

REPORTS AND FINANCIAL STATEMENTS

LISHEEN MINE PARTNERSHIP

FOR THE YEAR ENDED 31 MARCH 2021

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REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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LISHEEN MINE PARTNERSHIP**REPORTS AND FINANCIAL STATEMENTS****PARTNERS AND OTHER INFORMATION**

| | |
|-----------------------------|--|
| PARTNERS | Vedanta Lisheen Mining Limited Killoran Lisheen Mining Limited |
| MANAGEMENT COMMITTEE | P. Singla (India) P. Van Greunen (South Africa) (Appointed 4 May 2020) D. Naidoo (South Africa) (Resigned 4 May 2020) A. Kumar (India) (Resigned 30 June 2020) |
| SECRETARY | K.Quinn |
| REGISTERED OFFICE | Deloitte & Touche House Charlotte's Quay Limerick Ireland |
| AUDITOR | RAKESH M AGRAWAL & ASSOCIATES Chartered Accountants and Statutory Audit Firm H. No. 307, Agrawal Society, Nazrana Compound, Bhiwandi Thane-421302, India. |
| BANKER | Barclays Bank Plc 47/48 St. Stephen's Green Dublin 2 |
| SOLICITOR | James J Kelly & Son, Solicitors, Patrick Street, Templemore, Co. Tipperary |

**LISHEEN MINE PARTNERSHIP
PARTNERS' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

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The partners present their report and the audited special purpose financial statements for the financial year ended 31 March 2021.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Lisheen Mine Partnership is a partnership between Vedanta Lisheen Mining Limited and Killoran Lisheen Mining Limited both subsidiaries of Vedanta Lisheen Holdings Limited. The principal activity of the partnership is the development and operation of a zinc/lead mine at Killoran, Moyne, Thurles, Co. Tipperary. Mining operations ceased on 18th December 2015 due to the exhaustion of ore reserves at the mine.

RESULTS

The result for the financial year ended 31 March 2021 is a loss of US\$2,038,042 (2020: loss of US\$ 873,064).

EVENTS AFTER REPORTING DATE

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

GOING CONCERN

The directors, having made appropriate enquiries, consider it reasonable to assume that the company has adequate resources to continue for the foreseeable future and for this reason, have continued to adopt the going concern basis in preparing the accounts.

The directors of Lisheen Mine Partnership have received confirmation that Vedanta Limited, an ultimate holding company of the company is fully prepared and able to support the company as necessary.

RISKS AND UNCERTAINTIES

| RISK | IMPACT | MITIGATION |
|--------------------------------------|---|---|
| Health, safety and environment (HSE) | The resources sector is subject to extensive health, safety, and environmental laws, regulations and standards. Evolving regulations, standards and stakeholder expectations could result in increased cost and litigation. | Health, Safety and Environment (HSE) is a high priority. Compliance with international and local regulations and standards, and protecting our people, communities and the environment from harm, are our key focus areas. We have appropriate policies and standards in place to mitigate and minimise any HSE related occurrences. Structured monitoring, a review mechanism and system of positive compliance reporting are in place. There is a strong focus on safety during project planning/execution with adequate thrust on contract workmen safety. |

PARTNERS' INTERESTS

The partners' interests are represented by the Management Committee, the membership of which is set out on page 3.

Signed on behalf of the Board



P. Singla

Director

Date: 20th July 2021

PARTNERS' RESPONSIBILITIES STATEMENT

The partners are responsible for preparing Partners' Report and the financial statements in accordance with applicable law and regulations.

The partners have elected to prepare the financial statements in accordance with Indian Accounting Standards ('Ind AS'). The financial statements under Ind AS are prepared for the purpose of preparing consolidated financial statement of holding company, Vedanta Limited. These financial statements are non-statutory accounts.

The partners must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss for that year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identifying those standards and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

The partners are responsible for ensuring that the Partnership keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Partnership, enable at any time the assets, liabilities, financial position and profit or loss of the Partnership to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with applicable laws. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Board



P. Singla

Director

Date: 20th July 2021

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors
Lisheen Mine Partnership

Opinion

We have audited the financial statements of "Lisheen Mine Partnership" ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (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 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, 2021 and its profit including other comprehensive income and changes in equity 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 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 going concern, disclosing, as applicable, matters relating 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 is 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.

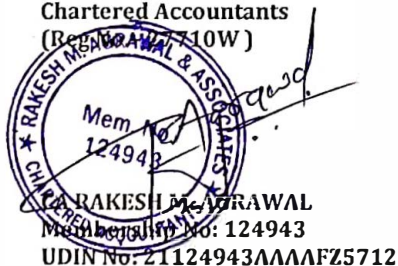
Other Matter

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 RAKESH M AGRAWAL & ASSOCIATES

Chartered Accountants

(Regd. No. 110W)



RAKESH M. AGRAWAL

Membership No: 124943

UDIN No: 21124943AAAAFZ5712

Place: Bhiwandi

Date: 20/07/2021


LISHEEN MINE PARTNERSHIP**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021**

| | Notes | 31 March 2021 US\$ | 31 March 2020 US\$ |
|--|-------|------------------------------|-----------------------|
| Operating expenses | 3 | (3,061,375) | (1,262,274) |
| OPERATING LOSS | | (3,061,375) | (1,262,274) |
| Other income | 4 | 1,024,732 | 390,563 |
| Redundancy provision | 12 | (1,399) | (1,353) |
| LOSS BEFORE INTEREST | | (2,038,042) | (873,064) |
| Interest receivable and similar income | | - | - |
| Interest payable and similar charges | | - | - |
| LOSS BEFORE TAXATION | | (2,038,042) | (873,064) |
| Taxation | | - | - |
| LOSS FOR THE YEAR | | (2,038,042) | (873,064) |
| Other Comprehensive income | | - | - |
| TOTAL COMPREHENSIVE LOSS FOR THE YEAR | | (2,038,042) | (873,064) |

LISHEEN MINE PARTNERSHIP**STATEMENT OF BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021**

| | Notes | 31 March 2021 US\$ | 31 March 2020 US\$ |
|--|-------|------------------------------|-----------------------|
| Property, plant and equipment | | - | 1,073,845 |
| | | <hr/> | <hr/> |
| | | - | 1,073,845 |
| CURRENT ASSETS | | | |
| Trade and other receivables | 9 | 106,948 | 216,127 |
| Cash at bank and in hand | 10 | 6,018,988 | 1,190,234 |
| TOTAL CURRENT ASSETS | | <hr/> 6,125,936 | <hr/> 1,406,361 |
| Trade and other payables | 11 | (2,377,199) | (673,446) |
| NET CURRENT ASSETS | | 3,748,737 | 732,915 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <hr/> 3,748,737 | <hr/> 1,806,760 |
| Provision for liabilities and charges | 12 | (3,748,738) | (1,806,760) |
| NET ASSETS | | <hr/> -1 | <hr/> - |
| CAPITAL AND RESERVES | | | |
| Cash contributed- Vedanta Lisheen Mining Limited | | - | - |
| Cash contributed- Killoran Lisheen Mining Limited | | - | - |
| Share of profits - Vedanta Lisheen Mining Limited | | - | - |
| Share of profits - Killoran Lisheen Mining Limited | | - | - |
| TOTAL EQUITY | | <hr/> - | <hr/> - |

The financial statements were approved by the partners and signed on its behalf by:



P. Singla
Director
Date: 20th July 2021

Lisheen Mine Partnership is a partnership between Vedanta Lisheen Mining Limited and Killoran Lisheen Mining Limited both subsidiaries of Vedanta Lisheen Holdings Limited. The principal activity of the partnership is the development and operation of a zinc/lead mine at Killoran, Moyne, Thurles, Co. Tipperary.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) ruled 2015, and other relevant provision of Indian Companies Act 2013 (the Act), (as amended from time to time). The financial statements under Ind AS are prepared for the purpose of preparing consolidated financial statement of holding company, Vedanta Limited. These financial statements are non-statutory accounts.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the partnership's accounting policies. The areas involving a higher degree of judgement or complexity, or areas

Since the financial statements have been prepared for special purpose for its parent Vedanta Limited, the following exemptions have been applied in the preparation of the financial statements:

- statement of cash flows,
- a statement of balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements,
- requirement for minimum of two primary statements, including cash flow,
- additional comparative information,
- requirements for a third statement of balance sheet,
- cash flow statement information,
- capital management disclosures,
- requirement for the disclosure of information when an entity has not applied a new Ind AS that has been issued but is not yet effective,
- to disclose related party transactions entered into between two or more members of a group,
- disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities,
- disclosure requirements for Financial Instruments

Where relevant, equivalent disclosures have been given in the group accounts of Vedanta Resources Limited. The group accounts of Vedanta Resources Limited are available to the public.

GOING CONCERN

The directors, having made appropriate enquiries, consider it reasonable to assume that the company has adequate resources to continue for the foreseeable future and for this reason, have continued to adopt the going concern basis in preparing the accounts.

The directors of Lisheen Mine Partnership have received confirmation that Vedanta Limited, an ultimate holding company of the company is fully prepared and able to support the company as necessary.

BASIS OF ACCOUNTING

The partnership prepares its financial statements denominated in US dollars on the historical cost convention.

TANGIBLE ASSETS

Freehold Land

Freehold land is stated at cost. Depreciation is not provided on freehold land.

Impairment

At each balance sheet date, the net book value of assets is reviewed and compared to its recoverable value. Expected future cash flows from the assets are discounted to their present values in determining the recoverable amount. If the recoverable amount is less than the unamortised cost of the asset then the deficiency arising is provided for to the extent that, in the opinion of the directors it represents a permanent diminution in the value of the asset. Where provision is made it is dealt with in the statement of profit and loss in the financial year in which it arises as additional depreciation.

Impairment losses which have been previously recognised are reversed only if the asset has increased in value and that increase in value arises due to a change in economic conditions or a change in the expected useful life of the asset. The recognition of a reversal of impairment is credited to the statement of profit and loss to the extent of the original recognition of the impairment.

FOREIGN CURRENCY TRANSLATION

The functional currency of the company is US dollars.

Transactions denominated in foreign currencies relating to revenues, costs and non-monetary assets are translated to US dollars at the spot rate of exchange prevailing at transaction date. Monetary assets and liabilities denominated in foreign currencies are translated to US dollars at the rate of exchange ruling at the statement of balance sheet date. The resulting profits or losses are dealt with in the statement of profit and loss.

OTHER INCOME

Other income comprises of rental income earned. Rental income includes amounts received from the rental of buildings as well as the rental of the windfarms situated on the property. Rental income is recognised net of repair, maintenance, rates and insurance.

CLOSURE COSTS

Provision is made for the estimated closure and related costs arising at the end of the economic useful life of the mine. This provision represents the present value, at the statement of financial position date, of the estimated costs of restoring the environment disturbance. Changes in these estimates and changes to the discount rate are dealt with prospectively in the financial statements.

1. ACCOUNTING POLICIES (continued)

PROVISIONS

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event, a reliable estimate of that obligation can be made and it is probable that an outflow of economic benefits will be required to settle the obligation.

When the effect of the time value of money is material, provisions are recognised at a discounted rate. The discount rate is based on an inflation rate of 1.88% and the rate of return on the deposit and the finance charge is included in the statement of profit and loss and added to the provision each financial year.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Partnership's accounting policies, which are described in note 1, the partners are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates

Impairment

Management reviews its property, plant and equipment, including mining properties, for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable. In assessing the property, plant and equipment for impairment, factors leading to significant reduction in profits such as changes in commodity prices, business plans and changes in regulatory environment are taken into consideration.

The carrying value of the assets of a cash generating unit (CGU) is compared with the recoverable amount of those assets, that is, the higher of fair value less costs of disposal and value in use. Recoverable value is based on the management estimates of commodity prices, market demand and supply, economic and regulatory climates, long-term plan, discount rates and other factors. Any subsequent changes to cash flow due to changes in the above-mentioned factors could impact the carrying value of the assets.

Provision for closure costs

Provision is made for costs associated with restoration and rehabilitation of mining related sites as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of extractive industries and they are normally incurred at the end of the life of the mine. Management estimates are based on local legislation and/or other agreements. The actual costs and cash outflows may differ from estimated because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology. Details of the closure provision are disclosed in note 12 (i).

Provision for redundancy costs

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can be reasonably estimated. Under an orderly closure programme, the company agreed the terms of redundancy with employees and a provision for such costs has been recognised to reflect the estimated cost of redundancies up to the balance sheet date. The actual cash outflows may take place over a number of years and hence the carrying amounts are regularly reviewed and adjusted to take into account changes in legislation or other factors that may influence the provision. Details of the closure provision are disclosed in note 12 (ii).

3. EMPLOYEES AND REMUNERATION

The average number of persons employed during the financial year is 1 (2020: 1) and this is analysed into the following categories:

| | Number | Number |
|-----------------------------------|---------------|-------------|
| Development and production | 1 | 1 |
| The staff costs are comprised of: | US\$ | US\$ |
| Wages and salaries | 52,555 | 52,097 |
| Social welfare costs | 35,091 | 33,063 |
| Other pensions costs | 3,939 | 3,519 |
| | 91,585 | 88,679 |

4. OTHER INCOME

| | 31 March 2021 | 31 March 2020 |
|---------------|----------------------|---------------|
| | US\$ | US\$ |
| Rental income | 1,024,732 | 390,563 |

Rental income comprises of rental of buildings and windfarms situated on the property of the company

5. REMUNERATION

| | 31 March 2021 | 31 March 2020 |
|---|----------------------|---------------|
| | US\$ | US\$ |
| Auditors' remuneration for work carried out for the company in respect of the financial year is as follows: | | |
| Audit of individual company accounts | 26,000 | 27,501 |
| Other assurance services | - | 7,700 |
| | 26,000 | 35,202 |

6. DIRECTORS' REMUNERATION

Directors of the company have received nil remuneration for the year ended 31 March 2021 (2020: \$nil)

7. TAXATION

Any tax payable is the responsibility of the Partners.

8. PROPERTY, PLANT and EQUIPMENT

| 2021 | Mining Assets US\$ | Freehold Land US\$ | Mobile Equipment US\$ | Total US\$ |
|---|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------|
| Cost: | | | | |
| At 1 April 2020 | 5,796,867 | 1,073,845 | 149,215 | 7,019,927 |
| Reclassification | - | - | - | - |
| Disposals | (5,796,867) | (1,073,845) | (149,215) | (7,019,927) |
| At 31 March 2021 | - | - | - | - |
| Depreciation and Impairment: | | | | |
| At 1 April 2020 | 5,796,867 | - | 149,215 | 5,946,082 |
| Charge in the financial year | - | - | - | - |
| Disposals | (5,796,867) | - | (149,215) | (5,946,082) |
| At 31 March 2021 | - | - | - | - |
| Net Book Value: At 31 March 2021 | - | - | - | - |
| 2020 | Mining Assets US\$ | Freehold Land US\$ | Mobile Equipment US\$ | Total US\$ |
| Cost: | | | | |
| At 1 April 2019 | 5,796,867 | 1,073,845 | 149,215 | 7,019,927 |
| Reclassification | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 March 2020 | 5,796,867 | 1,073,845 | 149,215 | 7,019,927 |
| Depreciation and Impairment: | | | | |
| At 1 April 2019 | 5,796,867 | - | 149,215 | 5,946,082 |
| Charge in the financial year | - | - | - | - |
| Disposals | - | - | - | - |
| At 31 March 2020 | 5,796,867 | - | 149,215 | 5,946,082 |
| Net Book Value: At 31 March 2020 | - | 1,073,845 | - | 1,073,845 |

Following a review by the directors in accordance with the provisions of Indian Accounting Standard 36 "Impairment of Assets", and based on the current market value of land, the directors consider that the recoverable amount of tangible assets exceeds the carrying value. As such, there was no impairment charge for the years ended 31 March 2021 (2020: Nil).

9. TRADE AND OTHER RECEIVABLES

| | 31 March 2021 | 31 March 2020 |
|-----------------------------------|----------------------|---------------|
| | US\$ | US\$ |
| Prepayments and other receivables | 89,325 | 70,040 |
| VAT receivable | 17,623 | 30,288 |
| Amounts owed by group companies | - | 115,799 |
| | 106,948 | 216,127 |

Intercompany amounts are unsecured, non-interest bearing and are repayable on demand.

10. CASH AT BANK AND IN HAND

| | 31 March 2021 | 31 March 2020 |
|--------------------------|----------------------|---------------|
| | US\$ | US\$ |
| Cash at bank and in hand | 6,018,988 | 1,190,234 |

11. TRADE AND OTHER PAYABLES

| | 31 March 2021 | 31 March 2020 |
|---------------------------------|----------------------|---------------|
| | US\$ | US\$ |
| Trade creditors | 47,424 | 58,634 |
| Accruals | 344,252 | 614,812 |
| Amounts owed to group companies | 1,985,523 | - |
| | 2,377,199 | 673,446 |

Intercompany amounts are unsecured and non-interest bearing.

12. PROVISION FOR LIABILITIES AND CHARGES

| | 31 March 2021 | 31 March 2020 |
|---|----------------------|------------------|
| | US\$ | US\$ |
| (i) Provision for Closure Costs | | |
| Balance at beginning of financial year | 1,424,367 | 1,501,305 |
| (Release)/Charge for the financial year | - | - |
| Unwinding of discount rate | 15,042 | 30,888 |
| Paid during the financial year | 1,888,248 | (76,583) |
| Foreign exchange (gain)/loss | 33,745 | (31,243) |
| Balance at end of financial year | 3,361,402 | 1,424,367 |

The provision represents the present value at the statement of financial position date of the estimated costs of restoring the environmental disturbance at the end of the economic useful life of the mineral processing site. The provision has been estimated using existing technology, at current prices inflated at 2% (FY20: 1.88%) and discounted using a discount rate of 0.77% (FY20: 0.76%). The estimate of future costs to restore the environmental disturbance and reviewed and approved on a quarterly basis by the Environmental Protection Agency (Ireland), the Department of Communications, Climate Action and Environment and the Tipperary County Council through the mechanism of the Mine Closure and Rehabilitation Agreement.

12. PROVISION FOR LIABILITIES AND CHARGES (continued)

(ii) Provision for redundancy costs

| | 31 March 2021 | 31 March 2020 |
|--|----------------------|---------------|
| | US\$ | US\$ |
| Balance at beginning of financial year | 70,785 | 70,920 |
| Charge for financial year | - | - |
| Paid during the financial year | 1,399 | 1,353 |
| Foreign exchange (gain)/loss | 4,690 | (1,488) |
| Balance at end of financial year | 76,874 | 70,785 |

In 2009 under an orderly closure programme for the remaining mine life, the partnership agreed the terms of redundancy with employees and a provision for such costs has been recognised to reflect the estimated cost of redundancies up to the statement of financial position date.

(iii) Other provisions

| | 31 March 2021 | 31 March 2020 |
|---|----------------------|---------------|
| | US\$ | US\$ |
| Balance at beginning of financial year | 311,611 | 360,633 |
| (Credit)/charge for financial year | (1,149) | (49,022) |
| Balance at end of financial year | 310,462 | 311,611 |
| Total provision for liabilities and charges | 3,748,738 | 1,806,763 |

13. SHARE OF PROFITS/(LOSSES)

The interests of the partners are as follows:

| | | |
|---------------------------------|-----|-----|
| Vedanta Lisheen Mining Limited | 50% | 50% |
| Killoran Lisheen Mining Limited | 50% | 50% |

For the year ended 31 March 2021, the share on the losses of the partners are as follows:

| | Vedanta Lisheen Mining Limited | Killoran Lisheen Mining Limited | Total |
|--------------------------------|---|--|--------------------|
| | US\$ | US\$ | US\$ |
| Opening balance at 1 April | - | - | - |
| Loss for the financial year | (1,019,021) | (1,019,021) | (2,038,042) |
| Transfer of losses to partners | 1,019,021 | 1,019,021 | 2,038,042 |
| Closing balance at 31 March | - | - | - |

14. EVENTS AFTER REPORTING DATE

The directors are not aware of any other material event which occurred after the reporting date and up to the date of this report.

15. PARENT COMPANY

The company is a wholly owned subsidiary of Vedanta Lisheen Holdings Limited, incorporated in Ireland. Vedanta Limited is the smallest group company which prepares consolidated financial statements that are available to the public. The ultimate parent company is Vedanta Resources Limited., a company incorporated in the United Kingdom. The consolidated financial statements of Vedanta Resources Limited. may be obtained from the Companies House, Cardiff, Wales.

16. APPROVAL OF FINANCIAL STATEMENTS

The directors approved the financial statements on 20th July 2021.