



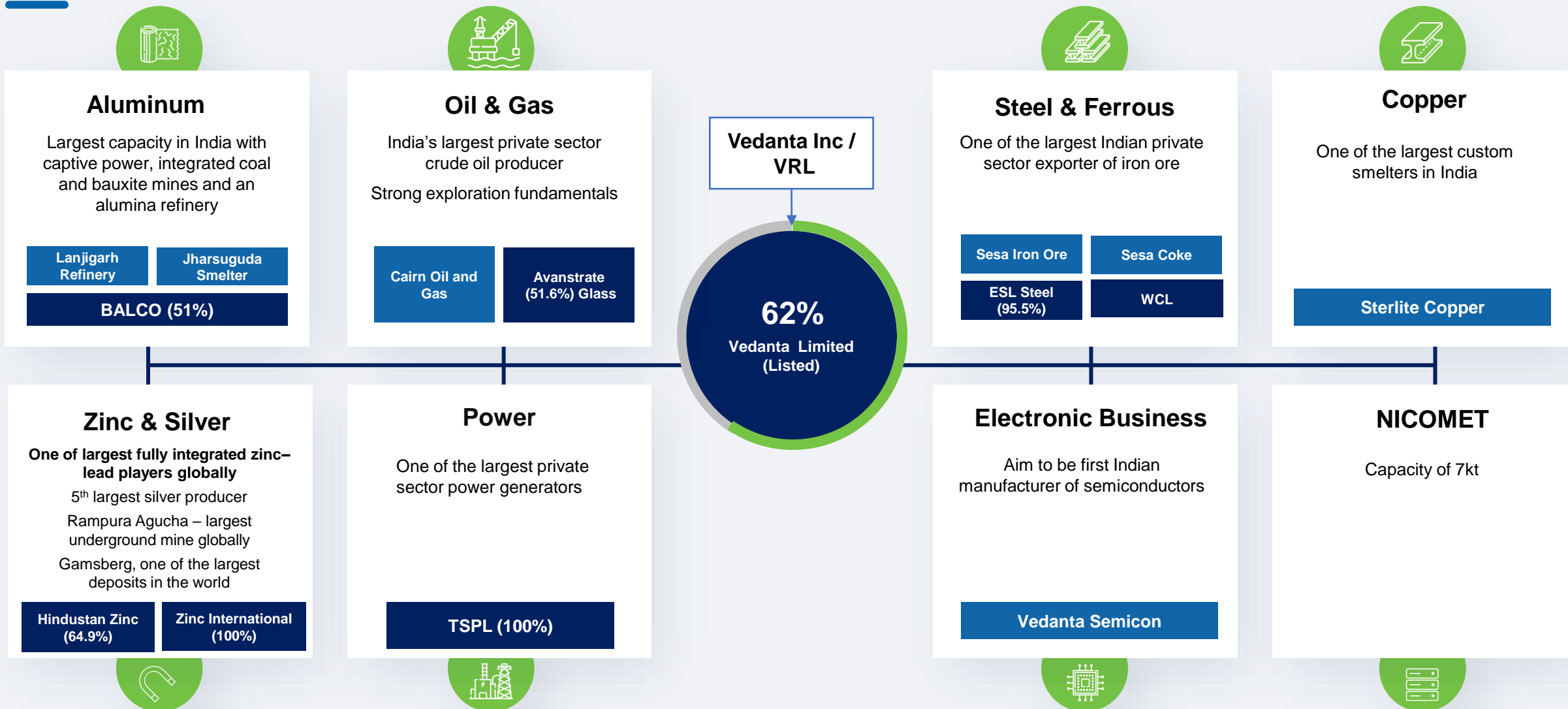
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# Demerger Shaping our portfolio for the future

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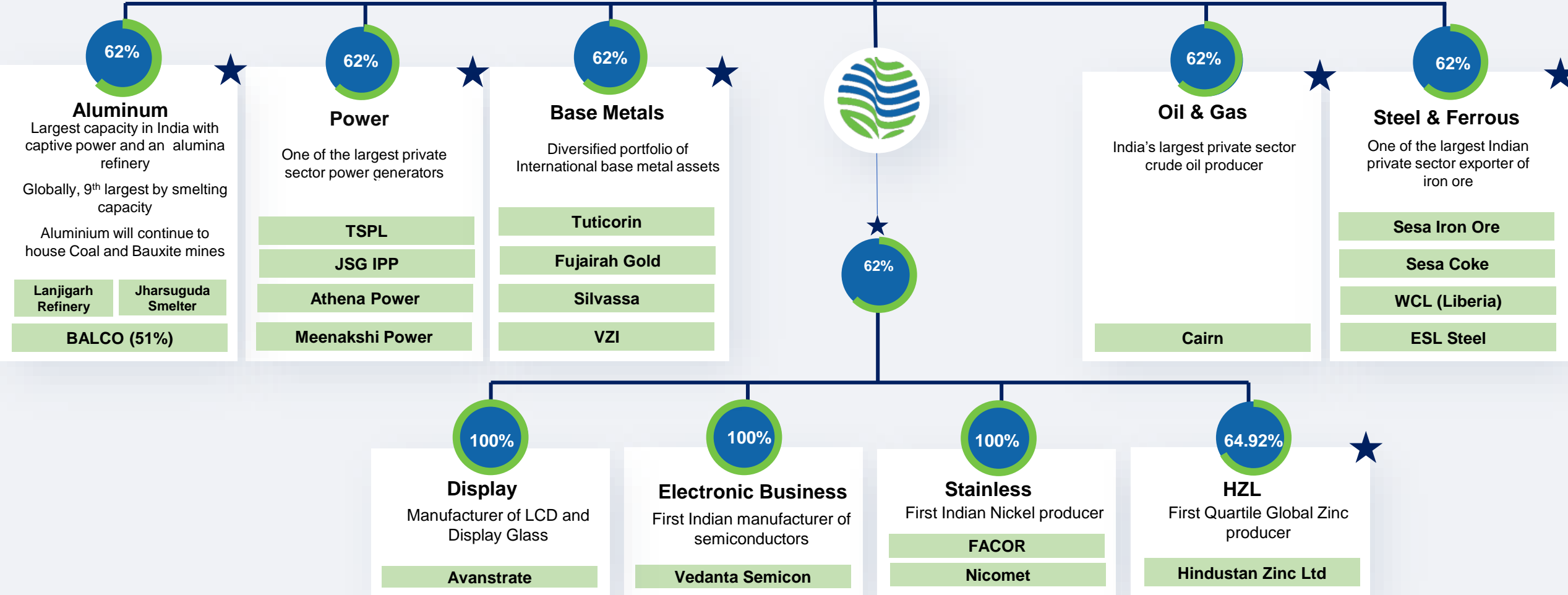
**Ajay Agarwal**  
President Finance

# Today - Operating Companies with “Asset Managers”



# Tomorrow - Streamlined pure-play “Asset Owner” model

Vedanta Inc / VRL



# Rationale for “A Simpler Vedanta”

**Valuation:** Capital markets perceive a capital allocation risk which results in a discount to intrinsic fair value



1

**Liquidity and growth capital:** Saturated debt limit; equity capital market access is relatively restricted



2

**Investor Universe:** Investors presented with a diverse portfolio of non-synergistic assets

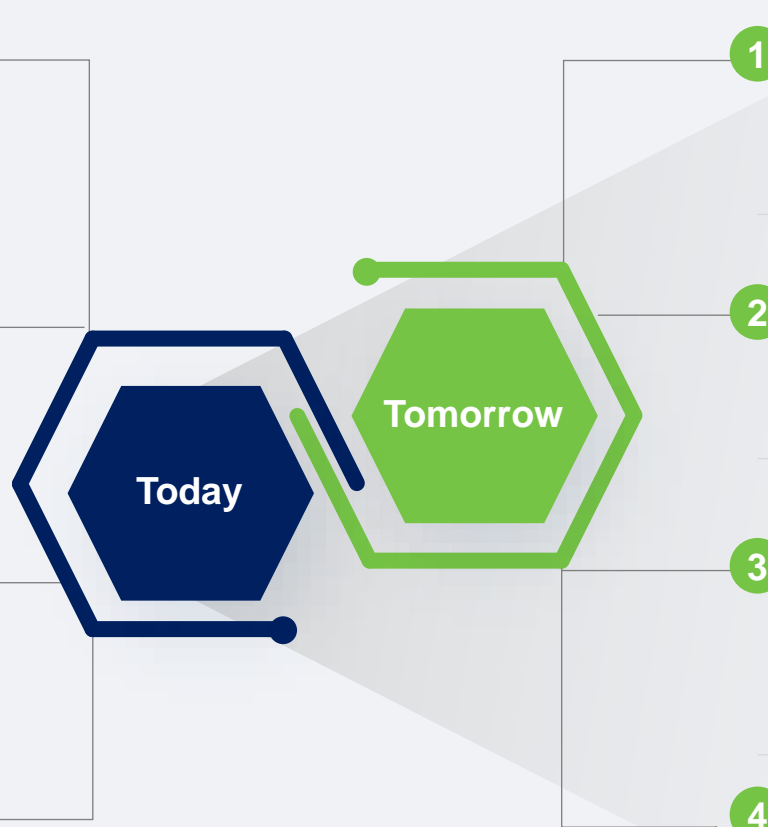


3

**Management:** Centralized management with different financial profile and businesses competing for capital investments



4



1



**6 pure-play businesses** with a high degree of homogeneity. World-class assets with global scale and best-in-class cost positions

2



Entities created will have **independent capital structures** and the **ability to attract direct investment** for their funding requirements

3



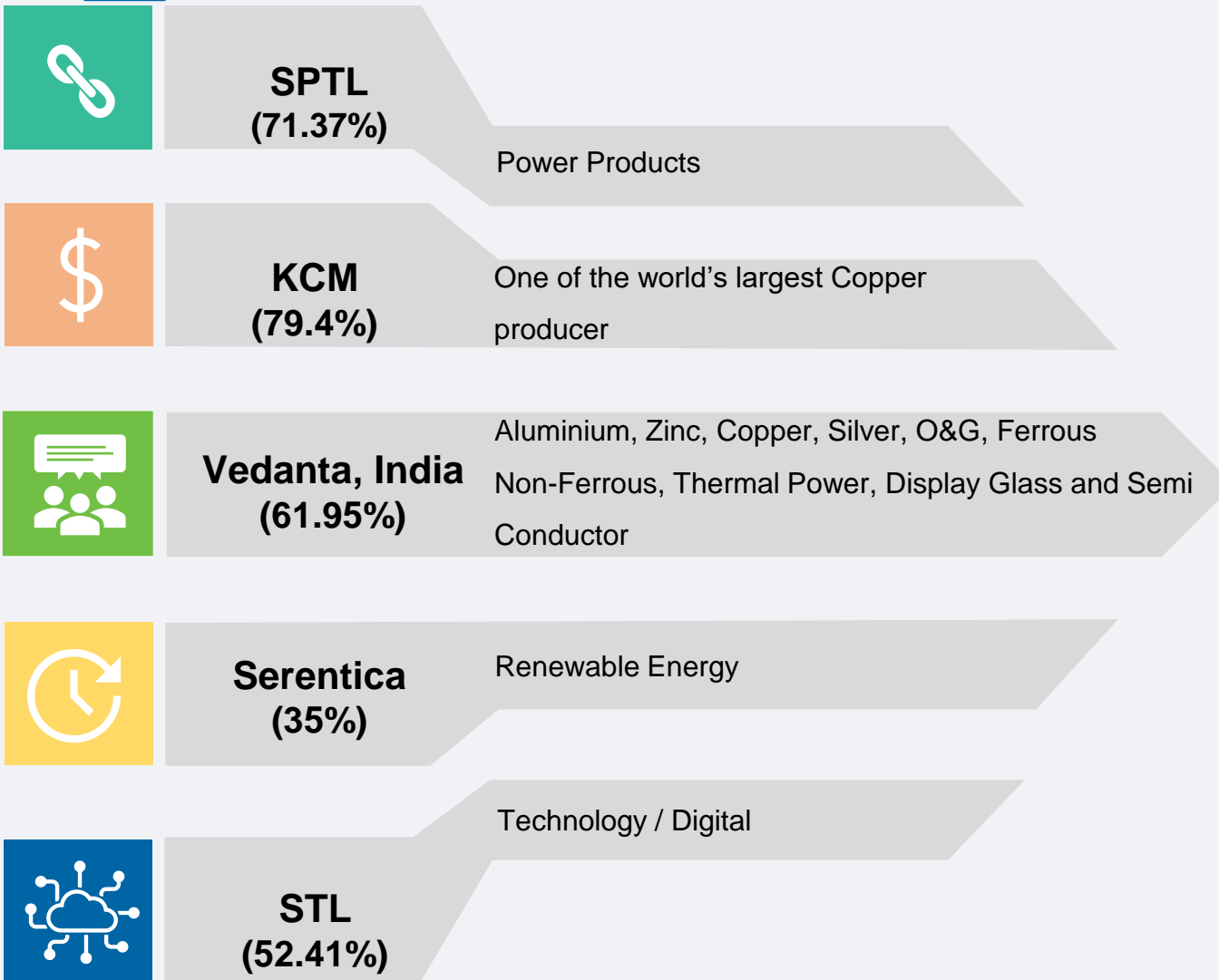
Each entity will attract an appropriate universe of **investors and strategic partners**. Enables better understanding of each vertical by the analyst and investor communities

4



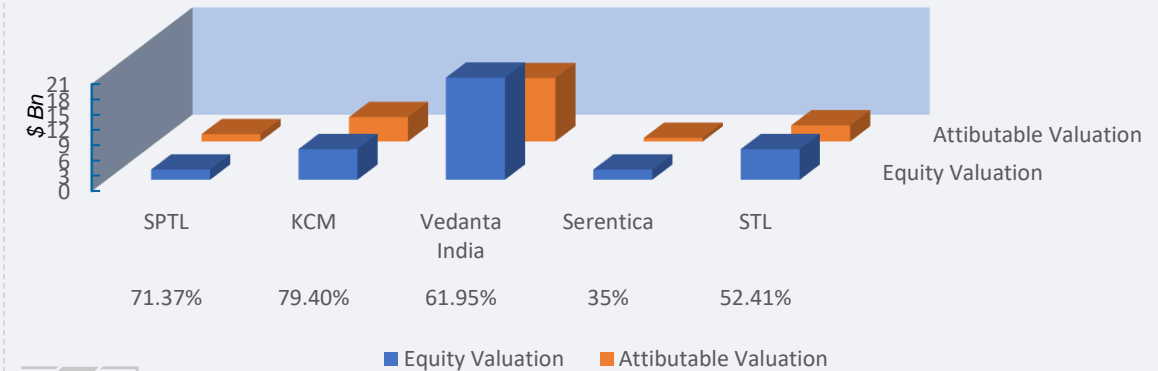
Independent, skilled management incentivized with equity exposure

# Vedanta Inc – A bouquet of world class diversified assets



## Indicative combined near term valuation

Total combined valuation ~ \$ 40 - 43Bn  
 Attributable Valuation ~ \$ 25 - 30 Bn



## Outcome of VRL's balanced business decisions

- Potential for strong Return on Capital
- Comfortable level of Debt to Security / Asset coverage (~ 5X)
- Recent realignment of debt demonstrates confidence of lenders in the portfolio of assets
- VRL's debt incentivised investments in 'value-enhancing' futuristic assets leading to **investment efficiency**