

INDEPENDENT AUDITOR'S REPORT

**To The Board of directors of
Lakomasko BV.**

Opinion

We have audited the financial statements of “**Lakomasko BV**” (“the company”), which comprise the Balance Sheet as at March 31, 2022, Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Financial Statements”).

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 Companies Act, 2013 (“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, 2022 and its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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 (ICAI) 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 ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (‘Ind AS’) prescribed under Section 133 of the Act read with relevant rules issued thereunder.



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 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.

In preparing the Financial Statements, management is 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 management 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 Responsibility

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 entity'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 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 entity to cease to continue as a going concern.
- We communicate with those charged 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.

Other Matter

The financial statements are prepared to assist Vedanta Limited, holding Company to prepare its consolidated financial statements as per generally accepted accounting principles 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 LLP

Chartered Accountants

(Registration No. 107783W/W100593)



Mukesh Mehta

Partner

Membership No.: 043495

UDIN No.: 22043495AHZHJO6587



Place: Mumbai

Date: April 22, 2022

Lakomasko BV
Balance sheet as at March 31, 2022

		(Amount in USD)	
		As at	As at
		March 31, 2022	March 31, 2021
	Notes		
ASSETS			
Current assets			
Financial assets			
a) Cash and cash equivalents	5	-	277
b) Other receivable	5A	25,268	25,268
Total assets		25,268	25,545
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	122	122
Retained earnings		(67,359)	(40,669)
		(67,237)	(40,547)
Liabilities			
Current Liabilities			
Financial liabilities			
Other payables	7	92,505	66,092
		92,505	66,092
Total equity and liabilities		25,268	25,545

The accompanying notes are forming part of the financial statements.

For Pathak H D & Associates LLP
Chartered Accountants
(Registration No. : 107783W/W100593)



Mukesh Mehta
Partner
Membership No. 43495
Place : Mumbai
Date: April 22, 2022

For and on behalf of Lakomasko BV



Anupam Kumar Agarwal

Place : New Delhi
Date: April 22, 2022

Lakomasko BV
Statement of Profit and Loss for the year ended March 31, 2022

		(Amount in USD)	
		Year ended March 31, 2022	Year ended March 31, 2021
INCOME			
	Other income	-	-
	Total	-	-
EXPENDITURE			
	Finance cost	8 20	60
	Other expenses	9 26,670	42,798
	Total	26,690	42,858
	Loss before tax	(26,690)	(42,858)
	Tax expense	10 -	-
	Loss for the year	(26,690)	(42,858)
	Total comprehensive income for the year	(26,690)	(42,858)
Loss per equity share of EUR 1 each			
	a) Basic	12 (293.30)	(470.97)
	b) Diluted	12 (293.30)	(470.97)

The accompanying notes are forming part of the financial statements.

For Pathak H D & Associates LLP
Chartered Accountants
(Registration No. : 107783W/W100593)



Mukesh Mehta
Partner
Membership No. 43495
Place : Mumbai
Date: April 22, 2022

For and on behalf of Lakomasko BV



Anupam Kumar Agarwal

Place : New Delhi
Date: April 22, 2022

Lakomasko BV
Statement of Changes in Equity
For the year ended March 31, 2022

	(Amount in USD)		
	<u>Issued Capital</u>	<u>Retained earnings*</u>	<u>Total Equity</u>
At 1 April 2020	122	2,189	2,311
Total comprehensive income for the year	-	(42,858)	(42,858)
At 31 March 2021	122	(40,669)	(40,547)
Total comprehensive income for the year	-	(26,690)	(26,690)
At 31 March 2022	122	(67,359)	(67,237)

*Retained earnings are created out of profits each year and are available for distribution of dividends or issuance of bonus shares, subject to applicable rules

For Pathak H D & Associates LLP
Chartered Accountants
(Registration No. : 107783W/W100593)



Mukesh Mehta
Partner
Membership No. 43495
Place : Mumbai
Date: April 22, 2022

For and on behalf of Lakomasko BV



Anupam Kumar Agarwal

Place : New Delhi
Date: April 22, 2022

Lakomasko BV**Cash Flow Statement for the year ended March 31, 2022**

	(Amount in USD)	
	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Loss before tax	(26,690)	(42,858)
Operating loss before working capital changes	(26,690)	(42,858)
Changes in working capital		
- Change in other current assets	-	5,672
- Change in other payables	26,413	37,126
Net cash used in operating activities	(277)	(60)
Net decrease in cash and cash equivalents	(277)	(60)
Cash and cash equivalents at the beginning of year	277	337
Cash and cash equivalents at the end of year	-	277

For Pathak H D & Associates LLP

Chartered Accountants

(Registration No. : 107783W/W100593)


Mukesh Mehta

Partner

Membership No. 43495

Place : Mumbai

Date: April 22, 2022

For and on behalf of Lakomasko BV


Anupam Kumar Agarwal

Place : New Delhi

Date: April 22, 2022

Lakomasko BV
Notes to Financial Statements
For the year ended March 31, 2022

1 Company Overview

Lakomasko 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 principle place of business in Amsterdam, the Netherlands. The principle activity of the Company is Holding of Investments and Financing Activities.

The financial statements are prepared for the purpose of preparing consolidated financial statements of holding company, Vedanta Limited. These financial statements are non-statutory accounts.

The Vedanta Limited has provided the Company with a letter of financial support where it confirms that it will provide the necessary financial support and financing arrangements to enable the Company to meet all its external and group company liabilities, as and when they fall due, over the next eighteen months from the balance sheet date.

2 Basis of preparation and basis of measurement of financial statements

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rule, 2015 and other relevant provisions of the Companies Act, 2013 (the Act) (as amended from time to time).

(b) Basis of Measurement

The financial statements have been prepared on a historical-cost basis and are denominated in United States Dollars ("USD").

3(a) Accounting Policies

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial Assets – Recognition & 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.

For purpose of subsequent measurement, these instruments are classified as debt instruments at amortised *Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

(b) Financial Asset - Derecognition

The Company derecognises a financial asset when the contractual rights to cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Lakomasko BV**Notes to Financial Statements****For the year ended March 31, 2022****3(a) Accounting Policies (continued)*****(i) Financial Instruments (continued)******(c) Impairment of financial assets***

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on the financial assets. At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company 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 Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR.

ECL impairment loss allowance (or reversal) during the year is recognized as income/ expense in profit or loss.

(d) Financial liabilities – Recognition & Subsequent measurement

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.

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method.

(e) Financial liabilities – Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(ii) Accounting for Foreign currency transactions and translations***Functional and presentation currency***

The directors consider United States Dollar ("USD") to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the Company measures its performance and reports its results, as well as the currency in which it receives capital contribution from its investors. This determination also considers the competitive environment in which the Company operates. The Company's financial statements are presented in USD.

Foreign currency translations

Transactions during the year including income and expenses are translated at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Lakomasko BV**Notes to Financial Statements****For the year ended March 31, 2022****3(a) Accounting Policies (continued)**

Foreign currency transaction gains and losses on financial instruments classified as fair value through profit or loss are included in profit or loss as part of the 'Net gain or loss on financial assets and liabilities at fair value through profit or loss'. Exchange differences on other financial instruments are included in profit or loss as 'Net foreign exchange gains/(losses)'.

(iii) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

(iv) Cash and cash equivalents

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

(v) Revenue recognition***Interest income***

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(vi) Borrowing costs

Borrowing cost includes interest expense as per effective interest rate (EIR).

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar

Lakomasko BV
Notes to Financial Statements
For the year ended March 31, 2022

3(a) Accounting Policies (continued)

(vii) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax is recognised in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets on accumulated tax losses are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3(b) Application of new and revised standards

Ministry of Corporate Affairs ("MCA") notified new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below. Their adoption has not had any material impact on the amounts reported in the financial statements.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are not expected to have a significant impact on the Company's financial statements. The Company has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective

4 Significant accounting estimates and judgments

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Functional currency

The directors consider the USD to be the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The USD is the currency in which the Company measures its performance and reports its results to the members. This determination also considers the competitive environment in which the Company operates.

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has access to resources to continue in business for the foreseeable future.

Estimates and assumptions

At the reporting date, there were no key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impact of Covid-19

The outbreak of novel Coronavirus (COVID-19) Pandemic globally and the consequent lockdown restrictions imposed by national governments is causing significant disturbance and slowdown of economic activity across the globe.

The principal activities of the Company include financing its group companies through loans and investments. The Company has considered possible effects of Covid-19 on the recoverability of its investments and receivables in accordance with INDAS. The Company has considered forecast consensus, industry reports, economic indicators and general business conditions to make an assessment of the implications of the Pandemic. Based on the assessment, there is no crucial impact of the Pandemic on Company's operational existence for the foreseeable future and no adjustments are required in the financial statements for the year ended March 31, 2022.

- 5** Disclosures to the extent applicable to the company in respect of MCA Notification Dated 24th March, 2021 amending Division II of Schedule-III are given in the Financial Statements.

Lakomasko BV
Notes to Financial Statements (Contd.)
For the year ended March 31, 2022

Note No. 5	(Amount in USD)	
	As at March 31, 2022	As at March 31, 2021
Financial assets-current : Cash and cash equivalents		
Balances with banks in current accounts	-	277
	<u>-</u>	<u>277</u>

Note No. 5A	As at	
	March 31, 2022	March 31, 2021
Financial assets-current : Other Receivables		
Receivable from Monte Cello BV	25,268	25,268
	<u>25,268</u>	<u>25,268</u>

Note No. 6	As at	
	March 31, 2022	March 31, 2021
Equity Share Capital		
Authorised		
Equity shares of EUR 1 each (90,000 shares (2021: 90,000 shares))	120,659	120,659
	<u>120,659</u>	<u>120,659</u>
Issued, subscribed and paid-up		
Equity shares of EUR 1 each (91 shares (2021: 91 shares))	122	122
	<u>122</u>	<u>122</u>

a) There has been no change in share capital in the financial year ended March 31, 2022 and March 31, 2021.

b) Details of shares held by Holding Company
 Equity shares of EUR 1 each fully paid up

Name of shareholder	No. of shares % holding		No. of shares % holding	
	91	100%	91	100%
THL Zinc Holding BV				

c) Rights/preferences/restrictions attached to equity shares

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

Note No. 7	As at	
	March 31, 2022	March 31, 2021
Financial liabilities- current : Other payables		
Accruals	29,820	14,802
Payable to THL Zinc Holding BV	62,685	51,290
	<u>92,505</u>	<u>66,092</u>

Lakomasko BV
Notes to Financial Statements (Contd.)
For the year ended March 31, 2022

Note No. 8	(Amount in USD)	
	As at	As at
Finance costs	March 31, 2022	March 31, 2021
Bank & other charges	20	60
	20	60

Note No. 9		
	As at	As at
Other expenses	March 31, 2022	March 31, 2021
Legal and professional fees	23,908	41,898
Audit fees	900	900
VAT expenditure	1,862	-
	26,670	42,798

Note No. 10		
	As at	As at
Income tax	March 31, 2022	March 31, 2021
Loss before income tax	(26,690)	(42,858)
Income tax as per slabs	(4,401)	(7,071)
Add - Non allowable expenses		
Add - Effect of unused tax losses not recognised as deferred tax assets	4,401	7,071
Income tax expense recognised in profit and loss	-	-

Note No. 11
Financial Instruments

Fair values

The carrying amounts of other receivables, cash at bank, borrowings and other payables approximate their fair values and are carried at amortized cost.

Categories of financial instruments

	As at	As at
	March 31, 2022	March 31, 2021
Financial assets		
Cash and cash equivalents	-	277
Other receivable	25,268	25,268
Total	25,268	25,545
Financial liabilities		
Other payables	92,505	66,092
Total	92,505	66,092

Market Risk Management

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. Any excess cash and cash equivalents of the Company are invested in short-term time deposits and liquid funds. The following table details the Company's exposure to interest rate risk. The total interest sensitivity gap represents the net notional amounts of all interest sensitive financial instruments.

Lakomasko BV
Notes to Financial Statements (Contd.)
For the year ended March 31, 2022

11 Financial Instruments (Cont'd)

(c) Interest Rate Risk Management (continued)

	(Amount in USD)		
<u>March 31, 2022</u>	Interest bearing	Non-interest bearing	Total
Financial Assets			
Others	-	25,268	25,268
Total assets	-	25,268	25,268
Financial Liabilities			
Others	-	92,505	92,505
Total liabilities	-	92,505	92,505
<u>March 31, 2021</u>	Interest bearing	Non-interest bearing	Total
Financial Assets			
Cash and cash equivalents	-	277	277
Others	-	25,269	25,269
Total assets	-	25,546	25,546
Financial Liabilities			
Others	-	66,092	66,092
Total liabilities	-	66,092	66,092

As at March 31, 2022 and March 31, 2021, the Company does not have any exposure to variable rate financial assets and liabilities, hence there is no interest rate risk.

(d) Currency Risk Management

The Company is not exposed to the risk that may change in a manner which has material effect on the reported values of the Company's assets which are denominated in other foreign currencies at reporting period.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2022	Financial liabilities 2022	Financial assets 2021	Financial liabilities 2021
EURO		-		-
United States Dollar	25,268	92,505	25,268	66,092

As at March 31, 2022 and March 31, 2021 the Company does not have any material exposure to foreign currencies. Therefore, sensitivity relative to foreign currencies has not been disclosed.

Lakomasko BV
Notes to Financial Statements (Contd.)
For the year ended March 31, 2022

11 Financial Instruments (Cont'd)

(e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below illustrates the aged analysis of the Company's financial liabilities.

	(Amount in USD)		
	Up to 1 year	More than 1 year	Total
March 31, 2022			
Liabilities			
Other payables	92,505	-	92,505
Total	92,505	-	92,505
March 31, 2021			
	Up to 1 year	More than 1 year	Total
Liabilities			
Other payables	66,092	-	66,092
Total	66,092	-	66,092

(f) Capital risk management

For the purpose of the Company capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

The capital structure of the Company consists of equity share capital, other equity and net debt.

Gearing ratio

The gearing ratio at the year end was as follows:

	As at March 31, 2022	As at March 31, 2021
Debt	-	-
Cash and cash equivalents	-	277
Net debt	-	(277)
Equity	(67,237)	(40,547)
Net debt to equity ratio (times)	NA	NA

Notes to Financial Statements (Contd.)
For the year ended March 31, 2022

Note No. 12	(Amount in USD)	
	As at	As at
Earnings Per Share (EPS)	March 31, 2022	March 31, 2021
Net loss after tax attributable to equity shareholders for Basic and Diluted EPS	(26,690)	(42,858)
Weighted average Number of equity shares	91	91
Par value per share (EUR)	1	1
Loss per share- Basic and diluted	(293.30)	(470.97)

Note No. 13	(Amount in USD)	
	As at	As at
Contingent liabilities	March 31, 2022	March 31, 2021
Contingent liabilities and commitments (to the extent not provided for)		
(a) Claims against the Company not acknowledged as debt	NIL	NIL
(b) Guarantees	NIL	NIL
(c) Other money for which the Company is contingently liable	NIL	NIL

Note No. 14

There is no separate reportable segment hence information required under the IND AS 108 "Segment Reporting" is not applicable.

Note No. 15**Related party transactions****Names of related parties and description of relation:**

Ultimate Holding Company and its subsidiary	Volcan Investments Limited Volcan Investments Cyprus Limited
Intermediate Holding Company	Vedanta Resources Limited Vedanta Limited
Holding Company	THL Zinc Holding BV
Group Companies	Monte Cello BV Bloom Fountain Limited

	As at	As at
	March 31, 2022	March 31, 2021
1. THL Zinc Holding B.V.		
Payment of expenses	11,395	35,499
Payable	62,685	51,290
2. Monte Cello B.V.		
Receivable	25,268	25,268

Other related party transactions

Amicorp The Netherlands B.V. was appointed to provide certain administration services including directorship service fee for USD 4,950 (2021: USD 4,950) for the Company. A sum amounting to USD 23,908 (2021: USD 35,903) was expensed during the year in respect of the aforesaid services.

Note No. 16**Events after the reporting period**

There have been no material events after the reporting date which would require disclosure or adjustment to these financial statements.

Lakomasko BV

Notes to Financial Statements (Contd.)

For the year ended March 31, 2022

Note 17: Analytical Ratios (as applicable)

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
Current Ratio*	Current Assets	Current Liabilities	0.27	0.39	-29%
Debt-Equity Ratio	Total Debt	Total Equity	NA	NA	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NA	NA	-
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	NA	NA	-
Trade receivables turnover ratio	Revenue	Average Trade Receivable	NA	NA	-
Trade payables turnover ratio	Purchases of services and other expense	Average Trade Payables	NA	NA	-
Net capital turnover ratio	Revenue	Working Capital	NA	NA	-
Net profit ratio	Net Profit	Revenue	NA	NA	-
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	NA	NA	-
Return on Investment(ROI) -Unquoted	Income generated from investments	Time weighted average investments	NA	NA	-

*This is due to increase in the current liabilities.

For Pathak H D & Associates LLP

Chartered Accountants

(Registration No. : 107783W/W100593)



Mukesh Mehta

Partner

Membership No. 43495

Place : Mumbai

Date: April 22, 2022

For and on behalf of Lakomasko BV



Anupam Kumar Agarwal

Place : New Delhi

Date: April 22, 2022