

Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
Vedanta Limited

Report on the audit of the Standalone Financial Results**Opinion**

We have audited the accompanying statement of quarterly and year to date standalone financial results of Vedanta Limited (the "Company") for the quarter ended March 31, 2022 and for the year ended March 31, 2022 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2022 and for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 7 of the accompanying standalone financial results which describes the uncertainty arising out of the demands that have been raised on the Company, with respect to government's share of profit oil by the Director General of Hydrocarbons and one of the pre-conditions for the extension of the Production Sharing Contract (PSC) for the Rajasthan oil block is the settlement of these demands. While the Government has granted permission to the Company to continue operations in the block till May 14, 2022 or signing of the PSC addendum, whichever is earlier, the Company, based on external legal advice, believes it is in compliance with the necessary conditions to secure an extension of this PSC and that the demands are untenable and

hence no provision is required in respect of these demands. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal

financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter

We did not audit the financial results and other financial information, in respect of an unincorporated joint venture not operated by the Company, whose Ind AS financial results include total assets of Rs 99 crore as at March 31, 2022. The Ind AS financial results and other financial information of the said unincorporated joint venture not operated by the Company have not been audited and such unaudited financial results and other unaudited financial information have been furnished to us by the management and our report on the Ind AS financial statements of the Company, in so far as it relates to the amounts and disclosures included in respect of the said unincorporated joint venture, is based solely on such unaudited information furnished to us by the management. In our opinion and according to the information and explanations given to us by the Management, these financial results and other financial information of joint venture, is not material to the Company. Our opinion on the Statement is not modified in respect of this matter.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

The Statement includes the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sudhir Soni

Partner

Membership No.: 41870

UDIN: 22041870AHZEYI8361

Place: Mumbai

Date: April 28, 2022



Vedanta Limited
CIN no. L13209MH1965PLC291394

Regd. Office: Vedanta Limited, 1st Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East),
Mumbai-400093, Maharashtra

STATEMENT OF AUDITED STANDALONE RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(₹ in Crore, except as stated)						
S.No.	Particulars	Quarter ended			Year ended	
		31.03.2022 (Audited) (Refer Note 2)	31.12.2021 (Unaudited)	31.03.2021 (Audited) (Refer Note 2)	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Revenue from operations	18,841	16,102	12,305	62,801	37,120
2	Other operating income	168	85	86	476	320
3	Other income (Refer note 8)	1,218	5,040	92	8,347	10,948
	Total Income	20,227	21,227	12,483	71,624	48,388
4	Expenses					
a)	Cost of materials consumed	7,378	6,195	4,521	23,751	13,990
b)	Purchases of stock-in-trade	54	9	76	228	204
c)	Changes in inventories of finished goods, work-in-progress and stock - in- trade	(470)	(223)	92	(1,172)	70
d)	Power and fuel charges	3,621	3,813	1,941	11,874	6,763
e)	Employee benefits expense	233	222	217	867	903
f)	Finance costs	868	840	813	3,146	3,193
g)	Depreciation, depletion and amortization expense	742	772	654	2,945	2,519
h)	Other expenses	2,953	2,338	2,482	10,051	6,850
	Total expenses	15,379	13,966	10,796	51,690	34,492
5	Profit before exceptional items and tax	4,848	7,261	1,687	19,934	13,896
6	Net exceptional loss (Refer note 4)	(96)	(75)	(232)	(318)	(232)
7	Profit before tax	4,752	7,186	1,455	19,616	13,664
8	Tax expense/ (benefit) on other than exceptional items:					
a)	Net current tax expense/ (benefit)	850	1,282	(453)	3,505	104
b)	Net deferred tax (benefit)/ expense	(221)	(543)	548	(1,023)	3,138
	Net tax benefit on exceptional items:					
c)	Net tax benefit on exceptional items (Refer note 4)	(34)	(26)	(81)	(111)	(81)
	Net tax expense (a+b+c)	595	713	14	2,371	3,161
9	Net profit after tax (a)	4,157	6,473	1,441	17,245	10,503
10	Net profit after tax before exceptional items (net of tax)	4,219	6,522	1,592	17,452	10,654
11	Other Comprehensive Income/ (Loss)					
a)	(i) Items that will not be reclassified to profit or loss	(34)	(1)	3	(8)	63
	(ii) Tax benefit/ (expense) on items that will not be reclassified to profit or loss	2	0	(1)	8	(3)
b)	(i) Items that will be reclassified to profit or loss	277	67	5	407	(91)
	(ii) Tax (expense)/ benefit on items that will be reclassified to profit or loss	(58)	(21)	12	(74)	(26)
	Total Other Comprehensive Income/ (Loss) (b)	187	45	19	333	(57)
12	Total Comprehensive Income (a+b)	4,344	6,518	1,460	17,578	10,446
13	Paid-up equity share capital (Face value of ₹ 1 each)	372	372	372	372	372
14	Reserves excluding revaluation reserves as per balance sheet				77,277	76,418
15	Earnings per share (₹) (*not annualised)					
	- Basic and diluted	11.17 *	17.40 *	3.87 *	46.36	28.23

(₹ in Crore)

S. No.	Segment information	Quarter ended			Year ended	
		31.03.2022 (Audited) (Refer Note 2)	31.12.2021 (Unaudited)	31.03.2021 (Audited) (Refer Note 2)	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Segment revenue					
a)	Oil & Gas	2,067	1,672	1,395	6,622	4,086
b)	Aluminium	11,766	9,849	6,312	38,371	20,162
c)	Copper	3,286	3,010	2,735	11,096	7,623
d)	Iron Ore	1,714	1,361	1,727	6,143	4,529
e)	Power	226	210	136	787	720
	Total	19,059	16,102	12,305	63,019	37,120
Less:	Inter segment revenue	218	-	-	218	-
	Revenue from operations	18,841	16,102	12,305	62,801	37,120
2	Segment Results (EBITDA) ⁱ					
a)	Oil & Gas	1,042	793	566	3,137	1,743
b)	Aluminium	3,896	2,799	1,942	13,024	5,471
c)	Copper	30	(77)	(58)	(150)	(106)
d)	Iron Ore	514	411	752	2,187	1,735
e)	Power	(135)	(32)	(107)	(172)	(55)
	Total Segment results (EBITDA)	5,347	3,894	3,095	18,026	8,788
Less:	Depreciation, depletion and amortization expense	742	772	654	2,945	2,519
Add:	Other income ⁱⁱ	20	21	18	78	76
Less:	Finance costs	868	840	813	3,146	3,193
Add:	Other unallocable income net of expenses (Refer note 8)	1,091	4,958	41	7,921	10,744
	Profit before exceptional items and tax	4,848	7,261	1,687	19,934	13,896
Add:	Net exceptional loss (Refer note 4)	(96)	(75)	(232)	(318)	(232)
	Profit before tax	4,752	7,186	1,455	19,616	13,664
3	Segment assets					
a)	Oil & Gas	16,420	14,272	13,161	16,420	13,161
b)	Aluminium	47,307	47,049	42,303	47,307	42,303
c)	Copper	5,383	5,393	5,289	5,383	5,289
d)	Iron Ore	3,590	3,026	2,548	3,590	2,548
e)	Power	3,044	3,180	3,161	3,044	3,161
f)	Unallocated	73,215	71,771	71,269	73,215	71,269
	Total	148,959	144,691	137,731	148,959	137,731
4	Segment liabilities					
a)	Oil & Gas	10,178	8,941	7,403	10,178	7,403
b)	Aluminium	15,848	13,418	13,508	15,848	13,508
c)	Copper	4,638	4,008	3,895	4,638	3,895
d)	Iron Ore	2,321	1,697	2,301	2,321	2,301
e)	Power	152	269	210	152	210
f)	Unallocated	38,173	38,242	33,624	38,173	33,624
	Total	71,310	66,575	60,941	71,310	60,941

The main business segments are:

- (a) Oil & Gas, which consists of exploration, development and production of oil and gas;
- (b) Aluminium, which consists of manufacturing of alumina and various aluminium products;
- (c) Copper, which consists of manufacturing of copper cathode, continuous cast copper rod, anode slime from purchased concentrate and manufacturing of sulphuric acid, phosphoric acid (Refer note 6);
- (d) Iron ore, which consists of mining of ore and manufacturing of pig iron and metallurgical coke; and
- (e) Power, excluding captive power but including power facilities predominantly engaged in generation and sale of commercial power.

The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and liabilities, respectively.

i) Earnings before interest, tax, depreciation and amortisation (EBITDA) is a non-GAAP measure.

ii) Amortisation of duty benefits relating to assets recognised as government grant.

Balance Sheet		(₹ in Crore)	
Particulars		As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
A	ASSETS		
1	Non-current assets		
	(a) Property, Plant and Equipment	39,490	38,222
	(b) Capital work-in-progress	9,226	9,096
	(c) Intangible assets	26	27
	(d) Exploration intangible assets under development	1,488	1,605
	(e) Financial assets		
	(i) Investments	60,881	60,887
	(ii) Trade receivables	1,293	1,323
	(iii) Loans	154	180
	(iv) Others	1,440	1,258
	(f) Deferred tax assets (net)	1,118	333
	(g) Income tax assets (net)	1,800	1,787
	(h) Other non-current assets	2,214	2,371
	Total non-current assets	119,130	117,089
2	Current assets		
	(a) Inventories	8,563	5,555
	(b) Financial assets		
	(i) Investments	585	2,016
	(ii) Trade receivables	2,328	1,136
	(iii) Cash and cash equivalents	5,518	2,861
	(iv) Other bank balances	1,630	1,475
	(v) Loans	365	523
	(vi) Derivatives	249	66
	(vii) Others	7,394	5,071
	(c) Other current assets	3,197	1,939
	Total current assets	29,829	20,642
	Total assets	148,959	137,731
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity Share Capital	372	372
	Other Equity	77,277	76,418
	Total Equity	77,649	76,790
	Liabilities		
2	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	23,421	20,913
	(ii) Lease liabilities	57	60
	(iii) Derivatives	6	50
	(iv) Other financial liabilities	192	190
	(b) Provisions	1,268	1,169
	(c) Other non-current liabilities	2,751	2,360
	Total Non-current liabilities	27,695	24,742
3	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	13,275	11,253
	(ii) Lease liabilities	25	73
	(iii) Operational buyers' credit / suppliers' credit	9,261	6,029
	(iv) Trade payables		
	(1) Total outstanding dues of micro, small and medium enterprises	195	209
	(2) Total outstanding dues of creditors other than micro, small and medium enterprises	5,329	3,594
	(v) Derivatives	277	139
	(vi) Other financial liabilities	10,020	9,169
	(b) Provisions	158	98
	(c) Income tax liabilities (net)	601	46
	(d) Other current liabilities	4,474	5,589
	Total current liabilities	43,615	36,199
	Total Equity and Liabilities	148,959	137,731

Statement of Cash Flows		
	(₹ in Crore)	
Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	19,616	13,664
Adjustments for:		
Depreciation, depletion and amortisation	2,968	2,543
Capital work-in-progress written off/ impairment of assets (reversal)/ charge	(1,346)	181
Provision for doubtful debts/ advance/ bad debts written off	239	129
Exploration costs written off	1,412	6
Other exceptional items	252	51
Fair value gain on financial assets held at fair value through profit or loss	(1)	(93)
Net gain on sale of long term investments	(16)	-
(Profit)/ Loss on sale/ discard of property, plant and equipment (net)	(129)	28
Foreign exchange loss (net)	146	80
Unwinding of discount on provisions	24	23
Share based payment expense	29	36
Interest and dividend income	(8,050)	(10,730)
Interest expense	3,123	3,170
Deferred government grant	(78)	(75)
Changes in assets and liabilities		
Increase in trade and other receivables	(4,996)	(1,339)
(Increase)/ decrease in inventories	(3,008)	53
Increase/ (decrease) in trade and other payable	5,064	(1,452)
Cash generated from operations	15,249	6,275
Income taxes paid (net)	(2,685)	(228)
Net cash generated from operating activities	12,564	6,047
CASH FLOWS FROM INVESTING ACTIVITIES		
Consideration paid for business acquisition (net of cash and cash equivalents acquired)	-	(59)
Purchases of property, plant and equipment (including intangibles)	(3,674)	(2,669)
Proceeds from sale of property, plant and equipment	268	18
Loans repaid by related parties	567	1,684
Loans given to related parties	(383)	(579)
Short-term deposits made	(1,067)	(1,441)
Proceeds from redemption of short-term deposits	1,285	962
Short term investments made	(25,777)	(18,468)
Proceeds from sale of short-term investments	27,230	18,628
Interest received	205	415
Dividends received	7,830	10,371
Payments made to site restoration fund	(76)	(94)
Net cash generated from investing activities	6,408	8,768

Statement of Cash Flows		
	(₹ in Crore)	
Particulars	Year ended 31.03.2022 (Audited)	Year ended 31.03.2021 (Audited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds/ (repayment) of short-term borrowings (net)	816	(8,726)
Proceeds from current borrowings	8,868	5,499
Repayment of current borrowings	(4,066)	(6,908)
Proceeds from long-term borrowings	18,942	9,021
Repayment of long-term borrowings	(20,250)	(5,564)
Interest paid	(3,872)	(3,439)
Payment of dividends to equity holders of the Company	(16,689)	(3,519)
Payment of lease liabilities	(64)	(164)
Net cash used in financing activities	(16,315)	(13,800)
Net increase in cash and cash equivalents	2,657	1,015
Cash and cash equivalents at the beginning of the year	2,861	1,846
Cash and cash equivalents at the end of the year	5,518	2,861
Notes:		
1. The figures in parentheses indicate outflow.		
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.		

Notes:-

- 1 The above results of Vedanta Limited ("the Company"), for the quarter and year ended 31 March 2022 have been reviewed by the Audit and Risk Management Committee at its meeting held on 27 April 2022 and approved by the Board of Directors at its meeting held on 28 April 2022.
- 2 These results have been prepared on the basis of the audited financial statements for the year ended 31 March 2022 and the interim financial results for the quarter and nine months ended 31 December 2021, which are prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The figures of the last quarter are the balancing figures between audited figures for the full financial year and unaudited year to date figures up to the third quarter of the respective financial year.
- 3 During the quarter, the Board of Directors of the Company, through resolution passed by circulation on 02 March 2022, have approved third interim dividend of ₹ 13 per equity share, i.e., 1,300% on face value of ₹ 1/- per equity share for the year ended 31 March 2022. With this, the total dividend declared for FY 2021-22 stands at ₹ 45 per equity share of ₹ 1/- each.
- 4 Net exceptional loss comprise the following:

Particulars	(₹ in Crore)				
	Quarter ended			Year ended	
	31.03.2022 (Audited) (Refer Note 2)	31.12.2021 (Unaudited)	31.03.2021 (Audited) (Refer Note 2)	31.03.2022 (Audited)	31.03.2021 (Audited)
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) Exploration wells written off	(1,214)	(51)	-	(1,412)	-
b) Reversal of previously recorded impairment	1,370	-	-	1,370	-
- Aluminium	(125)	-	(181)	(125)	(181)
- Unallocated	-	(24)	-	(24)	-
Provision for legal disputes (including change in law), force majeure and similar incidences in:					
- Aluminium	(73)	-	-	(73)	-
- Copper	(54)	-	(51)	(54)	(51)
Net exceptional loss	(96)	(75)	(232)	(318)	(232)
Current tax benefit on above	247	9	-	281	-
Net deferred tax (expense)/ benefit on above	(213)	17	81	(170)	81
Net Exceptional loss (net of tax)	(62)	(49)	(151)	(207)	(151)

- 5 Subsequent to the balance sheet date, the Board of Directors of the Company in their meeting held on 28 April 2022 have approved first interim dividend of ₹ 31.50 per equity share, i.e., 3,150% on face value of ₹ 1/- per equity share for FY 2022-23 amounting to ₹ 11,710 Crore.
- 6 The Company's application for renewal of Consent to Operate ("CTO") for existing copper smelter at Tuticorin was rejected by the Tamil Nadu Pollution Control Board ("TNPCB") in April 2018. Subsequently, the Government of Tamil Nadu issued directions to close and seal the existing copper smelter plant permanently. The Principal Bench of National Green Tribunal ("NGT") ruled in favour of the Company but its order was set aside by the Supreme Court vide its judgment dated 18 February 2019, on the sole basis of maintainability. Vedanta Limited had filed a writ petition before the Madras High Court challenging various orders passed against the Company. On 18 August 2020, the Madras High Court dismissed the writ petitions filed by the Company, which has been challenged by the Company in the Supreme Court while also seeking interim relief to access the plant for care and maintenance. The hearing on care and maintenance could not be listed at Supreme Court. Instead, the matter is now being heard on merits.

The Company was also in the process of expanding its capacities at an adjacent site ('Expansion Project'). The High Court of Madras, in a Public Interest Litigation, held that the application for renewal of the Environmental Clearance ("EC") for the Expansion Project shall be processed after a mandatory public hearing and in the interim, ordered the Company to cease construction and all other activities on the site with immediate effect. In the meanwhile, SIPCOT cancelled the land allotted for the Expansion Project, which was later stayed by the Madras High Court. Further, TNPCB issued an order directing the withdrawal of the Consent to Establish ("CTE") which was valid till 31 March 2023. The Company has also appealed this action before the TNPCB Appellate Authority and the matter is pending for adjudication. As per the Company's assessment, it is in compliance with the applicable regulations and hence it does not expect any material adjustments to these financial results as a consequence of the above actions.

- 7 The Company operates an oil and gas production facility in Rajasthan under a Production Sharing Contract ("PSC"). The management is of the opinion that the Company is eligible for extension of the PSC for Rajasthan ("RJ") block on same terms w.e.f. 15 May 2020, a matter which was being adjudicated at the Delhi High Court. The Division Bench of the Delhi High Court in March 2021 set aside the single judge order of May 2018 which allowed extension of PSC on same terms and conditions. The Company has appealed this order in the Supreme Court. In parallel, the Government of India ("GOI"), accorded its approval for extension of the PSC, under the Pre-NELP Extension policy as per notification dated 07 April 2017 ("Pre-NELP Policy"), for RJ block by a period of 10 years, w.e.f. 15 May 2020 vide its letter dated 26 October 2018, subject to fulfilment of certain conditions.

One of the conditions for extension relates to notification of certain audit exceptions raised for FY 16-17 as per PSC provisions and provides for payment of amounts, if such audit exceptions result into any creation of liability. In connection with the said audit exceptions, a demand of ₹ 2,752 Crore (US\$ 364 million) has been raised by DGH on 12 May 2020, relating to the share of the Company and its subsidiary. This amount was subsequently revised to ₹ 3,465 Crore (US\$ 458 million) till March 2018 vide DGH letter dated 24 December 2020. The Company has disputed the demand and the other audit exceptions, notified till date, as in the Company's view the audit notings are not in accordance with the PSC and are entirely unsustainable. Further, as per PSC provisions, disputed notings do not prevail and accordingly do not result in creation of any liability. The Company believes it has reasonable grounds to defend itself which are supported by independent legal opinions. In accordance with PSC terms, the Company has also commenced arbitration proceedings. The arbitration tribunal ("the Tribunal") stands constituted and Vedanta also filed its application for interim relief. The interim relief application was heard by the Tribunal on 15 December 2020 wherein it was directed that GOI should not take any coercive action to recover the disputed amount of audit exceptions which is presently in arbitration and that during the arbitration period, GOI should continue to extend the tenure of the Rajasthan Block PSC on terms of current extension. The GOI has challenged the said order before the Delhi High Court which is next listed for hearing on 25 May 2022.

Further, on 23 September 2020, the GOI had filed an application for interim relief before Delhi High Court seeking payment of all disputed dues, which is currently being heard. Simultaneously, the Company is also pursuing with the GOI for executing the RJ PSC addendum at the earliest. In view of extenuating circumstances surrounding COVID-19 and pending signing of the PSC addendum for extension after complying with all stipulated conditions, the GOI has been granting permission to the Company to continue Petroleum operations in the RJ block. The latest permission is valid upto 14 May 2022 or signing of the PSC addendum, whichever is earlier. For reasons aforesaid, the Company is not expecting any material liability to devolve on account of these matters or any disruptions in its petroleum operations.

- 8 Other income includes dividend income from subsidiaries of ₹ 1,062 Crore, ₹ 4,938 Crore, ₹ NIL Crore, ₹ 7,828 Crore and ₹ 10,369 Crore for the quarter ended 31 March 2022, 31 December 2021, 31 March 2021, year ended 31 March 2022 and 31 March 2021 respectively.

9 Additional disclosures as per Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015:

Particulars	Quarter ended			Year ended	
	31.03.2022 (Audited) (Refer Note 2)	31.12.2021 (Unaudited)	31.03.2021 (Audited) (Refer Note 2)	31.03.2022 (Audited)	31.03.2021 (Audited)
a) Debt-Equity Ratio (in times)*	0.47	0.45	0.42	0.47	0.42
b) Debt Service Coverage Ratio (in times) (annualised)	1.96	1.76	2.01	1.96	2.01
c) Interest Service Coverage Ratio (in times)*	7.55	11.41	3.98	8.33	5.99
d) Current Ratio (in times)*	0.80	0.77	0.79	0.80	0.79
e) Long term debt to working capital Ratio (in times)*	**	**	**	**	**
f) Bad debts to Account receivable Ratio (in times)*	0.00	-	0.00	0.00	0.00
g) Current liability Ratio (in times)*	0.52	0.50	0.43	0.52	0.43
h) Total debts to total assets Ratio (in times)*	0.25	0.24	0.23	0.25	0.23
i) Debtors Turnover Ratio (in times)*	5.31	4.75	4.62	20.81	16.15
j) Inventory Turnover Ratio (in times)*	1.71	1.75	1.60	6.41	5.10
k) Operating-Profit Margin (%)*	24%	19%	20%	24%	17%
l) Net-Profit Margin (%)*	24%	40%	13%	28%	28%
m) Debenture Redemption Reserve (₹ in Crore)	-	-	557	-	557
n) Net Worth (Total Equity) (₹ in Crore)	77,649	78,115	76,790	77,649	76,790

*Not annualised, except for the year ended 31 March 2022 and 31 March 2021

**Net working capital is negative

Formulae for computation of ratios are as follows:

a) Debt-Equity Ratio	Total Debt/ Total Equity
b) Debt Service Coverage Ratio	Income available for debt service/ (interest expense + repayments made during the period for long term loans), where income available for debt service = Profit before exceptional items and tax + Depreciation, depletion and amortization expense + Interest expense
c) Interest Service Coverage Ratio	Income available for debt service/ interest expense
d) Current Ratio	Current Assets/ Current Liabilities (excluding current maturities of long term borrowing)
e) Long term debt to working capital Ratio	Non-current borrowing (including current maturities of long term borrowing)/ Working capital (WC), where WC = Current Assets - Current Liabilities (excluding current maturities of long term borrowing)
f) Bad debts to Account receivable Ratio	Bad Debts written off/ Average Trade Receivables
g) Current liability Ratio	Current Liabilities (excluding current maturities of long term borrowing)/ Total Liabilities
h) Total debts to total assets Ratio	Total Debt/ Total Assets
i) Debtors Turnover Ratio	(Revenue from operations + Other operating income)/ Average Trade Receivables
j) Inventory Turnover Ratio	(Revenue from operations + Other operating income) less EBITDA/ Average Inventory
k) Operating-Profit Margin (%)	(EBITDA - Depreciation, depletion and amortization expense)/ (Revenue from operations + Other operating income)
l) Net-Profit Margin (%)	Net profit after tax before exceptional items (net of tax) / (Revenue from operations + Other operating income)

10 The listed secured Non-Convertible debentures ('NCDs') of the Company aggregating ₹ 5,016 Crore as on 31 March 2022 are secured by way of first Pari Passu mortgage/charge on certain movable fixed assets and freehold land of the Company. The Company has maintained asset cover of more than 125% and 100% for NCDs with face value of ₹ 2,000 Crore and ₹ 3,020 Crore respectively.

11 The Company is in compliance with the requirements of SEBI circular dated 26 November 2018 applicable to large corporate borrowers.

12 Previous period/ year figures have been re-grouped/rearranged, wherever necessary.

By Order of the Board



Sunil Duggal
Whole -Time Director and
Group Chief Executive Officer

Place : New Delhi

Date : 28 April 2022