

## INDEPENDENT AUDITOR'S REPORT

To the Members of Vedanta Iron and Steel Limited  
Report on the Audit of the Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of **Vedanta Iron and Steel Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from October 06, 2023 to March 31, 2024, and notes to the Ind AS financial statements including summary of material accounting policy information and other explanatory information (hereinafter referred to as Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, of the state of affairs of the Company as at March 31, 2024, its loss (including other comprehensive income), its changes in equity and its cash flows for the period ended on that date.

### Basis for Opinion

We conducted our audit in accordance with 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Ind AS financial statements.

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the



Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company'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 Ind AS 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we report in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";
- g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid/provided by the Company to its directors during the period and hence reporting related to the managerial remuneration is not applicable;

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations which would impact its financial position;
  - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate



Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iv) (c) Based on the audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

(v) The Company has not declared nor paid any dividend during the period. Hence, reporting the compliance with section 123 of the Act is not applicable;

(vi) Based on our examination, the Company has not used an accounting software for maintaining its books of account. Hence, reporting related to audit trail is not applicable.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



**Deepak Kabra**

Partner

Membership No. 133472

UDIN: 24133472BKFQNM4128



Place: Mumbai

Date: April 17, 2024

## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Vedanta Iron and Steel Limited ("the Company") on the Ind AS financial statements for the period ended March 31, 2024]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information, explanations and written representation given to us by the management and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) The Company does not have any Property, Plant and Equipment or Intangible Assets and accordingly, reporting under clause (i) of paragraph 3 of the Order is not applicable.
- (ii) (a) The Company does not hold any inventory. Therefore, reporting under clause (ii)(a) of paragraph 3 of the Order is not applicable.  
  
(b) The Company has not obtained any sanctioned working capital limit during the period, from banks and/or financial institutions. Therefore, reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.
- (iii) During the period, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause (iii) of paragraph 3 of the Order is not applicable.
- (iv) The provisions of Sections 185 and 186 of the Act are not applicable to the Company as the Company has not granted any loans or made any investment or provided any guarantee or security during the period. Accordingly, reporting under clause (iv) of the paragraph 3 of the Order is not applicable.
- (v) In our opinion, the Company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, reporting under clause (v) of paragraph 3 of the Order is not applicable.
- (vi) The Company is not required to maintain cost records under sub-section (1) of section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with the appropriate authorities, undisputed statutory dues including Goods and Services tax (GST), income-tax, duty of customs, cess and any other material statutory dues applicable to it, in all cases during the period. Since, the Company does not have any employees, statutory dues in form of provident fund and employees' state insurance are not applicable to the Company.  
  
No undisputed amounts payable in respect of income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.  
  
(b) There are no dues with respect to income tax, GST, customs duty and cess, which have not been deposited on account of any dispute. Since, the Company does not have any employees, there are no dues in the form of provident fund and employees' state insurance.
- (viii) This being the first financial year since incorporation, reporting of previously not recorded transactions in the books of account of the Company does not arise and accordingly, reporting under clause (viii) of paragraph 3 of the Order is not applicable.



- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Accordingly, reporting under clause (ix)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not taken loans from any bank or financial institution or government or any government authority during the period. Hence, question of the Company being declared wilful defaulter does not arise.
- (c) The Company did not obtain any money by way of term loans during the period. Accordingly, reporting under clause (ix)(c) of paragraph 3 of the Order is not applicable.
- (d) No funds are raised on short-term basis during the period. Accordingly, reporting under clause (ix)(d) of paragraph 3 of the Order is not applicable.
- (e) The Company does not have any subsidiaries, associates, jointly controlled entities or joint operations, as defined under the Act and hence reporting under clause (ix)(e) of paragraph 3 of the order is not applicable.
- (f) The Company does not have any subsidiaries, associates, jointly controlled entities or joint operations, as defined under the Act and hence reporting under clause (ix)(f) of paragraph 3 of the order is not applicable.
- (x) (a) The Company has not raised money by way of initial public issue offer / further public offer (including debt instruments) during the period. Therefore, reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the period. Therefore, reporting under clause (x)(b) of paragraph 3 of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the period, nor have we been informed of any such instance by the management.
- (b) No report under section 143(12) of the Act has been filed with the Central Government by the auditors of the Company in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, during the period or upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the period and upto the date of this report.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) All transactions entered into by the Company with the related parties are in compliance with section 188 of the Act and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Since the Company is not required to constitute an Audit Committee, the provisions of section 177 of the Act are not applicable to the Company.
- (xiv) (a) In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act. Hence, reporting under clause (xiv) of paragraph 3 of the Order is not applicable.



# HARIBHAKTI & CO. LLP

Chartered Accountants

- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with them during the period and hence, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in Core Investment Companies (Reserve Bank) Directions, 2016 ("Directions") by the Reserve Bank of India. Accordingly, reporting under clause (xvi)(c) of paragraph 3 of the Order are not applicable.
- (c) As informed by the Company, the Group to which the Company belongs has no CIC as part of the Group.
- (xvii) The Company has incurred cash losses for the current financial period amounting to Rs. 1.90 lakhs. This being the first financial year since incorporation, reporting of cash losses in the immediately preceding financial year is not applicable.
- (xviii) There has been no resignation of the statutory auditors during the period and accordingly, reporting under clause (xviii) of paragraph 3 of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report and that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The provisions of section 135 of the Act are not applicable to the Company. Hence, reporting under clause (xx) of paragraph 3 of the Order is not applicable.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



**Deepak Kabra**

Partner

Membership No. 133472

UDIN: 24133472BKFQNM4128



Place: Mumbai

Date: April 17, 2024



## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Vedanta Iron and Steel Limited on the Ind AS financial statements for the period ended March 31, 2024]

**Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Vedanta Iron and Steel Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



## Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI Firm Registration No. 103523W / W100048



Deepak Kabra  
Partner  
Membership No. 133472  
UDIN: 24133472BKFQNM4128



Place: Mumbai  
Date: April 17, 2024

Vedanta Iron and Steel Limited  
Balance Sheet as at 31 March 2024

(All amounts in ₹ Lakhs)

| Particulars  | Note | As at<br>31 March 2024 |
|--|------|------------------------|
| <b>ASSETS</b>  |      |                        |
| <b>Non-current assets</b>  |      |                        |
| Property, Plant and Equipment  |      | -                      |
| Other non-current assets   |      | -                      |
| <b>Total non-current assets</b>  |      | -                      |
| <b>Current assets</b>  |      |                        |
| Inventories  |      | -                      |
| Financial assets   |      | -                      |
| - Cash and cash Equivalents  | 3    | 1.00                   |
| Current tax assets (net)   |      | -                      |
| Other current assets   | 4    | 0.18                   |
| <b>Total current assets</b>  |      | 1.18                   |
| <b>Total Assets</b>  |      | 1.18                   |
| <b>EQUITY AND LIABILITIES</b>  |      |                        |
| <b>Equity</b>  |      |                        |
| Equity Share Capital   | 5    | 1.00                   |
| Other Equity   |      | (1.90)                 |
| <b>Total Equity</b>  |      | (0.90)                 |
| <b>Liabilities</b>   |      |                        |
| <b>Non-current liabilities</b>   |      |                        |
| Other non-current liabilities  |      | -                      |
| <b>Total non-current liabilities</b>   |      | -                      |
| <b>Current Liabilities</b>   |      |                        |
| Financial liabilities  |      | -                      |
| - Trade payables   |      | -                      |
| (a) Total outstanding dues of micro and small enterprises                      |      | -                      |
| (b) Total outstanding dues of creditors other than micro and small enterprises | 6    | 0.81                   |
| - Other financial liabilities  | 7    | 0.85                   |
| Provisions   |      | -                      |
| Income tax liabilities (net)   |      | -                      |
| Other current liabilities  | 8    | 0.42                   |
| <b>Total current liabilities</b>   |      | 2.08                   |
| <b>Total Equity and Liabilities</b>  |      | 1.18                   |

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048

**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



For and on behalf of the board of directors of Vedanta Iron and Steel Limited

*Sunil Gupta*

**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024

*Anup Agarwal*

**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi

Date: 17th April 2024

**Vedanta Iron and Steel Limited**  
**Statement of Profit and Loss for the period 10 October 2023 to 31 March 2024**

(All amounts in ₹ Lakhs unless stated otherwise)

| Particulars  | Note | For the period 10 October 2023 to 31 March 2024 |
|--|------|---|
| Revenue from operations                                    |      | -   |
| <b>Total Income</b>  |      | -   |
| <b>Expenses:</b>   |      |   |
| Other expenses   | 9    | 1.90  |
| <b>Total expenses</b>                                      |      | 1.90  |
| <b>Loss before tax</b>                                     |      | (1.90)  |
| Tax Expense  |      | -   |
| <b>Net Loss after tax (A)</b>                              |      | (1.90)  |
| <b>Other Comprehensive income</b>                          |      |   |
| Items that will not be reclassified to profit or loss      |      | -   |
| Items that will be reclassified to profit or loss          |      | -   |
| <b>Total Other Comprehensive Income for the period (B)</b> |      | -   |
| <b>Total Comprehensive Income for the period (A+B)</b>     |      | (1.90)  |
| Earnings per share (in ₹)                                  |      |   |
| - Basic and Diluted  | 10   | (1.90)  |

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

As per our attached report of even date

**Haribhakti & Co. LLP**  
**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048



**Deepak Kabra**  
Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



**For and on behalf of the board of directors of Vedanta Iron and Steel Limited**



**Sunil Gupta**  
Director  
DIN: 08558177

Place: Delhi

Date: 17th April 2024



**Anup Agarwal**  
Director  
DIN: 08551388

Place: Delhi

Date: 17th April 2024

**Vedanta Iron and Steel Limited**  
**Cash Flow Statement For The Period 10 October 2023 To 31 March 2024**

(All amounts in ₹ Lakhs)

| Particulars  | For the period 10 October 2023 to 31 March 2024 |
|--|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                              |   |
| Net Loss before taxation   | (1.90)  |
| <b>Adjustments for:</b>  |   |
| Depreciation, depletion and amortisation                                 | -   |
| Provision for doubtful debts/ advance/ bad debts written off             | -   |
| Liabilities written back   | -   |
| Interest income  | -   |
| Dividend income  | -   |
| Interest expense   | -   |
| <b>Changes in assets and liabilities</b>                                 |   |
| Decrease/ (Increase) in trade and other receivables                      | (0.18)  |
| Decrease/ (Increase) in inventories                                      | -   |
| (Decrease)/ Increase in trade and other payable                          | 2.08  |
| <b>Cash generated from operations</b>                                    | <b>(0.00)</b>                                   |
| Income taxes paid (net)  | -   |
| <b>Net cash generated from operating activities</b>                      | <b>(0.00)</b>                                   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                              |   |
| Purchases of property, plant and equipment (including intangibles)       | -   |
| Proceeds from sale of property, plant and equipment                      | -   |
| Interest received  | -   |
| Dividends received   | -   |
| <b>Net cash generated from investing activities</b>                      | <b>-</b>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                              |   |
| Proceeds from short-term borrowings (net)                                | -   |
| Proceeds from current borrowings   | -   |
| Proceeds from issue of share capital                                     | 1.00  |
| Repayment of current borrowings  | -   |
| <b>Net cash used in financing activities</b>                             | <b>1.00</b>                                     |
| <b>Net (decrease)/ increase in cash and cash equivalents</b>             | <b>1.00</b>                                     |
| Cash and cash equivalents at the beginning of the period                 | -   |
| <b>Cash and cash equivalents at the end of the period (Refer note 3)</b> | <b>1.00</b>                                     |

**Notes :**

- The figures in parentheses indicate outflow.
- The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows

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

As per our attached report of even date

**Haribhakti & Co. LLP**  
**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048

**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



**For and on behalf of the board of directors of Vedanta Iron and Steel Limited**

**Sunil Gupta**

Director  
DIN: 08558177

Place: Delhi  
Date: 17th April 2024

**Anup Agarwal**

Director  
DIN: 08551388

Place: Delhi  
Date: 17th April 2024

Vedanta Iron and Steel Limited  
Statement of Changes in Equity for the period 10 October 2023 to 31 March 2024

(All amounts in ₹ Lakhs)

A. Equity Share Capital (Refer Note No. 5)

| Equity shares of ₹ 1/- each issued, subscribed and fully paid up | Number of shares<br>(in lakhs) | Amount |
|--|--------------------------------|--------|
| As at 31 March 2024  | 1.00                           | 1.00   |

B. Other Equity

| Particulars   | Reserves and Surplus | Total other equity |
|---|----------------------|--------------------|
|   | Retained earnings    |                    |
| Loss for the period                                   | (1.90)               | (1.90)             |
| Other comprehensive income for the period, net of tax | -                    | -                  |
| <b>Total Comprehensive Income for the period</b>      | <b>(1.90)</b>        | <b>(1.90)</b>      |
| <b>Balance as at 31 March 2024</b>                    | <b>(1.90)</b>        | <b>(1.90)</b>      |

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048



**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



For and on behalf of the board of directors of Vedanta Iron and Steel Limited



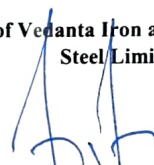
**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024



**Anup Agarwal**

Director

DIN: 08551388

Place: Delhi

Date: 17th April 2024

## **Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

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### **NOTE 1. CORPORATE INFORMATION**

Vedanta Iron and Steel Limited (the Company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act"). The Company was incorporated on 10 October 2023 for carrying out the business activities in the metal and mining sector.

### **NOTE 2.1 BASIS OF PREPARATION AND BASIS OF MEASUREMENT OF FINANCIAL STATEMENTS**

#### **(a) Basis of Preparation**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of the Act (as amended from time to time). These financial statements have been prepared in accordance with the accounting policies, set out below.

All financial information presented in Indian Rupee has been rounded off to the nearest Lakhs except when indicated otherwise.

These are the first Financial Statements after incorporation of the Company, hence comparative figures are not given.

These financial statements are approved for issue by the Board of Directors on 17 April 2024. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

#### **(b) Basis of Measurement**

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting.



**NOTE 2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Use of estimates**

The preparation of financial statements in conformity with the Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**(b) Earnings Per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

**(c) Provisions**

The assessments undertaken in recognising provisions have been made in accordance with the applicable Ind AS. Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.





**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

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**(d) 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 twelve 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 twelve 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 twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve 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.

Deferred tax assets and liabilities are classified as non current only.

**(e) 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 from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

**(f) Standards notified but not yet effective**

No new standards have been notified during the year ended 31 March 2024.



**Vedanta Iron and Steel Limited**  
**Notes forming part of the financial statements as at 31 March 2024**

*(All amounts in ₹ Lakhs unless stated otherwise)*

**3 Current financial assets - Cash and cash equivalents**

| Particulars         | As at 31 March<br>2024 |
|---------------------|------------------------|
| Balances with banks | 1.00                   |
| <b>Total</b>        | <b>1.00</b>            |

**4 Other Current Assets**

| Particulars  | As at 31 March<br>2024 |
|--------------|------------------------|
| Input GST    | 0.18                   |
| <b>Total</b> | <b>0.18</b>            |

**5 Share capital**

| Particulars   | As at 31 March<br>2024 |
|---|------------------------|
| <b>A. Authorised Equity Share Capital</b>                           |                        |
| 1 lakh equity shares of ₹1/- each                                   | <u>1.00</u>            |
| <b>B. Issued, subscribed and fully paid-up Equity Share Capital</b> |                        |
| 1 lakh equity shares of ₹1/- each, issued during the year           | 1.00                   |
| <b>Total issued, subscribed and fully paid up share capital</b>     | <b>1.00</b>            |

**C. Shares held by the Holding Company and its subsidiaries\***

| Particulars                        | As at 31 March 2024      |              |
|------------------------------------|--------------------------|--------------|
|                                    | Number of<br>Shares held | % of holding |
| Vedanta Limited and their nominees | 1,00,000                 | 100%         |
| <b>Total</b>                       | <b>1,00,000</b>          | <b>100%</b>  |

\* The % of holding has been calculated on the issued and subscribed share capital as at the balance sheet date.



**Vedanta Iron and Steel Limited**  
**Notes forming part of the financial statements as at 31 March 2024**

*(All amounts in ₹ Lakhs unless stated otherwise)*

**D. Details of shareholders holding more than 5% shares in the Company \***

| Particulars                        | As at 31 March 2024   |              |
|------------------------------------|-----------------------|--------------|
|                                    | Number of Shares held | % of holding |
| Vedanta Limited and their nominees | 1,00,000              | 100%         |
| <b>Total</b>                       | <b>1,00,000</b>       | <b>100%</b>  |

\* The % of holding has been calculated on the issued and subscribed share capital as at the balance sheet date.

**E. Disclosure of Shareholding of Promoters and Promoter Group**

| Particulars       | As at 31 March 2024   |              |
|-------------------|-----------------------|--------------|
|                   | Number of Shares held | % of holding |
| Vedanta Limited   | 99,994                | 99.99%       |
| Mr.               | 1                     | 0.00%        |
| Mr.               | 1                     | 0.00%        |
| Mr. Sunil Gupta   | 1                     | 0.00%        |
| Ms. Mansi Dhiman  | 1                     | 0.00%        |
| Mr. Jagdeep Singh | 1                     | 0.00%        |
| Mr. Mayank Totla  | 1                     | 0.00%        |
| <b>Total</b>      | <b>1,00,000</b>       | <b>100%</b>  |

**F. Reconciliation of shares:**

| Particulars  | No of Shares    |
|--|-----------------|
| Shares issued during the reporting period                    | 1,00,000        |
| <b>Shares outstanding at the end of the reporting period</b> | <b>1,00,000</b> |

**G. Terms/rights attached to equity shares:**

The Company has only one class of equity shares having par value of ₹1 per share. (31 March 2024: ₹1 per share). Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees in accordance with the provisions of the Act. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**H.** There are no shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment.

**I.** There are no unpaid calls from any Directors and officers.



**Vedanta Iron and Steel Limited**  
**Notes forming part of the financial statements as at 31 March 2024**

*(All amounts in ₹ Lakhs unless stated otherwise)*

**6 Financial liabilities - Trade payables**

| Particulars                     | As at 31 March<br>2024 |
|---------------------------------|------------------------|
| <b>Undisputed dues – MSME</b>   |                        |
| Unbilled dues                   | -                      |
| Not due                         | -                      |
| Less than 1 year                | -                      |
| More than 1 year                | -                      |
| Sub-total                       | -                      |
| <b>Undisputed dues - Others</b> |                        |
| Unbilled dues                   | 0.81                   |
| Not due                         | -                      |
| Less than 1 year                | -                      |
| More than 1 year                | -                      |
| Sub-total                       | 0.81                   |
| <b>Disputed dues - MSME</b>     |                        |
| Unbilled dues                   | -                      |
| Not due                         | -                      |
| Less than 1 year                | -                      |
| More than 1 year                | -                      |
| Sub-total                       | -                      |
| <b>Disputed dues - Others</b>   |                        |
| Unbilled dues                   | -                      |
| Not due                         | -                      |
| Less than 1 year                | -                      |
| More than 1 year                | -                      |
| Sub-total                       | -                      |
| <b>Total</b>                    | <b>0.81</b>            |

**7 Other Financial Liabilities**

| Particulars                         | As at 31 March<br>2024 |
|-------------------------------------|------------------------|
| -Brand Fees Payable (Refer Note 14) | 0.85                   |
| <b>Total</b>                        | <b>0.85</b>            |

**8 Other Current Liabilities**

| Particulars  | As at 31 March<br>2024 |
|--------------|------------------------|
| -TDS Payable | 0.24                   |
| -GST Payable | 0.18                   |
| <b>Total</b> | <b>0.42</b>            |



**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

*(All amounts in ₹ Lakhs unless stated otherwise)*

**9 Other Expenses**

| <b>Particulars</b>                                       | <b>For the period 10<br/>October 2023 to<br/>31 March 2024</b> |
|--|--|
| Bank Charges   | 0.00   |
| Brand License and Strategic Service Fees (Refer Note 14) | 1.00   |
| Remuneration to auditors<br>- For Statutory Audit        | 0.90   |
| <b>Total</b>   | <b>1.90</b>  |

**10 Earnings per equity share (EPS)**

| <b>Particulars</b>  | <b>For the period 10<br/>October 2023 to<br/>31 March 2024</b> |
|---|--|
| Profit / (Loss) after tax for the period attributable to equity share holders for Basic and Diluted EPS | <b>(1.90)</b>  |
| Weighted Average No. of equity shares outstanding during the period for Basic and Dilutive EPS          | <b>1,00,000</b>  |
| Basic and Diluted Earnings per share (in ₹)*  | <b>(1.90)</b>  |
| Nominal value per share (in ₹)  | <b>1.00</b>  |

*\*for the period 10 October 2023 to 31 March 2024, not annualised.*

*Since the Company does not have any potential dilutive equity shares, both Basic Earning per share and Diluted Earning per share will be same.*



**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

**11 Key Financial Ratios**

|    | Ratio Analysis                   | Numerator ( ₹ in Lakhs) | Denominator ( ₹ in Lakhs) | 31 March 2024 |
|----|----------------------------------|-------------------------|---------------------------|---------------|
| 1  | Current Ratio                    | 1.18                    | 2.08                      | 0.57          |
| 2  | Debt Equity Ratio                | -                       | (0.90)                    | NA*           |
| 3  | Debt Service Coverage Ratio      | (1.90)                  | -                         | NA*           |
| 4  | Return on Equity Ratio**         | (1.90)                  | (0.90)                    | (2.11)        |
| 5  | Inventory Turnover Ratio         | (1.90)                  | -                         | NA*           |
| 6  | Trade Receivables Turnover Ratio | -                       | -                         | NA*           |
| 7  | Trade Payables Turnover Ratio*** | -                       | -                         | NA*           |
| 8  | Net Capital Turnover Ratio       | -                       | (0.90)                    | NA*           |
| 9  | Net Profit Ratio                 | (1.90)                  | -                         | NA*           |
| 10 | Return on Capital employed****   | (1.90)                  | (0.90)                    | (2.11)        |
| 11 | Return on Investment             | -                       | -                         | NA*           |

**Note:** Variances % is not applicable since these are the first financial statements after incorporation of the Company.

\*Not Applicable due to Company has no Revenue, Debt, Inventory, Trade receivables, Investment during the period ended 31 March 2024

\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing Trade Payables and not on Average Trade Payables

\*\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing equity and not on Average equity.

\*\*\*\*As current FY is the first year of incorporation so the ratio is calculated on the basis of closing capital employed and not on Average capital employed.

**Formulae for computation of ratios is as follows:**

| Ratio   | Formula  |
|---|--|
| 1 Current Ratio (in times)                    | Current Assets/ Current Liabilities (excluding current maturities of long-term borrowing)  |
| 2 Debt-Equity Ratio (in times)                | Gross Debt/ Total Equity   |
| 3 Debt Service Coverage Ratio (in times)      | Income available for debt service/ (interest expense and principal payments of long term loans), where income available for debt service = Profit before exceptional items and tax + Depreciation, depletion and amortization expense + Interest expense |
| 4 Return on Equity Ratio (%)                  | Net Profit after tax before exceptional items (net of tax)/ Average Equity   |
| 5 Inventory turnover Ratio (in times)         | Revenue from operations less EBITDA/ Average Inventory   |
| 6 Trade Receivables turnover Ratio (in times) | Revenue from operations/ Average Trade Receivables   |
| 7 Trade payables turnover Ratio (in times)    | Total Purchases/ Average Trade Payables  |
| 8 Net capital turnover Ratio (in times)       | Revenue from operations/ Working capital (WC), where WC = Current Assets - Current Liabilities (excluding current maturities of long-term borrowing)   |
| 9 Net profit Ratio (%)                        | Net Profit after tax before exceptional items (net of tax)/ Revenue from operations  |
| 10 Return on Capital employed (in times)      | Earnings before interest and tax/ Average Capital Employed, where capital employed = Net Debt + Total Equity   |
| 11 Return on investment (%)                   | Income from investments carried at FVTPL/ Average current investments  |



## Vedanta Iron and Steel Limited

### Notes forming part of the financial statements as at 31 March 2024

#### 12 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowings. The Company believes that it will be able to meet all its current liabilities on timely manner. Since the Company is yet to initiate any project and no external borrowings have been obtained, capital gearing ratio is not presented for the period ended 31st March 2024.

#### 13 Contingent Liabilities & Commitments:

Based on the information available with the Company, there are no Contingent liabilities and commitments as at the period ended 31st March 2024.

#### 14 Related Party Disclosures:

List of related parties and relationships:

**- Entities controlling the Company**

Vedanta Incorporated (Ultimate Holding Company)  
Vedanta Resources Limited (Intermediate Holding Company)  
Vedanta Limited (Holding Company)

**- Fellow Subsidiaries:**

Vedanta Resources Investments Limited

| Related party transactions/balances  | For the period ended 31st March 2024 |
|--|--------------------------------------|
| <b><u>Transactions for the period</u></b>  |                                      |
| <b>Vedanta Resources Investments Limited :</b><br>Brand License and Strategic Service Fees * | 1.00                                 |
| <b>Vedanta Limited :</b><br>Investments received during the period as Share Capital          | 1.00                                 |
| <b><u>Balances at the year end</u></b>   |                                      |
| Vedanta Resources Investments Limited  | <b>0.85</b>                          |

\* The Company has a Brand license and strategic service fee agreement ("the Agreement") with Vedanta Resources Limited, Vedanta Resources Investments Limited ("VRIL") for the use of brand 'Vedanta' and providing strategic services which envisaged payment to VRIL at the rate of 3% of turnover of the Company or ₹ 1 Lakh whichever is higher.  
The Company has recorded an expense of ₹ 1 Lakh for the period ended 31 March 2024.



**15 Subsequent events:**

There are no other material adjusting or non-adjusting subsequent events, except as already disclosed.

**16 Financial instruments**

Fair values

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

**Categories of financial instruments:**

| Particulars  | As at 31st March 2024 |
|--|-----------------------|
| <b>Financial assets</b>                                    |                       |
| Loan and receivables (including cash and cash equivalents) | 1.00                  |
| <b>Financial liabilities</b>                               |                       |
| Loans and payables   | 1.66                  |

**(b) 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.

**(c) 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. All financial instruments are non interest bearing.

**(d) Currency Risk Management**

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

**Currency profile**

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

| Particulars | Financial Assets<br>As at 31 March 2024 | Financial Liabilities<br>As at 31 March 2024 |
|-------------|---|--|
| INR         | 1.00                                    | 1.66   |

As at 31 March 2024 the Company does not have any material exposure to foreign currencies and consequently the sensitivity relative to foreign currencies has not been disclosed.





### (e) Liquidity risk

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

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

| Particulars    | As at 31st March 2024 |       |
|----------------|-----------------------|-------|
|                | Up to 1 Year          | Total |
| Other payables | 1.66                  | 1.66  |
| Borrowings     | -                     | -     |
| Total          | 1.66                  | 1.66  |

### (f) Capital risk management

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

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

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

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

## 17 Scheme of Arrangement

The Board of Directors of Holding company, i.e., Vedanta Limited in its meeting held on 29 September 2023, has approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the Holding Company. The Board of Directors of the Company in the meeting held on 13 October 2023, has also approved the Scheme. The Scheme entails demerger of the Holding Company's Iron Ore (represented by Iron Ore segment and Steel business), into the Company with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India Limited ("the Stock Exchanges").

The Holding Company has filed the Scheme with the Stock Exchanges. Upon receipt of necessary approvals from the Stock Exchanges, the Scheme will be filed with the NCLT. Pending regulatory and other approvals, no adjustments have been recorded in the financial statements of the Company for the period ended 31 March 2024.



**Vedanta Iron and Steel Limited**

**Notes forming part of the financial statements for the period 10 October 2023 to 31 March 2024**

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**Additional Regulatory Information**

- 1 The Company does not own any immovable property during the period.
- 2 The Company does not have any Capital Work in progress or Intangible assets under development during the period.
- 3 The Company does not have Property, Plant or Equipment and hence no revaluation has been done accordingly during the period.
- 4 The Company has not granted any loans or advances to promoters, directors, key managerial personnel (KMPs) and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are :
  - (a) Repayable on demand or
  - (b) Without specifying any terms or period of repayment
- 5 The Company has not availed any borrowings from banks or financial institutions based on the security of current assets of other companies / entities within the same Group as the reporting entity.
- 6 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 7 The Company has no any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 8 The Company has not traded or invested in any crypto or virtual currency.
- 9 The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities.  
The Company has not received any fund from any person(s) or entity(ies), including foreign entities.
- 10 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- 11 The Company does not have any borrowings during the period and hence registration of charges or satisfaction not required.
- 12 The Company does not have any transactions with struck off companies under section 248 of the Companies Act, 2013 during the period.

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

As per our attached report of even date

**Haribhakti & Co. LLP**

**Chartered Accountants**

ICAI Firm Registration Number: 103523W/W100048



**Deepak Kabra**

Partner

ICAI Membership Number: 133472

Place: Mumbai

Date: 17 April 2024



**For and on behalf of the board of directors of Vedanta Iron and Steel Limited**



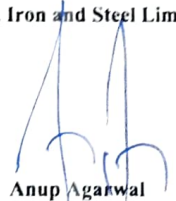
**Sunil Gupta**

Director

DIN: 08558177

Place: Delhi

Date: 17th April 2024



**Anup Agarwal**

Director

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