

To The Board of directors of
Lakomasko BV.

Report on Financial Statements

We have audited the accompanying financial statements of "Lakomasko BV." ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit & Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles Generally Accepted in India (Indian GAAPs), including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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 31st March, 2015, and its Loss and its Cash Flows for the year ended on that date.

Pathak H.D. & Associates

Chartered Accountants

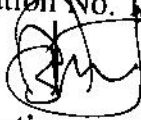
Other Matter:-

The financial statement are prepared to assist Vedanta Limited, holding company (Earlier Known as Sesa Sterlite Limited) to prepare its consolidated financial statements as per generally accepted accounting principal in India. As a result, the financial statement may not be suitable for another purpose. Our report is intended solely for the company and its holding company and should not be distributed or used by parties other than for the preparation of consolidated financial statement of holding company. We hereby provide consent that a copy may be provided to auditors of holding company.

For **Pathak H.D. & Associates,**

Chartered Accountants

(Registration No. 107783W)



Anuj Bhatia

Partner

Membership No.: 122179



Place: Mumbai

Date: April 23, 2015

Lakomasko BV
Balance Sheet as at March 31, 2015

Particulars	Notes	As at	As at
		March 31, 2015	March 31, 2014
		USD	USD
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	122	122
(b) Reserves and surplus	3	172,364	208,268
		<u>172,486</u>	<u>208,390</u>
2 Current liabilities			
(a) Other current liabilities	4	8,268	4,586
TOTAL		<u>180,744</u>	<u>212,975</u>
II. ASSETS			
Current assets			
(a) Cash and Cash Equivalents	5	180,744	212,975
TOTAL		<u>180,744</u>	<u>212,975</u>

The accompanying notes are forming part of the financial statements.

As per our report of even date

For Pathak H D & Associates
Chartered Accountants



Anuj Bhatia
Partner



For and on behalf of Lakomasko BV



GR Anil Kumar
Authorized Signatory

Date: April 23, 2015

Lakomasko BV
Statement of Profit and Loss for the year ended 31 March , 2016

Particulars	Notes	For the year ended 31	For the year ended 31
		March , 2015	March , 2014
		USD	USD
I Other income	6	461	466
Total Revenue		461	466
II Expenses:			
(a) Finance costs	7	695	942
(b) Other expenses	8	36,760	71,384
Total Expenses		36,355	72,338
III (Loss) / Profit before tax (I-II)		(36,904)	(71,868)
IV Tax expense:			
(1) Current tax		-	-
V (Loss) / Profit for the year (III- IV)		(36,904)	(71,868)
VI Earnings per equity share of EUR 1 each			
(a) Basic	9	(394.66)	(789.75)
(b) Diluted		(394.66)	(789.75)

The accompanying notes are forming part of the financial statements.

As per our report of even date

For Pathak H D & Associates
Chartered Accountants



Anuj Bhatta
Partner



Date : April 23, 2016

For and on behalf of Lakomasko BV



GR Arun Kumar
Authorized Signatory

Lakomeko B.V
Cash Flow Statement for the year ended March 31, 2015

Particulars	For the year ended 31 March 14		For the year ended 31 March 14	
	USD	USD	USD	USD
A. Cash flow from Operating Activities				
Net (Loss)/ Profit for the year before tax as per statement of Profit & Loss		(34,304)		(71,868)
Adjustments for:				
- Interest income		(481)		(468)
- Net loss on foreign currency transactions and translations		5,542		
Operating Loss before working capital changes		(30,813)		(72,336)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Loans and advances			135,775	
Adjustments for (increase) / (decrease) in operating liabilities:				
Other current liabilities and provisions	3,873	3,873	(46,279)	88,495
Cash generated from / (used in) operations		(27,140)		17,160
Net income tax paid				
Net cash flow from / (used) in operating activities (A)		(27,140)		17,160
B. Cash Flow from Investing Activities				
Interest received		461		468
Net cash flow from Investing activities (B)		461		468
C. Cash Flow from Financing Activities				
Net cash used in financing activities (C)				
Net (Decrease) / Increase in cash and cash equivalent (A+B+C)		(26,889)		17,628
Cash and cash equivalents at the beginning of the year (refer Note 5)		212,876		195,347
Effect of exchange rate on cash and cash equivalent	(5,542)			
Balance of cash and cash equivalent	198,296		212,876	
Cash and cash equivalents at the end of the year (refer Note 5)		180,744		212,975

The accompanying notes are forming part of the financial statements.

As per our report of even date

For Pankaj HD & Associates
Chartered Accountants


Anil Kulkarni
Partner



For and on behalf of Lakomeko B.V.


GR Arjun Kumar
Authorized Signatory

Date : April 23, 2015

Lakmeasako BV
Notes forming part of the financial statements

1 (a) Company Overview

Lakmeasako B.V. (the company) is a private company with limited liability ("Besloten Vennootschap"), existing under the laws of The Netherlands, incorporated on April 20, 2007. The company has its statutory seat and principal place of business in Amsterdam, The Netherlands. The principal activity of the company is Holding of Investments and Financing Activities.

1 (b) Significant accounting policies :

(i) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs). The financial statements have been prepared on accrual basis under the historical cost convention.

(ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the periods in which the results are known / materialize.

(iii) Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties. Investments are recorded as Long Term Investments unless they are expected to be sold within one year. Investments in subsidiaries are valued at cost less any provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

(iv) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(v) Foreign Currency Transactions

(i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.

(ii) Monetary assets and liabilities in foreign currency outstanding at the year end are restated at the year-end exchange rates and resultant exchange differences are taken to the Statement of Profit and Loss.

(iii) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

(iv) In order to hedge its exposure to foreign exchange risks, the Company enters into forward exchange contracts and other derivative financial instruments. The Company neither holds nor issues any derivative financial instruments for speculative purposes. In case of forward contracts with underlying assets or liabilities, the difference between the forward rate and the exchange rate on the date of inception of forward contract is recognised as income or expense and is amortised over the life of the contract. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss. The company provides for losses in respect of all outstanding foreign currency derivatives exposures at the balance sheet date by marking them to market.

(vi) Revenue Recognition

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognised when right to receive the payment is established by the Balance Sheet date, interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

(vii) Taxation

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years and tax exempt items, and plus non deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

(viii) Provision, Contingent Liabilities and Contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent Assets are not disclosed in the financial statements.

1(c) The financial statements are prepared for the purpose of preparing consolidated financial statement of holding company, Vedanta Limited (formerly known as Sesa Sterlite Limited).



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Lakonisko BV
Notes Forming part of Financial Statements for the year ended March 31, 2015

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	USD	Number	USD
Note 2 - Share Capital				
Authorized				
Equity Shares of EUR 1 each fully paid	80,000	120,659	80,000	120,659
Issued				
Equity Shares of EUR 1 each fully paid	91	122	91	122
Subscribed & fully Paid up				
Equity Shares of EUR 1 each fully paid	91	122	91	122
Total	91	122	91	122

i) Reconciliation of the number and amount of equity shares outstanding at the beginning and at the end of the year:

As at March 31, 2015		As at March 31, 2014	
Number	USD	Number	USD
91	122	91	122

Shares outstanding at beginning & end of the year

ii) Details of shares held by Holding Company

As at March 31, 2015	As at March 31, 2014
91	91
100%	100%

Equity shares are held by THL Zinc Holding BV
Percentage of holding

iii) Other disclosures

The Company has one class of equity shares having a par value of EUR 1 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders approval. In the event of liquidation of Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

Particulars	As at March 31, 2015	As at March 31, 2014
	USD	USD
Note 3 - Reserves & Surplus		
c. Surplus In Statement of Profit and Loss		
Balance at the beginning of the year	298,266	280,136
Add: (Loss) / Profit for the year	(36,904)	(71,866)
Balance at the end of the year	172,364	208,268
Total	172,364	208,268



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Lakmeasko BV

Notes Forming part of Financial Statements for the year ended March 31, 2015

Particulars	As at March 31, 2015	As at March 31, 2014
	USD	USD
Note 4 - Other Current Liabilities		
(a) Other payables (for expenses)	8,258	4,585
Total	8,258	4,585
Note 5 - Cash and Cash Equivalents		
Cash and Cash Equivalents		
(a) Balances with banks in current accounts	18,413	2,642
(b) Bank deposits (having maturity of 3 months or Less)	162,331	210,333
Total	180,744	212,975

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is

180,744 212,975



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Lakomasko BV
Notes Forming part of Financial Statements for the year ended March 31, 2015

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Note 6 - Other Income		
Interest Income from Deposits	451	458
Total	451	458
Note 7- Finance Cost		
Bank charges	595	942
Total	595	942
Note 8- Other Expenses		
(a) Payments to Auditors - Audit Fees	1,900	2,000
(b) Professional fees	21,694	66,299
(c) Net loss on foreign currency transaction and translation	12,166	1,095
Total	35,760	71,394

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Lakmishko BV
 Notes forming part of the financial statements

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2014
	USD	USD
9 Earnings Per Share (EPS)		
Net Profit / (Loss) after tax attributable to equity shareholders for Basic and Diluted EPS	(34,804)	(71,888)
Weighted average Number of equity Shares	91	91
Par Value per Share (EUR)	1	1
Earning Per Share - Basic and diluted	(394.55)	(789.75)

Particulars	As at 31 March, 2016	As at 31 March, 2014
	USD	USD
10 Contingent liabilities		
Contingent liabilities and commitments (to the extent not provided for) Claims against the company not acknowledged as debt	NIL	NIL

11 There is no separate reportable segment hence information as defined in the Accounting Standard 17 "Segment Reporting" is not given.



Lakmeo BV
 Notes forming part of the financial statements

12 Related party transactions

Names of related parties and description of relation:

Ultimate Holding Company Vedanta Resources Plc.
 Holding Company Vedanta Limited (formerly known as Sees Starlite Limited)
 THL Zinc Holding B.V.
 Fellow Subsidiary Monte Carlo B.V.

Note: Related parties have been identified by the management
 Note: Starlite India Limited Merged into Vedanta Limited (formerly known as Sees Starlite Limited)

	For the year ended	For the year ended
	31 March, 2015	31 March, 2014
	USD	USD
(THL Zinc Holding B.V.)		
Recovery of Expenses		34,877
Loan given	10,140	
Loan adjusted	10,140	
(Monte Carlo B.V.)		
Recovery of Expenses		23,621

13 Previous year figures have been regrouped / reclassified / wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of

 Authorized Signatory

April 23, 2015



Lakomasko BV

Trial Balance as at March 31, 2015

Particulars	Amount in USD	
	Debit	Credit
EQUITY SHARE CAPITAL	-	(122)
PROFIT & LOSS A/C	-	(208,258)
OUTSTANDING LIAB.	-	(8,259)
FIXED DEPOSITS-BANKS	162,331	-
BOB BE30183200874711	17,201	-
ABN AMRO BANK-USD-2431	115	-
ABN AMRO BANK-CAD	1,056	-
ABN AMRO BANK-EURO	39	-
INT INCOME-FIXED DEP	-	(451)
AUDIT FEES-STAT	1,900	-
PROFESSIONAL FEES	21,894	-
FOREIGN EXH.DIFF	12,166	-
CHG-BANK	595	-
Total	217,100	(217,100)

For and on behalf of Lakomasko BV

GR Arun Kumar
Authorized Signatory