

REPORTS AND FINANCIAL STATEMENTS

VEDANTA LISHEEN HOLDINGS LIMITED

FOR THE YEAR ENDED 31 MARCH 2021

**VEDANTA LISHEEN HOLDINGS LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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**VEDANTA LISHEEN HOLDINGS LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS AND OTHER INFORMATION

DIRECTORS	D. Naidoo (South Africa) (Resigned 4 May 2020) P. Singla (South Africa) P. Van Greunen (South Africa) (Appointed 4 May 2020)
SECRETARY	K. Quinn
REGISTERED OFFICE	Deloitte & Touche House Charlotte's Quay Limerick Ireland
COMPANY NUMBER	257616
AUDITOR	RAKESH M AGRAWAL & ASSOCIATES Chartered Accountants and Statutory Audit Firm H.no. 307 , Agrawal Society, Nazarana 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

**VEDANTA LISHEEN HOLDINGS LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS' REPORT

The directors 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 company is a holding company. The company's primary assets are its 100% participating interest in the Lisheen Mine Partnership, including its interest in Vedanta Lisheen Mining Limited, Killoran Lisheen Mining Limited, Lisheen Milling Limited, Killoran Lisheen Finance Limited and Vedanta Exploration Ireland Limited.

RESULTS AND DIVIDENDS

The result after tax for the financial year ended 31 March 2021 was US\$ Nil (2020: Profit of US\$2,381,158).

No dividend was proposed nor paid during the financial year (2020: US\$Nil).

RISKS AND UNCERTAINTIES

In the company, all activity is reallocated to group companies. Management has addressed the presence of risks and uncertainties in each of the company's subsidiary entities individually and has adequately responded to same.

Currency risk is analysed at Group level and a decision was made to retain USD as the functional currency.

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.

FUTURE DEVELOPMENT

There is no future development to be disclosed.

COMPOSITION OF THE GROUP

The Company is 100% owned by THL Zinc Holdings B.V., a company incorporated in the Netherlands. THL Zinc Holding BV is a subsidiary of Vedanta Limited. The ultimate parent company is Vedanta Resources Limited, a company incorporated in the United Kingdom.

DIRECTORS

The directors who served throughout the year are listed on page 2. The directors are not required to retire by rotation.

DIRECTORS' AND SECRETARY'S INTERESTS

The directors and secretary had no interests in the shares of the company at either 1 April 2020 or 31 March 2021.

**VEDANTA LISHEEN HOLDINGS LIMITED
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FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS' REPORT (continued)

DIRECTORS' AND SECRETARY'S INTERESTS (continued)

None of the directors have notified the company secretary of any interests in the shares of the ultimate parent company and its related companies.

ACCOUNTING RECORDS

To ensure that proper accounting records are kept, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at The Forum Sandton, Johannesburg, Gauteng.

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

DISCLOSURE OF INFORMATION TO AUDITOR

The directors in office at the date of this report have each confirmed that:

- as far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Signed on behalf of the Board



P. Singla

Director

Date: 20th July 2021

**VEDANTA LISHEEN HOLDINGS LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

The directors have prepared 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company 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 company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report are in compliance of applicable laws and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company 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
Vedanta Lisheen Holdings Limited

Opinion

We have audited the financial statements of "Vedanta Lisheen Holdings Limited" ("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:

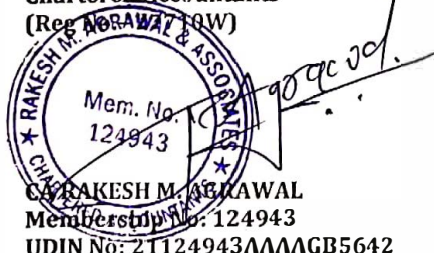
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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

(Reg. No. RA/1/2007)



CA RAKESH M. AGRAWAL

Membership No: 124943

UDIN No: 21124943AAAAAGB5642

Place: Bhiwandi

Date: 20/07/2021

VEDANTA LISHEEN HOLDINGS LIMITED

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Note	31 March 2021 US\$	31 March 2020 US\$
Interest receivable and similar income	3	-	2,381,159
PROFIT BEFORE TAXATION		-	2,381,159
Taxation	4	-	-
PROFIT FOR THE YEAR		-	2,381,159
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		-	2,381,159

VEDANTA LISHEEN HOLDINGS LIMITED

STATEMENT OF BALANCE SHEET
AS AT 31 MARCH 2021

	Note	31 March 2021 US\$	31 March 2020 US\$
FIXED ASSETS			
Financial assets	5	3,459,874	3,459,874
		<u>3,459,874</u>	<u>3,459,874</u>
CURRENT ASSETS			
Cash at bank	6	2,807	2,807
		<u>2,807</u>	<u>2,807</u>
TOTAL CURRENT ASSETS			
		<u>2,807</u>	<u>2,807</u>
Trade and other payables	7	(116,596)	(116,596)
		<u>(113,789)</u>	<u>(113,789)</u>
NET CURRENT LIABILITIES			
		<u>(113,789)</u>	<u>(113,789)</u>
NET ASSETS			
		<u>3,346,085</u>	<u>3,346,085</u>
CAPITAL AND RESERVES			
Called-up share capital – presented as equity	8	12	12
Profit and loss account		3,346,073	3,346,073
		<u>3,346,085</u>	<u>3,346,085</u>
TOTAL EQUITY			
		<u>3,346,085</u>	<u>3,346,085</u>

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Board of Directors and signed on its behalf by:



P. Singla
Director
Date: 20th July 2021

VEDANTA LISHEEN HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Share Capital Presented as Called-up Equity US\$	Profit and loss account US\$	Total US\$
At 31 March 2019	12	964,914	964,926
Profit for the financial year	-	2,381,159	2,381,159
Other comprehensive Income	-		-
Total comprehensive income	-	2,381,159	2,381,159
Dividends paid on equity shares	-	-	-
Capital contribution	-	-	-
At 31 March 2020	12	3,346,073	3,346,085
Profit for the financial year	-	-	-
Other Comprehensive Income	-	-	-
Total comprehensive income	-	-	-
At 31 March 2021	12	3,346,073	3,346,085

1. ACCOUNTING POLICIES

Vedanta Lisheen Holdings Limited is a limited liability company incorporated in the Republic of Ireland. The registered office of the Company is in Deloitte & Touche House, Charlotte's Quay, Limerick, Ireland.

STATEMENT OF COMPLIANCE AND BASIS OF ACCOUNTING

The company prepares its financial statements denominated in US dollars. The principal accounting policies adopted by the company are set out below.

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention and in accordance with the applicable 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 company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

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

1. ACCOUNTING POLICIES (continued)

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 and can be obtained as set out in note 11.

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

CONSOLIDATION

Consolidated accounts have not been prepared for the year ended 31 March 2021 as the company is exempt from the obligation to prepare and deliver group accounts, whereby the company and all of its subsidiary undertakings are included in the consolidated accounts for a larger group drawn up to the same date by both its parent, Vedanta Limited and its ultimate parent, Vedanta Resources Limited. Those accounts have been prepared in a manner equivalent to consolidated accounts. Consequently, the accounts present information about the company as an individual undertaking and not about its group. Details of subsidiary undertakings are included in note 6 of the accounts.

FINANCIAL ASSETS

Financial assets are stated at cost less a provision for permanent diminution in value.

CASH

Cash balance is comprised of restricted funds being escrow funds in respect of future redundancy payments to group entity employees. Cash at bank and bank deposits earn interest at floating rates based on daily deposit bank rates.

DIVIDENDS

Dividends to ordinary shareholders are recognised as a liability of the company when approved by the company's shareholders.

FOREIGN CURRENCY TRANSLATION

The US dollar is both the functional currency and presentation currency of the company.

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 the date of transaction. 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 comprehensive income.

SHARE CAPITAL

Ordinary shares are classified as equity.

FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

TAXATION

Current tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and for the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors 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.

As at 31 March 2021, the Company has no sources of accounting estimates and judgements significant to the financial statements.

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	31 March 2021	31 March 2020
	US\$	US\$
Bank interest receivable	-	17
Dividend income	-	2,381,142
	<u>-</u>	<u>2,381,159</u>

4. TAXATION

No taxation charge arises in the current financial year or the preceding financial year as all taxable income and expenditure is reallocated to group companies.

5. FINANCIAL ASSETS

	31 March 2021	31 March 2020
	US\$	US\$
Investments in Subsidiaries		
Balance at beginning of financial year	3,459,874	1,107
Additions	-	3,458,767
Balance at end of financial year	<u>3,459,874</u>	<u>3,459,874</u>

Details of the subsidiaries, all of which are incorporated in the Republic of Ireland, are:

Name	% Ordinary share capital	Nature of business
Vedanta Lisheen Mining Limited	100%	Zinc/lead mine in post closure status
Lisheen Milling Limited	100%	Zinc/lead mine in post closure status
Killoran Lisheen Finance Limited*	0%	Investment company
Killoran Lisheen Mining Limited	100%	Zinc/lead mine in post closure status
Vedanta Exploration Ireland Limited*	0%	Exploration company

Details from the audited financial statements for financial year ended 31 March 2021:

Killoran Lisheen Finance Limited and Vedanta Exploration Ireland Limited were deregistered in the current year.

	Profit/ (loss) for the financial year ended 31 March 2021	Net Assets At 31 March 2021
Vedanta Lisheen Mining Limited	422,383	9,075,417
Lisheen Milling Limited	(8,733,352)	11,110,411
Killoran Lisheen Finance Limited	-	-
Vedanta Exploration Ireland Limited	-	-
Killoran Lisheen Mining Limited	(87,286)	1,852,618

6. CASH AT BANK

	31 March 2021	31 March 2020
	US\$	US\$
Cash at bank and in hand	2,807	2807

At 31 March 2021, the company's cash balance comprised restricted funds of US\$2,807 (2020: US\$2,807).

7. TRADE AND OTHER PAYABLES

	31 March 2021	31 March 2020
	US\$	US\$
Amounts due to group companies	<u>116,596</u>	116,596
	<u>116,596</u>	<u>116,596</u>

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

8. CALLED UP SHARE CAPITAL PRESENTED AS EQUITY

	31 March 2021	31 March 2020
	US\$	US\$
Authorised:		
15,000,000 ordinary shares of US\$1 each	15,000,000	15,000,000
Allotted, issued and fully paid:		
12 ordinary shares of US\$1 each	12	12

9. PARENT COMPANY

The company's immediate parent is THL Zinc Holding BV, a company incorporated in the Netherlands. THL Zinc Holding BV is a subsidiary of Vedanta Limited. 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.

10. 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.

11. DIVIDEND

No dividend was declared nor paid during the current financial year (2020:\$Nil).

12. APPROVAL OF FINANCIAL STATEMENTS

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