

INDEPENDENT AUDITOR'S REPORT

**To The Board of directors of
THL ZINC Holding BV.**

Opinion

We have audited the financial statements of "THL ZINC Holding 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 Flow 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 profit 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. Those 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.: 22043495AHZDDC4322

Place: Mumbai

Date: April 22, 2022



THL ZINC HOLDING BV

Balance sheet as at March 31, 2022

	Notes	(Amount in USD)	
		As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Financial Assets			
(a) Investments	5	226,000,000	226,000,000
(b) Loans	6	61,732,400	191,146,450
		287,732,400	417,146,450
Current assets			
Financial Assets			
(a) Cash and cash equivalents	7	2,926,112	1,526,403
(b) Loan	8	114,809,778	-
(b) Others	9	10,080,831	3,662,995
Other Current Assets	10	36,828	36,828
		127,853,549	5,226,226
TOTAL		415,585,949	422,372,676
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	5,110,047	5,110,047
(b) Other equity		(332,047,182)	(335,895,760)
		(326,937,135)	(330,785,713)
Non current liabilities			
Financial Liabilities			
(a) Borrowings	12	-	191,200,000
		-	191,200,000
Current liabilities			
Financial Liabilities			
(a) Borrowings	13	729,719,617	546,519,617
(b) Others	14	12,054,170	15,228,375
Current tax liabilities	15	749,297	210,397
		742,523,084	561,958,389
Total		415,585,949	422,372,676

The accompanying notes form an integral part of the financial statements

As per our report of even date

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 THL Zinc Holding BV


Anupam Kumar Agarwal

Place : New Delhi
Date: April 22, 2022

THL ZINC HOLDING BV**Statement of Profit and Loss for the year ended March 31, 2022**

		(Amount in USD)	
	Notes	Year ended March 31, 2022	Year ended March 31, 2021
INCOME			
Other income	16	18,228,578	17,222,905
		18,228,578	17,222,905
EXPENDITURE			
Finance costs	17	13,711,381	16,136,019
Other expenses	18	117,038	165,577
		13,828,419	16,301,596
Profit before tax		4,400,159	921,310
Tax expense	19	(551,581)	(172,871)
Profit for the year		3,848,578	748,439
Total comprehensive income for the year		3,848,578	748,439

Earning per equity share of EUR 1 each

Basic EPS and diluted EPS

21

1.03

0.20

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Pathak H.D. & Associates LLP
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Mukesh Mehta
Partner
Membership No.: 43495
Place: Mumbai
Date: April 22, 2022

For and on behalf of THL Zinc Holding BV

Anupam Kumar Agarwal

Place : New Delhi
Date: April 22, 2022

THL ZINC HOLDING BV
Statement of Changes in Equity
For the year ended March 31, 2022

	(Amount in USD)			
	<u>Issued Capital</u>	<u>Other Equity</u>	<u>Retained earnings</u>	<u>Total Equity</u>
At April 01, 2020	5,110,047	(429,548,296)	104,104,431	(320,333,818)
Total comprehensive income for the year	-	-	748,439	748,439
Excess of loan given over its fair value (refer note 24.1)			(11,200,334)	(11,200,334)
At March 31, 2021	5,110,047	(429,548,296)	93,652,536	(330,785,713)
Total comprehensive income for the year	-	-	3,848,578	3,848,578
At March 31, 2022	5,110,047	(429,548,296)	97,501,114	(326,937,135)

1. 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.
2. Other equity reserve represents adjustments on sale of loan in earlier years.

As per our report of even date

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 THL Zinc Holding BV



Anupam Kumar Agarwal

Place : New Delhi
Date: April 22, 2022

THL ZINC HOLDING BV
Cash Flow Statement
For the year ended March 31, 2022

(Amount in USD)

	As at March 31, 2022	As at March 31, 2021
Profit before taxation	4,400,159	921,310
<i>Adjusted for:</i>		
- Interest income	(16,101,530)	(17,173,378)
- Preference share capital dividend (income)	(4,900)	(49,527)
- Interest on loan	13,710,596	16,135,133
- Provision for impairment of investment	(2,122,148)	-
	(117,823)	(166,462)
Working capital changes:		
- Change in other receivables	(136,404)	(225,546)
- Change in other payables	28,686	11,175
	(107,718)	(214,371)
Cash from/(used in) operations	(225,541)	(380,833)
Tax (paid)/ refund	(12,681)	37,526
Net cash generated from /(used in) operating activities	(238,222)	(343,307)
Investing activities		
Loan repaid from related company	19,419,416	(94,799,666)
Loan given to related party	(1,232,400)	
Interest received	8,364,402	2,662,359
Net cash generated from /(used in) investing activities	26,551,418	(92,137,307)
Financing activities		
Loan (to)/ from related company	(8,000,000)	106,000,000
Loan given to related parties in excess of fair value (refer note 24.1)	-	(11,200,334)
Interest paid	(16,913,486)	(1,902,090)
Net cash (used in)/ generated from financing activities	(24,913,486)	92,897,576
Net increase in cash and cash equivalents	1,399,709	416,962
Cash and cash equivalents at beginning of the year	1,526,403	1,109,441
Cash and cash equivalents at end of the year	2,926,112	1,526,403

As per our report of even date

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 THL Zinc Holding BV



Anupam Kumar Agarwal

Place : New Delhi
Date: April 22, 2022

1 Company Overview

THL Zinc Holding 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.

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.

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.

2 Basis of preparation and basis of measurement of financial statements

(a) Basis of preparation

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

These financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated.

These financial statements are approved for issue by the Board of Directors on April 22, 2022.

(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 cost.

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.

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
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-months 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) Investment in subsidiary

A subsidiary is an entity (including special purpose entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries represent equity holdings in subsidiaries except preference shares, 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.

The Company has taken advantage of paragraph 4(a) of Ind AS 110 - Consolidated Financial Statements", which dispenses it from the need to present consolidated financial statements. The Company is wholly owned by Vedanta Resources Plc. which prepares company accounts that comply with International Financial Reporting Standards and these are available for public use from the company secretary, Vedanta Resources Plc, 5th Floor, 6 St Andrew Street, London, EC4A 3AE and at www.vedantaresources.com.

(iii) 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.

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
For the year ended March 31, 2022

3(a) Accounting Policies (continued)

(iii) Accounting for Foreign currency transactions and translations (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)'.

(iv) 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.

(v) 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.

(vi) 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.

Dividends

Dividend income is recognised in the consolidated income statement only when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(vii) 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 options).

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
For the year ended March 31, 2022

3(a) Accounting Policies (continued)

(viii) 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") notifies 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 not expected to be material.

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.

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
For the year ended March 31, 2022

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.

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
For the year ended March 31, 2022

Note No. 5	(Amount in USD)	
Financial Assets - Investment	As at	As at
	March 31, 2022	March 31, 2021
Investments in, Subsidiaries		
<i>In equity shares; at Cost</i>	546,351,055	546,351,055
Provision for Impairment	(516,351,055)	(516,351,055)
	<u>30,000,000</u>	<u>30,000,000</u>
In preference shares	196,000,000	196,000,000
	<u>226,000,000</u>	<u>226,000,000</u>

- (a) During the year, there was no trigger for impairment for the Company's investment held in Vedanta Lisheen Holdings Limited. Aggregate amount of provision for impairment in value of above investment is USD 516,160,000 (March 31, 2021 :USD 516,160,000).
- (b) During the year, the Company has provided for impairment of USD NIL (March 31, 2021: USD NIL) for its investment held in Lakomasko BV. Aggregate amount of provision for impairment in value of above investment is USD 191,055 (March 31, 2021 :USD 191,055).
- (c) Details of the investments held during the year are provided below:

Company	Principal Activity	Place of operation	No of Ordinary Shares Held		Proportion of ownership interest		Value of Investments at cost less impairment	
			2022	2021	2022	2021	As at March 31, 2022	As at March 31, 2021
							USD	USD
Equity instruments								
Vedanta Lisheen Holdings Limited	Mining	Ireland	12	12	100%	100%	30,000,000	30,000,000
Lakomasko BV	Investing	The Netherlands	91	91	100%	100%	-	-
						Total	<u>30,000,000</u>	<u>30,000,000</u>
Preference shares - 0.25% Optionally Convertible Redeemable Preference shares								
THL Zinc Limited	Investing	Mauritius	1,960,000	1,960,000			196,000,000	196,000,000
						Total	<u>196,000,000</u>	<u>196,000,000</u>

Note No. 6

Financial Assets - Loan	As at	As at
	March 31, 2022	March 31, 2021
Loan to Black Mountain Mining Pty Ltd ("BMM")(refer note 6.1)	60,500,000	69,000,000
Loan to Twin Star Holdings Limited (refer note 6.2 and 8.1)	-	122,146,450
Loan to Western Cluster Limited (refer note 6.3)	1,000,000	-
Loan to Monte Cello BV (refer note 6.4)	27,400	-
Loan to THL Zinc Limited (refer note 6.5)	103,000	-
Loan to THL Zinc Ventures Limited (refer note 6.6)	102,000	-
	<u>61,732,400</u>	<u>191,146,450</u>

6.1 During financial year 2018-19, the Company had executed a loan agreement for a facility of USD 200,000,000 with Black Mountain Mining Pty Ltd at an interest rate of 3M LIBOR Plus 2.75% per annum repayable in July 2022. As at March 31, 2022, the amount outstanding under this facility was USD 60,500,000 (2021: USD 69,000,000) and accrued interest thereon amounting to USD 7,703 (2021: USD 5,664). During the year, the loan has been extended to July 2024 at interest rate of 3M LIBOR + 3.575% p.a.

6.2 The aggregate loan facility provided to Twin Star Holding Limited of USD 122,000,000 carries an interest rate of 9.60% per annum which is repayable in June 2022. As at March 31, 2022, the amount outstanding under this facility was USD Nil (2021: USD 122,146,450) and accrued interest thereon amounting to USD 530,313 (2021: USD 3,168,490) (refer note 24.1). During the current year, the Twin Star Holding has assigned its loan to Vedanta Holdings Jersey Limited ("VHJL") at an interest rate of 10.1% p.a. This is reclassified from non-current to current during the year.

6.3 During financial year 2021-22, the Company has executed a loan agreement for a facility of USD 50,000,000 with Western Cluster Limited at an interest rate of 7.74% per annum repayable in October 2023. As at March 31, 2022, the amount outstanding under this facility was USD 10,00,000 (2021: Nil) and accrued interest thereon amounting to USD 18,060 (2021: Nil).

6.4 During financial year 2021-22, the Company has executed a loan agreement for a facility of USD 200,000 with Monte Cello BV at an interest rate of 7.49% per annum repayable on December 25, 2024. As at March 31, 2022, the amount outstanding under this facility was USD 27,400 (2021: Nil) and accrued interest thereon amounting to USD 390 (2021: Nil).

6.5 During financial year 2021-22, the Company has executed a loan agreement for a facility of USD 1,000,000 with THL Zinc Limited at an interest rate of 7.74% per annum repayable on December 20, 2024. As at March 31, 2022, the amount outstanding under this facility was USD 103,000 (2021: Nil) and accrued interest thereon amounting to USD 883 (2021: Nil).

6.6 During financial year 2021-22, the Company has executed a loan agreement for a facility of USD 1,000,000 with THL Zinc Venture Limited at an interest rate of 7.74% per annum repayable on December 20, 2024. As at March 31, 2022, the amount outstanding under this facility was USD 102,000 (2021: Nil) and accrued interest thereon amounting to USD 572 (2021: Nil).

Note No. 7

Financial Assets - Cash and cash equivalents	As at	As at
	March 31, 2022	March 31, 2021
Balances with banks	2,926,112	1,526,403
- in current accounts	<u>2,926,112</u>	<u>1,526,403</u>

(Amount in USD)

Note No. 8

Loan	As at	As at
	March 31, 2022	March 31, 2021
Loan to Vedanta Holding Jersey Limited	114,809,778	-
	<u>114,809,778</u>	<u>-</u>

8.1 During the year, the Twin Star Holdings Limited ("TSH") has assigned its debt obligations of USD 122 million (Fair Value: 114,809,778) to Vedanta Holdings Jersey Limited ("VHJL") at an interest rate of 10.1% p.a. This loan is due in June 2022.

Note No. 9

Financial Assets - Other	As at	As at
	March 31, 2022	March 31, 2021
Interest receivable from Vedanta Holdings Jersey Limited	8,892,767	-
Interest receivable from Twin Star Holdings Limited	530,313	3,168,490
Interest receivable from Western Cluster Limited	18,060	-
Interest receivable from Black moutain mining	7,703	5,664
Interest receivable from THL Zinc Limited	883	-
Interest receivable from THL Zinc Ventures Limited	572	-
Interest receivable from Monte Cello BV	390	-
THL Zinc Ltd - Preference dividend receivable	54,427	49,527
Receivable from Bloom Fountation Limited	1	1
Receivable from Monte Cello BV	452,902	388,022
Receivable from Lakomasko BV	62,685	51,290
Receivable from THL Zinc Venture Ltd	60,128	-
	<u>10,080,831</u>	<u>3,662,995</u>

Note No. 10

Other Current assets	As at	As at
	March 31, 2022	March 31, 2021
Income tax refund	36,828	36,828
	<u>36,828</u>	<u>36,828</u>

Note No. 11

Equity Share Capital	As at		As at	
	March 31, 2022		March 31, 2021	
	Number	USD	Number	USD
Authorised				
Equity Shares of EUR 1 each fully paid	20,000,000	27,341,073	20,000,000	27,341,073
0.25% Preference Shares of EUR 1 each fully paid up	25,000,000	34,180,077	25,000,000	34,180,077
Issued, Subscribed & fully Paid up				
Equity Shares of EUR 1 each fully paid	3,738,000	5,110,047	3,738,000	5,110,047
	<u>3,738,000</u>	<u>5,110,047</u>	<u>3,738,000</u>	<u>5,110,047</u>

11.1 **Reconciliation of the number and amount of equity shares outstanding at the beginning and at the end of the year:**

	As at		As at	
	March 31, 2022		March 31, 2021	
	Number	USD	Number	USD
Shares outstanding at the beginning of the year	3,738,000	5,110,047	3,738,000	5,110,047
Shares outstanding at the end of the year	<u>3,738,000</u>	<u>5,110,047</u>	<u>3,738,000</u>	<u>5,110,047</u>

11.2 **Details of shares held by Holding Company**

	As at	As at
	March 31, 2022	March 31, 2021
Equity shares are held by Vedanta Limited	3,738,000	3,738,000
Percentage of holding	100%	100%

11.3 **Other disclosures relating to Equity Shares**

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.

Note No. 12	(Amount in USD)	
Financial Liabilities - Borrowings	As at March 31, 2022	As at March 31, 2021
Loan from Cairn India Holdings Limited (refer note 12.1)	-	191,200,000
	-	191,200,000

12.1 During the financial year 2018-19, the Company had executed a loan agreement for a facility of US\$ 200,000,000 with Cairn India Holdings Limited (CIHL) at an interest rate of 3 months Libor Plus 2.50% per annum repayable in July 2022. An amendment was issued in financial year 2018-19 to reduce the aggregate loan facility amount to USD 197.20 million.

During the previous year, the following amendments were made to the loan agreement:-

On October 20, 2020 to reduce the loan facility amount to USD 197.2 million and to split the aggregate loan facility amount in two Tranches, USD 85.2 million ("Tranche 1") and USD 112 million ("Tranche 2"). Further, the interest rate for the Tranche 1 ("Interest rate 1") and Tranche 2 ("Interest rate 2") were set to be 3 months LIBOR plus 2.50% per annum and 6.75% respectively.

On February 26, 2021 to change the Interest rate 2 of Tranche 2 to 13.75% and 17.25% effective from June 02, 2020 and October 13, 2020 respectively.

On March 19, 2021 to reset the facility amount under Tranche 1 to USD 75.2 million and Tranche 2 to USD 122 million.

On March 26, 2021, to amend the interest rate to 9.35% for Tranche 2 effective from March 15, 2021.

During the current year, the following amendments were made to the loan agreement:-

On May 31, 2021 to amend the interest rate to 9.85% for Tranche 2 effective from May 31, 2021.

The Company has repaid the sum of USD 8,000,000 from the Tranche 1. The amount outstanding under this agreement as on March 31, 2022 is USD 183,200,000 (2021: USD 191,200,000) and accrued interest thereon amounting to USD 11,986,207 (2021: USD 15,189,097).

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
For the year ended March 31, 2022

Note No. 13	(Amount in USD)	
Financial liabilities - Current borrowings	As at March 31, 2022	As at March 31, 2021
0.25% Preference Shares of EUR 1 each fully paid up - Vedanta Limited	546,519,617	546,519,617
Loan from Cairn India Holdings Limited (Refer Note 12.1)	183,200,000	-
	729,719,617	546,519,617

OPTIONALLY CONVERTIBLE REDEEMABLE PREFERENCE SHARES ("OCRPS")

The Company has issued 5.5 Million, 0.25% Optionally Convertible Redeemable Preference Shares of Euro 1 each to Vedanta Ltd. Each OCRPS can be converted at the option of the investor in to variable number of equity shares or can be redeemed at the option of the Company at any time.

In accordance with IND AS 32 Financial Instruments: Presentation, the Optionally Convertible Redeemable Preference Shares (OCRPS) have been classified as a liability. The directors confirm that the Optionally Convertible Redeemable Preference Shares ("OCRPS") will not be redeemed within the next twelve months.

Note No. 14	As at March 31, 2022	As at March 31, 2021
Financial liabilities - Other		
Interest payable on CIHL Loan (Refer note 12.1)	11,986,207	15,189,097
Other payables	67,963	39,278
	12,054,170	15,228,375

Note No. 15	As at March 31, 2022	As at March 31, 2021
Current tax liabilities		
Current tax	749,297	210,397
	749,297	210,397

Note No. 16	Year ended March 31, 2022	Year ended March 31, 2021
Other income		
Interest income		
(a) Interest on Loan to Black Mountain Mining Pty Ltd.	2,067,371	2,658,102
(b) Interest on Loan to Westglobe (refer note 24.1)	-	10,445,107
(c) Interest on Loan to Twin Star Holdings Limited (refer note 24.1)	3,745,923	3,595,860
(d) Interest on Loan to Vedanta Resources Limited (refer note 24.1)	-	474,309
(e) Interest on Loan to Monte Cello BV	390	-
(f) Interest on Loan to THL Zinc Limited	883	-
(g) Interest on Loan to THL Zinc Ventures Limited	572	-
(h) Interest on Loan to Western Cluster Limited	18,060	-
(i) Interest on Loan to Vedanta Holdings Jersey Limited (refer note 24.1)	10,268,331	-
(j) Income on fair valuation of Inter Company Loan	2,122,148	-
(k) Dividend income on preference shares	4,900	49,527
	18,228,578	17,222,905

THL ZINC HOLDING BV
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 For the year ended March 31, 2022

(Amount in USD)

Note No. 17		
Finance cost	Year ended March 31, 2022	Year ended March 31, 2021
Interest on Caim India Holdings Limited Loan	13,710,596	16,135,133
Bank charges	785	886
	13,711,381	16,136,019
Note No. 18		
Other expenses	Year ended March 31, 2022	Year ended March 31, 2021
Legal and professional fees	100,675	151,472
Audit fees	3,300	3,300
Net loss on foreign currency transactions and translations	3,210	10,805
VAT expenditure	9,854	-
	117,038	165,577
Note No. 19		
Taxation	Year ended March 31, 2022	Year ended March 31, 2021
(i) Current tax	551,581	172,871
	551,581	172,871
(ii) <u>Tax reconciliation</u>		
Profit before taxation	4,400,159	921,310
Income tax as per slabs	551,581	210,397
Add- Previous year tax (credit)/ expense	-	(37,526)
Income tax expense recognised in profit and loss	551,581	172,871

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
For the year ended March 31, 2022

Note No. 20

Financial instruments

Significant accounting policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets, financial liabilities and equity instrument are disclosed in the financial statements.

Fair values

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

Categories of financial instruments

	Year ended	(Amount in USD)
	March 31, 2022	Year ended March 31, 2021
Financial assets		
Loan and receivables (including cash and short-term deposits)	189,549,121	196,335,848
Financial liabilities		
Borrowings	729,719,617	737,719,617
Other payables	12,054,170	15,228,375
	741,773,787	752,947,992

Strategy in using financial instruments

The Company's activities expose it to a variety of financial risks: Market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) 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.

(b) 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.

THL ZINC HOLDING BV
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 For the year ended March 31, 2022

Note No. 20 (CONT'D)
 Financial instruments (CONT'D)

Strategy in using financial instruments (cont'd)

(Amount in USD)

	Up to 1 year	More than 1 year	Total
March 31, 2022			
Financial Assets			
Non-interest bearing	13,006,943	-	13,006,943
Fixed interest bearing	-	116,042,178	116,042,178
Variable interest bearing	-	60,500,000	60,500,000
Total assets	13,006,943	176,542,178	189,549,121
Financial Liabilities			
Non-interest bearing	12,054,170	-	12,054,170
Fixed interest bearing	668,519,617	-	668,519,617
Variable interest bearing	61,200,000	-	61,200,000
Total liabilities	741,773,787	-	741,773,787
March 31, 2021			
Financial Assets			
Non-interest bearing	5,189,398	-	5,189,398
Fixed interest bearing	-	122,146,450	122,146,450
Variable interest bearing	-	69,000,000	69,000,000
Total assets	5,189,398	191,146,450	196,335,848
Financial Liabilities			
Non-interest bearing	15,228,375	-	15,228,375
Fixed interest bearing	546,519,617	122,000,000	668,519,617
Variable interest bearing	-	69,200,000	69,200,000
Total liabilities	561,747,992	191,200,000	752,947,992

Sensitivity analysis

An increase of 100 basis points in interest rates at March 31, 2022 would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the profit or loss and other equity.

	Profit/(Loss)	
	Year ended March 31, 2022	Year ended March 31, 2021
Variable rate instruments	605,000	(2,000)
	605,000	(2,000)

THL ZINC HOLDING BV
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 For the year ended March 31, 2022

Note No. 20 (CONT'D)
 FINANCIAL INSTRUMENTS (CONT'D)

(c) 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

Currency profile

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

	Financial assets* Mar-22	Financial liabilities Mar-22	Financial assets Mar-21	Financial liabilities Mar-21
Euro	-	-	439,309	5,501
United States Dollar	<u>189,549,121</u>	<u>741,773,787</u>	<u>195,896,539</u>	<u>752,942,491</u>

* Does not include investments in subsidiaries and preference shares.

For the year ended 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.

(d) 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
Liabilities			
Other payables	12,054,170	-	12,054,170
Optionally Convertible Redeemable Preference Shares	546,519,617	-	546,519,617
Short term borrowings	<u>183,200,000</u>	-	<u>183,200,000</u>
Total	<u>741,773,787</u>	-	<u>741,773,787</u>
March 31, 2021			
	Up to 1 year	More than 1 year	Total
Liabilities			
Other payables	15,228,375	-	15,228,375
Optionally Convertible Redeemable Preference Shares	546,519,617	-	546,519,617
Long term borrowings	-	191,200,000	191,200,000
Total	<u>561,747,992</u>	<u>191,200,000</u>	<u>752,947,992</u>

The directors confirm that the Optionally Convertible Redeemable Preference Shares ("OCRPS") will not be redeemed within the next twelve months.

THL ZINC HOLDING BV
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
For the year ended March 31, 2022

Note No. 20 (CONT'D)
FINANCIAL INSTRUMENTS (CONT'D)

(e) Capital risk management

For the purpose of the Company's 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, trade and other payables, less cash and short-term deposits, excluding discontinued operations.

The capital structure of the Company consists of stated capital, retained earnings and net debt.

Gearing ratio

The gearing ratio at the year end was as follows:

	(Amount in USD)	
	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Debt (i)	729,719,617	737,719,617
Cash and short-term deposits	<u>2,926,112</u>	<u>1,526,403</u>
Net debt	<u>726,793,505</u>	736,193,214
Equity (ii)	<u>(326,937,135)</u>	<u>(330,785,713)</u>
Net debt to equity ratio (times)	NA	NA

(i) Debt includes Optionally Convertible Redeemable Preference Shares of USD 546,519,617 (2021: USD 546,519,617) and borrowing from CIHL of USD 183,200,000 (2021: USD 191,200,000)

(ii) Equity includes capital, share premium and all reserves of the Company.

Note No. 21

Earnings Per Share (EPS)	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Net profit after tax attributable to equity shareholders for basic and diluted EPS	3,848,578	748,439
Weighted average Number of equity Shares	3,738,000	3,738,000
Par Value per Share (EUR)	1	1
Earning Per Share - Basic and diluted	<u><u>1.03</u></u>	<u><u>0.20</u></u>

- (i) Optionally Convertible Redeemable Preference Shares will be converted at the option of the shareholder into variable number of shares based on the fair value as on the date of conversion. Hence, there would not be dilution of earnings per share.

THL ZINC HOLDING BV
 NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
 For the year ended March 31, 2022

Note No. 22

Contingent liabilities	For the year ended March 31, 2022	(Amount in USD) For the year ended March 31, 2021
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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
23 There is no separate reportable segment hence information as defined in the IND AS 108 "Segment Reporting" is not applicable.		

24 Related party transactions

Names of related parties and description of relation:

Entities controlling the Company Volcan Investments Limited - Ultimate Holding Company
 Volcan Investments Cyprus Limited - Ultimate Holding Company

Intermediate Holding Companies Vedanta Resources Limited ("VRL")
 Vedanta Resources Holdings Limited ("VRHL")
 Vedanta Resources Finance Limited ("VRFL")
 Vedanta Resources Cyprus Limited ("VRCL")
 Richter Holdings Limited ("RHL")
 Twin Star Holdings Limited ("TSHL")
 Westglobe Limited
 Vedanta Limited
 Vedanta Holdings Jersey Limited ("VHJL")
 Western Cluster Limited ("WCL")

Subsidiaries Lakomasko BV ("LKBV")
 Vedanta Lisheen Holdings Limited ("VLHL")

Fellow Subsidiaries THL Zinc Limited ("THLZL")
 THL Zinc Ventures Limited ("THLZVL")
 Monte Cello BV ("MCBV")
 Lisheen Milling Limited
 Bloom Fountain Limited
 Cairn India Holdings Limited ("CIHL")
 Black Mountain Mining Pty Ltd. ("BMM")

Note No. 24 (CONTD)

Related party transactions (continued)

Related party transactions	For the year ended March 31, 2022	For the year ended March 31, 2021
<u>1. Black Mountain Mining Pty Ltd.</u>		
Interest income	2,067,371	2,658,102
Interest received	2,065,331	2,662,359
Loan receivable	60,500,000	69,000,000
Loan repayment	8,500,000	15,000,000
Interest receivable	7,703	5,664
<u>2. Bloom Fountain Limited</u>		
Other receivable	1	1
<u>3. Monte Cello BV</u>		
Payment of expenses	64,880	158,891
Loan given	27,400	-
Loan receivable	27,400	-
Interest income	390	-
Interest receivable	390	-
Other receivable	452,902	388,022
<u>4. Lakomasko BV</u>		
Investment	191,055	191,055
Impairment provision on investment	(191,055)	(191,055)
Payment of expenses	11,395	35,499
Other receivable	62,885	51,290
<u>5. Vedanta Lisheen Holdings Limited (VLHL)</u>		
Investment	546,160,000	546,160,000
Impairment provision on investment	(516,160,000)	(516,160,000)
<u>6. THL Zinc Ltd</u>		
Investment in Preference Shares	196,000,000	196,000,000
Loan receivable	103,000	-
Loan given	103,000	-
Interest income	883	-
Interest receivable	883	-
Dividend income	4,900	49,527
Dividend receivable	54,427	49,527
<u>8. Cairn India Holdings Limited (refer note 12.1)</u>		
Interest expense	13,710,596	16,135,133
Interest payable	11,986,207	15,189,097
Interest paid	16,913,486	1,902,090
Loan payable	183,200,000	191,200,000
Loan received	-	106,000,000
Loan repaid	8,000,000	-
<u>9. Twin Star Holdings Limited (refer note 24.1)</u>		
Loan and interest receivable novated from Vedanta Resources Holdings Limited (VRHL)	-	132,919,416
Loan and interest receivable novated to Vedanta Holding Jersey Limited (VHJL)	(114,809,778)	-
Accretive interest on loan	-	427,368
Interest income	3,745,923	3,595,860
Interest received	4,923,506	-
Loan receivable	-	122,146,450
Loan received	10,511,724	-
Interest receivable	530,313	3,168,490
<u>10. Vedanta Resources Holdings Limited (VRHL) (refer note 24.1)</u>		
Loan and interest receivable novated from Vedanta Resources Finance Limited (VRFL)	-	132,919,416
Loan and interest receivable novated to Twin Star Holdings Limited (TSHL)	-	(132,919,416)
<u>11. Vedanta Resources Finance Limited (VRFL) (refer note 24.1)</u>		
Loan and interest receivable novated from Vedanta Resources Cyprus Limited (VRCL)	-	132,919,416
Loan and interest receivable novated to Vedanta Resources Holdings Limited (VRHL)	-	(132,919,416)

Note No. 24 (CONT'D)
 Related party transactions (continued)

Related party transactions	(Amount in USD)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
12. Vedanta Resources Cyprus Limited (VRCL) (refer note 24.1)		
Loan and interest receivable novated from Richter Holdings Limited (RHL)	-	132,919,416
Loan and interest receivable novated to Vedanta Resources Finance Limited (VRFL)	-	(132,919,416)
13. Richter Holdings Limited (RHL) (refer note 24.1)		
Loan and interest receivable novated from Westglobe Limited	-	132,919,416
Loan and interest receivable novated to Vedanta Resources Cyprus Limited (VRCL)	-	(132,919,416)
14. Westglobe Limited (refer note 24.1)		
Loan and interest receivable novated from VRL	-	112,474,309
Interest income	-	10,445,107
Disbursement of loan	-	10,000,000
Loan and interest receivable novated to Richter Holdings Limited (RHL)	-	(132,919,416)
15. Vedanta Holding Jersey Limited (refer note 24.1)		
Interest income	10,268,331	-
Interest received	1,375,564	-
Loan given (refer note 6.2)	114,809,778	-
Loan receivable novated from Twin Star Holdings Limited	114,809,778	-
Interest receivable	8,892,767	-
16. Western Cluster Limited		
Interest Income	18,060	-
Loan given	1,000,000	-
Loan receivable	1,000,000	-
Interest receivable	18,060	-
17. THL Zinc Venture Ltd		
Interest Income	572	-
Loan given	102,000	-
Loan receivable	102,000	-
Interest receivable	572	-
Other receivable	60,128	-
18. Vedanta Resources Limited (refer note 24.1)		
Interest income	-	474,309
Loan and interest receivable novated to Westglobe Limited	-	(112,474,309)

24.1 In June 2020, as part of its parent's cash management activities, the Company had extended certain loan for a period of up to 12 months, to Vedanta Resources Limited (VRL) which was later novated to Westglobe Limited, a subsidiary of VRL, was drawn over a period of time carrying interest ranging from 3% to 7%. In October 2020, certain terms of the facilities were modified. In February 2021, the terms of these instruments were further modified with retrospective effect to bring these instruments to the fair market rate as determined on the date of the transaction and the loan of US \$122,000,000 along with accrued interest of US \$ 10,919,417 was novated to Twinstar Holding Limited (THL), a subsidiary of VRL and now the entire lending is to one single party. In March 2021, since the CDS rate (Credit default swap) had stabilized, the Company remeasured its interest rate using the level 2 valuation approach explained in the note below and negotiated the rate with the borrower.

As per the accounting requirements of Ind AS 109 regarding modification of contractual cash flows of financial assets, the excess of US \$ 11,200,334 on present value of modified contractual cash flows discounted at the original effective interest rate was recorded in the statement of changes in equity and cash flow statement as a transaction with the shareholder. Furthermore, an accretive interest of US \$ 427,369 over and above the contractual interest was accounted for in the statement of profit and loss. The fair market rate was estimated using the prevailing US \$ treasury rates and the company specific credit default swaps, a level 2 valuation. In May 2021, the Company has executed a novation agreement with Vedanta Holdings Jersey Limited, a subsidiary of VRL, to novate US\$ 122 million loan which was earlier due from Twin Star Holdings Limited. The loan is repayable in June 2022 and is guaranteed by VRL.

Other related party transactions

Amicorp the Netherlands B.V. is appointed to provide certain administration services for the Company. A sum amounting to USD 69,947 (2021: USD 75,063) was expensed during the year in respect of the aforesaid services.

Note No. 25

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.

Note No. 26 : Analytical Ratios (as applicable)

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	Variance
Current Ratio*	Current Assets	Current Liabilities	0.65	0.34	93%
Debt-Equity Ratio	Total Debt	Total Equity	NA	NA	-
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.32	1.06	25%
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	21.11%	4.35%	386%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	4.50%	4.80%	-6%
Return on Investment (ROI) -Unquoted	Income generated from investments	Time weighted average investments	NA	NA	-

* This is due to increase in the current maturities of the long term loan given.
 † This is due to decrease in the finance cost and increase in the interest income.

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 THL Zinc Holding BV



Anupam Kumar Agarwal
 Place : New Delhi
 Date: April 22, 2022