financial year 2017-18 (for AY 2009-10 to AY 2012-13) and in FY 2023-24 (for AY 2017-18 and AY 2018-19), against the Tribunal Orders, which are yet to be admitted.

In July 2024, the Group has received the assessment order for AY 2020-21, where similar demands were raised on account of 80-IA and 80-IC. Against the said Order, the Group had appealed before the Tribunal and the favourable order from the Tribunal was received in January 2025, which is consistent with the past orders. The department is yet to file an appeal before HC against the said Order.

As per the view of external legal counsel, the department's appeal seeks re-examination of facts rather than raising any substantial questions of law and hence it is unlikely that appeals will be admitted by the High Court. Accordingly, there is a high probability that the case will go in Group's favour. The amount involved in this dispute as of 31 March 2025 is ₹ 12,411 Crore (31 March 2024: ₹ 12,447 Crore) plus applicable interest up to the date of final settlement of the dispute.

38 Earnings per equity share (EPS)

(₹ in Crore, except otherwise stated)

Particulars		Year ended 31 March 2025	Year ended 31 March 2024
Profit after tax attributable to equity shareholders of the Company for Basic and Diluted EPS	A	14,988	4,239
Computation of weighted average number of shares			
Weighted average number of ordinary shares outstanding during the year excluding shares acquired for ESOP for basic earnings per share	B	384.63	371.79
Effect of dilution :			
Potential ordinary shares relating to share option awards		3.16	2.86
Adjusted weighted average number of shares of the Company in issue	C	387.79	374.64
Basic earnings per equity share (₹)	A / B	38.97	11.42
Diluted earnings per equity share (₹)	A / C	38.65	11.33
Nominal Value per Share (in ₹)		1.00	1.00

39 Distributions made and proposed

(₹ in Crore)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Amounts recognised as distributions to equity shareholders of the Company:		
Interim dividends: ₹ 43.5/- per share (31 March 2024: ₹ 29.50/- per share)	16,772	10,959
	16,772	**10,959**

CO
SR
FINANCIAL STATEMENTS

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

40 Commitments, contingencies and guarantees

A) Commitments

The Group has a number of continuing operational and financial commitments in the normal course of business including:

- Exploratory mining commitments;
- Oil and gas commitments;
- Mining commitments arising under production sharing agreements; and
- Completion of the construction of certain assets.

a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for:

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Oil & Gas sector		
Cairn India	1,342	1,079
Aluminium sector		
Lanjigarh Refinery (Phase II)	882	1,557
Jharsuguda 1.25 MTPA smelter	187	545
BALCO smelter expansion 0.57 MTPA to 1 MTPA	2,825	5,186
Coal and Bauxite Mines	1,683	-
Power Sector		
Athena 1200 MW Thermal Power Plant	1,439	-
Zinc sector		
Zinc India (mines expansion and smelter)	1,440	2,010
Gamsberg mining and milling project (Phase II)	1,315	1,635
Others	7,432	6,652
Total	**18,545**	**18,664**

Note :On 29 February 2024, Hon'ble Supreme Court dismissed the Special Leave Petition filed by the Company, pursuant to which the Company has decided to terminate the contracts which were under suspension. Refer Note 3(c)(A)(iii).

b) Committed work programme (Other than capital commitment):

(₹ in Crore)

Particulars	As at 31 March 2025	As at 31 March 2024
Oil & Gas sector		
Cairn India (OALP - new Oil and Gas blocks)[#]	**10,162**	5,073

[#]The capital commitment for OALP blocks relates to the minimum work program ('MWP') as per the revenue sharing contract of each block under the OALP scheme. The estimated capital commitment for the MWP has been revised based on the current executed contract rates with vendors.

c) Other Commitments

(i) The Power division of the Group has signed a long term power purchase agreement (PPA) with GRIDCO Limited for supply of 25% of power generated from the power station with additional right to purchase power (5%/7%) at variable cost as per the conditions referred to in PPA. The PPA has a tenure of twenty five years, expiring in FY 2037. The Group received favourable order from Odisha Electricity Regulatory Commission ("OERC") dated 05 October 2021 for conversion of Independent Power Plant ("IPP") to Captive Power Plant ("CPP") w.e.f. 01 January 2022 subject to certain terms and conditions. However, OERC vide order dated 19 February 2022 directed the Group to supply power to GRIDCO from 19 February 2022 onwards. Thereafter, the Group has resumed supplying power to GRIDCO from 01 April 2022 as per GRIDCO's requisition. The OERC vide its order dated 03 May 2023 has reviewed its previous order dated 05 October 2021 and directed the Group to operate Unit 2 as an IPP. Against the final order passed by the OERC, the Group has preferred an appeal before Appellate Tribunal for Electricity on 03 May 2023. The matter is currently listed for hearing.

(ii) TSPL has signed a long term PPA with the Punjab State Power Corporation Limited (PSPCL) for supply of power generated from the power plant. The PPA has tenure of twenty five years, expiring in FY 2042.

(iii) The Group has executed Power Delivery Agreements ("PDA") with Serentica group companies (Serentica Renewables India 1 Private Limited, Serentica Renewables India 3 Private Limited, Serentica Renewables India 4 Private Limited, Serentica Renewables India 5 Private Limited, Serentica Renewables India 6 Private Limited, Serentica Renewables India 7 Private Limited, Serentica Renewables India 8 Private Limited and Serentica Renewables India 9 Private Limited), which are associates of Vedanta Incorporated, for procuring renewable power over twenty five years from date of commissioning of the combined renewable energy power projects ("the Projects") on a group captive basis. Further, during the year ended 31 March 2025, the Group has executed new PDA with Serentica Renewables India 14 Private Limited. These Serentica group companies were incorporated for building the Projects of approximately 1,906 MW (31 March 2024: 1,826 MW). During the year ended 31 March 2025, the Group has invested ₹ 614 Crore (31 March 2024: ₹ 480 Crore) in Optionally Convertible Redeemable Preference shares ("OCRPS") of ₹ 10 each of Serentica group companies. These OCRPS will be converted into equity basis conversion terms of the PDA, resulting in the Group holding twenty six percent stake in its equity. The Group does not have significant influence due to differential voting rights, even though it will hold more than 20 percent of the equity on a fully diluted basis. As at 31 March 2025, total outstanding commitments related to PDA with Serentica group companies are ₹ 940 Crore (31 March 2024: ₹ 1,227 Crore).

B) Guarantees

The aggregate amount of indemnities and other guarantees on which the Group does not expect any material losses, was ₹ 11,547 Crore (31 March 2024: ₹ 9,348 Crore).

a) Guarantees and bonds advanced to the customs authorities in India of ₹ 1,630 Crore relating to the export and payment of import duties on purchases of raw material and capital goods (31 March 2024: ₹ 1,717 Crore).

b) Guarantees issued for Group's share of minimum work programme commitments of ₹ 3,833 Crore (31 March 2024: ₹ 3,071 Crore).

c) Guarantees of ₹ 71 Crore issued under bid bond (31 March 2024: ₹ 158 Crore).

d) Bank guarantees of ₹ 115 Crore (31 March 2024: ₹ 115 Crore) has been provided by the Group on behalf of Vedanta Incorporated to Income tax department, India as a collateral in respect of certain tax disputes. The Group has secured this guarantee by equivalent amount of fixed deposits.

Other guarantees worth ₹ 5,898 Crore (31 March 2024: ₹ 4,287 Crore) issued for securing supplies of materials and services, in lieu of advances received from customers, litigation, for provisional valuation of custom duty and also to various agencies, suppliers and government authorities for various purposes. The Group does not anticipate any liability on these guarantees.

C) Export Obligations

The Indian entities of the Group have export obligations of ₹ 2,326 Crore (31 March 2024: ₹ 2,689 Crore) on account of concessional rates of import duty paid on capital goods under the Export Promotion Capital Goods Scheme and under the Advance Licence Scheme for the import of raw material laid down by the Government of India.

In the event of the Group's inability to meet its obligations, the Group's liability would be ₹ 615 Crore (31 March 2024: ₹ 581 Crore) reduced in proportion to actual exports, plus applicable interest.

The Group has given bonds of ₹ 970 Crore (31 March 2024: ₹ 1,030 Crore) to custom authorities against these export obligations.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

D) Contingent Liabilities

a) Ravva Joint Operations arbitration proceedings

The Ravva Production Sharing Contract (PSC) obliges the contractor parties (including Vedanta Limited (Cairn India Limited which subsequently merged with Vedanta Limited, accordingly now referred to as Vedanta Limited) to pay a proportionate share of ONGC's exploration, development, production and contract costs in consideration for ONGC's payment of costs related to the construction and other activities it conducted in Ravva prior to the effective date of the Ravva PSC (the ONGC Carry). The question as to how the ONGC Carry is to be recovered and calculated, along with other issues, was submitted to an International Arbitration Tribunal in August 2002 which rendered a decision on the ONGC Carry in favour of the contractor parties whereas four other issues were decided in favour of Government of India (GoI) in October 2004 (Partial Award).

The GoI then proceeded to challenge the ONGC Carry decision before the Malaysian courts, as Kuala Lumpur was the seat of the arbitration. The Federal Court of Malaysia upheld the Partial Award. As the Partial Award did not quantify the sums, therefore, contractor parties approached the same Arbitration Tribunal to pass a Final Award in the subject matter since it had retained the jurisdiction to do so. The Arbitral Tribunal was reconstituted and the Final Award was passed in October 2016 in Group's favour. GoI's challenge of the Final Award has been dismissed by the Malaysian High Court and the next appellate court in Malaysia, i.e., Malaysian Court of Appeal. GoI then filed an appeal at Federal Court of Malaysia. The matter was heard on 28 February 2019 and the Federal Court dismissed GoI's leave to appeal. The Group has also filed for the enforcement of the Partial Award and Final Award before the Hon'ble Delhi High Court. The matter is currently being heard.

While the Group does not believe the GoI will be successful in its challenge, if the Arbitral Awards in above matters are reversed and such reversals are binding, the Group would be liable for approximately ₹ 546 crore (US$ 64 million) plus interest (31 March 2024: ₹ 533 crore (US$ 64 million) plus interest).

b) Proceedings related to the imposition of entry tax

Vedanta Limited and the other Group company, i.e., BALCO challenged the constitutional validity of the local statutes and related notifications in the states of Odisha and Rajasthan pertaining to the levy of entry tax on the entry of goods brought into the respective states from outside.

Post some contradictory orders of High Courts across India adjudicating on similar challenges, the Hon'ble Supreme Court referred the matters to a nine judge bench. Post a detailed hearing, although the bench rejected the compensatory nature of tax as a ground of challenge, it maintained status quo with respect to all other issues which have been left open for adjudication by regular benches hearing the matters.

Following the order of the nine judge bench, the regular bench of the Hon'ble Supreme Court heard the matters and remanded the entry tax matters relating to the issue of discrimination against domestic goods bought from other States to the respective High Courts for final determination but retained the issue of jurisdiction for levy on imported goods, for determination by the regular bench of the Hon'ble Supreme Court. Following the order of the Hon'ble Supreme Court, the Group filed writ petitions in respective High Courts.

On 09 October 2017, the Hon'ble Supreme Court has held that states have the jurisdiction to levy entry tax on imported goods. With this Hon'ble Supreme Court judgement, imported goods will rank pari-passu with domestic goods for the purpose of levy of Entry tax. Vedanta Limited and its subsidiaries have amended their appeals (writ petitions) in Odisha and Chhattisgarh to include imported goods as well.

The issue pertaining to the levy of entry tax on the movement of goods into a Special Economic Zone (SEZ) remains pending before the Odisha High Court. The Group has challenged the levy of entry tax on any movement of goods into SEZ based on the definition of 'local area' under the Odisha Entry Tax Act which is very clear and does not include a SEZ. In addition, the Government of Odisha further through its SEZ Policy 2015 and the operational guidelines for administration of this policy dated 22 August 2016, exempted the entry tax levy on SEZ operations.

The total claims against Vedanta Limited and its subsidiaries (net of provisions made) are ₹ 654 Crore (31 March 2024: ₹ 800 Crore) including interest and penalty till the date of order. Further interest and penalty, if any, would be additional.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

c) BALCO: Challenge against imposition of Energy Development Cess

BALCO challenged the imposition of Energy Development Cess levied on generators and distributors of electrical energy @ 10 paise per unit on the electrical energy sold or supplied before the High Court on the grounds that the Cess is effectively on production and not on consumption or sale since the figures of consumption are not taken into account and the Cess is discriminatory since captive power plants are required to pay @ 10 paise while the State Electricity Board is required to pay @ 5 paise. The High Court of Chhattisgarh by order dated 15 December 2006 declared the provisions imposing ED Cess on CPPs as discriminatory and therefore ultra vires the Constitution. BALCO has sought refund of ED Cess paid till March 2006 amounting to ₹ 35 Crore.

The State of Chhattisgarh moved an SLP in the Hon'ble Supreme Court and whilst issuing notice has stayed the refund of the Cess already deposited and the Hon'ble Supreme Court has also directed the State of Chhattisgarh to raise the bills but no coercive action be taken for recovery for the same. Final argument in this matter has started before the Hon'ble Supreme Court. Considering the High court judgement in Group's favor, the Group does not believe the state will succeed in their claims. However, should the Hon'ble Supreme Court reverse the judgement, the Group will be liable to pay an additional amount of ₹ 1,266 crore (after considering deposit of ₹ 35 Crore) (31 March 2024: ₹ 1,179 crore). As at 31 March 2025, an amount of ₹ 1,301 crore relating to principal has been considered as a contingent liability (31 March 2024: ₹ 1,214 Crore).

d) BALCO: Electricity Duty

The Group operates a 1,200 MW power plant ("the Plant") which commenced production in July 2015. Based on the Memorandum of Understanding signed between the Group and the Chhattisgarh State Government, the management believes that the Plant is covered under the Chhattisgarh Industrial policy 2004-09 which provides exemption of electricity duty for 15 years. In June 2021, the Chief Electrical Inspectorate, Raipur ("CEI") issued a demand notice for electricity duty and interest thereon of ₹ 888 crore and ₹ 588 crore respectively for the period March 2015 to March 2021.

The Group carries an accrual for electricity duty of ₹ 414 crore (31 March 2024: ₹ 444 crore), net of ₹ 510 crore (31 March 2024: ₹ 480 crore) paid under protest. BALCO has requested the CEI to allow payment of the principal amount over a period of 5 years along with a waiver of interest demand. BALCO has received a reply from CEI that the matter will be discussed with appropriate authorities. As at 31 March 2025, no confirmation has been received on this matter and therefore an amount of ₹ 1,158 crore (31 March 2024: ₹ 1,051 crore) relating to interest is considered as a contingent liability.

e) Miscellaneous disputes- Income tax

The Group is involved in various tax disputes amounting to ₹ 1,034 Crore (31 March 2024: ₹ 1,354 Crore) relating to income tax. It also includes similar matters where initial assessment is pending for subsequent periods and where the Group has made claims and assessments are in progress. These mainly relate to the disallowances of tax holidays and depreciation under the Income-tax Act, 1961 and interest thereon which are pending at various appellate levels. Penalties, if any, may be additional.

Based on detailed evaluations and supported by external legal advice, where necessary, the Group believes that it has strong merits and no material adverse impact is expected.

f) Miscellaneous disputes- Others

The Group is subject to various claims and exposures which arise in the ordinary course of its operations, from indirect tax authorities and others, pertaining to the assessable values of sales and purchases or incomplete documentation supporting the Group's returns or other claims.

The approximate value of claims (excluding the items as set out separately above) against the Group companies total ₹ 4,202 Crore (31 March 2024: ₹ 4,683 Crore).

Based on evaluations of the matters and legal advice obtained, the Group believes that it has strong merits in its favor. Accordingly, no provision is considered at this stage.

Except as described above, there are no pending litigations which the Group believes could reasonably be expected to have a material adverse effect on the results of operations, cash flows or the financial position of the Group.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Based on reassessments during the current year ended 31 March 2025, the following matters that were reported as contingent liability as at 31 March 2024 are no more considered as contingent liability:

a) Hindustan Zinc Limited (HZL): In the matter of Department of Mines and Geology amounting to ₹ 334 Crore, management believes that no liability will be imposed on the Group as it is entitled to mine lead, zinc and associated minerals under the existing mining lease and royalty is also being paid on these associated minerals. This assessment is supported by a legal opinion obtained by the management.

b) ESL Steel Limited ("ESL"): MDPA matter

ESL, under the Mining Development and Production Agreement (MDPA) for the Nadidih Iron Ore and Manganese Ore Blocks in Orissa, received demand notices for penalties totaling ₹ 1,708 Crore in December 2022 for failing to meet the minimum despatch requirements in the first year of the lease. ESL disputes these demands, citing errors in the State Government's calculation period and delays caused by Force Majeure, which entitle them to an extension under the Minerals Concession Rules, 2016. ESL filed a Revision Application, which led to the Revisional Authority nullifying the demand and instructing a fresh decision from the State Government.

ESL also received a separate provisional penalty notice in April 2023 for the 1st quarter of the second lease year and thereafter no further demand was raised as yearly MDPA targets were achieved for second year of lease. Management believes these demands are unreasonable, and thus no provision for the penalties has been made in the financial statements, based on legal advice and MDPA terms. Based on the legal advice, the said obligation is regarded as remote.

41 Other Matters

a) The Group purchases bauxite under long term linkage arrangement (""LTL"") with Orissa Mining Corporation Ltd ("OMC") at provisional price of ₹ 1,000/MT from October 2020 onwards, based on interim order dated 08 October 2020 of the Hon'ble High Court of Odisha ("Odisha HC"), which is subject to final outcome of the writ petition filed by the Group.

The last successful e-auction based price discovery was done by OMC in April 2019 at ₹ 673/MT and supplied bauxite at this rate from September 2019 to September 2020 against an undertaking furnished by the Group to compensate any differential price discovered through future successful national e-auctions. Though OMC conducted the next e-auction on 31 August 2020 with floor price of ₹ 1,707/MT determined on the basis of Rule 45 of Minerals Concession Rules, 2016 ("the Rules"), no bidder participated at that floor price and hence the auction was not successful. However, OMC issued a demand of ₹ 281 Crore on the Group towards differential pricing and interest for bauxite supplied till September 2020, considering the auction base price of ₹ 1,707/MT.

The Group had then filed a writ petition before the Odisha HC, which issued an interim Order dated 08 October 2020 directing that the Group shall be permitted to lift the quantity of bauxite mutually agreed on payment of ₹ 1,000/MT after furnishing an undertaking for the differential amount, subject to final outcome of the writ petition.

OMC re-conducted e-auction on 09 March 2021 with floor price of ₹ 2,011/MT, which again was not successful.On 18 March 2021, the Cuttak HC issued an order that the current arrangement of bauxite price of ₹ 1,000/MT will continue for the FY 2021-22. Further, on 06 April 2022, the Hon'ble Cuttack HC directed that the current arrangement will continue for the FY 2022-23 also.

An interim application was filed on 11 May 2023 in Odisha High Court seeking directions for OMC to continue the supplies for FY 2023-24 and extend the LTL agreement. Honourable Odisha High Court vide order dated 15 May 2023, passed an order that unless the fresh agreement is not executed interim arrangement cannot be granted. Accordingly, as per the direction of honourable court, LTL was executed with OMC on 16 May 2023 for supply of 2.4 MT bauxite annually at a price of ₹ 1000/MT.

During September 2023 to March 2025, OMC has conducted 5 National E-auctions for sale of bauxite quantities ranging from 300KT to 600KT at floor prices ranging from ₹ 2,429/MT to ₹ 2,957/MT after considering the pricing of Rule 45 of the Rules. These auctions have largely been unsuccessful.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Supported by legal opinions, management believes that the provisions of Rule 45 of the Rules are not applicable to commercial sale of bauxite ore and hence, it is not probable that the Group will have any financial obligation towards the aforesaid commitments over and above the price of ₹ 673/MT discovered in the last successful e-auction. However, as an abundant precaution, the Group has recognised purchases of Bauxite from September 2019 onwards, at the aforesaid rate of ₹ 1,000/MT.

b) The Department of Mines and Geology ('DMG') of the State of Rajasthan initiated royalty assessment process from January 2008 to 2019 on certain questions of law and issued a show cause notice vide an office order dated 31 January 2020 amounting to ₹ 1,925 Crore. Further, an additional demand was issued vide an office order dated 14 December 2020 for ₹ 311 Crore on similar questions of law.

The Group has challenged the show cause notice and computation mechanism of the royalty on the grounds that the State has not complied with the previous orders of the Rajasthan High Court ('HC') where a similar computation mechanism was challenged and the HC had directed DMG to reassess, basis the judicial precedents and the Mineral Concession Rules, 1960. Pending compliance of previous orders, the HC has granted a stay on the notice and directed DMG not to take any coercive action. The State Government has also been directed to not take any coercive action for recovery of such miscomputed dues.

Inspite of the HC stay order, the State Government issued a revised demand of ₹ 1,423 Crore vide order dated 16 March 2022 for the same period. The Group challenged this notice before the Revisionary Authority ("RA") and also moved an application with the RA against the earlier demand raised by DMG for recovery of ₹ 311 Crore. RA had granted a stay on the recovery of ₹ 1,423 Crore vide its order dated 15 June 2022, and on the recovery of ₹ 311 Crore, vide its order dated 07 September 2022. On 25 July 2024, RA has decided the case against the Group for the demand of ₹ 311 Crore. This order was challenged by the Group before the HC, who, vide its order dated 26 July 2024, issued a stay on the RA's Order and also directed for the Group to deposit ₹ 100 Crore, which was deposited under protest by the Group on 30 July 2024. The matter before the HC is pending for final hearing.

On 30 October 2024, the Group received a favourable order from RA against the demand of ₹ 1,925 Crore, directing the state government to await the guidance, clarification or direction from central government in this matter of determination of royalties, upon which the State Government, if necessary, may recalculate the fiduciary obligations of the Revisionist towards payment of royalty, DMF, NMET and interests thereon and issue a fresh demand order. The revision application is disposed off accordingly. Based on the opinion of external counsel, the Group believes that it has strong grounds of successful appeal against the demand of ₹ 311 Cr.

c) The Scheme of Amalgamation and Arrangement amongst Sterlite Energy Limited ('SEL'), Sterlite Industries (India) Limited ('Sterlite'), Vedanta Aluminium Limited ('VAL'), Ekaterina Limited ('Ekaterina'), Madras Aluminium Group Limited ('Malco') and the Group (the "Scheme") had been sanctioned by the High Court of Madras and the High Court of Judicature of Bombay at Goa and was given effect to in the year ended 31 March 2014.

Subsequently, the above orders of the High Court of Bombay and Madras have been challenged by Commissioner of Income Tax, Goa and the Ministry of Corporate Affairs through a SLP before the Hon'ble Supreme Court of India and also by a creditor and a shareholder of the Group. The said petitions are currently pending for hearing.

d) **Flue-gas desulfurization (FGD) implementation:**

The Ministry of Environment, Forest and Climate Change (""MoEF&CC"") has revised emission norms for coal-based power plants in India. Accordingly, both captive and independent coal-based power plants in India are required to comply with these revised norms for reduction of sulphur oxide (SOx) emissions for which the current plant infrastructure is to be modified or new equipment have to be installed. Timelines for compliance to the revised norm for various plants in the Group range from December 2027 to December 2029. Different power plants are at different stages of the implementation process.

TSPL filed a petition before Punjab State Electricity Regulatory Commission (PSERC) for approval of MoEF&CC notification as change in law in terms of Article 13 of PPA on 30 June 2017. PSERC vide its order dated 21 December 2018 has held that MoEF&CC notification is not a change in law as it does not impose any new requirements. TSPL

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

had filed an appeal before Appellate Tribunal for Electricity (APTEL) challenging the said order of PSERC. APTEL has pronounced the order dated 28 August 2020 in favour of TSPL allowing the cost pass through.

PSPCL has filed an appeal against this order in the Hon'ble Supreme Court. Pleadings are complete in the matter. The next date is yet to be notified for arguments.

e) Pursuant to the GoI's policy of divestment, the Group in March 2001 acquired 51% equity interest in BALCO from the GoI. Under the terms of the SHA, the Group had a call option to purchase the GoI's remaining ownership interest in BALCO at any point from 02 March 2004. The Group exercised this option on 19 March 2004. However, the GoI contested the valuation and validity of the option and contended that the clauses of the SHA violate the erstwhile Companies Act, 1956 by restricting the rights of the GoI to transfer its shares and that as a result such provisions of the SHA were null and void. In the arbitration filed by the Group, the arbitral tribunal by a majority award rejected the claims of the Group on the ground that the clauses relating to the call option, the right of first refusal, the "tag along" rights and the restriction on the transfer of shares violate the erstwhile Companies Act, 1956 and are not enforceable.

The Group has challenged the validity of the majority award before the High Court at Delhi and sought for setting aside the arbitration award to the extent that it holds these clauses ineffective and inoperative. The GoI also filed an application before the High Court to partially set aside the arbitral award in respect of certain matters involving valuation. The matter is currently pending for hearing at the Delhi High Court. Meanwhile, the GoI without prejudice to its position on the Put/Call option issue has received approval from the Cabinet for divestment and the Government is looking to divest through the auction route.

On 09 January 2012, the Group offered to acquire the GoI's interest in BALCO for ₹ 1,782 Crore. This offer was separate from the contested exercise of the call options, and the Group proposed to withdraw the ongoing litigations in relation to the contested exercise of the options should the offer be accepted. To date, the offer has not been accepted by the GoI and therefore, there is no certainty that the acquisition will proceed.

In view of the lack of resolution on the options, the non-response to the exercise and valuation request from the GoI, the resultant uncertainty surrounding the potential transaction and the valuation of the consideration payable, the Group considers the strike price of the options to be at the fair value, which is effectively nil, and hence the call options have not been recognised in the consolidated financial statements.

42 Related party Disclosures

List of related parties and relationships

A) Entities controlling the Company (Holding Companies)

Vedanta Incorporated (formerly known as Volcan Investments Limited)*
Volcan Investments Cyprus Limited

Intermediate Holding Companies

Vedanta Resources Limited ("VRL")
Finsider International Company Limited[#]
Richter Holdings Limited[#]
Twin Star Holdings Limited[#]
Vedanta Resources Cyprus Limited[#]
Vedanta Resources Finance Limited[#]
Vedanta Resources Holdings Limited ("VRHL")[#]
Welter Trading Limited[#]
Westglobe Limited[#]
Vedanta Holdings Mauritius II Limited[#]
Vedanta Holdings Mauritius Limited[#]
Vedanta Holdings Jersey Limited[#]
Vedanta Netherlands Investments BV[#]
Vedanta UK Investments Limited[#]

B) Fellow subsidiaries (with whom transactions have taken place)

Sterlite Iron and Steel Company Limited ("SISCOL")**
Sterlite Power Transmission limited
Sterlite Technologies Limited
Sterlite Convergence Limited
STL Digital Limited

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Sterlite Grid 16 Limited
Twin Star Technologies Limited
Vedanta Resources Investments Limited ("VRIL")
Konkola Copper Mines Plc[P]

C) Associate of ultimate controlling party (with whom transactions have taken place)

Serentica Renewables India 1 Private Limited
Serentica Renewables India 3 Private Limited
Serentica Renewables India 4 Private Limited
Serentica Renewables India 5 Private Limited
Serentica Renewables India 6 Private Limited
Serentica Renewables India 7 Private Limited
Serentica Renewables India 8 Private Limited
Serentica Renewables India 9 Private Limited
Serentica Renewables India 14 Private Limited
Resonia Limited (formerly known as Sterlite Grid 32 Limited)

D) Post retirement benefit plans

BALCO Employees Provident Fund Trust
HZL Employee Group Gratuity Trust
HZL Superannuation Trust
Hindustan Zinc Ltd Employees Contributory Provident Fund Trust
Sesa Group Employees Gratuity Fund and Sesa Group Executives Gratuity Fund
Sesa Group Employees Provident Fund
Sesa Group Executives Superannuation Scheme Fund
Sesa Mining Corporation Limited Employees Gratuity Fund
Sesa Mining Corporation Limited Employees Provident Fund Trust
Sesa Resources Limited Employees Gratuity Fund
Sesa Resources Limited and Sesa Mining Corporation Limited Employees Superannuation Fund
Sesa Resources Limited Employees Provident Fund Trust
FACOR Superannuation Trust
FACOR Employees Gratuity Scheme

E) Associates and Joint Ventures (with whom transactions have taken place)

RoshSkor Township (Pty) Limited
Gaurav Overseas Private Limited
Gergarub Exploration and Mining (Pty) Limited

F) Others (with whom transactions have taken place)

Enterprises over which key management personnel/their relatives have control or significant influence

Anil Agarwal Foundation Trust
Cairn Foundation
Caitlyn India Private Limited
Grant Thornton Bharat LLP
Janhit Electoral Trust
Minova Runaya Private Limited
Radha Madhav Investments Private Limited[##]
Runaya Refining LLP
Runaya Green Tech Private Limited
Runaya Private Limited
Sesa Community Development Foundation
Vedanta Foundation
Vedanta Limited ESOS Trust
Vedanta Medical Research Foundation

* The name of ultimate holding company "Volcan Investments Limited" has been changed to 'Vedanta Incorporated' effective 13 October 2023.

** In January 2025, the Board of Directors have approved purchase of entire shareholding of SISCOL for a sum of ₹ 1 Lakh. The necessary agreements for implementing the above are under process.

These entities are subsidiary companies of VRL and VRL through its certain subsidiaries holds 56.38% in the Company as on 31 March 2025.

Ceased to be a related party during the year ended 31 March 2025, upon completion of Ms. Padmini Sekhsaria's term as Independent Director of the Company w.e.f. 04 February 2025.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Ultimate Controlling party

Vedanta Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ('VRL'). Vedanta Incorporated ("Vedanta Inc") and its wholly owned subsidiary together hold 100 % of the share capital and 100 % of the voting rights of VRL. Vedanta Inc is 100 % beneficially owned and controlled by the Anil Agarwal Discretionary Trust ('Trust'). Vedanta Inc, Volcan Investments Cyprus Limited and other intermediate holding companies except VRL do not produce Group financial statements.

G) A summary of significant related party transactions for the year ended 31 March 2025 are noted below.

Transactions and balances with own subsidiaries are eliminated on consolidation.

(₹ in Crore)

	Particulars	Entities controlling the Company/ Fellow subsidiaries	Associates/ Joint ventures	Others	Total
	Income :				
(i)	Revenue from operations	2,365	-	200	2,565
(ii)	Other income				
	a) Interest and guarantee commission	547	-	10	557
	b) Outsourcing service fees	6	-	-	6
	c) Miscellaneous income	-	-	1	1
	Expenditure and other transactions:				
(i)	Purchase of goods/ services[M]	143	3	818	964
(ii)	Management and brand fees[J]	3,039	-	-	3,039
(iii)	Reimbursement for other expenses (net of recovery)	1	(1)	(5)	(5)
(iv)	Corporate social responsibility expenditure/ donation	-	-	127	127
(v)	Contribution to post retirement employee benefit trust/ fund	-	-	84	84
(vi)	Remuneration to relatives of non executive directors	-	-	31	31
(vii)	Purchase/(sale) of fixed assets	0	-	17	17
(viii)	Commission/sitting fees				
	- To Non executive directors and their relatives	-	-	6	6
	- To key management personnel and their relatives	-	-	0	0
	- To relatives of key management personnel	-	-	-	-
(ix)	Dividend paid				
	- To holding companies	9,698	-	-	9,698
	- To key management personnel and their relatives	-	-	1	1
	- To Non executive directors and their relatives	-	-	0	0
(x)	Interest and guarantee commission expense[N]	139	-	-	139
	Other Transactions during the year:				
(i)	Loans given during the year	-	2	-	2
(ii)	Loans repaid during the year	-	(2)	-	(2)
(iii)	Investment purchased during the year (Refer note 40(c)(iii))	-	-	614	614
(iv)	Long term borrowings repaid during the year	(7)	-	-	(7)
	Balances as at year end:				
(i)	Trade receivables[P]	16	20	18	54
(ii)	Loan given[L,K]	3,631	5	-	3,636
(iii)	Other receivables and advances (including brand fee prepaid)[J,N,P]	321	9	131	461
(iv)	Trade payables	8	-	55	63
(v)	Other payables	112	-	68	180
(vi)	Bank guarantee given[I]	115	-	-	115
(vii)	Sitting fee, remuneration, commission and other payable to non executive directors and their relatives	-	-	13	13

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Remuneration of key management personnel

(₹ in Crore)

Particulars	For the year ended 31 March 2025
Short-term employee benefits	40
Post employment benefits*	1
Share based payments	3
	44

Sales made to/purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Trade receivables and Trade payables outstanding balances are unsecured and require settlement in cash. No guarantee or other security has been received/ given against these receivables/ payables.

* Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

H) A summary of significant related party transactions for the year ended 31 March 2024 are noted below.

Transactions and balances with own subsidiaries are eliminated on consolidation.

(₹ in Crore)

	Particulars	Entities controlling the Company/ Fellow subsidiaries	Associates/ Joint ventures	Others	Total
	Income :				
(i)	Revenue from operations	1,710	-	104	1,814
(ii)	Other income				
	a) Interest and guarantee commission	562	-	2	564
	b) Outsourcing service fees	5	-	-	5
	c) Dividend income	1	-	-	1
	d) Miscellaneous income	-	-	1	1
	Expenditure and other transactions:				
(i)	Purchase of goods/ services[M]	124	3	391	518
(ii)	Management and brand fees(net*)[J]	2,865	-	-	2,865
(iii)	Reimbursement for other expenses (net of recovery)	2	-	(4)	(2)
(iv)	Corporate social responsibility expenditure/ Donation	-	-	147	147
(v)	Contribution to post retirement employee benefit trust/ fund	-	-	100	100
(vi)	Remuneration to relatives of non executive directors	-	-	28	28
(vii)	Purchase/(Sale) of fixed assets	0	-	(43)	(43)
(viii)	Commission/sitting fees				
	- To Non executive directors and their relatives	-	-	7	7
	- To key management personnel and their relatives	-	-	0	0
(ix)	Dividend paid				
	- To holding companies	7,289	-	-	7,289
	- To key management personnel and their relatives	-	-	1	1
	- To Non executive directors and their relatives	-	-	0	0
(x)	Interest and guarantee commission expense[N]	144	-	-	144
	Other Transactions during the year:				
(i)	Loans given during the year	0	-	-	0
(ii)	Loans repiad during the year[L]	(267)	-	-	(267)

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(₹ in Crore)

	Particulars	Entities controlling the Company/ Fellow subsidiaries	Associates/ Joint ventures	Others	Total
(iii)	Investment purchased during the year (Refer note 40(c)(iii))	-	-	480	480
(iv)	Loan taken during the year	7	-	-	7
	Balances as at year end:				
(i)	Trade receivables	14	10	30	54
(ii)	Loan given [L,K]	3,361	5	-	3,366
(iii)	Loan Taken	7	-	-	7
(iv)	Other receivables and advances (including brand fee prepaid#)[J,N]	262	9	59	330
(v)	Trade payables	16	-	45	61
(vi)	Other payables	102	-	52	154
(vii)	Bank guarantee given[I]	115	-	-	115
(viii)	Sitting fee, remuneration, commission and other payable to non executive directors and their relatives	-	-	6	6

Remuneration of key management personnel

(₹ in Crore)

Particulars	For the year ended 31 March 2024
Short-term employee benefits	43
Post employment benefits**	1
Share based payments	2
	46

Sales made to/purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Trade receivables and Trade payables outstanding balances are unsecured and require settlement in cash. No guarantee or other security has been received/ given against these receivables/ payables.

* Net of discount earned on brand fees of ₹ 146 crore during the year ended 31 March 2024.

Net of refund received of ₹ 1,030 crore against prepaid brand fee during the year ended 31 March 2024.

** Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

I) Bank guarantee given by Vedanta Limited on behalf of Vedanta Inc in favour of Income Tax department, India as collateral in respect of certain tax disputes of Vedanta Inc.

J) The Group has a Brand license and strategic service fee agreement ("the Agreement") with VRL for the use of brand 'Vedanta' and providing strategic services which envisaged payment to VRL ranging from 0.75%-3% of turnover of the Company and certain subsidiaries. During the year ended 31 March 2024, VRL assigned the Agreement including sublicensing agreement to its wholly owned subsidiary, VRIL, whereby the Group will fulfil its obligations under the Agreement via VRIL with effect from 01 April 2024. The Group has recorded an expense of ₹ 2,397 Crore (31 March 2024:₹ 2,326 Crore) for the year ended 31 March 2025. The Group generally pays such fee in advance, at the beginning of the year based on estimated annual turnover.

Furthermore, the Company had sublicensed the Agreement to its subsidiary, HZL, at a net sublicensing fee of 1.70% of HZL's annual consolidated turnover. The Company also executed a sublicensing agreement with FACOR at a net sublicensing fee of 2.50% of FACOR's annual consolidated turnover with effect from 01 April 2024. Consequently, for the year ended 31 March 2025, the Group has recorded expense of ₹ 582 Crore (31 March 2024: ₹ 477 Crore).

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

K) During the year ended 31 March 2025, the Group has renewed loan provided to Sterlite Iron and Steel Company Limited for a further period of 12 months. The loan balance as at 31 March 2025 is ₹ 5 Crore (31 March 2024: ₹ 5 Crore). The loan is unsecured in nature and carries an interest rate of 12.90% per annum.

In 2016, a subsidiary of the Company had executed an agreement with Twin Star Holding Limited, the intermediate parent of the Company, to provide an unsecured loan at an interest rate of 2.1% per annum. The loan balance as at 31 March 2025 is ₹ 86 Crore (US $10 million) (31 March 2024: ₹ 83 Crore (US $10 million)).

These loans including accrued interest thereon have been fully provided for in the books of accounts.

L) During the year ended 31 March 2021, as part of its cash management activities, the overseas subsidiaries of the Company extended certain loans and guarantee facilities to Vedanta Resources Limited ("VRL") and its subsidiaries (collectively "the VRL group"). During the year ended 31 March 2024, based on the request from the Borrower, the loan outstanding of ₹ 3,567 Crore (US$ 417 million) was extended to 31 December 2024 at the arms-length interest rate with interest payable half-yearly. The borrower had prepaid the loan principal amounting to ₹ 267 Crore in the year ended 31 March 2024.

In July 2024, the interest rate was reduced from 17% p.a. to 13.5% p.a. based on the prevailing arm's length interest rate. Further, in December 2024, the loan outstanding was extended, with maturities falling due in tranches of ₹ 1,712 crore (US$ 200 million) on 31 January 2026 and ₹ 1,855 crore (US$ 217 million) on 30 May 2026. In each modification, all the other terms of the loan remain unchanged. These modifications have been assessed as not substantial in nature under Ind AS 109. Further, in accordance with the RPT policy of the Company and the legal advice obtained by the management, it is not a material modification as per SEBI LODR Regulation 23(4). Net impact of charge on modification and the reversal of expected credit loss, loss amounting to ₹ 27 Crore (US$ 3 million) (31 March 2024: loss amounting to ₹ 38 Crore (US$ 5 million)), has been recognized in the consolidated statement of profit and loss for the year ended 31 March 2025.

As of 31 March 2025, loan having contractual value of ₹ 3,567 Crore (US$ 417 million) (31 March 2024: ₹ 3,473 Crore (US$ 417 million)) is outstanding from the VRL group.

M) The Group has an agency contract with VRL, pursuant to which, the Group procured calcined alumina amounting to ₹ 2,069 Crore (31 March 2024: ₹ 1,054 Crore) on which an agency commission of ₹ 10 Crore (31 March 2024: ₹ 5 Crore) is paid to VRL during the year ended 31 March 2025.

N) VRL, as a parent company, has provided financial and performance guarantee to the Government of India for erstwhile Cairn India group's ("Cairn") obligations under the Production Sharing Contract ('PSC') provided for onshore block RJ-ON-90/1, for making available financial resources equivalent to Cairn's share for its obligations under the PSC, personnel and technical services in accordance with industry practices and any other resources in case Cairn is unable to fulfil its obligations under the PSC.

Similarly, VRL has also provided financial and performance guarantee to the Government of India for the Group's obligations under the Revenue Sharing Contract ('RSC') in respect of 51 Blocks awarded under the Open Acreage Licensing Policy ("OALP") by the Government of India.

During the year ended 31 March 2025, based on updated benchmarking analysis conducted by independent experts, the Group has executed revised agreement with VRL with effect from 01 April 2024. The Group will pay an annual guarantee fee of US$ 9 million (31 March 2024: US$ 10 million) for the OALP Blocks and fee of US$ 5 million (31 March 2024: US$ 5 million) for the RJ-ON-90/1 block, in ratio of participating interests held equally by the Company and its step-down subsidiary, Cairn Energy Hydrocarbons Ltd ("CEHL").

Accordingly, the Group has recorded a guarantee commission expense (excluding tax) of ₹ 139 Crore ($ 16 million) (31 March 2024: ₹ 144 Crore (US$ 17 million)) for the year ended 31 March 2025 and ₹ 1 Crore (US$ 0 million) (31 March 2024: ₹ 57 Crore (US$ 7 million) is outstanding as a pre-payment as at 31 March 2025.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

O) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Further, the additional regulatory information required by clause xiv of part Y of Schedule III to the Act, for a subsidiary, is as follows: Vedanta Semiconductor Private Limited ("VSPL"), a wholly owned subsidiary of the Group, has borrowed ₹ 2,500 Crore during the year ended 31 March 2025 from a third party lender and has lent the funds to Vedanta Limited (ultimate beneficiary), who has fully used these funds for its operations in the ordinary course of business. VSPL has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Act for the above transaction and the transaction is not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

P) During the year ended 31 March 2025, VRL, through its wholly owned subsidiary VRHL, regained control of Konkola Copper Mines Plc ("KCM") with effect from 31 July 2024. The Group had an outstanding receivable of ₹ 766 crore (predominantly relating to monies advanced against purchase of copper cathode/anode) from KCM, which had been fully provided for in the books of accounts, in the earlier years.

43 Interest in other entities

a) Subsidiaries

The Group consists of a parent company, Vedanta Limited, incorporated in India and a number of subsidiaries held directly and indirectly by the Group which operate and are incorporated around the world. Following are the details of shareholdings in the subsidiaries.

S. No	Subsidiaries	Principal activities	Country of Incorporation	Immediate holding company	The Company's / Immediate holding company's percentage holding (in %)	
					As at 31 March 2025	As at 31 March 2024
1	Thalanga Copper Mines Pty Limited ("TCM")	Copper Mining	Australia	Monte Cello BV	100.00	100.00
2	Bharat Aluminium Company Limited ("BALCO")	Aluminium mining and smelting	India	Vedanta Limited	51.00	51.00
3	Desai Cement Company Private Limited	Cement	India	Sesa Mining Corporation Limited	100.00	100.00
4	ESL Steel Limited	Manufacturing of Steel & DI Pipe	India	Vedanta Limited	95.49	95.49
5	Ferro Alloy Corporation Limited ("FACOR")	Manufacturing of Ferro Alloys and Mining and generation of power	India	Vedanta Limited	99.99	99.99
6	Hindustan Zinc Alloys Private Limited	Manufacturing of metals and its alloys	India	Hindustan Zinc Limited	100.00	100.00
7	Hindustan Zinc Fertilizers Private Limited	Manufacturing of phosphatic fertilisers	India	Hindustan Zinc Limited	100.00	100.00
8	Hindmetal Exploration Services Private Limited [a]	Exploration of metals	India	Hindustan Zinc Limited	100.00	100.00
9	Hindustan Zinc Limited ("HZL")	Exploring, extracting, processing of minerals and manufacturing of metals	India	Vedanta Limited	63.42	64.92
10	MALCO Energy Limited ("MEL")	Power Generation	India	Vedanta Limited	100.00	100.00
11	Meenakshi Energy Limited [b]	Power Generation	India	Vedanta Limited	100.00	100.00
12	Sesa Iron and Steel Limited [c]	Manufacturing of Steel	India	Vedanta Limited	100.00	100.00

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

S. No	Subsidiaries	Principal activities	Country of Incorporation	Immediate holding company	The Company's / Immediate holding company's percentage holding (in %)	
					As at 31 March 2025	As at 31 March 2024
13	Sesa Mining Corporation Limited	Iron ore mining	India	Sesa Resources Limited	100.00	100.00
14	Sesa Resources Limited ("SRL")	Iron ore mining	India	Vedanta Limited	100.00	100.00
15	Talwandi Sabo Power Limited ("TSPL")	Power Generation	India	Vedanta Limited	100.00	100.00
16	Vedanta Aluminium Metal Limited [d]	Aluminium Business	India	Vedanta Limited	100.00	100.00
17	Vedanta Base Metals Limited [e]	Metal business	India	Vedanta Limited	100.00	100.00
18	Vedanta Displays Limited [f]	LCD Panel	India	Vedanta Limited	100.00	100.00
19	Vedanta Iron and Steel Limited [g]	Iron and Steel Business	India	Vedanta Limited	100.00	100.00
20	Vedanta Semiconductors Private Limited [f]	Copper trading	India	Vedanta Limited	100.00	100.00
21	Zinc India Foundation	CSR Activities	India	Hindustan Zinc Limited	100.00	100.00
22	Vedanta Zinc Football & Sports Foundation	Sports Activities	India	Hindustan Zinc Limited	100.00	100.00
23	Vizag General Cargo Berth Private Limited	Infrastructure	India	Vedanta Limited	100.00	100.00
24	AvanStrate Inc. ("ASI") (Refer note 4(B))	Manufacturing of LCD Glass Substrate	Japan	Cairn India Holdings Limited	98.20	51.63
25	Cairn India Holdings Limited	Investment company	Jersey	Vedanta Limited	100.00	100.00
26	AvanStrate Korea Inc	Manufacturing of LCD Glass Substrate	Korea	ASI	100.00	100.00
27	Western Cluster Limited	Iron ore mining	Liberia	Bloom Fountain Limited	100.00	100.00
28	Bloom Fountain Limited	Operating (Iron ore) and Investment Company	Mauritius	Vedanta Limited	100.00	100.00
29	THL Zinc Ltd	Investment Company	Mauritius	THL Zinc Ventures Limited	100.00	100.00
30	THL Zinc Ventures Ltd	Investment Company	Mauritius	Vedanta Limited	100.00	100.00
31	Amica Guesthouse (Proprietary) Limited	Accommodation and catering services	Namibia	Skorpion Zinc (Proprietary) Limited	100.00	100.00
32	Namzinc (Proprietary) Limited	Owns and operates a zinc refinery	Namibia	Skorpion Zinc (Proprietary) Limited	100.00	100.00
33	Skorpion Mining Company (Proprietary) Limited ('NZ')	Exploration, development, treatment, production and sale of zinc ore	Namibia	Skorpion Zinc (Proprietary) Limited	100.00	100.00
34	Skorpion Zinc (Proprietary) Limited ("SZPL")	Operating (zinc) and investing company	Namibia	THL Zinc Namibia Holdings (Proprietary) Ltd	100.00	100.00
35	THL Zinc Namibia Holdings (Proprietary) Limited ("VNHL")	Mining and Exploration and Investment company	Namibia	THL Zinc Ltd	100.00	100.00
36	Killoran Lisheen Mining Limited	Development of a zinc/ lead mine	Republic of Ireland	Vedanta Lisheen Holdings Limited	100.00	100.00
37	Lisheen Milling Limited	Manufacturing [h]	Republic of Ireland	Vedanta Lisheen Holdings Limited	100.00	100.00

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

S. No	Subsidiaries	Principal activities	Country of Incorporation	Immediate holding company	The Company's / Immediate holding company's percentage holding (in %)	
					As at 31 March 2025	As at 31 March 2024
38	Lisheen Mine Partnership	Development and operation of a zinc/lead mine	Republic of Ireland	50% each held by Killoran Lisheen Mining Limited and Vedanta Lisheen Mining Limited	100.00	100.00
39	Vedanta Lisheen Mining Limited	Zinc and lead mining	Republic of Ireland	Vedanta Lisheen Holdings Limited	100.00	100.00
40	Cairn Energy Hydrocarbons Limited	Oil and gas exploration, development and production	Scotland[i]	Cairn India Holdings Limited	100.00	100.00
41	Black Mountain Mining (Proprietary) Limited	Exploration, development, production and sale of zinc, lead, copper and associated mineral concentrates	South Africa	THL Zinc Ltd	74.00	74.00
42	Vedanta Copper International VCI Company Limited [j]	Manufacturing of Basic Chemicals/ basic precious and non ferrous metals	Saudi Arabia	Vedanta Limited	100.00	-
43	Vedanta Copper International VCI Company Limited [j]	Manufacturing of Basic Chemicals/ basic precious and non ferrous metals	Saudi Arabia	Malco Energy Limited	-	100.00
44	Cairn Lanka Private Limited [k]	Oil and gas exploration, development and production	Sri Lanka	Cairn Energy Hydrocarbons Limited	-	-
45	AvanStrate Taiwan Inc	Manufacturing of LCD Glass Substrate	Taiwan	ASI	100.00	100.00
46	Monte Cello BV ("MCBV")	Holding company	The Netherlands	Vedanta Limited	100.00	100.00
47	THL Zinc Holding BV	Investment company	The Netherlands	Vedanta Limited	100.00	100.00
48	Vedanta Lisheen Holdings Limited	Investment company	The Netherlands	THL Zinc Holding BV	100.00	100.00
49	Fujairah Gold FZC	Manufacturing of Copper Rod and Refining of Precious Metals (Gold & Silver)	United Arab Emirates	Malco Energy Limited	100.00	100.00

1 The Group also has interest in certain trusts which are neither significant nor material to the Group.

(a) Hindmetal Exploration Services Private Limited incorporated on 26 February 2024 as a 100% subsidiary of Hindustan Zinc Limited.

(b) Meenakshi Energy Limited has been acquired on 27 December 2023 under the liquidation proceedings of the Insolvency and Bankruptcy Code, 2016 as a 100% subsidiary of Vedanta Limited.

(c) Sesa Iron and Steel Limited incorporated on 06 September 2023 as a 100% subsidiary of Vedanta Limited.

(d) Vedanta Aluminium Metal Limited incorporated on 06 October 2023 as a 100% subsidiary of Vedanta Limited.

(e) Vedanta Base Metals Limited incorporated on 09 October 2023 as a 100% subsidiary of Vedanta Limited.

(f) Vedanta Displays Limited and Vedanta Semiconductors Private Limited has been acquired on 27 July 2023 from Twin star Technologies Ltd via share purchase agreement.

(g) Vedanta Iron and Steel Limited incorporated on 10 October 2023 as a 100% subsidiary of Vedanta Limited.

(h) Activity of the Lisheen Milling Limited ceased in February 2016.

(i) Principal place of business in India.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

(j) Vedanta Copper International VCI Company Limited incorporated on 14 November 2023 as a 100% subsidiary of Malco Energy Limited, on 16 May, 2024 entire sharholding of Vedanta Copper International VCI Company Limited has been transferred to Vedanta Limited.

(k) Cairn Lanka Private Limited is under process of liquidation.

b) Joint operations

The Group participates in several unincorporated joint operations which involve the joint control of assets used in oil and gas exploration and producing activities which are as follows:

Oil & Gas blocks/fields	Area	(%) Participating Interest	
		As at 31 March 2025	As at 31 March 2024
Operating Blocks			
Ravva block-Exploration, Development and Production	Krishna Godavari	22.50	22.50
CB-OS/2 – Exploration	Cambay Offshore	60.00	60.00
CB-OS/2 - Development & production	Cambay Offshore	40.00	40.00
RJ-ON-90/1 – Exploration	Rajasthan Onshore	100.00	100.00
RJ-ON-90/1 – Development & production	Rajasthan Onshore	70.00	70.00
KG-OSN-2009/3 – Exploration	Krishna Godavari Offshore	100.00	100.00
Non-Operating Blocks			
KG-ONN-2003/1	Krishna Godavari Onshore	49.00	49.00

c) Interest in associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 March 2025 and 31 March 2024 which, in the opinion of the management, are not material to the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

S.No.	Associates and Jointly controlled entities	Country of incorporation	% Ownership interest	
			As at 31 March 2025	As at 31 March 2024
1	Gaurav Overseas Private Limited	India	50.00	50.00
2	Madanpur South Coal Company Limited	India	18.05	17.62
3	Goa Maritime Private Limited	India	50.00	50.00
4	Rosh Pinah Health Care (Proprietary) Limited	Namibia	69.00	69.00
5	Gergarub Exploration and Mining (Pty) Limited	Namibia	51.00	51.00
6	RoshSkor Township (Pty) Limited	Namibia	50.00	50.00

44 Oil & gas reserves and resources

The Group's gross reserve estimates are updated atleast annually based on the forecast of production profiles, determined on an asset-by-asset basis, using appropriate petroleum engineering techniques. The estimates of reserves and resources have been derived in accordance with the Society for Petroleum Engineers "Petroleum Resources Management System (2018)". The changes to the reserves are generally on account of future development projects, application of technologies such as enhanced oil recovery techniques and true up of the estimates. The management's internal estimates of hydrocarbon reserves and resources at the year end, are as follows:

Particulars	Country	Gross proved and probable hydrocarbons initially in place		Gross proved and probable reserves and resources		Net working interest proved and probable reserves and resources	
		(mmboe)		(mmboe)		(mmboe)	
		As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Rajasthan Block	India	5,281	5,210	1,139	1,107	798	775
Ravva PKGM-1	India	728	704	13	14	3	3
CB-OS/2 Fields	India	298	298	31	31	12	12

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Particulars	Country	Gross proved and probable hydrocarbons initially in place (mmboe)		Gross proved and probable reserves and resources (mmboe)		Net working interest proved and probable reserves and resources (mmboe)	
		As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
KG-ONN-2003/1	India	260	260	49	31	24	15
DSF	India	221	218	112	112	112	112
OALP	India	380	361	86	81	86	81
Total		**7,168**	**7,051**	**1,430**	**1,376**	**1,035**	**998**

The Group's net working interest proved and probable reserves is as follows:

Particulars	Proved and probable reserves		Proved and probable reserves (developed)	
	Oil	Gas	Oil	Gas
	(mmstb)	(bscf)	(mmstb)	(bscf)
Reserves as of 01 April 2023*	**167.32**	**152.71**	**119.61**	**104.90**
Revisions/ Additions during the year	(3.31)	(2.24)	5.19	27.78
Production during the year	(24.49)	(33.64)	(24.49)	(33.64)
Reserves as of 31 March 2024**	**139.52**	**116.83**	**100.31**	**99.04**
Revisions/ Additions during the year	(12.12)	11.22	(4.81)	15.72
Production during the year	(19.77)	(34.58)	(19.77)	(34.58)
Reserves as of 31 March 2025***	**107.63**	**93.47**	**75.73**	**80.18**

* Includes probable oil reserves of 55.68 mmstb (of which 18.99 mmstb is developed) and probable gas reserves of 46.91 bscf (of which 16.91 bscf is developed)

** Includes probable oil reserves of 45.89 mmstb (of which 25.92 mmstb is developed) and probable gas reserves of 29.15 bscf (of which 27.34 bscf is developed)

*** Includes probable oil reserves of 24.60 mmstb (of which 16.98 mmstb is developed) and probable gas reserves of 22.18 bscf (of which 18.93 bscf is developed)

mmboe = million barrels of oil equivalent

mmstb = million stock tank barrels

bscf = billion standard cubic feet

1 million metric tonnes = 7.4 mmstb

1 standard cubic meter =35.315 standard cubic feet

45 Subsequent events

There are no other material adjusting or non-adjusting subsequent events for year ended 31 March 2025, except as already disclosed

46 The Holding Company, subsidiaries, associates and joint ventures which are companies incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the following:

In Holding Company and 14 subsidiaries incorporated in India, audit trail feature in the SAP application for direct changes to data in certain database tables was enabled for part of the year from 03 March 2025. Further, there was no instance of audit trail feature being tampered with in the Holding Company, subsidiaries (as applicable), associates and joint ventures. Additionally, the Holding Company, subsidiaries (as applicable), associates and joint ventures preserved audit trail in full compliance with the requirements of section 128(5) of the Act to the extent it was enabled and recorded.

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

47 Financial information pursuant to Schedule III of the Companies Act, 2013

S. No	Name of the entity	Net Assets (Total assets less total liabilities) As at 31 March 2025		Share in profit and loss Year ended 31 March 2025		Share in other comprehensive income (OCI) Year ended 31 March 2025		Share in total comprehensive income (TCI) Year ended 31 March 2025	
		As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
	Parent								
	Vedanta Limited	182.95%	75,399	119.62%	17,928	79.08%	344	118.47%	18,272
	Indian Subsidiaries								
1	Hindustan Zinc Limited	32.34%	13,326	69.08%	10,353	6.90%	30	67.32%	10,383
2	Bharat Aluminium Company Limited	29.50%	12,157	19.81%	2,969	15.40%	67	19.68%	3,036
3	MALCO Energy Limited	(0.68%)	(280)	(1.25%)	(188)	0.46%	2	(1.21%)	(186)
4	Talwandi Sabo Power Limited	8.87%	3,655	0.21%	32	0.00%	-	0.21%	32
5	Sesa Resources Limited	1.09%	451	(0.02%)	(3)	0.00%	-	(0.02%)	(3)
6	Sesa Mining Corporation Limited	0.56%	232	0.79%	118	0.00%	-	0.77%	118
7	Vizag General Cargo Berth Private Limited	(0.10%)	(40)	(0.20%)	(30)	0.00%	-	(0.19%)	(30)
8	Vedanta Limited ESOS Trust	0.12%	51	0.00%	-	0.00%	-	0.00%	-
9	ESL Steel Limited	10.51%	4,331	(1.77%)	(266)	(0.46%)	(2)	(1.74%)	(268)
10	Ferro Alloy Corporation Limited (FACOR)	2.57%	1,060	(0.04%)	(6)	(0.46%)	(2)	(0.05%)	(8)
11	Desai Cement Company Private Limited	(0.01%)	(5)	0.02%	3	0.00%	-	0.02%	3
12	Hindustan Zinc Alloys Private Limited	0.13%	54	0.43%	64	0.00%	-	0.41%	64
13	Vedanta Zinc Football & Sports Foundation	0.00%	-	0.01%	1	0.00%	-	0.01%	1
14	Hindustan Zinc Fertilizers Private Limited	0.00%	0	0.00%	-	0.00%	-	0.00%	0
15	Zinc India Foundation	0.00%	-	0.01%	2	0.00%	-	0.01%	2
16	Hindmetal Exploration Services Private Limited	0.01%	3	0.02%	3	0.00%	-	0.02%	3
17	Meenakshi Energy Limited	12.61%	5,195	(1.01%)	(152)	(0.46%)	(2)	(1.00%)	(154)
18	Sesa Iron and Steel Limited	0.00%	0	0.00%	0	0.00%	-	0.00%	0
19	Vedanta Aluminium Metal Limited	0.00%	0	0.00%	0	0.00%	-	0.00%	0
20	Vedanta Base Metals Limited	0.00%	0	0.00%	0	0.00%	-	0.00%	0
21	Vedanta Displays Limited	(0.02%)	(9)	(0.07%)	(11)	0.00%	-	(0.07%)	(11)
22	Vedanta Iron and Steel Limited	0.00%	0	0.00%	0	0.00%	-	0.00%	0
23	Vedanta Semiconductors Private Limited	(0.03%)	(13)	(0.07%)	(10)	0.00%	-	(0.06%)	(10)

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

S. No	Name of the entity	Net Assets (Total assets less total liabilities)		Share in profit and loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As at 31 March 2025		Year ended 31 March 2025		Year ended 31 March 2025		Year ended 31 March 2025	
		As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
	Foreign Subsidiaries								
1	Thalanga copper mines Pty Limited	0.02%	10	(0.03%)	(4)	0.00%	-	(0.03%)	(4)
2	Monte Cello BV	0.15%	61	0.02%	3	0.00%	-	0.02%	3
3	Bloom Fountain Limited	(29.24%)	(12,050)	(7.68%)	(1,151)	0.00%	-	(7.46%)	(1,151)
4	Western Cluster Limited	(0.85%)	(351)	(0.19%)	(28)	0.00%	-	(0.18%)	(28)
5	Fujairah Gold FZC	(2.21%)	(912)	(0.60%)	(90)	(1.15%)	(5)	(0.62%)	(95)
6	THL Zinc Ventures Ltd	17.79%	7,332	(7.88%)	(1,181)	0.00%	-	(7.66%)	(1,181)
7	THL Zinc Ltd	(10.57%)	(4,358)	(3.63%)	(544)	0.00%	-	(3.53%)	(544)
8	THL Zinc Holding BV	(6.64%)	(2,735)	(0.01%)	(2)	0.00%	-	(0.01%)	(2)
9	THL Zinc Namibia Holdings (Proprietary) Limited	1.40%	579	0.00%	-	0.00%	-	0.00%	-
10	Skorpion Zinc (Proprietary) Limited	0.03%	13	0.00%	0	0.00%	-	0.00%	0
11	Skorpion Mining Company (Proprietary) Limited	(3.59%)	(1,480)	(0.08%)	(12)	0.00%	-	(0.08%)	(12)
12	Namzinc (Proprietary) Limited	0.93%	384	(0.32%)	(48)	0.00%	-	(0.31%)	(48)
13	Amica Guesthouse (Proprietary) Limited	0.01%	4	0.00%	0	0.00%	-	0.00%	0
14	Black Mountain Mining Proprietary Limited	10.64%	4,386	3.85%	577	(7.36%)	(32)	3.53%	545
15	Vedanta Lisheen Holdings Limited	0.07%	29	0.00%	0	0.00%	-	0.00%	0
16	Vedanta Lisheen Mining Limited	0.20%	82	0.00%	-	0.00%	-	0.00%	-
17	Killoran Lisheen Mining Limited	0.06%	25	0.00%	-	0.00%	-	0.00%	-
18	Lisheen Milling Limited	0.26%	107	0.03%	4	0.00%	-	0.03%	4
19	Lisheen Mine Partnership	0.00%	-	0.00%	-	0.00%	-	0.00%	-
20	Cairn India Holdings Limited	19.69%	8,116	14.99%	2,247	0.00%	-	14.57%	2,247
21	Cairn Energy Hydrocarbons Limited	9.17%	3,779	9.55%	1,432	0.00%	-	9.28%	1,432
22	Cairn Lanka (Private) Limited [(a)]	0.00%	-	0.00%	-	0.00%	-	0.00%	-
23	AvanStrate Inc	(6.52%)	(2,688)	(1.37%)	(206)	0.00%	-	(1.34%)	(206)
24	AvanStrate Korea Inc	(4.90%)	(2,021)	0.97%	146	0.00%	-	0.95%	146
25	AvanStrate Taiwan Inc	4.71%	1,943	(1.75%)	(262)	0.00%	-	(1.70%)	(262)
26	Vedanta Copper International VCI Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Non-controlling interests in all subsidiaries	(30.43%)	(12,541)	(37.01%)	(5,547)	(20.92%)	(91)	(36.56%)	(5,638)

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

S. No	Name of the entity	Net Assets (Total assets less total liabilities)		Share in profit and loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As at 31 March 2025		Year ended 31 March 2025		Year ended 31 March 2025		Year ended 31 March 2025	
		As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
	Associates & joint ventures (per equity method)								
	Indian								
1	Gaurav Overseas Private Limited	0.00%	0	(0.01%)	(1)	0.00%	-	(0.01%)	(1)
2	Madanpur South Coal Company Limited	0.00%	1	0.00%	-	0.00%	-	0.00%	-
3	Goa Maritime Private Limited	0.00%	0	0.01%	1	0.00%	-	0.01%	1
	Foreign								
1	RoshSkor Township (Pty) Ltd	0.00%	2	0.00%	-	0.00%	-	0.00%	-
2	Rosh Pinah Health Care (Proprietary) Limited	0.01%	4	(0.01%)	(1)	0.00%	-	(0.01%)	(1)
3	Gergarub Exploration and Mining (Pty) Limited	0.04%	15	0.00%	0	0.00%	-	0.00%	0
	Consolidation Adjustments/ Eliminations [(b)]	(150.64%)	(62,091)	(74.41%)	(11,149)	29.40%	128	(71.46%)	(11,023)
	Total	**100.00%**	**41,212**	**100.00%**	**14,988**	**100.00%**	**435**	**100.00%**	**15,423**

(a) Under liquidation during the year

(b) Consolidation adjustments/eliminations include intercompany eliminations, consolidation adjustments and GAAP differences.

Exchange Rates as at March 31, 2025: 1 AUD= ₹ 53.4846, 1 USD = ₹ 85.4655, 1 AED = ₹ 23.2654 , 1 NAD = ₹ 4.6573, 1 ZAR = ₹ 4.6573, 1 JPY = ₹ 0.5717

Average Exchange Rates for the year ended 31 March 2025: 1 AUD= ₹ 55.1301, 1 USD = ₹ 84.5527, 1 AED = ₹ 23.0169, 1 NAD = ₹ 4.6375, 1 ZAR = ₹ 4.6375, 1 JPY = ₹ 0.5551

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

Financial information pursuant to Schedule III of the Companies Act, 2013

S. No	Name of the entity	Net Assets (Total assets less total liabilities)		Share in profit and loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As at 31 March 2024		Year ended 31 March 2024		Year ended 31 March 2024		Year ended 31 March 2024	
		As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
	Parent								
	Vedanta Limited	213.32%	65,536	156.24%	6,623	(0.59%)	11	281.10%	6,634
	Indian Subsidiaries								
1	Hindustan Zinc Limited	49.58%	15,233	183.70%	7,787	0.16%	(3)	329.83%	7,784
2	Bharat Aluminium Company Limited	29.69%	9,121	32.67%	1,385	0.64%	(12)	58.18%	1,373
3	MALCO Energy Limited	(0.31%)	(94)	(2.76%)	(117)	(0.21%)	4	(4.79%)	(113)
4	Talwandi Sabo Power Limited	11.79%	3,623	14.20%	602	0.00%	-	25.51%	602
5	Sesa Resources Limited	1.48%	454	0.61%	26	0.05%	(1)	1.06%	25
6	Sesa Mining Corporation Limited[1]	0.37%	114	2.34%	99	0.05%	(1)	4.15%	98
7	Sterlite Ports Limited[1]	0.00%	-	0.00%	-	0.00%	-	0.00%	-
8	Vizag General Cargo Berth Private Limited	(0.03%)	(10)	(0.71%)	(30)	0.00%	-	(1.27%)	(30)
9	Paradip Multi Cargo Berth Private Limited[1]	0.00%	-	0.00%	-	0.00%	-	0.00%	-
10	Maritime Ventures Private Limited[1]	0.00%	-	0.00%	-	0.00%	-	0.00%	-
11	Goa Sea Port Private Limited[1]	0.00%	-	0.00%	-	0.00%	-	0.00%	-
12	Vedanta Limited ESOS Trust	0.17%	51	0.00%	-	0.00%	-	0.00%	-
13	ESL Steel Limited	14.97%	4,599	(22.84%)	(968)	0.05%	(1)	(41.06%)	(969)
14	Ferro Alloy Corporation Limited (FACOR)	3.52%	1,080	0.50%	21	0.05%	(1)	0.85%	20
15	Desai Cement Company Private Limited	(0.03%)	(8)	0.05%	2	0.00%	-	0.08%	2
16	Hindustan Zinc Alloys Private Limited	(0.03%)	(10)	(0.19%)	(8)	0.00%	-	(0.34%)	(8)
17	Vedanta Zinc Football & Sports Foundation	(0.00%)	(1)	0.00%	0	0.00%	-	0.00%	0
18	Hindustan Zinc Fertilizers Private Limited	0.00%	0	0.00%	-	0.00%	-	0.00%	0
19	Zinc India Foundation	(0.01%)	(2)	0.05%	2	0.00%	-	0.08%	2
20	Hindmetal Exploration Services Private Limited[b]	0.00%	0	0.00%	0	0.00%	-	0.00%	0
21	Meenakshi Energy Limited[a]	(0.17%)	(53)	(1.25%)	(53)	0.00%	-	(2.25%)	(53)
22	Sesa Iron and Steel Limited[b]	(0.00%)	(0)	0.00%	0	0.00%	-	0.00%	0
23	Vedanta Aluminium Metal Limited[b]	(0.00%)	(0)	0.00%	0	0.00%	-	0.00%	0
24	Vedanta Base Metals Limited[b]	0.00%	0	0.00%	0	0.00%	-	0.00%	0
25	Vedanta Displays Limited[a]	0.01%	2	(0.57%)	(24)	0.00%	-	(1.02%)	(24)

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

S. No	Name of the entity	Net Assets (Total assets less total liabilities)		Share in profit and loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As at 31 March 2024		Year ended 31 March 2024		Year ended 31 March 2024		Year ended 31 March 2024	
		As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
26	Vedanta Iron and Steel Limited [b]	(0.00%)	(0)	0.00%	0	0.00%	-	0.00%	0
27	Vedanta Semiconductors Private Limited [a]	(0.01%)	(3)	(1.23%)	(52)	0.00%	-	(2.20%)	(52)
	Foreign Subsidiaries								
1	Copper Mines of Tasmania Pty Limited [c]	0.00%	-	13.07%	554	(0.37%)	7	23.77%	561
2	Thalanga copper mines Pty Limited	0.03%	9	(0.90%)	(38)	0.00%	-	(1.61%)	(38)
3	Monte Cello BV	0.18%	56	(3.89%)	(165)	0.00%	-	(6.99%)	(165)
4	Bloom Fountain Limited	(34.59%)	(10,628)	(6.30%)	(267)	0.00%	-	(11.31%)	(267)
5	Western Cluster Limited	(1.03%)	(315)	0.12%	5	0.00%	-	0.21%	5
6	Fujairah Gold FZC	(2.59%)	(797)	(1.77%)	(75)	0.00%	-	(3.18%)	(75)
7	THL Zinc Ventures Ltd	(2.76%)	(849)	(21.63%)	(917)	0.00%	-	(38.86%)	(917)
8	THL Zinc Ltd	(12.09%)	(3,713)	(7.50%)	(318)	0.00%	-	(13.47%)	(318)
9	THL Zinc Holding BV	(8.68%)	(2,666)	0.07%	3	0.00%	-	0.13%	3
10	THL Zinc Namibia Holdings (Proprietary) Limited	2.92%	898	(3.99%)	(169)	0.00%	-	(7.16%)	(169)
11	Skorpion Zinc (Proprietary) Limited	0.00%	0	0.00%	0	0.00%	-	0.00%	0
12	Skorpion Mining Company (Proprietary) Limited	(4.53%)	(1,392)	(0.35%)	(15)	0.00%	-	(0.64%)	(15)
13	Namzinc (Proprietary) Limited	1.33%	410	(3.75%)	(159)	0.00%	-	(6.74%)	(159)
14	Amica Guesthouse (Proprietary) Limited	0.01%	2	0.00%	0	0.00%	-	0.00%	0
15	Black Mountain Mining Proprietary Limited	11.85%	3,642	1.79%	76	(0.16%)	3	3.35%	79
16	Vedanta Lisheen Holdings Limited	0.09%	28	0.00%	0	0.00%	-	0.00%	0
17	Vedanta Lisheen Mining Limited	0.26%	80	(0.02%)	(1)	0.00%	-	(0.04%)	(1)
18	Killoran Lisheen Mining Limited	0.08%	25	(0.02%)	(1)	0.00%	-	(0.04%)	(1)
19	Lisheen Milling Limited	0.33%	101	(0.02%)	(1)	0.00%	-	(0.04%)	(1)
20	Lisheen Mine Partnership	0.00%	-	(0.02%)	(1)	0.00%	-	(0.04%)	(1)
21	Cairn India Holdings Limited	25.44%	7,817	40.58%	1,720	0.00%	-	72.88%	1,720
22	Cairn Energy Hydrocarbons Limited	12.90%	3,963	49.33%	2,091	0.00%	-	88.60%	2,091
23	Cairn Lanka (Private) Limited [d]	0.00%	-	0.00%	-	0.00%	-	0.00%	-
24	Associates & joint ventures (per equity method)	0.01%	2	0.00%	0	0.00%	-	0.00%	0
25	AvanStrate Korea Inc	(0.01%)	(2)	0.00%	0	0.00%	-	0.00%	0
26	AvanStrate Taiwan Inc	(0.01%)	(2)	0.00%	0	0.00%	-	0.00%	0

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

S. No	Name of the entity	Net Assets (Total assets less total liabilities)		Share in profit and loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
		As at 31 March 2024		Year ended 31 March 2024		Year ended 31 March 2024		Year ended 31 March 2024	
		As % of consolidated net assets	Amount (₹ in Crore)	As % of consolidated profit	Amount (₹ in Crore)	As % of consolidated OCI	Amount (₹ in Crore)	As % of consolidated TCI	Amount (₹ in Crore)
27	Vedanta Copper International VCI Company Limited [b]	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Non-controlling interests in all subsidiaries	(36.93%)	(11,347)	(77.85%)	(3,300)	(0.48%)	9	(139.45%)	(3,291)
	Associates & joint ventures (per equity method)								
	Indian								
1	Gaurav Overseas Private Limited	0.00%	0	(0.05%)	(2)	0.00%	-	(0.08%)	(2)
2	Madanpur South Coal Company Limited	0.00%	1	0.00%	-	0.00%	-	0.00%	-
3	Goa Maritime Private Limited	0.00%	0	0.00%	0	0.00%	-	0.00%	0
	Foreign								
1	RoshSkor Township (Pty) Ltd	0.00%	1	(0.02%)	(1)	0.00%	-	(0.04%)	(1)
2	Rosh Pinah Health Care (Proprietary) Limited	0.01%	4	(0.02%)	(1)	0.00%	-	(0.04%)	(1)
3	Gergarub Exploration and Mining (Pty) Limited	0.00%	0	0.00%	0	0.00%	-	0.00%	0
	Consolidation adjustments/ eliminations [b]	(176.54%)	(54,238)	(237.65%)	(10,074)	100.80%	(1,894)	(507.12%)	(11,968)
		100.00%	**30,722**	**100.00%**	**4,239**	**100.00%**	**(1,879)**	**100.00%**	**2,360**

[a] Acquired during the year [b] Incorporated during the year [c] Sold during the year [d] Under liquidation during the year.

[e] Consolidation adjustments/eliminations include intercompany eliminations, consolidation adjustments and GAAP differences.

1. The Mumbai NCLT and Chennai NCLT had passed orders dated 06 June 2022 and 22 March 2023 respectively to sanction 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'). MCA statutory filing has completed on 18 January 2024 which is the effective date of merger.

Exchange Rates as at 31 March 2024: 1 AUD= ₹ 54.3163, 1 USD = ₹ 83.3416, 1 AED = ₹ 22.6913, 1 NAD = ₹ 4.4152, 1 ZAR = ₹ 4.4152, 1 JPY = ₹ 0.5507

Average Exchange Rates for the year ended March 31, 2024: 1 AUD= ₹ 54.4681, 1 USD = ₹ 82.7845, 1 AED = ₹ 22.5356, 1 NAD = ₹ 4.4194, 1 ZAR = ₹ 4.4194, 1 JPY = ₹ 0.5735

NOTES

forming part of the consolidated financial statements as at and for the year ended 31 March 2025

48 Other Statutory Information

a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b) The Group has not been declared wilful defaulter by any bank or financial Institution or other lender.

c) The Group does not have any transactions with companies struck off as per Companies Act, 2013.

d) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

e) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

f) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income tax Act, 1961).

See accompanying notes to the financial statements

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Vikas Pansari**
Partner
Membership No: 093649

Place: Mumbai
Date: 30 April 2025

For and on behalf of the Board of Directors

Navin Agarwal
Executive Vice – Chairman and Whole-Time Director
DIN 00006303
Place: Mumbai

Arun Misra
Executive Director (Whole-Time Director)
DIN 01835605
Place: Mumbai

Ajay Goel
Chief Financial Officer
PAN AEAPG8383C
Place: Mumbai
Date: 30 April 2025

Prerna Halwasiya
Company Secretary and Compliance Officer
ICSI Membership No. A20856
Place: New Delhi

Form AOC-I

Salient features of Subsidiaries pursuant to first proviso to sub section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

(₹ in Crore, except otherwise stated)

Sl. No.	Name of the Subsidiary	Reporting Period	Reporting currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in subsidiary)	Turnover	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed dividend	% of ownership
1	Bharat Aluminium Company Limited	April to March	₹	221	11,935	21,402	9,245	1,384	15,808	3,931	962	2,969	-	51.00
2	Thalanga Copper Mines Pty Limited	April to March	AUD	3	7	46	36	-	-	(4)	-	(4)	-	100.00
3	Monte Cello BV	April to March	$	0	61	347	286	-	-	5	1	3	-	100.00
4	Hindustan Zinc Limited	April to March	₹	845	12,481	34,417	21,091	9,971	32,927	13,464	3,185	10,279	-	63.42
5	MALCO Energy Limited	April to March	₹	5	(285)	928	1,208	-	877	(188)	-	(188)	-	100.00
6	Fujairah Gold FZC	April to March	AED	7,815	(8,727)	661	1,573	-	6,430	(90)	-	(90)	-	100.00
7	Talwandi Sabo Power Limited	April to March	₹	3,207	448	10,289	6,635	-	5,223	10	(22)	32	-	100.00
8	THL Zinc Ventures Ltd	April to March	US $	5,204	2,128	7,618	286	-	-	(1,181)	-	(1,181)	-	100.00
9	THL Zinc Ltd	April to March	US $	77	(4,434)	3,424	7,781	-	-	(544)	-	(544)	-	100.00
10	THL Zinc Holding BV	April to March	US $	44	(2,778)	348	3,082	70	-	(2)	1	(2)	-	100.00
11	THL Zinc Namibia Holdings (Proprietary) Limited	April to March	NAD	7	572	585	6	-	-	-	-	-	-	100.00
12	Skorpion Zinc (Proprietary) Limited	April to March	NAD	2	10	470	457	3	-	0	-	0	-	100.00
13	Skorpion Mining Company (Proprietary) Limited	April to March	NAD	0	(1,480)	1,500	2,981	22	0	(12)	-	(12)	-	100.00
14	Namzinc (Proprietary) Limited	April to March	NAD	0	384	2,054	1,669	-	-	(48)	-	(48)	-	100.00
15	Amica Guesthouse (Proprietary) Limited	April to March	NAD	0	4	8	4	-	4	1	0	1	-	100.00
16	Black Mountain Mining (Proprietary) Limited	April to March	ZAR	0	4,386	9,327	4,940	-	3,933	764	187	577	-	74.00
17	Vedanta Lisheen Holdings Limited	April to March	US $	0	29	30	1	-	-	0	0	0	-	100.00
18	Vedanta Lisheen Mining Limited	April to March	US $	0	82	82	0	-	-	0	0	0	-	100.00
19	Killoran Lisheen Mining Limited	April to March	US $	0	25	25	0	-	-	0	0	0	-	100.00
20	Lisheen Milling Limited	April to March	US $	0	107	239	131	-	-	4	-	4	-	100.00
21	Lisheen Mine Partnership	April to March	US $	-	-	65	65	-	-	-	-	-	-	100.00
22	Vizag General Cargo Berth Private Limited	April to March	₹	47	(87)	497	538	3	157	(27)	3	(30)	-	100.00
23	Cairn India Holdings Limited	April to March	US $	4,089	4,026	11,505	3,390	699	-	2,247	-	2,247	-	100.00
24	Cairn Energy Hydrocarbons Limited	April to March	US $	3,390	389	7,196	3,417	1,891	4,867	1,106	(326)	1,432	-	100.00
25	Cairn Lanka Private Limited (1)	April to March	US $	-	-	-	-	-	-	-	-	-	-	100.00
26	Bloom Fountain Limited	April to March	US $	18,811	(30,861)	2,456	14,506	-	-	(1,151)	-	(1,151)	-	100.00
27	Western Cluster Limited	April to March	US $	-	(351)	1,457	1,808	-	211	(28)	-	(28)	-	100.00
28	Sesa Resources Limited	April to March	₹	1	450	484	32	0	10	(3)	-	(3)	-	100.00
29	Sesa Mining Corporation Limited	April to March	₹	22	210	905	673	-	542	157	38	118	-	100.00
30	Vedanta Limited ESOS Trust	April to March	₹	0	51	165	114	148	-	0	0	0	-	100.00

(₹ in Crore, except otherwise stated)

Sl. No.	Name of the Subsidiary	Reporting Period	Reporting currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (excluding investment in subsidiary)	Turnover	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed dividend	% of ownership
31	AvanStrate Inc	April to March	JPY	6	(2,693)	2,509	5,197	-	0	(255)	(49)	(206)	-	98.20
32	AvanStrate Korea Inc	April to March	JPY	732	(2,754)	331	2,352	-	4	146	-	146	-	98.20
33	AvanStrate Taiwan Inc	April to March	JPY	299	1,644	2,535	592	-	187	(262)	0	(262)	-	98.20
34	Ferro Alloy Corporation Limited (FACOR)	April to March	₹	34	1,026	1,755	695	13	930	(5)	1	(6)	-	99.99
35	ESL Steel Limited	April to March	₹	1,849	2,482	10,898	6,567	21	7,928	(318)	(52)	(266)	-	95.49
36	Desai Cement Company Private Limited	April to March	₹	2	(7)	16	21	-	8	3	-	3	-	100.00
37	Hindustan Zinc Alloys Private Limited	April to March	₹	0	54	226	171	-	277	78	13	64	-	63.42
38	Vedanta Zinc Football & Sports Foundation	April to March	₹	0	-	1	1	-	11	1	-	1	-	63.42
39	Hindustan Zinc Fertilizers Private Limited	April to March	₹	0	(0)	1	1	-	-	0	-	0	-	63.42
40	Zinc India Foundation	April to March	₹	0	-	3	3	-	17	2	-	2	-	63.42
41	Hindmetal Exploration Services Private Limited (2)	February 2024 to March 2025	₹	0	3	21	18	-	62	4	1	3	-	63.42
42	Meenakshi Energy Limited	April to March	₹	1	5,194	6,431	1,236	-	120	(175)	(23)	(152)	-	100.00
43	Sesa Iron and Steel Limited	April to March	₹	0	(0)	0	0	-	-	0	-	0	-	100.00
44	Vedanta Aluminium Metal Limited	April to March	₹	0	(0)	0	0	-	-	0	-	0	-	100.00
45	Vedanta Base Metals Limited	April to March	₹	0	(0)	0	0	-	-	0	-	0	-	100.00
46	Vedanta Displays Limited	April to March	₹	26	(35)	4	13	-	-	(11)	-	(11)	-	100.00
47	Vedanta Iron and Steel Limited	April to March	₹	0	(0)	0	0	-	-	0	-	0	-	100.00
48	Vedanta Semiconductors Private Limited	April to March	₹	49	(62)	2,680	2,693	-	416	(10)	-	(10)	-	100.00
49	Vedanta Copper International VCI Company Limited	April to March	SAR	0	-	39	39	-	-	-	-	-	-	100.00

a. ₹ - Indian Rupee, US $ - United States Dollar, AUD - Australian Dollar, AED - Emirati Dirham, NAD - Namibian Dollar, ZAR - South African Rand, JPY - Japanese Yen, SAR - Saudi Riyal

b. Exchange Rates as at 31 March 2025: 1 AUD= ₹ 53.4846, 1 USD = ₹ 85.4655, 1 AED = ₹ 23.2654 , 1 NAD = ₹ 4.6573, 1 ZAR = ₹ 4.6573, 1 JPY = ₹ 0.5717

c. Average Exchange Rates for the year ended 31 March 2025: 1 AUD= ₹ 55.1301, 1 USD = ₹ 84.5527, 1 AED = ₹ 23.0169, 1 NAD = ₹ 4.6375, 1 ZAR = ₹ 4.6375, 1 JPY = ₹ 0.5551

[1] Under liquidation [2] Incorporated in February 2024

Form AOC-I

Salient features of Associate companies and Joint Ventures pursuant to first proviso to sub section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014

S. No	Name of Associates/Joint Ventures	RoshSkor Township (Pty) Ltd	Gaurav Overseas Private Limited	Madanpur South Coal Company Limited	Goa Maritime Private Limited	Rosh Pinah Health Care (Proprietary) Limited	Gergarub Exploration and Mining (Pty) Limited
1	Latest audited Balance sheet date	30 June 2024	31 March 2024	31 March 2024	31 March 2025	31 December 2023	31 March 2024
2	Shares of Associate/Joint Ventures held by the Company/ Immediate holding company at the year end						
	- Number	50	1,423,000	114,421	5,000	69	51
	- Amount of investment (₹ in Crore)	1.85	1.42	1.96	0.01	0.00	0.00
	- The Company's / Immediate holding company's percentage holding (in %)	50.00%	50.00%	18.05%	50.00%	69.00%	51.00%
3	Description of how there is significant influence	By way of ownership	By way of ownership	N.A.	N.A.	Joint control of the entity	Joint control of the entity
4	Networth attributable to shareholding as per latest audited Balance sheet (₹ in Crore)	1.93	0.06	1.02	0.00	3.66	15.18
5	Profit/ (loss) for the year (₹ in Crore)	1.60	(0.87)	0.01	(0.00)	(0.21)	(0.07)

For and on behalf of the Board of Directors

Navin Agarwal
Executive Vice Chairman and Whole-Time Director
DIN 00006303
Place: Mumbai

Arun Misra
Executive Director (Whole-Time Director)
DIN 01835605
Place: Mumbai

Ajay Goel
Chief Financial Officer
PAN AEAPG8383C
Place: Mumbai

Prerna Halwasiya
Company Secretary and Compliance Officer
ICSI Membership No.A20856
Place: New Delhi

Date : 30 April 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Vedanta Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Vedanta Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information which includes 1 unincorporated Joint operations.

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
(a) Accounting and disclosure of related party transactions (as described in note 39(M), 39(O) and 39(P) of the Standalone financial statements)	
The Company has undertaken transactions with related party, Vedanta Resources Limited ('VRL'), its intermediate holding company, including payment of brand and strategic management fee, agency commission and guarantee commission. Accounting and disclosure of such related party transactions has been identified as a key audit matter due to a) Significance of such related party transactions; b) Risk of such transactions being executed without proper authorizations; and c) Risk of material information relating to aforesaid transactions not getting disclosed in the financial statements.	Our procedures included the following: • Obtained and read the Company's policies, processes and procedures in respect of identification of such related parties in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified key controls. For selected controls we have performed tests of controls. • Tested such related party transactions and balances with the underlying contracts, confirmation letters and other supporting documents provided by the Company. • Examined the approvals of the audit committee and / or board of directors for these transactions.