

# DIRECTORS' REPORT



Dear Members,

Your Directors take pleasure in presenting the Integrated Report (prepared as per the framework set forth by the International Integrated Reporting Council) and the Annual Standalone as well as Consolidated Financial Statements for the financial year ended 31 March 2024 of Vedanta Limited.



## 1. KEY BUSINESS, FINANCIAL AND OPERATIONAL HIGHLIGHTS

### COMPANY OVERVIEW

Vedanta Limited ("VEDL" or "Company"), a subsidiary of Vedanta Resources Limited, is leading global natural resources conglomerate operating across India, South Africa, Namibia, Liberia, UAE, Korea, Taiwan and Japan. It is headquartered in Mumbai, India.

Over the years, your Company has positioned itself as a leading natural resources and technology conglomerate, focusing on large scale expansion of its portfolio in India with operational excellence benchmarked to global standards. For two decades, we have facilitated the growth of the Indian economy by contributing to the national exchequer and creating thousands of jobs.

Vedanta is a uniquely diversified Company across the natural spectrum and produces commodities vital for global decarbonisation and materials intensive energy transition. The Company has significant operations in Oil & Gas, Zinc, Lead, Silver, Copper, Iron Ore, Steel, Nickel, Aluminium, Power & Glass Substrate and foraying into electronics and display glass manufacturing. It strives to create long-term value for all our stakeholders through exploration, discovery, sustainable development and utilisation of diversified natural resources. The Company's steadfast focus remains on delivery and operational excellence while increasing technology adoption and digitalisation to enhance profitability and deliver metals of the future.

Vedanta's strategic priorities, while moving towards responsible growth, are good governance, and social licence to operate. The Company demonstrates world-class standards of governance, safety, sustainability, and social responsibility. It's our fundamental values of "Trust, Entrepreneurship, Innovation, Excellence, Integrity, Care and Respect" that guide and help us accomplish our purpose. These serve as the foundation for everything we do and accomplish.

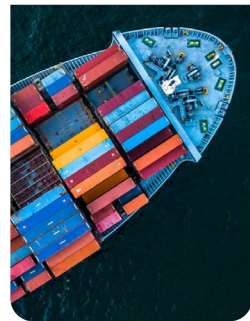
Furthermore, India is Vedanta's largest market, which is one of the most stable and fastest growing economies in the world. India's continued strength augurs well for its business performance.

### Transforming for the Future

Your Company continue to foster structurally low-cost and diverse assets with excellent potential, which fuel our growth ambitions. Our investments in smarter processes, industry-leading efficiencies, empowerment of our people, and strong corporate governance help us address the nation's growing needs.

Our strategic decisions are supported by robust cashflows, disciplined capital allocation and emphasis on sustainability in everything we do. We cater to diverse consumer markets for their primary materials needs and are leaders in the segments we operate in. With a responsible business model and through activities that generate economic, human, and social value, we are ideally positioned to partner in India's journey towards greater self-reliance.

Transformational Journey Ahead:



**Uniquely diversified Company** across the resource spectrum



**Demerger will create pure play companies** - unlocking true value of all our business



Pure Play verticals to provide a **menu of choices for investors**



India holds huge resource potential out of which even 20% remains unexplored



**Vedanta as Indian Institution** – will get to different level in **next 25 years**

COMPANY PERFORMANCE

Financial Highlights

The standalone and consolidated financial statements of the Company for the financial year ended 31 March 2024, prepared as per Indian Accounting Standards ("Ind AS") and in accordance with the provisions of the Companies Act,

2013 (the "Act") and Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") forms part of this Annual Report.

<p><b>REVENUE</b></p> <p>₹1,41,793 crore</p>	<p><b>EBITDA</b></p> <p>₹36,455 crore</p>	<p><b>EBITDA Margin<sup>1</sup></b></p> <p>30%</p>	<p><b>PAT before exceptional items</b></p> <p>₹11,254 crore</p>
<p><b>ROCE<sup>2</sup></b></p> <p>c.23%</p>	<p><b>FCF (Pre-capex)</b></p> <p>₹23,046 crore</p>	<p><b>Net Debt/EBITDA</b></p> <p>1.5x</p>	<p><b>Cash &amp; Cash Equivalent</b></p> <p>₹15,421 crore</p> <p>Strong liquidity position</p>

1. Excludes custom smelting at Copper Business.  
2. ROCE (Return on Capital Employed) is calculated at EBIT net of tax outflow divided by average Capital Employed.



Operational Highlights

Leveraging cost efficiency to offset commodity prices and boost margins



ALUMINIUM

- **Highest ever Annual production** at 2,370 kt.
- **Commissioned Train-I** of 1.5 MTPA Lanjigarh refinery taking total capacity to 3.5 MTPA.
- Aluminium COP lower by 940 \$/t over last 7 quarters.



ZINC INDIA

- **Highest ever Annual production** across mined metal, refined metal and silver.
- Holds 2<sup>nd</sup> largest zinc reserves and resources globally.
- Lowest annual Zinc COP for last 3 years at 1,117 \$/t.



OTHERS

Iron and Steel:

- **Highest ever Annual production** across iron ore, steel and pig iron.
- **Operationalised the Bicholim mine** in Goa (3 MTPA capacity), marking the commencement of first mining operation in the region in nearly six years.

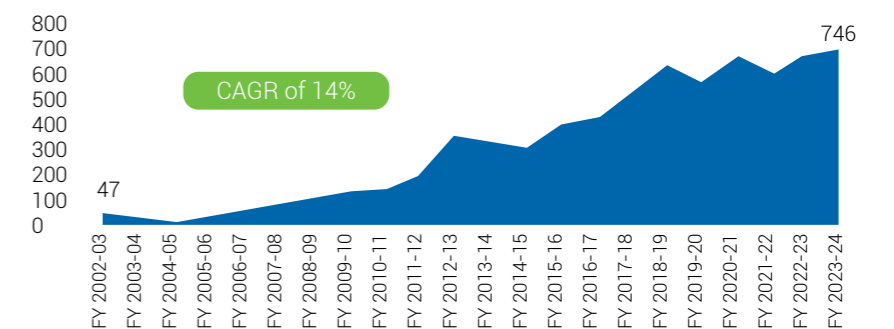
FACOR:

- **Highest ever Annual production** of Ferrochrome (HCFC) at 80 kt.

SILVER GROWTH CONTINUES

- HZL is the only silver producer in India and is now the **3<sup>rd</sup> largest silver producer globally**.
- With FY 2023-24 production of 746 MT, the production increased by c.5% Y-o-Y.

Silver Production (tonnes)



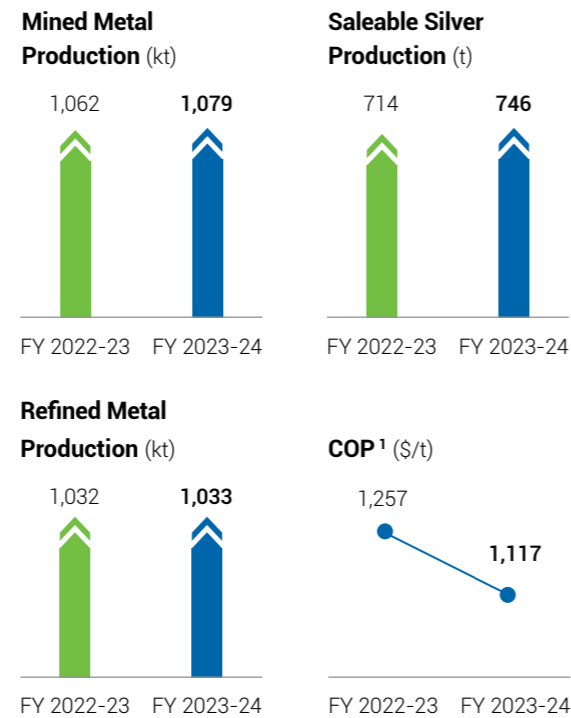
Business Highlights

ZINC INDIA

- Highest ever annual refined metal production of 1,033 kt.
- Highest volume recorded in Silver at 746 MT up by 5% Y-o-Y.
- Refined lead production at 216 kt up by 3% Y-o-Y.

Historic-high silver & metal production with strong cost resilience

- 2<sup>nd</sup> largest zinc R&R base globally with R&R of 456.3 million tonnes as on 31 March 2024, up by ~35% in last 5 years (net of 65.1 MT of ore production).
- Hindustan Zinc is now the 3<sup>rd</sup> largest silver producer globally.
- Positioned in 1<sup>st</sup> decile of global zinc mines cost curve.
- New Roaster at Debrai of 160 KTPA and Hindustan Zinc Fertilisers Private Limited (HZFPL) of 510 KTPA: Progress on track.



1. COP is excluding royalty

ZINC INTERNATIONAL

- Gamsberg production was 29% lower at 147.3 kt due to lower throughput, lower grades, and lower zinc recoveries.
- Cost for the year decreased by 6% to \$1,488 \$/t.

Focus on production enhancement and cost reduction

Key highlights

- FY 2023-24 Gamsberg COP<sup>1</sup> lower by 3% Y-o-Y.
- Reinitiated the 700 KTPA Magnetite Project- Target completion September 2024.

VZI to deliver 500+ KTPA MIC run rate within 2 years

Gamsberg (Phase-2)

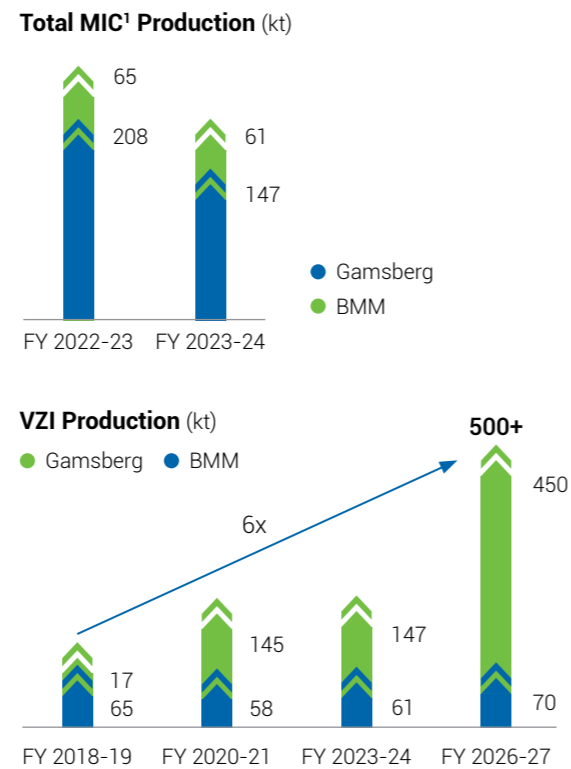
\$466 million  
Approved Capex

4 MTPA ⇒ 8 MTPA  
Open-cast mine expansion

NEW 4 MTPA  
Concentrator

Gamsberg Phase-2 Update:

- Engineering and procurement are ~100% and ~96% completed, respectively.
- Concrete, structural steel erection and equipment erection are on track.



1. MIC: Metal in concentrate; COP with TcRc Cost.



OIL & GAS

- Average daily gross operated production of 128 Kboepd, natural decline was partially offset by the infill wells brought online across all assets.

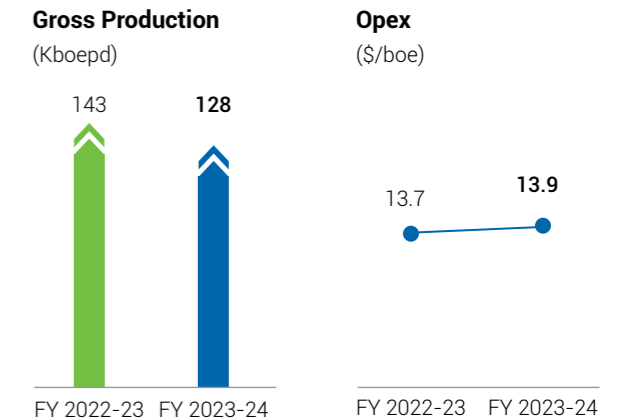
Enhancing Reserve and Resources to secure future profitability

Key highlights:

- Company's estimated total gross 2P Reserves plus 2C Resources stands increased from 1,156 Mmboe to 1,376 Mmboe.

Growth Projects:

- **Infill wells:** Drilled 10 infill wells across RDG, Mangla & NE fields.
- **Exploration:** 6 wells drilling campaign commenced in North -East region. First well spud planned in April 2024.



Kboepd: Thousand barrel of oil equivalent per day; boe: barrel of oil equivalent; RDG: Raageshwari Deep Gas; Mmboe: Million barrel of oil equivalent

ALUMINIUM

- Hot metal production at 2,370, up by 3% Y-o-Y.
- Aluminium COP at 1,796, down by 23% Y-o-Y.

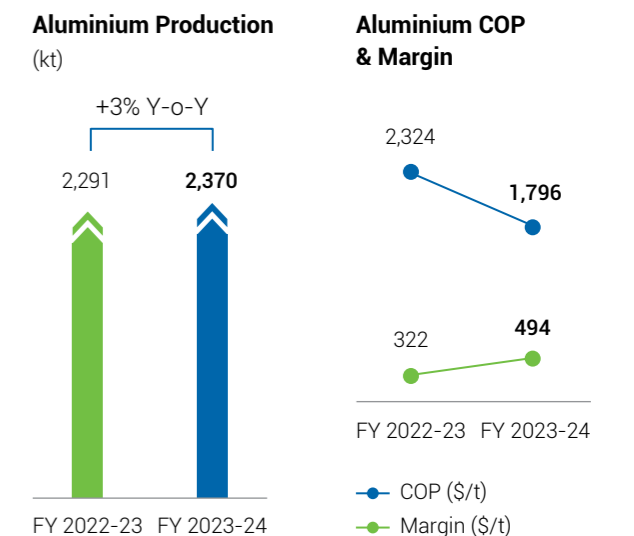
Highest ever production, with 50%+ improvement in annual margin

Key Highlights:

- Alumina production at Lanjigarh refinery at 1,813 kt, up by 1% Y-o-Y.
- Highest ever production run rate (6.5 kt per day).
- Highest Domestic sales at 978 kt, up by 26% Y-o-Y.

Others Highlights:

- Train-I of 1.5 MTPA capacity commissioned at Lanjigarh as a part of overall 3 MTPA expansion.
- Ranked 1<sup>st</sup> in S&P Global Corporate Sustainability Assessment ("CSA") in Aluminium Industry Group.



IRON ORE

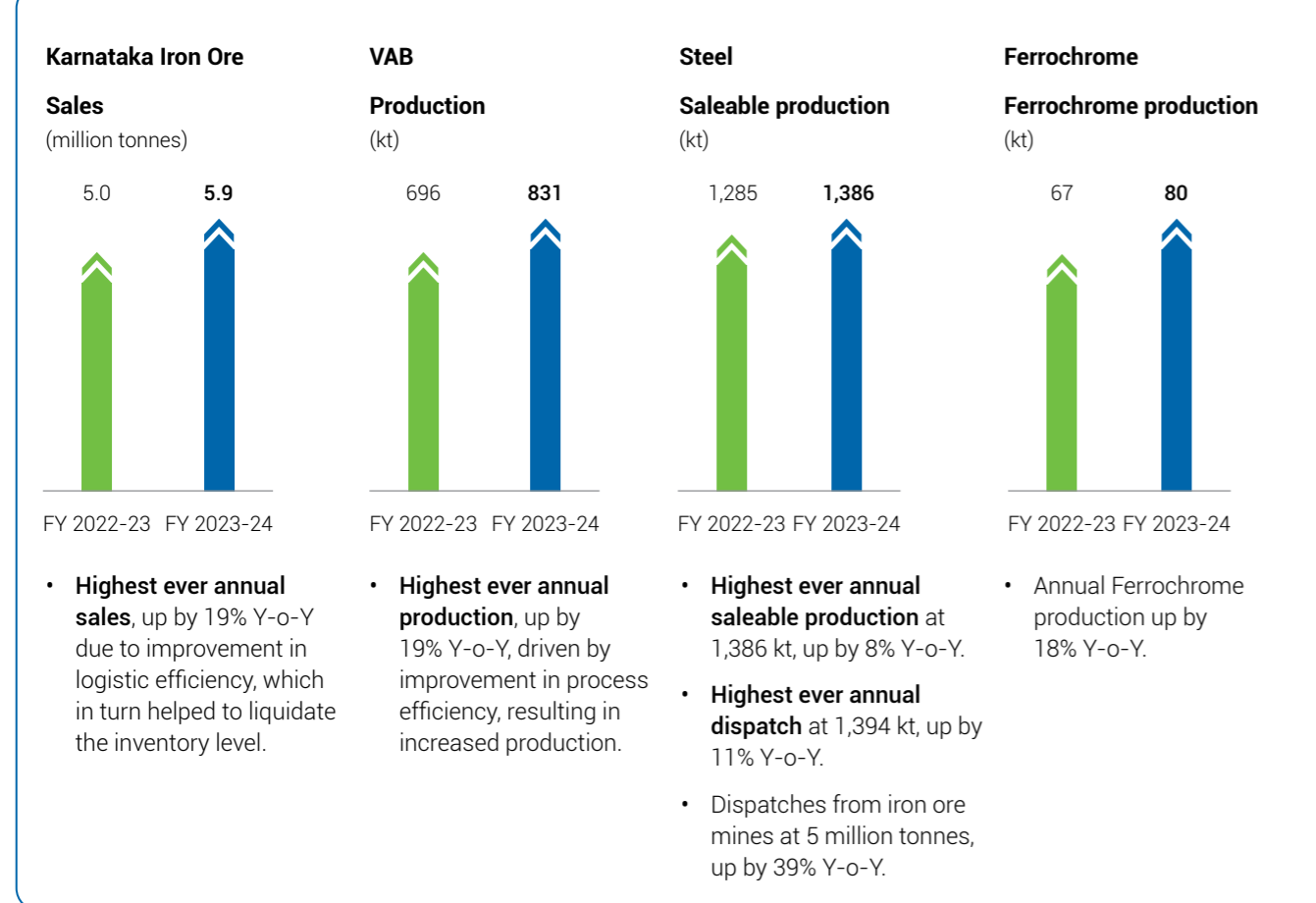
- Operationalised the Bicholim mine in Goa (3 MTPA capacity), marking the commencement of first mining operation in Goa region after six years.
- Highest ever Karnataka saleable ore production and sales was at 5.6 million tonnes and 5.9 million tonnes respectively.
- Highest ever Pig Iron production at 831kt, up by 19% Y-o-Y.

POWER

- TSPL plant availability was 82% in FY 2023-24.

<p><b>STEEL</b></p> <ul style="list-style-type: none"> <li>Highest ever annual saleable production and hot metal production at 1,386 kt and 1,473 kt, up by 8% Y-o-Y.</li> <li>Highest ever DIP production of 212 kt, up by 8% Y-o-Y.</li> <li>Highest ever annual dispatch at 1,394 kt, up by 11% Y-o-Y.</li> </ul>	<p><b>FACOR</b></p> <ul style="list-style-type: none"> <li>Achieved all time high annual Ferrochrome production of 80 kt, up by 18% Y-o-Y.</li> <li>New Briquetting plant installed with 20 TPH capacity.</li> </ul>	<p><b>COPPER INDIA</b></p> <ul style="list-style-type: none"> <li>Highest ever sales at 198 kt since closure of Tuticorin operations.</li> </ul>
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Driving performance with consistent production growth, paving ways for future capacities



VAB: Value Added Business; IOK: Iron Ore Karnataka

The details of the business, results of operations and the significant developments have been further elucidated in Management Discussion & Analysis section of the Annual Report.

ESG Highlights

In FY 2023-24, your Company continued to consolidate the transformative ESG agenda for the organisation by focussing on strengthening the governance structure, streamlining KPIs, and regularly reviewing the implementation process for the targeted projects that will help us achieve our short term, medium term, and long-term goals.

The Company continues to focus on three ESG pillars: "Transforming the Planet", "Transforming Communities" & "Transforming the Workplace"



Our commitment to excellence - our path to leadership

<p><b>Transforming Communities</b></p> <ul style="list-style-type: none"> <li><b>Aim 1</b> Keep community welfare as the guiding principle for our business decisions.</li> <li><b>Aim 2</b> Empower 2.5 million individuals with enhanced skillsets.</li> <li><b>Aim 3</b> Uplift 100 million women and children via social welfare interventions.</li> </ul>	<p><b>Transforming the Planet</b></p> <ul style="list-style-type: none"> <li><b>Aim 4</b> Net Zero Carbon by 2050 or sooner.</li> <li><b>Aim 5</b> Achieving net water positivity by 2030.</li> <li><b>Aim 6</b> Enhance our business model by incorporating innovative green practices.</li> </ul>	<p><b>Transforming the Workplace</b></p> <ul style="list-style-type: none"> <li><b>Aim 7</b> Prioritise the safety and health of our workforce.</li> <li><b>Aim 8</b> Promote gender parity, diversity and inclusivity.</li> <li><b>Aim 9</b> Align with global standards of corporate governance.</li> </ul>
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For further details, refer the Sustainability Review section of the Annual Report.

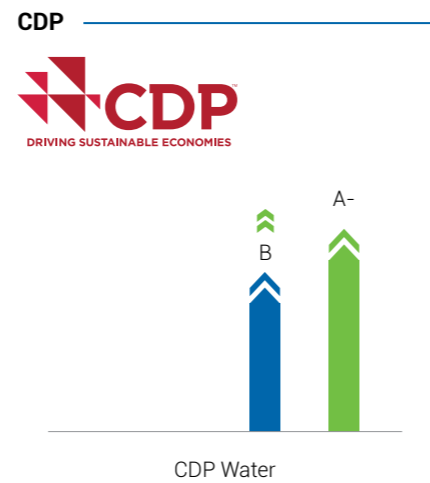
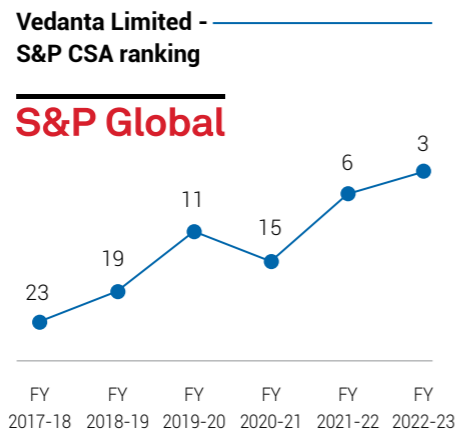
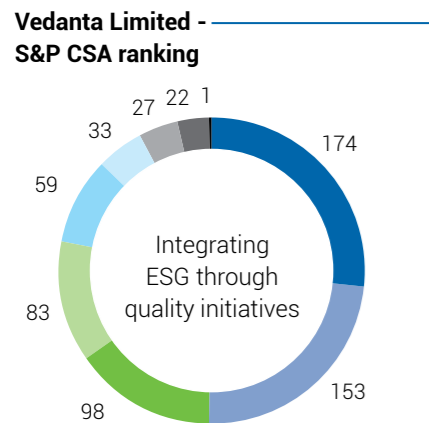
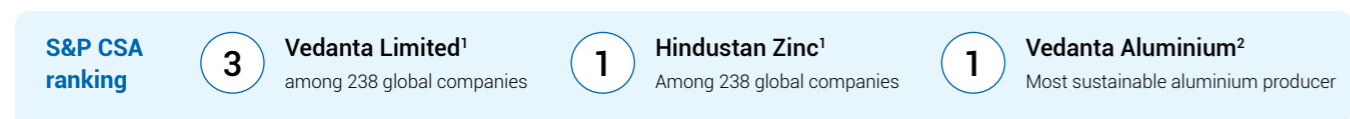
**Key Highlights FY 2023-24**

<p><b>17.4 million</b> Women &amp; children uplifted</p>	<p><b>0.7x</b> Water Positivity</p>	<p><b>20%</b> Women in workforce, 33% in enabling functions</p>	<p><b>2 million</b> Trees planted</p>
<p><b>6,000+</b> Nandghar Established - Child and women care center</p>	<p><b>838 MW RE RTC</b> Under Construction</p>	<p><b>36 transgenders</b> in workforce</p>	
<p><b>1.6 billion units RE</b> 3<sup>rd</sup> consecutive year of 1 billion+ units RE usage</p>	<p><b>92%</b> High-Volume-Low-Toxicity ("HVL") utilisation</p>	<p>Aims to spend US\$ 5 billion in the next decade towards decarbonisation initiatives</p> <p>Strong team of 1,600+ driving ESG transformation</p>	

RE: Renewable Energy; RTC: Round The Clock

Solidifying our ESG Commitment

High Impact initiatives drive sustainability leadership



**Total 650 high impact ESG initiatives**

- Health and Safety
- Net Zero Carbon
- Innovation and Circular Economy
- Water
- Nutrition, Healthcare and Welfare
- Diversity, Equity and Inclusion
- Skilling
- Community
- Governance

**Vedanta Limited Overall S&P CSA score – 80 (out of 100 points)**

**Governance -72**

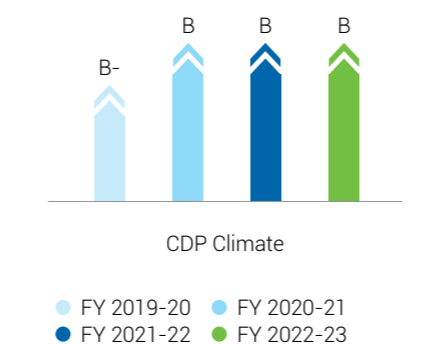
(+29 vs 2018)

**Social -82**

(+40 vs 2018)

**Environment -86**

(+46 vs 2018)



1. In diversified peer group 2. In Aluminium peer group

KEY EVENTS DURING THE YEAR

Demerger of diversified businesses unlocking significant value

On 29 September 2023, the Company had announced its plan to demerge its business units into independent “pure play” companies to unlock value and attract big ticket investment into the expansion and growth of each of the businesses.

The Company has a unique portfolio of assets among Indian and global companies with metals and minerals – zinc, silver, lead, aluminium, chromium, copper, nickel, oil & gas, a traditional ferrous vertical including iron ore and steel, and power, including coal and renewable energy, and is now foraying into electronics and display glass. **The demerger will result in six separate listed companies viz. Vedanta Aluminium, Vedanta Oil & Gas, Vedanta Power,**

**Vedanta Steel and Ferrous materials, Vedanta Base metals and Vedanta Limited.** Each independent entity will have greater freedom to grow to its potential and true value via independent management, capital allocation and niche strategies for growth. It will also give global and Indian investors potential to invest in their preferred vertical, broadening the investor base for Vedanta assets.

The demerger is planned to be a simple vertical split, for every 1 share of Vedanta Limited, the shareholders will additionally receive 1 share of each of the 5 newly listed companies.

**The new companies will remain committed to achieving net-zero carbon emissions by 2050 and net water positivity by 2030 with the aim to spend US\$ 5 billion over the next 10 years to accelerate this transition.**



In furtherance to the approval by the Board of Directors dated 29 September 2023, the Company had filed the application with the Stock Exchange(s) and the necessary Observation letters are awaited post which the scheme will be filed with the NCLT.

The scheme of demerger along with the supporting documents can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

**Scheme of Arrangement between Vedanta Limited and its Shareholders under Section 230 and other applicable provisions of the Companies Act, 2013**

The Board of Directors of the Company, basis the recommendation of the Audit & Risk Management Committee and Committee of Independent Directors of the Company, at its meeting held on 29 October 2021, approved the Scheme of Arrangement between the Company and its shareholders under Section 230 and other applicable provisions of the Act (“Scheme”). The Scheme provides for capital reorganisation of the Company, inter alia, providing for transfer of amounts standing to the credit of the General Reserves (as defined in the Scheme) to the Retained Earnings (as defined in the Scheme) of the Company with effect from the Appointed Date.

The National Company Law Tribunal (“NCLT”), Mumbai Bench vide its order dated 26 August 2022 (“NCLT Order”), inter alia, directed the Company to convene meeting of its equity shareholders to seek their approval to the Scheme; and file consent affidavits of all the secured creditors and unsecured creditors of at least value of 90% of unsecured creditors, at the time of filing the Company Scheme Petition.

In this regard, a meeting of the equity shareholders of the Company was held on 11 October 2022, and the proposed Scheme was approved by the equity shareholders with requisite majority. The Company is in the process of complying with the further requirements specified in the NCLT Order.

Pursuant to the Scheme, the Company will possess greater flexibility to undertake capital related decisions and reflect a much efficient balance sheet of the Company. The Scheme is in the interest of all stakeholders including public shareholders.

The complete details can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

**Acquisition of Vedanta Semiconductors Private Limited and Vedanta Displays Limited**

In view of the commitment to produce critically important semiconductors and electronic display modules for the growing Indian market, the Company at its meeting of the Board of Directors held on 07 July 2023, approved the acquisition of 100% of Vedanta Semiconductors Private Limited (“VSPL”) and Vedanta Displays Limited (“VDL”) from

Twin Star Technologies Limited (“TSTL”) via share transfer at face value. TSTL is a wholly-owned subsidiary of Vedanta Incorporated (erstwhile Volcan Investments Limited), the ultimate holding company of the Company.

Pursuant to the above-mentioned approval, a share purchase agreement was executed between TSTL and the Company, and thereafter VSPL and VDL became the wholly-owned subsidiaries of the Company with effect from 28 July 2023.

Further, the Government of India came out with two modified schemes for setting up of semiconductor fabs and display fabs in India on 04 October 2022, and the Company through its Special Purpose Vehicles filed applications for grant of subsidies under the same. These applications are currently under consideration for approval by the Government of India.

The necessary details can be accessed on [www.vedantalimited.com](http://www.vedantalimited.com).

**Scheme of Amalgamation of Sterlite Ports Limited, Paradip Multi Cargo Berth Private Limited, Maritime Ventures Private Limited, Goa Sea Port Private Limited with Sesa Mining Corporation Limited and their respective shareholders and creditors**

The Board of Directors of the Company approved the sale of its equity holding in its non-material wholly-owned subsidiaries namely, Sterlite Ports Limited (“SPL”) and Paradip Multi Cargo Berth Private Limited (“PMCB”), to Sesa Resources Limited (“SRL”), which was also a wholly-owned subsidiary of the Company, as a part of its consolidation activity of certain entities and thereafter the amalgamation of SPL, PMCB, Maritime Ventures Private Limited (“MVPL”) and Goa Sea Port Private Limited (“GSPPL”), wholly-owned subsidiaries of SPL, with Sesa Mining Corporation Limited (“SMCL”), wholly-owned subsidiary of SRL.

The scheme of amalgamation of the above-mentioned entities was approved by NCLT, Mumbai Bench on 06 June 2022 with an appointed date of 01 October 2020, and NCLT, Chennai Bench on 22 March 2023 (“NCLT Chennai Order”) with appointed date of 01 October 2022, as against the date of 01 October 2020, contained in the Scheme and already approved by NCLT, Mumbai Bench. Thereafter, an appeal was filed to rectify the NCLT Chennai Order before the National Company Law Appellate Tribunal (“NCLAT”), Chennai which was allowed by the bench vide its order dated 21 December 2023.

The scheme is now effective and the details of the same can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

**Divestment of Mt. Lyell Copper Mine in Australia**

In November 2021, Monte Cello B.V. (“MCBV”), a wholly-owned subsidiary of the Company, entered into a Term sheet agreement to divest Copper Mines of Tasmania

("CMT") by way of an Option Agreement with New Century Resources. MCBV is 100% owner of the Mt. Lyell Copper Mine in Australia, a copper asset which has been on care and maintenance for the last 7 years and not strategic for the Company with its size and country presence.

Mt. Lyell has been in operation since the 1890's and was acquired by MCBV in 1999. Under the ownership of the Company, Mt. Lyell was successfully operated for over 15 years. The mine was placed into care and maintenance in 2015 following two safety incidents and a depression in the copper market.

Following an internal strategic review, decision was made in 2021 to divest CMT, running a global sale process to bring in a capable operator and potential owner to evaluate and eventually restart operations at Mt. Lyell, creating value for the community, Tasmanian economy, shareholders and the Company.

In furtherance to the above, the option to acquire CMT was exercised by New Century on 01 November 2023. New Century Resources is a 100% subsidiary of the Sibanye-Stillwater Group. It owns and operates the Century Zinc Mine in Queensland, Australia and is among the Top 15 global zinc producers.

The terms of the sale transaction include US\$ 10 million payment by New Century to MCBV on signing of the sale transaction agreements, replacement of closure bond of ~US\$ 4.5 million followed by US\$ 10 million payment on CMT achieving its first commercial production and upto US\$ 300 million royalty consideration based on future revenues of CMT.

The detailed announcement can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

## ACQUISITIONS

### Meenakshi Energy Limited

During the year ended 31 March 2024, NCLT vide its order dated 10 August 2023 has granted its approval for the Resolution Plan as submitted by the Company for acquisition of Meenakshi Energy Limited ("Meenakshi") under Corporate Insolvency Resolution Process in accordance with the provisions of Insolvency and Bankruptcy Code ("IBC"), 2016. Subsequently, the Company has implemented the Resolution Plan and has acquired control over Meenakshi with effect from 27 December 2023. Meenakshi is a 1,000 MW coal-based power plant located at Nellore, Andhra Pradesh. The acquisition shall enhance the Group's power portfolio.

### Athena Chhattisgarh Power Limited

The Company had emerged as a successful bidder for acquisition of Athena Chhattisgarh Power Limited ("ACPL") under the liquidation proceedings of IBC for a consideration of ₹ 564.67 crore. Further, the application of the

amalgamation of ACPL with the Company along with various reliefs and concessions was approved by NCLT vide its order dated 17 July 2023 in accordance with the provisions of IBC, 2016.

### Mines/Mineral Blocks

The Company was declared as the preferred bidder for various mining leases and composite licenses namely Block VII- Cudnem Iron ore mineral block in Goa, Sasoli Iron ore and manganese mineral block in Maharashtra and Kelwardabri Ni, Cr and Associated PGE Block in Chhattisgarh for which Letters of Intent were also issued in FY 2023-24. Additionally, for Ghogharpalli Coal block in Odisha, for which the Company was declared as the preferred bidder in FY 2022-23, the Coal Block Development & Production Agreement ("CBDPA") was executed in FY 2023-24.

## PROJECTS AND EXPANSION PLAN

Projects are key driving factor of our Group as our aspirations for growth are very different from any of the peers globally.

**Hindustan Zinc Limited:** To further enhance metal volume, 160 KTPA Roaster project at Debari is under progress and has achieved 48.5% as at March 2024 with final commissioning being targeted by Q4 FY 2024-25. The project of Hindustan Zinc Alloys has been commissioned in October 2023 and complete ramp up is under progress. Further, the 1.6 LTPA Fumer plant has also been commissioned in August 2023 and full ramp up is targeted by early Q1 FY 2024-25. The setting up of Fertiliser Plant in Chanderiya is under progress and Site activities for the Project commenced in February 2024 and is targeted to be completed by Q2 FY 2025-26. Further, orders have been placed for Debottlenecking of Cellhouses at CLZS and DSC for inverse in metal production by 21 kt.

**Aluminium:** We are currently India's largest primary Aluminium producers and aim to be among the top 5 producers globally with expansion to 3 MTPA capacity along with 100% backwards vertical integration. Environmental Clearance (EC) has been recommended by the Ministry of Environment, Forest and Climate Change for the Sijimalli bauxite block with an estimated reserve of 310 million tonnes of bauxite. We expect to commence the mining activities by the end of the calendar year. Lanjigarh refinery expansion from 2 MTPA to 5 MTPA remains our key focus area with full ramp up to be completed in FY 2024-25, having produced our first alumina from Train-1 at the end of FY 2023-24. Once the full 5 MTPA capacity is achieved, we are also planning to debottleneck the facility from 6 MTPA. With this refining capacity in place, we will have effectively delinked the cost of our smelting operations from the key driver of market volatility, being alumina price.

Expansion activities are in full swing at Bharat Aluminium Company Limited ("BALCO") and the 0.4 MTPA project is estimated to start initial production during H2 FY 2024-25.

We are also committed to our objective of producing 100% Value Added Products ("VAP") and the current project pipeline enables a significant leap forward with expanded Billet facilities at BALCO and Jharsuguda and additional Rolled Product capacity and capability at BALCO. This would enable us to cater to the rapidly growing domestic demand from sunrise sectors such as EVs, Renewable Power, Defence & Aerospace.

For Coal, the Jamkhani coal mine which commenced production in March 2023 is now producing at its approved capacity. We also expect to commence production at Kuraloi A North and Radhikapur West mines in FY 2024-25. We are awaiting the final vesting order for Ghogharpalli coal block, having completed all the necessary formalities. Collectively, these mines would comfortably enable us to achieve 100% coal security.

**VZI: VZI Gamsberg Concentrator Plant:** In line with our vision of increasing MIC from 300 KTPA to 500 KTPA, Zn Concentrator Plant with capacity of 200 KTPA is on track. The continuous focus is on increasing Gamsberg phase-2 will further enhance the mining capability and processing capacity to double the current volumes. The Phase 2 expansion will double the Gamsberg's annual ore capacity to 8 million tons and produce an additional 200 KTPA of MIC.

EP partner has been appointed in Q1 FY 2022-23 and the construction partner has been appointed Q1 FY 2023-24 for executing the civil construction for the Project. All activities related to tendering, techno-commercial adjudication, contract finalisation have been completed. All Major Long lead FIMs {Ball & Sag Mill (CITIC), Crusher, Floatation, Filter Presses and Thickeners Package (MO)} Orders placed. Major FIM supplies such as Thickeners, Mills, Transformers have been delivered to Project Site.

The project is expected to be commissioned by H2 FY 2024-25. The expansion project will promise to create 2000 – 2500 jobs during Construction and a further 800 to 1000 permanent jobs during peak operations.

**VZI Iron Ore –** In line with our vision on Value from Waste creation, the iron ore project was realised for BMM. The 700 KTPA Iron Ore Plant is currently under construction on an EPC basis & expected to be completed in H2 FY 2024-25. This project will create a new product line (magnetite) over & above the base metals produced by BMM.

The project will create employment for ~400 people during peak construction and ~250 jobs during operations. This is also major ESG initiative for VZI as BMM plant tailings consists of an iron feed grade of ~39% which will now be processed and converted into world class target grade of more than 68% Fe instead of being discarded to the Tailings dam. It will thus reduce our overall future environmental footprint.



BMM is further investigating the expansion of project to 2 MTPA via feed from the existing tailing dam and/or the Swartberg ore body. This is currently in the concept phase & parallel work is currently underway for environmental approvals.

**VZI Renewable Energy Project –** The project is added to improve the operating cost of the Project in Gamsberg.

**Gamsberg 30 MW (Phase I & Phase II – 15 MW each) Behind the Meter Solar PV:** Environmental clearance obtained for 30 MW. Other Statutory clearances are in progress, expected to complete by June 2024. The project will be implemented in two phases. Phase – I: PPA Closed with M/s Enernet; Financial closure planned in June 2024. The planned COD Phase – I is targeted by June 2025. Phase – II project tendering in progress.

**Gamsberg 50 MW Solar PV:** Discussions are being held with SEZ authorities to build 50 MW behind the meter Solar PV project near Gamsberg Ph – II. Additional sub-station is also being proposed to Eskom to consolidate the energy draw for Gamsberg and BMM. Project tendering to proceed further, post obtaining go-ahead on land usage from SEZ authorities.

In **Cairn**, we remain committed to our journey of producing 50% of India's Oil & Gas production. In-line with our vision, we brought online >50 wells in FY 2023-24 across various assets helping to achieve 129 kboepd in FY 2023-24. Our R&R stands increased by 19% year on year to 1.4 billion barrels of oil equivalent at March end. We continue to undertake infill drilling campaigns across fields to mitigate natural field decline. We shall continue to invest in exploration and appraisal to add resources for further growth. We also expanded our geographical footprint and commenced production from Assam (Hazarigaon) and Onshore Gujarat (Jaya field), thereby helping us diversify our asset base.

**ESL:** As we embark towards the growth journey of 3.2 MTPA expansion, which includes execution of additional Blast Furnace of 1,264 m<sup>3</sup> supported by 0.5 MTPA Coke Ovens, 800 TPD Oxygen Plant and other auxiliaries. Railway infrastructure upgradation from public siding to Plant head under current expansion shall make ESL logistic friendly. This project also comes with a new 0.18 MTPA Ductile Iron Pipe Plant which will help us to maximise VAP. The project along with the successful debottlenecking of BF#3, Sinter Plants & new LRF will take us to the capacity of 3.2 MTPA with the lowest quartile cost & premium product portfolio. Expected railway siding completion till exchange yard by Q1 FY 2024-25. Additional Hot Metal from BF#1 shall be converted to finished products by installation of 3<sup>rd</sup> Converter, 3<sup>rd</sup> Billet Cater and new TMT rebar mill. Anticipated completion timeline for new steel making and rolling facilities is Q3 FY 2026-27.

**FACOR:** As part of the FACOR expansion plan, we have defined three pivotal projects: the establishment of a new

300 KTPA Ferrochrome Smelter (2x75MVA Furnace) Plant, the development of an underground mine at Ostapal with a mining capacity of 1.5 MTPA, and the setup of a new 600 KTPA Concentrator Plant at Tomka. The commencement date for the FACOR Growth Project was established as 01 November 2024. Under this growth initiative, we have achieved significant progress in the following projects:

We have made substantial advancements in our 300 KTPA Ferrochrome Project. Currently, 50% of the engineering work is completed, and our technology supplier, Metso Outotec, has placed orders for key long-lead delivery equipment. Out of a total of 63 packages, 34 have already been ordered. All site preparation work is finalised, and we have completed 464 piles to date. We anticipate commencing structural fabrication and civil foundation (RCC) work by May 2024. Based on our current progress, we are on track to complete the project by November 2024, as committed.

The Ostapal 1.5 MTPA UG Mine Project is also making considerable headway. We have completed 60% of the infrastructure design and engineering work. Portal underground (UG) development work is scheduled to begin in June 2024, pending receipt of the Environmental Clearance (EC). We expect to reach the first ton of ore by Q3 2025.

For the 600 KTPA Concentrator Plant, we have selected Sino Steel from China as our technology partner, with project engineering work commencing in April 2024. The process of selecting a construction partner is currently underway and is expected to be completed by June 2024. We anticipate breaking ground for this project in September 2024.

#### Iron Ore Business:

**WCL:** Work is under progress for ordering a 10 MTPA concentrator plant at Bomi mines along with related infrastructure projects for logistics and material handling at port. Work is expected to commence by Q3 of FY 2024-25 with a completion period of 20 months. At Mano mines, DSO mining is planned to be operational from beginning of FY 2024-25.

**VAB:** Ductile Iron Pipe Project contract has been awarded in December 2023. EC is expected by Q1 FY 2024-25. This will significantly improve the margin and realisation at VAB through product diversification. Successful commissioning of 5 KTPA Fe-Si Plant that will reduce our production cost for value added products.

**Vedanta - Nickel Business (Nicomet):** In FY 2023-24, we are able to achieve 50% of the installed production capacity with total production and sales close to 3 kt for the year. With the debottlenecking plans, we are targeting to achieve 10 KTPA production capacity in the next six months. Currently holding a 50% domestic market share for Nickel Sulphate,

we aim to bolster its presence by venturing into the Indian EV manufacturing sector. Furthermore, we have solidified our position by signing a Long-Term Contract ("LTC") for Nickel Sulphate supply with key international EV players.

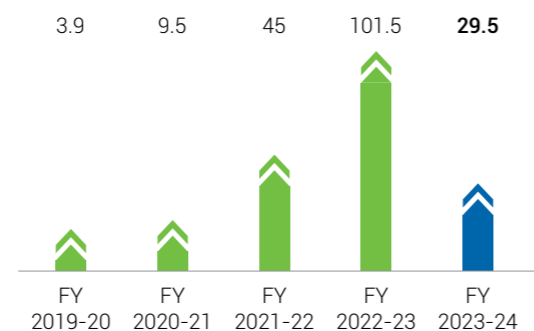
#### DIVIDEND DISTRIBUTION POLICY AND DIVIDEND

In terms of the provisions of Regulation 43A of the Listing Regulations, the Company has adopted a Dividend Distribution Policy to determine the distribution of dividends in accordance with the applicable provisions. The policy can be accessed on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

With consistent dividend as a healthy sign of our sustained growth, our firm belief in percolating the benefits of our business progress for widespread socioeconomic welfare facilitates the equitable sharing of our economic value generated. Our focus is on generating strong business cashflows and maintaining stringent capital discipline in investing in profitable high IRR projects. We also review all investments (organic and acquisitions) based on our stringent capital allocation framework in order to maximise shareholder returns.

#### Return to shareholder

(₹ per share)



~11% dividend yield in FY 2023-24.

The Company has declared the following dividends during the year in compliance with the Dividend Distribution Policy:

Particulars	Interim Dividend – FY 2023-24	
	1 <sup>st</sup>	2 <sup>nd</sup>
Date of Declaration	22 May 2023	18 December 2023
Record Date	30 May 2023	27 December 2023
Date of Payment	Within 30 days from the date of declaration	
Rate of Dividend per share (Face Value of ₹ 1 per share)	18.50	11.00
%	1850	1100
<b>Total Payout (₹ in crore)</b>	<b>6,877</b>	<b>4,089</b>



Pursuant to the Finance Act, 2020, dividend is taxable in the hands of the shareholders with effective from 01 April 2020 and tax has been deducted at source on the Dividend at prevailing tax rates inclusive of applicable surcharge and cess based on information received by the Registrar & Share Transfer Agent and the Company from the Depositories.

The Board of Directors did not recommend any final dividend for the financial year ended 31 March 2024.

#### CREDIT RATING

Your Company is rated by CRISIL and India Rating & Research Private Limited on its various debt instruments.

A detailed status of the Credit Ratings on various facilities including Bank Loans, Working Capital Lines and Non-Convertible Debentures forms part of the Report on Corporate Governance ("Corporate Governance Report") of this Annual Report.

#### ECONOMIC RESPONSIBILITY

Vedanta guided by its vision and mission adopts a comprehensive value creation process that leverages on all available resources and relationships while addressing material issues and strategic focus areas. At the core remains ESG, where our purpose 'Transforming for Good', supplemented by the more comprehensive 'Transforming Together' theme is deeply embedded into this value creation process. The inherent community value empowers our decision-making to drive business success, while contributing to the nation's growth.

Vedanta recognises the unique nature of the natural resource they deal in and hence believes in mining with a mission and is at the forefront of the industry's transition towards a purpose driven future. Our operations go beyond extracting resources, aiming to enrich lives and create a sustainable legacy of positive change for future generations.

We also continue to focus on effectively delivering strong & stable cashflows and Vedanta's large, diversified asset portfolio, with an attractive cost position in many of its core businesses, enables us to deliver strong margins and achieve stable free cash flows through the commodity cycle. Vedanta continued its strong growth momentum and witnessed steady volume performance across all businesses, with aluminium and zinc delivering record performance, despite the challenging environment, in terms of geo-politics, rising energy prices and uncertainty in commodities market.

We promote diversity, equality and inclusivity, while also investing in people development, safety and well-being.

We empower them to think independently, creatively and innovatively. We strive to operate responsibly through sustainable use of resources and investing in various environmental goals. This year, we're concentrating on tackling economic inequality, with a big focus on acknowledging diversity and empowerment across society. We're highlighting how inclusion is crucial for promoting gender equality.

Lastly, we are committed to nurturing lasting and enduring relationships with our stakeholders, built on trust and concern for their individual and collective well-being through meaningful engagements. At Vedanta, we make synergetic efforts to prioritise the concerns of our stakeholders and we seek to balance the interests & expectations of all stakeholders to align with the overall organisational goals of the Company.

At Vedanta, FY 2023-24 was a year of remarkable progress on the ESG front led by our 'Transforming for Good' purpose and we are extremely pleased to apprise that the Company has aced the Corporate Sustainability Assessment by S&P Global for 2023 (formally known as DJSI). Guided by the philosophy of giving back, we positively touched more than 50 million lives through our CSR programmes, improved diversity, inclusion and governance practices and took major strides in the areas of carbon neutrality, water positivity and a greener business model.

In line with the past trends, we are proud to declare that we have contributed ₹54,402 crore to the public exchequer of the various countries where we operate in FY 2023-24. The total contribution to the exchequer is the result of value added by different business segments across their respective value chains and across multiple stages of the business cycle.

The report is available on the website at [www.vedantalimited.com](http://www.vedantalimited.com).

## 2. SUSTAINABILITY AND SOCIAL RESPONSIBILITY

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") APPROACH

#### TRANSFORMING FOR GOOD

##### Introduction:

The fiscal year 2024 was the year when we began to consolidate the ESG framework that we set up two years ago. The focus moved from organisation-mapping, awareness building, and KPI setting to overseeing implementation and achieving "steady-state." We remain committed to our 3 Pillars and 9 aims and are happy to note that adequate progress is being made to achieve our ambitious targets.

**ESG Governance:**

The ESG Committee of the Board, chaired by an independent director is the apex body to govern the subject. The Committee, which meets every six months, is supported by the ESG ManCom, the Group ExCo and the Group HSE & Sustainability Function. Additionally, 13 Communities of Practice ("COP") help drive implementation of the various aims. The COPs are structured at the Group and BU-level, and help engage and integrate ESG aims across the organisation.

The Company also introduced the digital "V-Unified" platform to streamline all of the Company's ESG-related data. With this, all our leaders will have "one version of the truth", which will enable informed decision-making and improved ESG performance.

**ESG Targets:**

The Company remains focused on achieving our stated 2030 ESG targets, which will improve our business sustainability and make us agile, future-ready, and an employer of choice. Our 13 COPs are working towards achieving these goals, and there is a systemic effort to align our future business trajectory with our ESG goals.

**Major Achievements:**

Considerable efforts are being made in every ESG aim that we are working on, and some significant achievements in FY 2023-24 give confidence to the Company that we are on the right track. These include:

**1. Transforming Communities:**

- Our flagship Nand Ghar programme has reached 6,000+ Nand Ghars, impacting 0.4 million women and children through this initiative.
- Our Corporate Social Responsibility programmes that focus on improving the skill sets of communities are helping around 1.5 million families improve their earning potential and achieve financial independence.

**2. Transforming Planet:**

- We are on-track to deliver on 835 MW of RE RTC (eq) Power Delivery Agreements. We are expecting first power from these projects in 2025. Collectively, this batch of RE will help abate 6 MMTCO<sub>2e</sub> per year.
- 5 of our operations (Hindustan Zinc Limited, Cairn India, Iron Ore Business, FACOR mines, and Black Mountain Mine) are now water positive.
- 100% of our BUs have an updated their biodiversity risk assessments. These documents will guide the implementation of the respective Biodiversity Management Plans and align the

organisation with the expectations emerging from the Kunming-Montreal Global Biodiversity Framework.

**3. Transforming Workplace:**

- Gender diversity among our permanent employees has increased to 20% from FY 2020-21 baseline of 11% which shows significant progress in making our workforce more diverse.
- Our women representation in decision-making roles has increased to 22%, which means that more women are now part of decisions being made across the organisation.
- Unfortunately, the Company experienced 3 fatalities this year (FY 2022-23: 12 fatalities) and learnings from the investigations are being implemented across all BUs. However, overall, significant management attention was given to identifying and eliminating critical safety risks and early indications point to improved safety management at our locations.

**ESG Ratings:**

FY 2023-24 saw Vedanta and its Companies achieve the pinnacle of global ESG ratings. The Company stood at #3 position among 174 global metals & mining companies in the S&P Global Corporate Sustainability Assessment. This is the second consecutive year of improvement. Our subsidiary, HZL topped the listing, as did our Aluminium business (in the Aluminium sector). This all-round improvement is an indication of the consistent management approach for the ESG program.

We also saw improvement in other platforms such as Sustainalytics and CDP (Water) while retaining our CDP rating in climate performance and MSCI ESG Rating.

**Challenges:****Safety Performance**

While there are green shoots visible in safety, we remain vigilant and continue to drive improvement. The Critical Risk Management ("CRM") framework and related efforts are driving these efforts as is the improved data reporting and analytics available to us via the V-Unified platform.

**Growth Projects**

Our growth projects planned from FY 2023-24 to FY 2029-30 period, while improving our portfolio of energy transition metals, will add more pressure on our environmental performance (emissions, water, waste, etc.). This growth project pipeline can affect our 2030 targets for environment, but we are devising the strategy for ensuring that our growth trajectory is as green as possible.



To achieve our ESG aims, we have created a strong pipeline of more than 600 projects in all 3 major areas of transformation, which will take us in the required direction. With the help of technology and focused approach, we are on right track to achieve leadership position in ESG space.

**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT**

Since FY 2021-22, our Business Responsibility and Sustainability Report ("BRSR") disclosures have been aligned with the regulations issued by SEBI, which mandate compulsory disclosures for top 1000 companies by market capitalisation in India. Your Company is adhering to the new and updated BRSR requirements. These disclosures will help government to focus on major areas of policy actions and for improved compliance of ESG issues at large to align with government's own goals for business sustainability. This year we are reporting on BRSR Core and have undergone reasonable assurance for the report.

Your Company publishes an Annual Sustainability Report prepared in accordance with the Global Reporting Initiative ("GRI") Standards; mapped to the United Nations Global Compact ("UNGC"); and aligned to Sustainable Development Goals ("SDGs"). It reports our approach and disclosure towards triple bottom line principles - People, Planet and Profit.

The Company shall also publish a Climate Action Report. This year, we will be reporting on our decarbonisation efforts for the fourth year.

As per SEBI directives on Integrated Reporting ("IR"), the Company follows the IR framework of the International Integrated Reporting Council to report on all the six capitals that are used to create long-term stakeholder value and also continues to provide the requisite mapping of principles between the Integrated Report, the GRI and the BRSR. Detailed information about the Company's sustainability performance can be found in our Annual Sustainability Report. The Sustainability Report of the Company shall be made available at [www.vedantalimited.com](http://www.vedantalimited.com).

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

The information on conservation of energy, technology absorption stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure A'.

The details of the Foreign Exchange Earnings and Outgo are as follows:

Particulars	(₹/crore)			
	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Expenditure in foreign currency	4,301	5,172	5,507	7,266
Earnings in foreign currency	32,657	31,035	45,539	49,439
CIF Value of Imports	21,492	26,437	27,640	34,137

**CORPORATE SOCIAL RESPONSIBILITY**

Vedanta has committed itself towards reaching out and giving back to its communities. Creating an ecosystem of development through planned interventions, Vedanta is ensuring that its vision for the development of the nation reaches the farthest geographies.

With a consistent focus on bringing a transformational change in its communities, Vedanta is implementing sustainable and inclusive growth and has reached out to **1,73,00,595 beneficiaries** across over **1,200 villages** in FY 2023-24.

Spearheading Women and Child Development through its flagship project 'Nand Ghar', a total of more than **6,044 centres** across **14 states** in India have been developed that cater to more than 3.9 lakh children and women of rural India. Nand Ghars are transforming the landscape of rural India with best in class infrastructure and facilities. Project Nand Ghar is emerging as synonymous to nutrition. This year, with the Vedanta Delhi Half Marathon and the Vedanta Pink City Half Marathon, more than 50,000 people ran for the cause "Zero Hunger". These marathons reached out to international and domestic runners, with the zeal and enthusiasm of the participants, Vedanta was able to commit 5 million meals for a healthy and nourished India. Catering to the needs of building a resilient future generation, Nand Ghar also launched a multi-millet nutri-bar for children's holistic nutrition as part of its preparations for its objective for a healthy India.

Vedanta has always found its purpose in giving back multifold to its communities and ensuring no being is left behind. Broadening its reach into the realm of welfare, Vedanta has launched a first of its kind, **Animal Welfare Project, The Animal Care Organisation ("TACO")**. An initiative focused on improving animal health and welfare, TACO is currently operating in Haryana and Rajasthan. Its goal is to offer top-notch amenities, veterinary care, training, and animal shelters to protect and care for animals. Additionally, TACO has provided aid to Ranthambore National Park and Ramgarh Visdhari Tiger Reserve to help preserve the diverse wildlife found within the sanctuary.

Furthermore, to accelerate social growth and development, with a well-defined roadmap and a commitment to invest



₹ 5,000 crore, Anil Agarwal Foundation, the philanthropic arm of Vedanta aims to take the mission of creating strong & resilient communities in India ahead.

In the FY 2023-24, Vedanta has won several awards for its community development initiatives like 11<sup>th</sup> National CSR Summit 2023, BW Emerging Business Award, Mahatma Award, 7<sup>th</sup> CSR Health Impact Awards 2023 – Silver Award, Best CSR Impact Awards – 8<sup>th</sup> Edition from UBS, Best Livelihood Initiative of the Year by India CSR Awards, Green Eco-Friendly Initiative Award by Network 18, Governors Scroll of Honour from Governor, West Bengal, Odisha Ideas Excellence Award etc.

**Excellence in Corporate Social Responsibility:**

An essential aspect of most of the programs is adopting a community engagement strategy that begins from the grassroots level. This approach fosters community ownership and long-term sustainability with efficiently implemented programs working for the betterment of the communities.

Understanding and prioritising the needs of the communities, several interventions with focus on women and child development, healthcare, sustainable livelihood, sports and culture & community development have been designed and implemented across more than 1,200 villages.

**EDUCATION**

- 72,528 PTMs
- 30 Children (3-6 years) per Nand Ghar
- 500+ Tabs distributed and AW workers trained

**NUTRITION**

- ~4.5 crore meals facilitated for children
- Distributed 66 lakh Nutri Bars, impacting ~50,000 Children

**WOMEN EMPOWERMENT**

- 1.8 Lakh+ Women linked to Govt. Schemes/received economic training
- 1.2 lakh increase annually Household income generated

**HEALTH**

- 57 lakh+ community members reached
- ~72,000 Awareness Camps

**Impact at a Glance**

<p><b>Nand Ghar</b> 4,16,781 Women and Children beneficiaries</p>	<p><b>Community Infrastructure</b> 5,22,731 Beneficiaries 24 Initiatives</p>	<p><b>Women empowerment</b> 42,575 Beneficiaries 7 Initiatives</p>	<p><b>Livelihoods</b> 1,14,590 Beneficiaries 18 Initiatives</p>
<p><b>Healthcare</b> 16,99,665 Beneficiaries 32 Initiatives</p>	<p><b>Children Wellbeing and Education</b> 1,33,16,861 Beneficiaries 31 Initiatives</p>	<p><b>Environment and protection</b> 3,27,888 Beneficiaries 4 Initiatives</p>	<p><b>Skilling</b> 4,076 Beneficiaries 10 Initiatives</p>
<p><b>Drinking water and Sanitation</b> 6,94,043 Beneficiaries 12 Initiatives</p>		<p><b>Sports and Culture</b> 1,60,920 Beneficiaries 15 Initiatives</p>	



**3. HUMAN RESOURCES MANAGEMENT PEOPLE AND CULTURE**

Our Company has always aspired to build a culture that demonstrates world-class standards in safety, environment, and sustainability. People are our most valuable asset, and we are committed to provide all our employees with a safe and healthy work environment. Our culture exemplifies our core values and nurtures innovation, creativity, and diversity. We ensure alignment of business goals and individual goals to enable our employees to grow on personal as well as professional front.

It is through the passion and continued dedication of our people that our Company continues to succeed, and we have always unequivocally and firmly believed in rewarding our people for their consistent efforts through our best-in-class and globally benchmarked people practices and reward programs.

**We have been recognised for our people practices by coveted External Awards:**

- 100+ External Recognitions received in last 7 years.
- Kincentric Best Employer Award 2023 for **Best Employer**, welcoming us in the elite "Best Employer Club."
- Featured in **Top 10 Happiest Workplaces** 2023 by Economic Times HR World along with 80 other prominent brands.
- Honored with **Gold Medal** award in **Talent Management** for Vedanta Group by BrandonHall HCM Excellence awards.
- Arogya World **Healthiest Workplace** Award- **Recognised at Gold Level** for Vedanta Group for best practices in health & Well-Being 2023.
- 13 Managers recognised with Economic Times and People Business - **Great Manager Award 2023**, CAIRN, VAL-L, BALCO, Sesa Goa, Sterlite Copper, Runaya features as **Company with Great Managers 2023**.
- Recognised for '**Significant Achievement to HR Excellence**' by CII for BALCO, CAIRN, VAL-J, ESL, Sterlite Copper.



**People Practices**

**Leadership Development & Succession Planning** – In line with our core philosophy of "Leadership from within", we run some of the industry's most-sought after leadership development programs. We identify high-quality talent with focus on young-talent to make Vedanta truly 'future-ready'.

**Industry Leading Talent Identification Program**

Through V-Desire initiative anchored by Chairman himself, focuses on identifying high-potential leaders by allowing them the autonomy to pursue roles & projects aligned with their aspirations. 117 leaders were identified through a structured process & given their aspirational role/projects. By empowering individuals to choose their desired career paths, we foster a culture of engagement and fulfillment, maximising their potential contribution to the organisation. This approach not only nurtures talent but also cultivates a dynamic workforce capable of driving innovation and achieving strategic goals.

**Executive Education & C-Suite Coaching**

A customised executive education initiative that seamlessly integrated both in-person and virtual learning experiences, tailored to meet the unique requirements of our senior leadership cadre in partnership with ISB. Crafted with specialised modules for our executives, this program ensured precise development aligned closely with organisational goals. This hybrid learning model facilitated participants in gaining invaluable insights, nurturing collaboration, fostering innovation, and refining their strategic leadership capabilities. Furthermore, senior CXOs were paired with internationally acclaimed executive coaches to further augment their professional growth journey.

**Women Emerging Leaders Program**

The program focuses on identifying new emerging Hi-Pos & 'hidden gems' amongst our women workforce and take disruptive actions for ensuring higher responsibility/visibility/roles. Through the first phase, 74 leaders have been identified and have taken up elevated roles across businesses and functions. 49% are from Operations/Technical domains and 51% are from Enabling functions, with 30% leaders taking up cross-Business/Function/Location roles.

**V-Lead**

Flagship Women Leadership Development Program to create a strong pipeline of women CXOs & include them in decision making bodies.

- 100+ high-potential women leaders groomed for leadership/CXO roles.
- 25 CXOs anchoring V-Lead Leaders for personal & professional growth.

- 60% V-Lead Leaders elevated to Leadership Roles in last one year through Growth Workshops, ACTUP, APA and other Talent Initiatives.
- 25% V-Lead Leaders rewarded with the prestigious Chairman Award.



### Complete Talent Coverage

Employees across all functions, grades, experience/seniority levels are included in our Talent Development Initiatives. This ensures fast-tracked career progression for all employees at the right time.

**This year apart from our Business and Technical ACT UP programs, multiple initiatives were held focused on critical functions such as MAS and Projects. Unique initiatives such as Top Campus Mind, Ex-Defence Hires Workshops and MAS ACE were executed** covering new campus hires and Cross-Functional leaders (Projects, Finance, Commercial & Marketing etc.). **Gurukul & HR** are our digitally driven Learning & Development initiative which gives internal leaders and external experts a platform to share their expertise and knowledge.



### Inducting Best Talent to enable Organisational Growth –

Hiring quality talent from top Universities across specialisations and laterally from varied background with niche experience thereby ensuring diverse and rich talent pool.

- Onboarded 2000+ Freshers from 150+ premier campuses, 40% gender diversity, 15% from North-East, J&K state and Minority communities, 30% Rank Holders.
- **Vedanta Leadership Development Program (VLDP)** - Focused hiring from Top IITs & IIMs for building leadership pipeline; roles shadowing CXOs, fast-track growth, leadership roles during early career stages.
- Hiring talent from Global Universities in US, UK, Australia, UAE, Singapore etc., with focus on new-age specialisations such as AI, Digital, Supply Chain & Analytics.
- **YUVA (Young Upcoming Vedanta Achievers)** - Detailed induction program for campus hires with CEOs, functional heads & industry experts; business & functional sessions, site visits, CSR activities, Campus to Corporate programs for better understanding of the organisation.
- **V-Campus:** 1-year digitally driven anchoring & learning journey for campus hires with goal setting & tracking, periodic pulse surveys, live experience sharing platform, leaderboard, and Rewards & Recognitions.
- **Family Business Background:** Pioneers to break the stereotype about target talent pool and hire passionate entrepreneurs inclined to run the business radically. The talents onboarded are personified Entrepreneurship champions, it being one of the core values of Vedanta.

- **Ex-Veterans:** Top-notch professionals from Tri-Services (Army, Navy, Airforce) bringing in top-class military practices for Corporate.
- **Experts from Professional Services Firms:** Onboarding cross-functional experts to get best of the solutions for our strategic business orientation like empowering our business entities to run independently. Leaders from large consulting firms with expertise in financial re-structuring and value creation have been inducted.
- **Automobile Industry Experts:** Across the world, it is recognised that automobile industry has one of the best supply chain practices. With a focus to develop that expertise in our large operational units, prevent leakages and increase overall efficiency, we sourced such best talents for business-partner management, which is a significant arm for us.
- **Experts from Global conglomerates:** With ~30 different nationalities in our ecosystem, we have onboarded experts from across geographies to bring in global knowledge, bench-marking and best-practices in the domain of natural resources.

A detailed update on People & Culture detailing the Company's initiatives, recruitment strategy, hiring projects and talent management and development is elucidated in the Sustainability and ESG Section of the Annual Report.

### EMPLOYEE STOCK OPTION SCHEME

Employee stock options are a conditional share plan for rewarding performance on pre-determined performance criteria and continued employment with the Company.

Our Company had launched a stocks-based incentive scheme viz., 'Vedanta Limited Employee Stock Option Scheme 2016' ("**Scheme**"). The Scheme was framed with a view to reward employees for their contribution in successful operation of the Company, encouraging high-growth performance and reinforcing employee pride.

The Scheme was launched after obtaining statutory approvals, including shareholders' approval by way of postal ballot on 12 December 2016.

On 03 November 2023, the Nomination & Remuneration Committee ("**NRC**") approved the grant of Employee Stock Options 2023 to Vedanta employees covering 42% of eligible population. Vedanta ensures deeper coverage through its stock option scheme, including the campus hires, to enable young talent to grow and contribute towards overall business performance.

In-order to align the scheme with the best-in-class reward practices globally and pertinent Indian peers, as well as to emphasise on our value system of 'CARE' for employees and culture of 'Pay for Performance', the ESOS 2023 plan is driven by Business and Individual performance.



The Scheme is robust with an objective to place greater prominence on superior individual performance thereby recognising high performing talent while keeping them accountable for business delivery. It has been ensured that the Scheme fulfils its motive of wealth creation for employees to achieve their financial goals and at the same time gives them a sense of ownership.

The Scheme is periodically reviewed and benchmarked against market best practices. To give prime importance to sustainable business delivery, ESG and Carbon footprint are part of additional parameters to measure business performance. To ensure that we operate sustainably in line with our motto of '**zero harm, zero waste and zero discharge**', multiplier based on fatalities has also been included as a performance parameter for vesting.

The Scheme is currently administered through Vedanta Limited ESOS Trust ("**ESOS Trust**") which is authorised by the Shareholders to acquire the Company's shares from secondary market from time to time, for implementation of the Scheme.

No employee has been issued stock options during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant.

During the year, the acquisition by the ESOS Trust does not exceed 2% of the paid-up capital of the Company as at the end of the previous financial year. Further, the total acquisition by ESOS Trust at no time exceeded 5% of the paid-up equity capital of the Company as at the end of the financial year immediately prior to the year in which the shareholders' approval was obtained for such secondary acquisition.

Pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**Employee Benefits Regulations**"), disclosure with respect to the ESOS Scheme of the Company as on 31 March 2024 is available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

The Company confirms that the Scheme complies with the Employee Benefits Regulations and there have been no material changes to the plan during the financial year.

#### Business Priorities



**Zero Harm, Zero Waste and Zero Discharge**



**Build a Performance Driven Culture**



**Reflect and Enable Long Term Business Growth & Vision**



**I-RECITE at Heart**

#### Rewards Priorities

- Zero Undesirable Talent Loss  
**Above Market Pay Positioning**
- Relentless Focus on Productivity & Performance  
**Compelling Pay Mix Basis Position in the Firm**
- It Pays to Perform  
**High Differentiation at 1.8 – 2.2X**
- Individualised EVP  
**Holistic Employee Growth**

Pursuant to Regulation 13 of Employee Benefits Regulations, a certificate from M/s Chandrasekaran & Associates, Secretarial Auditors with respect to the implementation of the Company's ESOS schemes, would be placed before the shareholders at the ensuing Annual General Meeting ("**AGM**"). A copy of the same will also be available for inspection through electronic mode.

### MANAGERIAL REMUNERATION, EMPLOYEE INFORMATION AND RELATED DISCLOSURES

The remuneration paid to Directors, Key Managerial Personnel, and Senior Management Personnel during FY 2023-24 was in accordance with the NRC Policy of the Company.

Disclosures under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("**Rules**") relating to the remuneration and other details as required are appended as '**Annexure C**' to the Report.

In terms of the provision of Section 136 of the Act and Rule 5(2), the Report and the Financial Statements are being sent to the Members of the Company excluding the statement of particulars of employees as prescribed under Rule 5(2) of the Rules. The said information is available for inspection through electronic mode. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary and the same will be furnished upon such request.

### COMPENSATION GOVERNANCE PRACTICES AT VEDANTA

**Our Compensation Philosophy:** People are our greatest asset and we are committed to providing all our employees with a safe and healthy work environment. Our compensation philosophy has a strong **linkage of reward priorities to business priorities ensuring a uniform experience across the group**. Built on the core objective of driving '**Pay for Performance**' culture, the mix of components of the Executive Compensation aims to drive the short as well as long term interests of the Company and its shareholders through strong emphasis on operational/ financial fundamentals, social license to operate, business sustainability, strategic objectives of resource and reserve creation along with wealth creation for stakeholders.

**Linkage to ESG/Safety**

- **Scorecard based performance management approach:** Greater emphasis is laid on setting of objective KPIs along with continuous performance dialogue.
- **Culture of safety and sustainability to achieve our ultimate vision of "Zero Harm", "Zero Waste" & "Zero Discharge":** The safety and sustainability scorecards under the Vedanta Sustainability Assurance Program form an integral component. Progressively, impact of carbon footprint has been added as a performance parameter.
- **ESG Component in Annual Performance Bonus:** To ensure and encourage sustainable business practices, the annual bonus scheme allocates appropriate weightage to ESG metrics like health, safety, and environment.
- **Long Term Incentive Plan ("LTIP"):** The vesting is attributed to sustained business and individual performance against the pre-determined performance criterion which also includes ESG and Carbon Footprint.
- Any **fatality** in the group impacts the annual bonus of all the employees associated with the respective entity as a negative multiplier. On the other hand, as a reinforcer, a positive multiplier is added in vesting under LTIP to reward efforts towards ensuring nil fatality.
- **Rewards & Recognition:** Vedanta specifically recognises contributions of employees and business partners through its coveted Chairman Awards categories - 'Award for Sustainability', 'Best Business Partner Award', and 'Business Performance Award' all of which have safety and sustainability parameters as key evaluation metrics.
- **Employee Benefits Policy:** Vedanta has introduced best-in class employee benefits policies in recent times which focuses on all three pillars of ESG – Environmental, Social and Governance.
  - **Electric Vehicle Policy** - As an organisation, we want to ensure that 100% of our light motor vehicles are decarbonised by 2030. In line with this goal, our Company Car Policy involves Electric Vehicle Kicker to incentivise employees to opt for electric vehicles. Additionally, the policy on EV Incentive for the purchase of electric vehicles was launched to benefit all the employees across the organisation.
  - **Parenthood & Childcare Policy** - With the objective to promote Diversity, Equity & Inclusion, best in class and progressive parenthood policy was introduced across Vedanta catering to our women employees, single parents and LGBTQIA+ employees. The policy supports employee well-being by building a nurturing environment. Few key highlights of the policy include introduction of flexible work arrangement, sabbatical leave, and extended coverage of adoption leaves not only to women employees but basis primary and secondary caregiver.

- **Governance:** The Executive Compensation Philosophy is well established & benchmarked across relevant industry comparators. All parameters are reviewed each year by the NRC. Timely risk assessment of compensation practices is done in addition to review of all components of compensation for consistency with stated compensation philosophy.
- **Voice of the employee:** Involvement of bright minds from diverse functions and best in market external partners as well as timely communication to ensure transparency to all employees.

Vedanta has been built on a strong foundation of governance where the Board, Key Executives and Compliance Officer have been vigilant and committed to ensure structural integrity, soundness, and highest standards of compensation practices. Over the last few years, we have matured many of our reward practices in an attempt to continue to raise the bar.

- The composition of the NRC is in compliance with the Listing Regulations and the majority of the members are Independent Directors. The Chairman of the Committee is an Independent Director.
- The members of the NRC together bring out the rich expertise, diverse perspectives and independence in decision making on all matters of remuneration for Directors, Key Managerial Personnel ("**KMP**") and Senior Management Personnel ("**SMP**"). The Independent Directors are actively engaged throughout the year as members of the NRC in various people's matters even beyond remuneration.
- A Board charter appoints and sets primary responsibilities of NRC which includes selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.
- Best in class independent consultants are engaged to advise and support the Committee on matters of board evaluation and leading reward practices in the industry.
- The Executive Compensation Philosophy is well established and benchmarked across relevant industry comparators which enables us to differentiate people based on performance, potential and criticality in-order to provide a competitive advantage in the industry.
- Timely risk assessment of compensation practices is done in addition to reviewing all components of compensation for consistency with stated compensation philosophy.
  - Financial analysis & simulation of the long-term cost of reward plans and their Return on Investments ("**ROI**").
  - Provision of claw back clause as part of the ground rules of our long-term incentive scheme for all our leaders.



- Upper limits and caps defined on incentive pay-outs in the event of over-achievement of targets to avoid windfall gains.
- We do not encourage provision of excessive perks or special clauses as part of employee contract such as:
  - No provision of Severance Pay in Employment contracts of Whole-Time Directors ("**WTD**"), KMP & SMP.
  - No Tax Gross up done for executives except for expatriates as part of tax equalisation.
  - No provision of unearned incentives/unvested stock or cash options.
  - Any benefits provided to Key Executives are available to all the employees of the Company as per the defined Company policy.

We continue to corroborate the Internal Pay Equity Principles, sustained attention to equity grant practices and maintain checks & balances to confirm that the practices are legally and ethically compliant with International, National, and State/Regional laws.

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

As part of Vedanta Group, your Company is an equal opportunity employer and believes in providing opportunity and key positions to women professionals. The Group has endeavored to encourage women professionals by creating proper policies to tackle issues relating to safe and proper working conditions and create and maintain a healthy and conducive work environment that is free from discrimination. This includes discrimination on any basis, including gender, as well as any form of sexual harassment. During the period under review, cases received were twenty five (25) out of which twenty three (23) were found correct. Your Company has constituted Internal Complaints Committee ("**ICC**") for various business divisions and offices, as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of Vigil Mechanism are set out in the Corporate Governance Report, which forms part of this Annual Report.

**4. RISK MANAGEMENT****RISK MANAGEMENT**

The businesses are exposed to a variety of risks, which are inherent to a global natural resources organisation. The effective management of risk is critical to support the delivery of the Group's strategic objectives. Risk management is embedded in the organisation's processes and the risk framework helps the organisation meet its objectives by aligning operating controls with the mission and vision of the Group set by the Board.

As part of our governance philosophy, the Board has a Risk Management Committee to ensure a robust risk management system. The details of Committee and its terms of reference are set out in the Corporate Governance Report, which forms part of this Annual Report.

With effect from 06 June 2020, the Risk Management Committee has been consolidated with the Audit Committee comprising of only Independent Directors ensuring robust risk management systems in place with valued feedback of Independent Directors being on the Committee.

Our risk-management framework is designed to be simple, consistent, and clear for managing and reporting risks from the Group's businesses to the Board. Our management systems, organisational structures, processes, standards, and code of conduct together form the system of internal controls that govern how we conduct business and manage associated risks. We have a multi-layered risk management framework to effectively mitigate the various risks, which our businesses are exposed to in the course of their operations.

The Audit & Risk Management Committee aids the Board in the risk management process by identification and assessment of any changes in risk exposure, review of risk control measures and by approval of remedial actions, where appropriate. The Committee is in turn supported by the Group Risk Management Committee which helps the Audit & Risk Management Committee in evaluating the design and operating effectiveness of the risk mitigation program and the control systems.

Major risks identified by businesses and functions are systematically addressed through mitigating actions. Risk officers have also been formally nominated at operating businesses, as well as at Group level, to develop the risk-management culture within the businesses.

The Risk Management Policy of the Company revised in 2019 covers cybersecurity as well.

## GROUP RISK MANAGEMENT FRAMEWORK



For a detailed risk analysis, you may like to refer the Risk Management under the Performance Review section which forms part of this Annual Report.

## CYBER SECURITY

The Group has a structured framework for cybersecurity. Each of the Business Units has a Chief Digital & Information Officer ("CDIO") with suitable experience in Information/Cybersecurity. Every year, cybersecurity review is carried out by IT experts (belonging to IT practices of Big-4 firms). Vulnerability Assessment and Penetration Testing ("VAPT") review is also carried out by cyber experts. This practice has been in place for several years now and has helped in strengthening the cyber security environment in the group. The external environment on cybersecurity is continuously evolving and accordingly organisation takes proactive measures to mitigate risk. The respective CDIOs are responsible for ensuring appropriate controls are in place to address the emerging cyber risks.

## INTERNAL FINANCIAL CONTROLS

Your Board has devised systems, policies, and procedures/frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit & Risk Management Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an internal audit framework, an ethics framework, a risk management framework, and adequate segregation of duties to ensure an acceptable level of risk. Documented controls are in place for business processes and IT general controls. Key controls are tested by entities to assure that these are operating effectively. Besides, the Company has also adopted an SAP GRC (Governance, Risk and Compliance) framework to strengthen the internal control and segregation of duties/access.

The Company has documented Standard Operating Procedures ("SOP") for procurement, project/expansion Management Capital Expenditure, Human Resources, Sales and Marketing, Finance, Treasury, Compliance, Safety, Health, and Environment ("SHE"), and manufacturing.

The Group's internal audit activity is managed through the Management Assurance Services ("MAS") function. It is an important element of the overall process by which the Audit & Risk Management Committee and the Board obtains the assurance on the effectiveness of relevant internal controls.

The scope of work, authority and resources of MAS are regularly reviewed by the Audit & Risk Management Committee. Besides, its work is supported by the services of leading international accountancy firms.

The Company's system of internal audit includes covering monthly physical verification of inventory, a monthly review of accounts and a quarterly review of critical business processes. To enhance internal controls, the internal audit follows a stringent grading mechanism, focusing on the implementation of recommendations of internal auditors. The internal auditors make periodic presentations on audit observations, including the status of follow-up to the Audit & Risk Management Committee.

The Company's internal financial control framework is commensurate with the size, nature and complexity of the Company's operations and is based on the criteria aligned to the Committee of Sponsoring Organisations of the Treadway Commission ("COSO") framework and requirement of Act. Through the internal financial control framework in place the Audit & Risk Management Committee and the Board also gains assurance from the management on the adequacy and effectiveness of Internal Controls over Financial Reporting ("ICOFR").

In addition, as part of their role, the Board and its Committees routinely monitor the Group's material business risks. Due to the limitations inherent in any risk management system, the process for identifying, evaluating, and managing the material business risks is designed to manage, rather than eliminate



risk. Besides it created to provide reasonable, but not absolute assurance against material misstatement or loss.

Since the Company has strong internal control systems which are further strengthened by periodic reviews as required under the Listing Regulations and ICOFR compliance by the Statutory Auditors, the Management recommend to the Board that the Company continued with strong Internal Financial Controls.

There have been no significant changes in the Company's internal financial controls during the year that have materially affected or are reasonably likely to materially affect its internal financial controls, other than as mentioned in the "Audit Report and Auditors" section to this report.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or

overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their objectives. Moreover, in the design and evaluation of the Company's disclosure controls and procedures, the Management was required to apply its judgement in evaluating the cost-benefit relationship of possible controls and procedures.

Further, the Audit & Risk Management Committee annually evaluates the internal financial controls for ensuring that the Company has implemented robust systems/framework of internal financial controls viz. the policies and procedures adopted by the Company 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.

"Internal Financial Control are **policies and procedures** adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, **the safeguarding of 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**"

## Building blocks &gt;&gt;&gt;

- 1 **Policies and procedures**
  - Policies and procedures exist for effective conduct of business, delegation of authority is formally documented and implemented, organisation structure is defined, and segregation of duties and responsibilities are maintained.
- 2 **Safeguarding of assets**
  - Ownership and rights to assets are maintained with the Company.
  - The Company has implemented processes for safeguarding of assets.
- 3 **Prevention and detection of frauds and errors**
  - Proactive anti-fraud controls/fraud risk management framework has been implemented.
- 4 **Accuracy and completeness of the accounting records**
  - All transactions occurred during a specific period have been recorded.
  - Assets, liability, revenue and expense components are recorded appropriately.
- 5 **Timely preparation of reliable financial information**
  - Financial items are properly described, sorted and classified.
  - Financial information is provided as per the timelines defined by the relevant stakeholders.

## VIGIL MECHANISM

The Company has in place a robust vigil mechanism for reporting genuine concerns through the Company's Whistle-Blower Policy. As per the policy adopted by various businesses in the Group, all complaints are reported to the Director – Management Assurance, who is independent of operating management and the businesses. In line with global practices, dedicated email IDs, a centralised database, a 24X7 whistle-blower hotline and a web-based portal have been created to facilitate receipt of complaints.

All employees and stakeholders can register their integrity related concerns either by calling the toll-free number or by writing on the web-based portal which is managed by an independent third party. The hotline provides multiple local language options. All cases reported as part of whistle-blower mechanism are taken to their logical conclusion within a reasonable timeframe. After the investigation, established cases are brought to the Group Ethics Committee for decision-making. All Whistle-Blower cases are periodically presented and reported to the Company's Audit & Risk Management Committee.

The details of this process are also provided in the Corporate Governance Report and the Whistle-Blower Policy is available on the Company's website at [www.vedantalimited.com](http://www.vedantalimited.com).

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review, as specified under Regulation 34 read with Schedule V of Listing Regulations is presented in a separate section, forming part of this Annual Report.

## 5. INNOVATION, DIGITALISATION AND TECHNOLOGY

### INNOVATION, DIGITALISATION AND TECHNOLOGY

At Vedanta, over the past few years, we have taken a tech-forward strategy which aims to boost operational effectiveness and productivity, fully embracing digitalisation, and fostering a culture of digital inclusion among employees while cultivating our start-up ecosystem. In this digital first era, our goal is to be at the forefront of smart & intelligent manufacturing, each of Vedanta's businesses has embarked on their own transformational journey towards digitalisation and innovation.

Vedanta's approach towards digitalisation has been focused towards setting up the infrastructure which enables us to introduce advanced technologies to further streamline our operations, this to an overall effect has led to data-based decision making at every level, increasing business intelligence, automation & remote operations in some cases. In FY 2023-24, through digital initiatives, we are achieving tangible gains in terms of volume upliftment & cost reduction using Internet of Things ("IoT") & Artificial Intelligence ("AI") while also focusing on business excellence, AR/VR based learning & ESG. Key Initiatives that were implemented in current fiscal year include Advanced Process Control for Artificial Lifts at Cairn Oil & Gas, Tele Remote Loading at Hindustan Zinc Limited, Blast Furnace Digital Twin at ESL Steel, AI based Simulator for Cold Rolling Mill at BALCO and we launched our digital platform for integrated security information management system across the group.

Our focus with Vedanta Spark is to bring right startups who can help us increase volume, reduce cost and leverage emerging innovations in the ESG space. We have gained great traction with startups through Vedanta Spark 3.0 to introduce new innovations across the length & breadth of the Company. So far, we have 83 startups with 158 engagements across the group. Furthermore, we are working towards enabling investments in startups that are proven and have a high potential for growth. We will have an Investment Committee with group leaders and external experts who will choose the right startups for us to invest in that will help increase the overall value.

Overall, our focus lies in bringing a culture change to enable all of functions to use the advancements in technology in day-to-day operations. With our strong roadmap for the upcoming years, we will always look towards

expanding our footprint across the group to enable better delivery of tomorrow's metals & energy in an effective & sustainable way.

### POLICY AND ADVOCACY

Vedanta's initiatives are essentially premised on its 'Nation-First' philosophy. Vedanta's advocacy aims to create an enabling regulatory framework to fulfil the resource needs of the country, be it those of green energy, electric vehicles, or infrastructure. This is executed through participation in stakeholder consultations on global value chains, ease of doing business, financial reforms and other matters related to responsible business practices. Because of our frequent collaborations with academia, think-tanks, industry associations and media organisations, our initiatives are strongly backed by research and holistic stakeholder feedback. India's growth story requires an abundance of minerals, metals and fuel, which Vedanta aims to support.

### RESEARCH & DEVELOPMENT

Research & Development ("R&D") is a critical component of Vedanta's growth strategy. It enables us to stay competitive by developing innovative products and services that meet the changing needs of customers. Vedanta invests a significant amount of resources into R&D to improve the quality of its products and services, reduce costs, and increase efficiency. R&D helps the Company to differentiate itself from competitors and maintain its market position.

In **Aluminium business**, in the pursuit of innovation and advancement within the Aluminium Business, Vedanta has remained steadfast in its commitment to pursuing ambitious R&D. Our R&D team has been instrumental in delivering pioneering solutions across various domains, including new value-added product development, waste utilisation, bauxite beneficiation, and process optimisation. These efforts reflect our dedication to fostering sustainable growth and reinforcing our position as a market leader.

In collaboration with CSIR-NML, Jamshedpur, we have embarked on two innovative projects: Development of a High Temperature Low Sag ("HTLS") alloy wire rod conductor for high performance power transmission, and an Ultra-high Strength (>400 MPa UTS) and weldable aluminium alloy catering to the requirements of Defense, Aerospace, Marine, and Electric Vehicles ("EV") segments to enable substitution of material currently imported into India. Concurrently, our collaboration with IIT Kharagpur has yielded two exciting ventures. The first one involves the development of a High Temperature Resistance Cast Grade Aluminium Alloy tailored for the automotive sector, while the second one focuses on the production of an Ultra-high-Purity Aluminium variant (targeting 99.99% purity) specifically designed for applications in Aerospace, electronics, and areas where cathodic protection is required.

In the Financial Year 2023-24, Vedanta Aluminium embarked on a strategic initiative to explore computer-aided engineering solutions, with the aim of positioning Industry



4.0 at the forefront of its operations. This endeavour is anticipated to drive down production costs and enhance profitability significantly. Utilising techniques such as the Discrete Element Method in conjunction with computational fluid dynamics and particle breakage modelling, efforts have been directed towards enhancing ball mill throughput at the Lanjigarh refinery, previously identified as a bottleneck, by approximately 10%.

In alignment with the advent of Industry 4.0, AI/machine learning ("AI/ML") and Artificial Neural Network ("ANN") algorithms are being harnessed to manage Hydrogen Fluoride generation within smelters, with the potential to reduce ALF3 consumption (which is a key raw material and cost component). Moreover, the exploration of process modelling tools aims to optimise new business opportunities, ensuring sustained competitiveness in both domestic and international markets.

Vedanta Aluminium has pioneered a patented process to reduce bauxite residue, known as red mud, in alumina refining by an impressive 30%. This breakthrough extracts iron from the ore prior to digestion, increasing alumina yield, and reducing organic content, significantly boosting resource efficiency and reducing energy consumption during refining. Developed in collaboration with the esteemed Indian Institute of Technology Kharagpur ("IIT KGP") and with support from the Lanjigarh facility, this advancement promises to enhance operational excellence and sustainability within Vedanta while positively contributing a solution that could be applied across the global aluminium industry.

In waste to wealth segment, we have taken up a project on the recovery of high-purity (>99%) graphite from spent pot liner first cut and shot blast dust, as well as the synthesis of ALF3 from dross slag. Additionally, efforts are underway to devise processes for the utilisation of spent pot liner second cut, further maximising resource efficiency and waste minimisation.

A pivotal focus area of our R&D initiatives has been to find economic ways to utilise bauxite residue or red mud. Collaborative efforts have been initiated with industrial partners, CSIR laboratories, and the JNARDDC in Nagpur to develop comprehensive technologies for the holistic utilisation of red mud. These endeavours aim to extract valuable metallic components and effectively manage remaining residue, contributing to both environmental sustainability and resource optimisation. Furthermore, we have developed innovative recipes for incorporating red mud in various applications, including partial substitution in sand, road sub-layers, and the production of red mud-based geopolymer concrete.

In conclusion, Vedanta Aluminium's R&D endeavours in FY 2023-24 have yielded remarkable results, including the filing of five patents. These patents cover groundbreaking

innovations such as pre-processing of bauxite to minimise red mud generation, recovery of high-purity graphite from spent pot liner and shot blast dust, the synthesis of ALF3 from dross slag, development of a lead and tin-free bismuth Aluminium-based alloy (6082 highly machinable alloy), and the creation of fast-setting geopolymer concrete utilising red mud and fly ash. These achievements underscore our commitment to driving innovation and sustainability within the aluminium industry, establishing Vedanta Aluminium as a trailblazer in the field.

**Hindustan Zinc Limited** maintains a laser focus on achieving business outcomes. This commitment is reflected in the initiation of research activities across several key areas, including advanced process monitoring, digital data analysis, and process simulation. Recognising the evolving nature of our ore, we continuously explore ways to enhance mineral processing and smelting practices for superior recovery and efficiency. Collaboration remains a cornerstone of our innovation process, fostering partnerships with world-class universities, institutes, technology providers, and startups. Significant Commercial Implementations of this year include deployment of new silver promoters to improve silver recovery and reduce costs. Continuing in our ESG efforts, we have deployed non-hazardous pyrite depressants at our sites. In the coming year, we are aiming to develop process control strategies based on the new process parameter measurements and data analysis.

#### Specific R&D focused projects include:

- Implemented a low-capex process for jarosite modification for its use in cement industry.
- Increase the current efficiency of Zinc Electrowinning process and improve quality of HG grade Zinc in the manually operated zinc cell house. Plant trials are in progress.
- Improvement in Zinc recovery from MCTP and coke recovery from its slag. Trial tests have been conducted at the plant, and process is under implementation.
- Developed online sensors for measuring O2 level in the outlet gases from zinc roasters.
- Developing online control systems to use molten metal level measurements for reducing the variations in ingot thickness & improve customer satisfaction.
- Developed flotation reagent to improve lead and silver recovery at Sindesar Khurd Mines. Plant trials are in progress.

#### In Copper business

1. Through crucial R&D, the unit has developed a new process to recover precious metals from anode slime and this plant has been successfully commissioned and ramped up. It results in smooth PMR operations at Fujairah unit and additional revenue.

2. In-House process designing for Selenium and Tellurium recovery in collaboration with Council of Scientific and Industrial Research, Govt of India to ensure 100% realisation of minor metals.
3. With respect to quality improvement, the unit is doing intensive R&D to increase the purity of cobalt sulphate to be in comparison to battery grade.
4. In the path of creating wealth from waste or residue, the unit is targeting an additional ₹ 250 crore revenue from Minor Metal Business by FY 2025-26 through R&D and Innovation.
5. Under the sustainable packaging initiative, a 100% recyclable packaging solution has been introduced for the copper rod. This packaging provides protection even under adverse climate conditions and has led to customer delight.
6. Artificial Intelligence & Machine Learning based smart fuel optimisation project under the digitalisation initiative in our furnaces has been implemented and is estimated to reduce 3,554 tCO<sub>2</sub> eq./year.

In **ESL**, R&D vertical has been working to deliver innovative solutions in several key areas, including new product development, customer delight and operational excellence.

1. **New Product Development:** R&D vertical developed seventeen (17) new grades, tailored for specific applications like fasteners, screws, steel wool springs, crimped wire, wire ropes, auto cables, etc. Advancing commissioning of a new LRF to extend capabilities into alloy-grade production.
2. **Packaging Efficiency Enhancement:** Developed a more efficient HDPE tubular packaging at the Wire Rod Mill from conventional HDPE overlapping packaging. This strategic shift doubles packaging capacity while utilising the same resources. Beyond aesthetics, the method ensures fully sealed enclosure for wire rod coils, effectively safeguarding against dust and moisture infiltration, thus enhancing product integrity and customer satisfaction.
3. **Innovative Strapping and Compacting System:** Successfully introduced a state-of-the-art strapping and compacting system in collaboration with Sund Birsta. This system employs metal straps as a superior alternative to traditional binding wires, offering increased surface contact for enhanced holding strength. Designed for export-oriented packaging, it minimises the risk of coil binding loosening during transit, ensuring products reach customers in optimal condition. Additionally, the system efficiently eradicates compactor-related bottlenecks, reducing delays, thus enhancing customer satisfaction through timely deliveries.

4. **Ferro Alloy Optimisation:** Developing Ferro Alloy Optimisation Model to calibrate the quantity of ferro alloy required for precise chemical compositions. Aims to reduce specific consumption of ferro alloy by providing accurate predictions and recommendations for alloy addition, enhancing production precision and resource efficiency.
5. **Innovation in Quality Enhancement:** Through in-house innovative solutions and initiatives implemented at our Steel Melting Shop and Rolling Mills, significant improvements have been achieved in the sigma level of a key quality parameter, namely tensile strength, in our finished goods such as wire rods and TMT bars.
6. **Digitalisation for Operational Excellence:** In the pursuit of Operational Excellence, we embark on transformative digitalisation initiatives throughout the year. Some of these are:
  - I. **Computer vision-based particle sizing analysis** on Blast furnace conveyor belts for providing real-time insights on incoming coke and sinter materials before it is fed into the furnace for efficient BF operation.
  - II. **Sinter Green Mix Optimiser Model** to provide recommendations on optimal green mix at lowest cost required to achieve desired sinter chemical properties.
  - III. Integration of **LIMS (Laboratory Integrated Management System)** with Historian to display real-time data analysis to the process team.
  - IV. Through the '**Smart Logistics Project**', ESL has successfully automated logistics processes, reduced both inbound and outbound vehicle turnaround time and freight rates reduction. The project was executed in two phases, incorporating functionalities like auto shipment and invoicing, RFID integration, and GPS tracking. Moving forward, ESL Steel aims to fully digitise its logistics operations for continued operational excellence.

#### In Iron & Steel sector

##### Coke:

##### Innovation:

Sesa Coke Gujarat team constructed a state-of-the-art small scale pilot coke oven facility at Bhachau location. The pilot oven has been ingeniously developed and constructed using refractory bricks to accurately simulate a commercial coke oven. This cutting-edge facility serves as a crucial asset enabling us to expand our coal basket and optimise blend costs. With rigorous testing and inclusion of novel coal varieties from across the world we could achieve zero % PHCC in manufacturing of LAM coke to cater various OEM and retail market demand.



#### Excellence:

Team at Sesa Coke has carefully re-scheduled sequencing of coke oven battery operation and optimised operating cycle hours. This has enabled the team to operate entire coke making process into reduced shift operation, which further enabled team to reduce 20% reduction in manpower and optimise conversion cost.

#### Care:

Team has successfully conducted trials by heating re-commissioned coke ovens using bio diesel. This on-site testing trials were very encouraging and demonstrated a significant reduction in emissions, by around 70% as compared to HSD. This will further hold tremendous future potential in adopting greener and cleaner fuels and achieving cost advantages.

#### Value Added Business ("VAB")

At **VAB**, our BF3 which is a modern Blast furnace used to operate at 580 Kg/THM with PCI rate of 160 Kg/THM. We had done modification in our system like increased tuyere diameter, modified chute length of BLT system, upgraded PCI system to inject higher PCI. This has resulted in achieving benchmark fuel rate of 550 Kg/THM with PCI rate of 170 Kg/THM. All this modification is done in house with complete brainstorming, ideas generation, technical discussions and final implementation on site. For the same size of furnace, the industry benchmark is 540-550 Kg/THM and PCI rate of 170-180 Kg/THM. Further, we are planning to reduce it to 540 with 200 Kg/THM PCI.

In **FACTOR**, we're advancing our operational efficiency through strategic technological integration:

- We have implemented Waste Heat Recovery systems in our furnaces, that captures and repurposes discarded heat to pre-heat our coke. This not only conserves energy but also optimises the efficiency of our furnaces.
- To minimise downtime and enhance equipment reliability, we have implemented Smart Predictive Maintenance systems. Utilising AI technology, these systems proactively identify potential equipment failures, enabling us to prevent breakdowns before they occur and significantly reduce maintenance-related delays.
- We are also working on Machine Learning based techniques to refine our charge mix. This approach uses data-driven insights to determine the optimal combination of raw materials, ensuring we achieve better productivity along with our targeted KPIs with greater precision.

In **Cairn**, focus is to enhance production, improved operational efficiencies and reduced exposure to risk through R&D vertical.

- In a pioneering step, Cairn has migrated its **entire petro-technical data** and computing to **cloud platform**. Application of high-power cloud computing has fast

tracked timelines by ~30% in geophysical velocity modelling for exploration prospectivity of Rajasthan and by ~80% in seismic inversion for Bhagyam. Reduction of runtime has increased capability to run multiple iterations within stipulated timeline and help de-risk exploration studies.

- **Micro-seismic monitoring technology** is being applied in Mangala field in Rajasthan for studying production and injection related responses in the field, which is providing valuable insights for the reservoir management. Microseismic can help in optimising injection strategies, maximising production and R&R, and ensuring safe and sustainable operations in the field.
- **Advanced Full Waveform Inversion ("FWI") technology** was evaluated in **east coast offshore** exploration block for improving subsurface seismic imaging and identifying hydrocarbon sweet spots. Additionally, this technology utilises efficient workflows, which cuts the timeline of processing significantly. With this encouraging Proof of Concept ("**POC**") result, FWI technology is being tested on pilot area for implementation in Kg deepwater block.
- Innovative fusion of two distinct technologies, **Full Tensor Gradiometry ("FTG Gravity")** and **Reverse Time Migration (Seismic RTM Processing)**, for better imaging of exploration structures in **difficult terrains of Assam**. This integration approach harnesses the complementary strengths of FTG and RTM, and can improve seismic imaging and reduce exploration risk in geological complex thrust belts of Assam area
- As part of digitalisation, we have embarked on the journey of implementing "**Process Digital Twins**" for real-time monitoring of our processing facilities and for implementing recommendations to increase operational efficiency, reduce fuel gas consumption by ~15% & reduce gas flaring by ~40%; thereby also translating to lower GHG emissions.
- Cairn is actively working on tapping into the elaborate ecosystem of 1800+ Global Startups via the **Vedanta Spark (Startup) initiative** to pilot and subsequently scale-up unique technology deployments that are cost-effective and offer agile delivery. A few such projects include utilising drones for land surveys and asset inspections, cost-effective IIOT based sensorisation for equipment health monitoring, leveraging the power of Generative AI to mine knowledge from Well Completions reports, legal documents etc.

#### 6. INVESTOR RELATIONS ("IR")

Vedanta prioritises fostering open communication and active engagement with its investors. Vedanta has a dynamic IR function that engages both domestic and international shareholders, actively seeking their input.

This function is dedicated to not only meeting but exceeding global IR benchmarks. It is committed to articulating Vedanta's distinctive investment proposition and its potential for value generation to the capital market community, ensuring the Company's shares are valued fairly.

**Increased Shareholder Engagement:** Our IR team connects with shareholders via diverse channels such as personal meetings, conferences, and investor and analyst gatherings, conveying the Company's strategic vision, potential risks, and opportunities, as well as new macroeconomic and company-specific developments. By doing so, we diminish information gaps and foster a favourable perception of Vedanta. Our engagement initiatives span quarterly earnings discussions, Investor/Analyst Days, site tours of principal operations, and participation in sell-side conferences, as well as individual and group meetings. On special occasions, these interactions are graced by Vedanta's senior leadership, including the Promoters, CFO, and business CXOs, earning high regard from shareholders and analysts alike.

**Streamlining Shareholder Communication:** Shareholders are encouraged to reach out to Vedanta anytime via the contact details provided on our website for any queries, concerns, inquiries, or feedback for the Company. Feedback and insights from our shareholders and analysts are swiftly relayed to the Board by the Chairman, the Independent Directors, the KMPs, the Head of Investor Relations, and the Company Secretary. This continuous dialogue empowers our board and senior management to deeply understand shareholder perspectives and address their concerns effectively.

**Setting New Benchmarks in Shareholder Disclosures:** Vedanta has established exemplary reporting standards with comprehensive and transparent disclosures regarding the Company's operational and financial performance. We pioneered our first Integrated Report in FY 2017-18 and have consistently published it since. The Integrated Report offers a visionary outlook, detailing how Vedanta's strategy, governance, and performance culminate in value creation. Additionally, our digital, interactive microsite on the Vedanta corporate website enriches the shareholder experience, providing an engaging platform for timely updates, supplementing the communication delivered through annual reports and quarterly results. Vedanta's commitment to excellence was recognised when we were awarded the 'Platinum Winner' in the \$10+ billion revenue category at the LACP Spotlight Awards for our FY 2022-23 Integrated Annual Report.

**Commitment to Stakeholder Development:** Vedanta remains steadfast in its dedication to holistic development and contributing positively to all stakeholders. Our reporting suite offer comprehensive insights into the ESG and investor-centric initiatives undertaken by Vedanta, benefiting

our employees, shareholders, investors, business partners, civil society, local communities, and the nation at large.

## KEY INITIATIVES WITH RESPECT TO VARIOUS STAKEHOLDERS

The Company maintains its focus on all round development and contribution towards its stakeholders. The Integrated Report provides detailed information on the ESG and investor-focused key initiatives taken by the Company towards its employees, shareholders, investors, business partners, civil society, local community, and nation at large.

## 7. CORPORATE GOVERNANCE

### REPORT ON CORPORATE GOVERNANCE

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. Your Company is committed to maintaining the highest standards of corporate governance in the management of its affairs and ensuring its activities reflect the culture we wish to nurture with our colleagues and other stakeholders.

The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future.

As a Company with a strong sense of values and commitment, we believe that profitability must go hand in hand with a sense of responsibility towards all stakeholders. We believe Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. Our disclosures seek to attain the best practices in international corporate governance, and we constantly endeavour to enhance long-term shareholder value. Our Corporate Governance Report for FY 2023-24 forms part of this Annual Report.

### DIRECTORATE, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of shareholders and other stakeholders.

The Board, inter alia, reviews and guides corporate strategy, major plans of action, risk policy, annual budgets, acquisitions and divestments. It also monitors the implementation and effectiveness of governance structures and driven by its guiding principles of Corporate Governance; the Board's actions endeavor to work in best interest of the Company.



The Directors hold a fiduciary position, exercises independent judgement, and play a vital role in the oversight of the Company's affairs. Our Board represents a tapestry of complementary skills, attributes, perspectives and includes individuals with financial experience and a diverse background.

In line with the recommendation of SEBI and our relentless endeavor to adhere to the global best practices, the Company is chaired by Mr. Anil Agarwal, Non-Executive Chairman with effect from 01 April 2020.

### Directors

#### Appointments

- During FY 2023-24, basis the recommendation of the NRC and approval of the Board, Mr. Arun Misra (DIN: 01835605) was inducted as an Executive Director of the Company with effect from 01 August 2023 to 31 May 2025. The same was approved by the shareholders of the Company through postal ballot resolution on 25 August 2023.

#### A brief profile of Mr. Arun Misra is as follows:

*Arun Misra is also the CEO & Whole Time Director of Hindustan Zinc Limited ("HZL"), a subsidiary of the Company. He was appointed as Deputy CEO, HZL on 20 November 2019, and was elevated to CEO & WTD, HZL with effect from 01 August 2020.*

*Mr. Misra is the 1<sup>st</sup> ever Indian Chairperson of the International Zinc Association. He is recently elected as Chairman of CII Rajasthan state council and previously served as the Vice Chairman. He is also the Vice President of the Indian Institute of Mineral Engineers. He was awarded 'CEO of the Year' in the 'Business Leader of the Year' awards. He is also recognised in the 22<sup>nd</sup> position of the Top 30 CEOs of India by Startup Lanes.*

*Detailed profile of Mr. Misra is provided in the earlier section of the Annual Report. This is in accordance with the Companies (Accounts) Amendment Rules, 2019 notified to hold effect from 01 December 2019.*

#### Re-appointments

Pursuant to the recommendation of the NRC, the Board approved the below re-appointments during the year:

- Ms. Padmini Sekhsaria (DIN: 00046486) (Independent Director) for a second and final term of 02 years effective from 05 February 2023 to 04 February 2025;
- Mr. Dindayal Jalan (DIN: 00006882) (Independent Director) for a second and final term of 03 years effective from 01 April 2023 to 31 March 2026;

- Ms. Priya Agarwal Hebbar (DIN: 05162177) (Non-Executive Director) for a further period of 05 years from 17 May 2023 to 16 May 2028; and
- Mr. Navin Agarwal (DIN: 00006303) (WTD designated as Executive Vice-Chairman) for a further period of 05 years from 01 August 2023 to 31 July 2028.

The re-appointment of Ms. Padmini Sekhsaria and Mr. Dindayal Jalan was approved by the shareholders through postal ballot resolution on 28 April 2023, and the re-appointment of Ms. Priya Agarwal Hebbar and Mr. Navin Agarwal was approved by the shareholders in the AGM held on 12 July 2023.

#### Cessations

Mr. Sunil Duggal superannuated on completion of his tenure as the Whole-Time Director & CEO with effect from close of business hours on 31 July 2023.

#### Key Managerial Personnel

##### Appointment/Cessations

Mr. Ajay Goel ceased to be Acting Group Chief Financial Officer of the Company with effect from close of business hours on 09 April 2023.

Further, basis the recommendation of Audit & Risk Management Committee and NRC and approval of Board, Ms. Sonal Shrivastava was appointed as the Chief Financial Officer ("CFO") & KMP of the Company with effect from 01 June 2023.

Ms. Sonal tendered her resignation from the position of CFO & KMP of the Company with effect from close of business hours on 24 October 2023, due to some personal reasons.

Consequently, as part of Vedanta's structured re-hiring program called "Gharwapsi" and basis recommendations of Audit & Risk Management Committee and NRC and approval of Board, Mr. Ajay Goel joined back the Company as the CFO & KMP of the Company with effect from 30 October 2023.

#### A brief profile of Mr. Ajay Goel is as follows:

*Ajay Goel was appointed as the CFO of Vedanta on 30 October 2023. He joined the Company in March 2021 as Deputy CFO and assumed charge as Acting CFO in October 2021. Ajay brings rich multinational experience with global companies in FMCG and Industrial sectors namely GE, Nestle, Coca Cola and Diageo. As CFO, Ajay is responsible for all aspects of finance, including corporate governance, treasury and funding, investors relations, Financial Planning & Analysis, Accounting and Consolidation, Secretarial, and Risk Management. He also drives business performance monitoring and reporting with a focus on benchmarking and analytics. Ajay is a national rank holder both as Chartered Accountant and Company Secretary and a commerce graduate from St. Xavier's College, Calcutta University.*

**Senior Management Personnel****Appointments/Cessations**

The Board, on the basis of the recommendation of the NRC, in its meeting held on 04 August 2023, appointed Mr. John Slaven, CEO – Aluminium Business, as the SMP of the Company with effect from 03 October 2023.

**A brief profile of Mr. John Slaven is as follows:**

*Mr. John spearheads key initiatives towards unlocking the full potential of Aluminium Business to deliver 3 MTPA of integrated volume and being amongst the top 3 aluminium players in the world. He leads the overall strategy of the Aluminium Business, including development of strategic alliances to fast-track business delivery, as well as Marketing Strategies, ESG and Green Aluminium Strategy. Mr. John is a reputed global leader who brings 34 years of rich experience in metal & mining sector. He has worked across the entire aluminium value chain in exploration, growth projects, operations, sales, and marketing.*

*Detailed profile of Mr. John Slaven is provided in the earlier section of the Annual Report.*

Further, the Board of Directors of the Company, on the recommendation of the NRC, approved the appointment of Mr. Nicholas John Robert Walker ("Nick"), Former CEO – Cairn Oil & Gas, as SMP in the meeting held on 27 January 2023. His designation had been changed and he ceased to be CEO – Cairn Oil & Gas with effect from 04 August 2023.

The KMP and SMP, similarly, comprises of multifarious leaders with each member bringing in their key proficiency in different areas aligned with our business and strategy.

A comprehensive update on the change in the Directorate, KMP and SMP of the Company along with the directorships held in other Companies, their skills and expertise have been

explicated in the Corporate Governance Report forming part of this Annual Report.

**DIRECTOR RETIRING BY ROTATION**

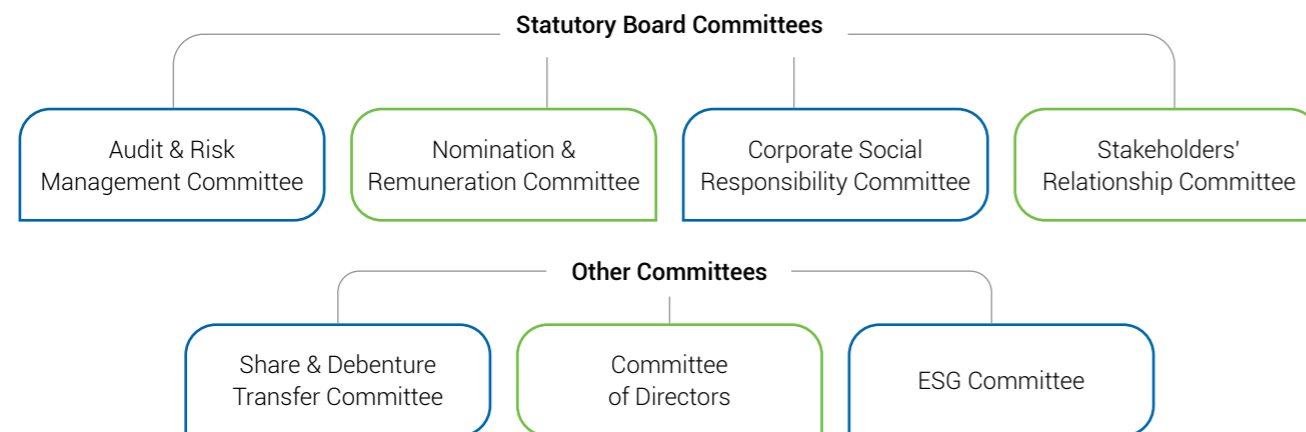
As per the provisions of the Act, Mr. Anil Agarwal (DIN: 00010883), Non-Executive Chairman of the Company, is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment. Based on the performance evaluation and recommendation of the NRC, Board recommends his re-appointment.

Details of re-appointment as required under Listing Regulations, are provided in the AGM Notice.

**BOARD AND COMMITTEES**

The Board of Directors is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance. The Board places great importance on ensuring these key themes continue to be appropriate for the businesses and markets in which we operate around the world, while being aligned with our culture.

The Board is supported by the activities of each of the Board Committees which ensure the right level of attention and consideration are given to specific matters. Accordingly, the Committees focus on specific areas and take informed decisions within the framework designed by the Board and make specific recommendations to the Board on matters in their areas or purview. Each of the Committees has terms of reference under which authority is delegated by the Board. At present, the Company has the following Board Committees which ensures greater focus on specific aspects of Corporate Governance and expeditious resolution of issues of governance as and when they arise.



A detailed update on the Board, its committees, their composition, terms and reference, meetings held during FY 2023-24 and the attendance of each member is detailed in the Corporate Governance Report.

**BOARD EFFECTIVENESS****Familiarisation Program for Board Members**

Your Company has a structured programme for the new Board members so as to enable them to understand the nature of the industry in which the Company operates, its management and its operations. They are also familiarised with Company's organisational and governance structure, governance philosophy/principles, code of conduct & key policies, Board's way of working & procedures, formal information sharing protocol between the Board and the management, Directors' roles and responsibilities and disclosure obligations.

The details of the familiarisation programme and process followed are provided in the Corporate Governance Report forming part of this Annual Report and can also be accessed on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

**Annual Board Evaluation**

The Board of your Company is highly committed to ensure transparency in assessing the performance of Directors. Pursuant to the provisions of the Act and the Listing Regulations, the annual evaluation of the performance of the Board of Directors, its Committees, Chairman, Vice-Chairman, Directors, and the governance processes that support the Board's work was conducted.

As a part of governance practice, the Company, had engaged a leading consultancy firm, to conduct the Board Evaluation Process which was facilitated by way of an online structured questionnaire ensuring transparency and independency of the management. The evaluation parameters and the process have been explained in the Corporate Governance Report.

**Feedback Mechanism**

The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The Board was satisfied with overall performance & effectiveness of the Board, Committee and Individual Directors and appreciated Company's ethical standards, transparency and progress on sustainability/ESG during the year. The Board Members also provided their inputs on the Board processes, areas of improvement and the matters for enhancing the overall effectiveness of the Board. It was noted that the Board as a whole is functioning as an effective and cohesive body.

**BOARD DIVERSITY AND INCLUSION**

Your Company believes that an organisation is a collective representation of people coming with individual differences in thoughts, personality, unique capabilities and talent that they bring to work. It is an understanding that each individual is unique, and a recognition of our individual differences, so that each and every one feels important, respected, and engaged

as we assimilate people with differences including but not limited to nationality, geography, ethnicity, gender or other ideologies. While we strongly appreciate diversity in all forms, achieving gender parity is a priority for the Company.

As part of building a diverse workforce, it is critical that membership of the Board includes a diverse mixture of skills, professional & industry backgrounds. A diverse Board will include and make good use of the differences in the skills, knowledge, industry experience, background, race, gender and other qualities of the individual members as a whole. It will have a range of views, insights, perspectives, and opinions to improve its decision-making and benefit the Company's stakeholders. In line with the aforementioned approach, the Company introduced the Diversity, Equity & Inclusion Policy in August 2023.

In view of the above, your Company has adopted the Board Diversity Policy and Diversity, Equity & Inclusion Policy that sets out its approach to diversity. The Policies can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

Additional Details on Board Diversity and the key attributes of the Board Members are explicated in the Corporate Governance Report forming part of this Annual Report.

**POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION**

The Nomination & Remuneration Policy adopted by the Board on the recommendation of the NRC enumerates the criteria for assessment and appointment/re-appointment of Directors, KMP and SMP on the basis of their qualifications, knowledge, skill, industrial orientation, independence, professional and functional expertise among other parameters with no bias on the grounds of ethnicity, nationality, gender or race or any other such discriminatory factor.

The Policy also sets out the guiding principles for the compensation to be paid to the Directors, KMP and SMP; and undertakes effective implementation of Board familiarisation, diversity, evaluation and succession planning for cohesive leadership management.

With your Company continuing to comply with the Policy in true letter and spirit, the complete Policy is reproduced in full on our website at [www.vedantalimited.com](http://www.vedantalimited.com) and a snapshot of the Policy is elucidated in the Corporate Governance Report.

**OBSERVANCE OF THE SECRETARIAL STANDARDS**

The Directors state that proper systems have been devised to ensure compliance with the applicable laws. Pursuant to the provisions of Section 118 of the Act, during FY 2023-24, the Company has adhered with the applicable provisions of the



Secretarial Standards ("SS-1 and SS-2") relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

### INDEPENDENT DIRECTORS' STATEMENT

The Company has received declaration from all the Independent Directors confirming that they continue to meet the criteria of independence as prescribed under the Act and Listing Regulations and comply with the Code for Independent Directors as specified under Schedule IV of the Act.

The Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In terms of Section 150 of the Act read with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs ("IICA").

### ANNUAL RETURN

In terms of provisions of Section 92(3), 134(3)(a) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended 31 March 2024 is placed on the website of the Company and can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

### Auditors:

#### Statutory Auditors

- M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) had been appointed as the Statutory Auditors of the Company in the 56<sup>th</sup> AGM to hold office for a period of five (5) years to the conclusion of 61<sup>st</sup> AGM.
- The Auditors have confirmed that they are not disqualified from being re-appointed as Statutory Auditors of the Company.
- The report of the Statutory Auditors along with notes to financial statements is enclosed to this Report. The Notes on financial statements referred to in the

### AUDIT REPORTS AND AUDITORS

#### Audit Reports:

The Statutory Auditors have issued unmodified opinion on the financial statements of the Company for the year ended 31 March 2024.

- The Statutory Auditors' report for FY 2023-24 does not contain any other qualification, reservation or adverse remarks which calls for any explanation from the Board of Directors. The Auditors' report is enclosed with the financial statements in the Annual Report.
- The Secretarial Auditors' Report for FY 2023-24 does not contain any qualification, reservation, or adverse remark. The report in form MR-3 is enclosed as 'Annexure D' to the Directors' Report. Further, in terms of Regulation 24(a) of Listing Regulations, the Secretarial Audit Report of BALCO, an unlisted material subsidiary of the Company is also enclosed as 'Annexure D-1' to this report.

#### Auditors Certificates:

- As per the Listing Regulations, the auditors' certificate on corporate governance is enclosed as an Annexure to the Corporate Governance Report forming part of the Annual Report. The Certificate does not contain any other qualification, reservation, or adverse remark except as mentioned in the report.
- A certificate from Company Secretary in Practice certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority forms part of the Corporate Governance Report.

Auditors' Report are self-explanatory and do not call for any further comments.

- The auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company. The Audit & Risk Management Committee reviews the independence and objectivity of the auditors and the effectiveness of the audit process.
- The Statutory Auditors were present at the last AGM of the Company.



### Secretarial Auditors

- M/s Chandrasekaran Associates, Practicing Company Secretaries had been appointed by the Board to conduct the secretarial audit of the Company for FY 2023-24.
- The Company had received a certificate confirming their eligibility and consent to act as the Auditors.
- The Secretarial Audit Report for FY 2023-24 forms part of this report and confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.
- Pursuant to SEBI circular no. CIR/CFD/CMO1/27/2019 dated 08 February 2019, the Company has also undertaken an audit for all applicable compliances as per the Listing Regulations and circular guidelines issued thereunder. The Annual Secretarial Compliance Report for FY 2023-24 has also been submitted to the Stock Exchanges within the stipulated timeline.
- The Secretarial Audit Report of its unlisted material subsidiary is annexed to this report.
- The Secretarial Auditors were also present at the last AGM of the Company.

### Cost Auditors

- M/s Shome & Banerjee and M/s Ramnath Iyer & Co., Cost Accountants, had been appointed by the Board to conduct the audit of cost records of the Oil & Gas Business and other Business segments of the Company respectively for FY 2023-24.
- M/s Ramnath Iyer & Co., Cost Accountants, were nominated as the Lead Cost Auditors.
- The Company had received a certificate confirming their eligibility and consent to act as the Auditors.
- The cost accounts and records of the Company are duly prepared and maintained by the Company as required under Section 148(1) of the Act pertaining to cost audit.

### Internal Auditors

- M/s KPMG had been appointed as the Internal Auditors of the Company for FY 2023-24 to conduct the Internal Audit on the basis of detailed Internal Audit Plan.
- The Company has an independent in-house Management Assurance Services ("MAS") team to manage the Group's internal audit activity and that functionally reports to the Audit & Risk Management Committee.

### REPORTING OF FRAUD BY AUDITORS

During the reporting year, under Section 143(12) of Act, none of the Auditors of the Company have reported to the Audit & Risk Management Committee of the Board any instances of fraud by the Company or material fraud on the Company by its officers or employees.

### LEGAL, COMPLIANCE, ETHICS AND GOVERNANCE FUNCTION

The function plays a pivotal role in driving Vedanta's success by serving as strategists, enablers, and protectors of business interests. Operating within a structured and comprehensive framework, the function meticulously plans, executes, and monitors all legal activities, providing essential support for the Company's strategic objectives.

The function is dedicated to protecting the Company's interests and ensuring seamless operations in a dynamic environment. By ensuring comprehensive advisory and compliance services in line with existing regulations and legislative developments, it facilitates the business agenda in areas such as claims and contract management, mergers & acquisitions, dispute resolution, litigation, and

adherence to competition laws, business ethics, and governance standards.

To deepen the understanding and application of organisational values and principles embedded in Vedanta's Code of Business Conduct and Ethics, the function annually conducts a mandatory online ethics training module for all employees. Additionally, the function spearheads the Ethics Compliance Month initiative, raising awareness and conducting targeted training sessions on critical ethical issues such as insider trading, prevention of sexual harassment, anti-bribery, anti-corruption, and anti-trust laws, utilising interactive learning tools. The Supplier Code of Conduct ensures that third parties including their employees, agents, and representatives maintain adherence to industry standards and applicable statutory requirements concerning labour and human rights, health, safety, environment, and business integrity. This commitment reinforces the Company's dedication to ethical practices and integrity across all facets of our operations.

Additionally, the function also drives regulatory and legislative changes through effective engagement with the concerned

authorities and associations. By identifying opportunities, mitigating risks, and proactively collaborating with cross-functional departments, the function aims to uphold the highest standards of support and efficiency.

As technological advancements continue to reshape the market landscape, the function actively seeks to incorporate such advancements in its everyday functionality to streamline compliance frameworks, litigation management, and contract management. The function also has in place various automated systems like compliance tool, and litigation management systems, with further integration of artificial intelligence ("AI") under exploration to enhance its functionality.

## 8. OTHER DISCLOSURES

### RELATED PARTY TRANSACTIONS

Your Company has in place a Policy on Related Party Transactions ("RPT") ("RPT Policy") formulated in line with the provisions of the the Act and Listing Regulations. The Company has voluntarily adopted a stricter policy as against the legal requirements. The Policy may be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

The Policy sets out the philosophy and processes to be followed for approval and review of transactions with Related Party and intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions with Related Parties.

A detailed landscape of all RPTs specifying the nature, value, and terms and conditions of the transaction is presented to the Audit & Risk Management Committee. Also, a Standard Operating Procedures has been formulated to identify and monitor all such transactions.

During FY 2023-24, all the contracts/arrangements/ transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis and were in compliance with the provisions of the Act and Listing Regulations other than those mentioned in the 'Annexure IV' of the Corporate Governance Report forming part of the Annual Report.

All RPTs are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of RPTs under the Act and Listing Regulations.

During the year, the materially significant RPTs pursuant to the provisions of Listing Regulations had been duly approved by the shareholders of the Company in the 58<sup>th</sup> AGM held on 12 July 2023. Further, there have been no materially significant RPTs during the year pursuant to the provisions of the Act. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

### SHARE CAPITAL AND ITS EVOLUTION

The Authorised Share Capital of the Company is ₹ 74,12,01,00,000 divided into 44,02,01,00,000 number of equity shares of ₹ 1/- each and 3,01,00,00,000 Preference Shares of ₹ 10/- each. There was no change in the capital structure of the Company during the period under review.

The details of share capital as on 31 March 2024 is provided below:

Particulars	Amount (₹)
Authorised Share Capital	74,12,01,00,000
Paid-Up Share Capital	3,71,75,04,871
Listed Share Capital	3,71,72,06,239
Shares under Abeyance pending allotment	2,98,632*

\* During the year, the Company allotted 7,200 equity shares from the abeyance category and subsequently listed. As on 31 March 2024, out of the total paid up capital of 3,71,75,04,871 equity shares, 2,98,632 equity shares are pending for allotment and listing and hence kept under abeyance since they are sub-judice.

The details of the Capital Evolution has been provided on the Company's website and can be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

### SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATE COMPANIES

Your Company has 48 subsidiaries (20 direct and 28 indirect) as at 31 March 2024, as disclosed in the notes to accounts.

During the year and till date the following changes have taken place in subsidiary companies:

- Hindmetal Exploration Services Private Limited incorporated on 26 February 2024.
- The Mumbai NCLT and Chennai NCLT had passed orders dated 06 June 2022 and 22 March 2023 respectively to sanction the scheme of amalgamation of Sterlite Ports Limited ("SPL"), Paradip Multi Cargo Berth Private Limited ("PMCB"), Maritime Ventures Private Limited ("MVPL"), Goa Sea Port Private Limited ("GSPPL"), wholly-owned subsidiaries/step down subsidiaries of Sesa Resources Limited ("SRL"), with Sesa Mining Corporation Limited ("SMCL"). MCA statutory filing has completed on 18 January 2024 which is the effective date of merger.
- Meenakshi Energy Limited has been acquired on 27 December 2023 under the liquidation proceedings of IBC, 2016.
- Copper Mines of Tasmania ("CMT"), wholly-owned subsidiary of Vedanta Limited through intermediate holding company, Monte Cello B.V. ("MCBV") was sold on 17 November 2023.
- Vedanta Copper International VCI Company Limited incorporated on 14 November 2023.
- Vedanta Iron and Steel Limited incorporated on 10 October 2023.



- Vedanta Base Metals Limited incorporated on 09 October 2023.
- Vedanta Aluminium Metal Limited incorporated on 06 October 2023.
- Sesa Iron and Steel Limited incorporated on 06 September 2023.
- Vedanta Displays Limited and Vedanta Semiconductors Private Limited have been acquired on 27 July 2023 from Twin Star Technologies Ltd via Share Purchase Agreement.

As at 31 March 2024, the Company has 06 associate companies and joint ventures.

#### Associate Companies and Joint Ventures:

- Gaurav Overseas Private Limited
- RoshSkor Township (Pty) Ltd
- Goa Maritime Private Limited
- Madanpur South Coal Company Limited
- Rosh Pinah Health Care (Proprietary) Limited
- Gergarub Exploration and Mining (Pty) Limited

As required under Listing Regulations, the Consolidated Financial Statements of the Company and its subsidiaries and joint ventures, prepared in accordance with Ind AS 110 issued by the Institute of Chartered Accountants of India, form part of the Annual Report.

During the year, the Board of Directors have reviewed the affairs of the subsidiaries. Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of the subsidiary and associate companies is attached to the financial statements in Form AOC-1. The statement also provides details of performance and financial position of each of the subsidiaries and their contribution to the overall performance of the Company.

In accordance with Section 136 of the Act, the audited Standalone and Consolidated financial statements of the Company along with relevant notes and separate audited accounts of subsidiaries are available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com). Copies of the financial statements of the Company and of the subsidiary companies shall be made available upon request by any member of the Company. Additionally, these financial statements shall

### DEBENTURES

During FY 2023-24, your Company has raised ₹ 5,900 crore through issuance of Non-Convertible Debentures ("NCDs") of face value of ₹ 1,00,000 each on private placement basis as per the following details:

Security Description	Date of Allotment	No. of NCDs	Total Amount (in ₹ Crore)	Tenor	Maturity Date
Secured Unrated Unlisted Redeemable NCDs	27 September 2023	2,50,000	2,500	01 year 06 months	27 March 2025
Secured Unrated Unlisted Redeemable NCDs	21 December 2023	3,40,000	3,400	01 year 06 months	21 June 2025

Further, the details with respect to outstanding listed NCDs as on 31 March 2024 have been detailed in the Corporate Governance Report.

also be available for inspection by members on all working days during business hours at the Registered Office of the Company.

### MATERIAL SUBSIDIARIES

The Company has adopted a policy on determination of material subsidiaries in line with the Listing Regulations. The policy aims to determine the Material Subsidiaries and Material Unlisted Indian Subsidiaries of the Company and to provide the governance framework for such subsidiaries. The policy may be accessed at [www.vedantalimited.com](http://www.vedantalimited.com).

In accordance with Regulation 16(1)(c) of the Listing Regulations, your Company has the following material subsidiary companies during FY 2023-24:

- Hindustan Zinc Limited ("HZL"), a listed subsidiary;
- Cairn India Holdings Limited ("CIHL"), an unlisted subsidiary; and
- Bharat Aluminium Co. Limited ("BALCO"), an unlisted subsidiary.

Further, SEBI vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023, requires additional details to be provided for material subsidiaries. The details are as follows:

Particulars	Material Subsidiary		
	HZL	CIHL	BALCO
Date of Incorporation	10 January 1966	02 August 2006	27 November 1965
Place of Incorporation	Udaipur	Jersey	New Delhi
Name of Statutory Auditors	S.R. Batliboi & Co. LLP	MHA MacIntyre Hudson	S.R. Batliboi & Co. LLP
Date of appointment of Statutory Auditors	09 August 2021	10 March 2021	17 September 2021

In terms of the provisions of Regulation 24(1) of the Listing Regulations, appointment of one of the Independent Directors of the Company on the Board of unlisted material subsidiary was applicable on CIHL and BALCO.

In compliance with the above requirement, Mr. Dindayal Jalan, Independent Director of the Company, had been appointed as Director of CIHL effective 30 November 2021. Also, Mr. Jalan is already on the Board of BALCO since 2020.

The Company is in compliance with the applicable requirements of the Listing Regulations for its subsidiary companies during FY 2023-24.

**COMMERCIAL PAPERS**

The Commercial Papers ("CPs") issued by the Company which were listed on National Stock Exchange of India Limited have been duly redeemed during the year.

As on 31 March 2024, there are no outstanding CPs.

**UNCLAIMED SHARES**

Pursuant to the SEBI Circular and Regulation 39 of Listing Regulations regarding the procedure to be adopted for unclaimed shares issued in physical form in public issue or otherwise, the Company has a separate demat account in the title of 'Vedanta Limited – Unclaimed Suspense Account' with HDFC Bank Limited. The details of shares lying in the unclaimed suspense account are provided below:

Description	No. of shareholders	No. of Equity shares of ₹ 1/- each
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	451	4,59,616
Number of shares transferred to the unclaimed suspense account during the year	-	-
Number of shareholders who approached issuer for transfer of shares from suspense account during the year;	06	12,688
Number of shareholders to whom shares were transferred from suspense account during the year;		
Number of shares transferred to Investor Education and Protection Fund ("IEPF") account pursuant to IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with Amendment Rules, 2017	78	42,053
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	367	4,04,875

**TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

In accordance with the provisions of the Act, 2013 and IEPF Rules, as amended from time to time, the Company is required to transfer the following to IEPF:

- Dividend amount that remains unpaid/unclaimed for a period of seven (7) years; and
- Shares on which the dividend has not been paid/claimed for seven (7) consecutive years or more.

Additionally, pursuant to Rule 3(3) of IEPF Rules, in case of term deposits of companies, due unpaid or unclaimed interest shall be transferred to IEPF along with the transfer of the matured amount of such term deposits.

Your Company, in its various communications to the shareholders from time to time, requests them to claim the unpaid/unclaimed amount of dividend and shares due for transfer to IEPF established by the Central Government. Further, in compliance with IEPF Rules including statutory modification(s) thereof, the Company publishes notices in newspapers and sends specific letters to all shareholders whose shares are due to be transferred to IEPF, to enable them to claim their rightful dues.

Basis the continuous efforts of the Company, a total of 128 investor claims have been released from IEPF till 31 March 2024 aggregating to 1,87,588 shares.

**Dividend and other amounts transferred/credited to IEPF during 2023-24**

The details of dividend and other unpaid/unclaimed amounts transferred to IEPF during the year are provided below:

Dividend and other unpaid/unclaimed amounts transferred to IEPF during the year				
Financial Year	Type of Amount	Date of Declaration	Amount transferred to IEPF (in ₹)	Date of transfer to IEPF
2015-16	Final Dividend	21 July 2016	31,99,635	12 September 2023
2016-17	Interim Dividend	28 October 2016	1,66,08,143	20 December 2023
<b>Total</b>			<b>1,98,07,778</b>	

\*In addition to the above transfers, an amount of ₹ 10,000 pertaining to Unpaid Matured Deposits and interest accrued thereon has been identified and transferred to IEPF during the year.



In view of specific order(s) of court/tribunal/statutory authority restraining transfer of shares and dividend thereon, such shares and unpaid dividend have not been transferred to IEPF pursuant to Section 124 of the Act and Rule 6 of IEPF Rules including statutory modification(s) or re-enactment(s) thereof.

The details of dividend declared during the year on shares already transferred to IEPF are provided below:

Dividend declared during FY 2023-24 on shares already transferred to IEPF				
Financial Year	Type of Dividend	Date of Declaration	Amount transferred to IEPF (in ₹)	Date of transfer to IEPF
2023-24	Interim Dividend (1 <sup>st</sup> )	22 May 2023	8,15,36,455.07	12 June 2023
2023-24	Interim Dividend (2 <sup>nd</sup> )	18 December 2023	4,86,69,693.09	10 January 2024
<b>Total</b>			<b>13,02,06,148.16</b>	

**Shares transferred/credited to IEPF during FY 2023-24**

During the year, the Company transferred 2,69,268 equity shares of ₹ 1/- each held by 886 shareholders to IEPF.

The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 12 July 2023 (the date of last AGM) on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com). Further, the details of equity shares transferred are also made available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

The shareholders whose shares/dividends have been transferred to IEPF can claim the same from IEPF in accordance with the prescribed procedure and on submission of such documents as prescribed under the IEPF Rules. The process for claiming the unpaid shares/dividends out of IEPF can be accessed on the IEPF website at [www.iepf.gov.in](http://www.iepf.gov.in) and on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

**Dividend due to be transferred to IEPF during FY 2024-25**

The dates on which unclaimed dividend and their corresponding shares would become due to be transferred to IEPF during FY 2024-25 are provided below:

Dividend due to be transferred to IEPF during FY 2024-25				
Particulars	Date of Declaration	Date of completion of seven years	Due date for transfer to IEPF	Amount as on 31 March 2024 (in ₹)
2 <sup>nd</sup> Interim Dividend 2016-17	30 March 2017	04 May 2024	03 June 2024	17,48,02,651.60
<b>Total</b>				<b>17,48,02,651.60</b>

Ms. Prerna Halwasiya, Company Secretary & Compliance Officer of the Company is designated as the Nodal Officer under the provisions of IEPF. The contact details can be accessed on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

**TRANSFER TO RESERVES**

The Company proposes Nil transfer to General Reserves out of its total profit of ₹ 6,623 crore for the financial year.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised as per the provisions of Section 186 of the Act are provided in the standalone financial statements. (Please refer to Notes to the Standalone Financial Statements forming part of this Annual Report).

**FIXED DEPOSITS**

As on 31 March 2024, deposits amounting to ₹ 44,000 remain unclaimed. Since the matter is sub judice, the Company is maintaining status quo.

**PUBLIC DEPOSITS**

The Company has not accepted any deposits falling under the ambit of Section 73 of the Act and the Rules framed thereunder during the year under review.

**MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

No material changes and commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report which may affect the financial position of the Company.

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

The significant and material orders which have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in the future, are provided below:

**Copper Division**

The Company had filed a Special Leave Petition before the Hon'ble Supreme Court against the order of Division Bench of Madras High Court vide which the Court had upheld the

closure of the Copper Smelter Plant at Thoothukudi. The Hon'ble Supreme Court on 29 February 2024 concluded that the Special Leave Petition did not warrant interference under Article 136 of the Constitution of India and dismissed the Special Leave Petition filed by the Company.

The Company has filed a review petition against the order passed by the Hon'ble Supreme Court and the listing of the same is awaited.

#### CHANGE IN NATURE OF BUSINESS OF COMPANY

There is no change in the nature of business of the Company during the year under review.

#### FAILURE TO IMPLEMENT ANY CORPORATE ACTION

There were no instances where the Company failed to implement any corporate action within the specified time limit.

#### GENERAL DISCLOSURES

- There are no pending legal proceeding against the Company under Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any bank or financial institution during FY 2023-24.

#### 9. AWARDS AND RECOGNITION

In a bid to maintain its persistent quest for steady growth and continued excellence, the Company continues to ensure its commitment towards maintaining the highest standards of corporate governance and sustainable practices. As a recognition for its impactful innovations and focused drive to achieve best-in-class operations, the Company has secured a multitude of accolades at various forums while acquiring plaudits as the recipient of numerous prestigious awards for demonstrating its business ethos.

These embellishments to Vedanta's cognizant candidature deliver a testament to the progress made by the Company and honour its diligent efforts towards delivering value for the welfare of all stakeholders and the society as a whole. The Company further strives to lead the path with continuous disciplined improvements in its business practices.

The details of the awards and recognitions secured by the Company have been highlighted in a separate section in the Integrated Annual Report.

#### 10. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134 of the Act, the Directors subscribe to the "Directors' Responsibility Statement" and to the best of their knowledge and ability, hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and

fair view of the state of affairs of the Company at the end of the financial year, i.e., 31 March 2024 and of the profit and loss of the Company for that period;

- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 11. ACKNOWLEDGEMENTS AND APPRECIATION

At Vedanta, our business is deftly managed by an adroit set of leaders with global and diverse experience in the sector in order to accomplish the mission of carving our niche as the leading global natural resource Company. The professionally equipped and technically sound management has set progressive policies and objectives, follows best global practices, all with a plausible vision to take the Company ahead to the next level.

Having received external reassurance in all our commitments over the years, the directors take this opportunity to place on record, their sincere appreciation for the central and state government authorities, bankers, stock exchanges, financial institutions, depositories, analysts, advisors, local communities, customers, vendors, business partners, shareholders, and investors forming part of the Vedanta family for their sustained support, admirable assistance and endless encouragement extended to the group at all levels.

We would also like to express our earnest regard to all employees for their ardent enthusiasm and interminable efforts directed towards lodging significant and effective contributions to the continued growth of the Company. Our heartiest gratitude is further undertaken to be rendered to all our stakeholders for their unflinching faith in the Company.

We look forward for bestowal of your continued support and solidarity in future as we diligently strive to deliver enhanced value for our stakeholders and inscribe on the footprints of nation building for one of the fastest growing economies of the world.

#### For and on behalf of the Board of Directors

##### Anil Agarwal

Non-Executive Chairman  
DIN: 00010883  
Place: London  
Date: 25 April 2024



# ANNEXURE A

## Conservation of Energy and Technology Absorption

#### (A) Conservation of Energy:

Conservation of natural resources continues to be the key focus area of your Company. Some of the important steps taken in this direction follow.

#### OIL AND GAS BUSINESS:

##### Rajasthan Operations

- Conversion of steam driven power fluid pump to motor driven pump at Mangala Processing Terminal leading to emission reduction & energy efficiency. Annual GHG emission reduction potential of ~ 86,000 tCO<sub>2</sub>e.
- Reduction in fuel gas consumption through GTGs by enhancing contract demand & utilisation of Grid Power at Bhogat terminal. Annual GHG emission reduction potential of 16,200 tCO<sub>2</sub>e.
- Flare Gas utilisation from KW-02 through gas cascading & bottling: Annual GHG reduction potential of 6,000 tCO<sub>2</sub>e.
- Reduction in RDG flare through digital twin process. Annual GHG emission reduction potential of 4,110 tCO<sub>2</sub>e.
- Commissioning of solar rooftop (15 KW) on another 16 AGIs of pipeline operations. Annual GHG reduction potential of ~300 tCO<sub>2</sub>e.
- Commissioning of solar rooftop of 126 KWp at Raag gas WPs. Annual GHG reduction potential of 157 tCO<sub>2</sub>e.
- Energy Conservation by conversion of induction motor to Permanent Magnetic motor ("PMM") has resulted in energy saving of ~7,750 GJ & GHG reduction of ~1,550 tCO<sub>2</sub>e in FY 2023-24.
- Replacement of R-22 based HVACs to Inverter based HVACs with ODS free & less GWP refrigerants at RJ South resulted in annual energy saving of ~385 GJ.
- Installation of airtron energy saver in 100 Nos. of split ACs in RJ South resulting in annual energy conservation of 480 GJ.

##### Cambay Operations

- Installed and commissioned 40 kWp on two wheeler parking shed resulting in energy saving of 31,500 kWh.
- Replaced total 94 no. of conventional lights with LED, resulted in energy saving of 33,500 kWh.

#### COPPER BUSINESS:

- Phase out of less efficient motors with IE4 rated motors having higher efficiency to reduce energy consumption and subsequent emission. Total 8 motors have been installed & 12 Nos. considered under phase 2 implementation. (Total Project Saving – 3,47,000 kWh/Annum).

- Reduction of fuel consumption in Piparia Casting Plant by optimising the furnace burners negating 87,600 Kg/Annum and associated emission reduction of 261 tCO<sub>2</sub>eq/Annum (Scope 1 Emission).
- Secondary copper consumption for FY 2023-24 – 27,052 MT.
  - Silvassa – 24,693 MT estimated reduction of 61,733 tCO<sub>2</sub>eq. (Scope 3 Emission).
  - Fujairah – 2,359 MT estimated reduction of 5,897.5 tCO<sub>2</sub>eq. (Scope 3 Emission).

#### SESA GOA BUSINESS:

##### VAB

- Usage of biodiesel for oven heating operation, thus reducing the emissions from conventional HSD usage (Reduction ~500 tCO<sub>2</sub> emission).
- Installed free EV charging station at VAB for employees and community. (Reduction ~500 tCO<sub>2</sub> emission).
- Replacing 2 Nos. old blower motors with IE4 motors (Saving – 3,61,200 kWh/annum).
- Conversion of conventional lamps with LED lamps (Saving – 42,000 kWh/annum).

##### Iron Ore Goa ("IOG")

- Installation of 60 no. of LED Streetlights in Haul Road from NSP to 3-Top, 4-Top to Common Boundary and ¾ Bottom. The streetlight uses timer-based automatic switching on/off of lights which cuts down extra usage of energy.

##### Iron Ore Odisha ("IOO")

- 132 KW\*2 and 75 KW\*1 = 339 KW Pumps replaced with single 315 KW, IE3 dewatering pump running on VFD in FEEGRADE Mine resulted in energy saving of 2,34,738 kWh, pumping efficiency increase of 120% (which translates to additional 76,772 kWh of energy saving) and Power bill reduction of 13% per month of the overall power bill in FY 2023-24 (Commissioning date 01 October 2024).
- Replacement of 4 existing starters of BICO washing plant with VFD.
  - Saving of 3,060 kWh in FY 2023-24 (Apron Feeder VFD).
  - Saving of 3,825 kWh in FY 2023-24 (Classifier VFD).
  - Saving of 33,660 kWh in FY 2023-24 (Scrubber VFD).
  - Saving of 11,220 kWh in FY 2023-24 (Slurry Pump VFD).

- iii. LED Lights are installed in both the mines and offices etc. for both indoor lighting as well as outdoor lighting. 24 KW of HPSV is replaced with LED Light (Energy saving of 16,200 in FY 2023-24).

**POWER BUSINESS:****2,400 MW Jharsuguda**

- i. U#1,3,4 HP heater 3 performance improved by sealing the leaking tubes. Savings of 0.6 KCal/kWh.
- ii. U#2 Flue gas duct leakage correction done resulted in savings of 400 kWh.
- iii. U#2 Fabric filter bags replaced resulted in savings of 400 kWh.
- iv. U#2 HP bypass valve passing correction done resulted in savings of 0.6 KCal/kWh.

**CPP 1,215 MW Jharsuguda**

- i. Air preheater basket jet cleaning for 3 units (Unit 9, 6 and 8) to reduce the high flue gas exit temperature to design level saving 7.5 KCal/kWh.
- ii. Turbine Overhauling (HIP carrier refining) in Unit#9 to improve HP cylinder efficiency resulted in saving of 8 KCal/kWh in heat rate for the unit.
- iii. Replacement of Air preheater seals and fabric filter bags, flue gas duct repairing for 3 units (Unit 9, 6 and 8) to reduce Induced Draft and Primary Air fans consumption by 730 kWh.
- iv. Chemical cleaning of condenser done for 3 units (Unit 9, 6 and 8) to improve cleanliness factor and reduce vacuum losses benefits vacuum improvement of 0.6 KPA and 9 KCal/kWh savings of heat rate in unit.
- v. Condenser bullet cleaning done in Unit #9, 6 and 8 to save in heat rate by 9 KCal/kWh for the units combined.
- vi. 2 no. Cooling Water system bucket strainer taken in service after refurbishment to rectify frequent condenser choking.
- vii. 1 Mill grinding media replaced (9C) to improve mill fineness and optimise combustion efficiency reduces Auxiliary power consumption by 0.08% per unit.

**ALUMINIUM BUSINESS:****Smelter Plant-1 (Jharsuguda)****Electrical Energy****DC Energy saving**

- i. 100% graphitised cathode implementation in smelting pots.
- ii. Current efficiency improvement in Potline to 95.28%.
- iii. RUC copper inserted collector bar for pot cathode in 4 pots with savings of 458 kWh/MT per pot.
- iv. Vedanta Lining Design implemented in 90 pots with savings of 195 kWh/MT per pot.

**AC auxiliary Energy saving**

- i. 100% Graphitised Cathode Implementation in smelting pots.
- ii. Installation of Energy efficient IE3 motors at various areas of plant.
- iii. Conventional Light replacement with LED in High mast office area, shop floor, pathway.
- iv. Retrofitting and software upgradation work in 2 metal tapping vehicles.
- v. Biodiesel implementation in all Technological vehicles (In 80:20 ratio).
- vi. Rectifier conversion efficiency improvement from 98.62% to 98.64%.
- vii. Compressor efficiency improvement.
- viii. Dryer efficiency improvement.
- ix. Energy efficient distil water pump installation in power track.
- x. Optimisation of blower running time in Heating ramps of furnace.

**Smelter Plant-2 (Jharsuguda)****Electrical Energy****DC Energy saving**

- i. 100% graphitised cathode implementation in smelting pots.
- ii. Current efficiency improvement in Potline is 94.47%.
- iii. RUC copper inserted collector bar for pot cathode in 6 pots with saving of 522 kWh/MT per pot.
- iv. Vedanta Lining Design implemented in 89 pots with savings of 274 kWh/MT per pot.

**AC auxiliary Energy saving**

- i. Drive installation in CWP in Cast House-2.
- ii. Hydro jet cleaning of airlift blower pipe.
- iii. Hot well pump elimination in Rodding.
- iv. VFD installation for Cold Well Pumps.
- v. Mill productivity enhancement from 34tph to 37tph (Average Running Hrs\*Average kWh/hour).
- vi. HP#3 Compressor Overhauling.
- vii. Pneumatic no-loss Drain Valve installation in 4 compressors.
- viii. Old BR/CR motor replaced with IE3 motor in Bake oven.
- ix. Deployment of battery-operated forklifts.
- x. Replacement of conventional lights with LED lights.
- xi. VFD installation in furnace ID fan at Rodding plant.

**Lanjigarh – Refinery**

The following major energy conservation measures are taken at Lanjigarh:

- i. Efficiency improvement in cooling water pumps by anti-frictional coating. Annual savings of 1.764 lakhs units of electrical energy.
- ii. Power factor improvement in the refinery from 0.84 to 0.95. Annual savings of 12.64 lakhs units of electrical energy.
- iii. Energy saving from speed optimisation through pulley replacement and Variable speed drives in PDS transfer pump, Flash steam condensate pumps and wash water pumps. Annual saving of 14.23 lakhs units of Electrical Energy.
- iv. Improvement of Specific FO by 1.34 Kg/T by implementation of APC, online blind system for CCL pan filter to reduce hydrate moisture and refractory replacement.
- v. LED light replacement of 2,400 conventional lights. Annual savings of 2.16 lakh units of Electrical Energy.
- vi. Improvement of Liquor productivity from 82 GPL to 84 GPL by improving ISC performance in PPT circuit. Annual savings of 72 lakh units of Electrical Energy.
- vii. Replacement of 101 nos. of IE1 motor to energy efficient IE3 motors. Annual savings of 11.38 lakhs units of Electrical energy.
- viii. Segregating Grinding media in Ball Mill 2,3- and thereby improving throughput. Annual savings of 16.32 lakhs units of Electrical Energy.
- ix. Steam economy improvement of Evaporation 1 and 2 by increasing Heat transfer coefficient in calandria tubes. Specific steam savings of 0.2 T/T of Hydrate.
- x. Increase in throughput of Ball mill 1&2 by increasing capacity of feed pump and product discharge pump. Annual Electrical savings of 72 lakhs units of Electrical energy.
- xi. Enhancement of Indirect Heat Exchanger operation from 75% to 85% (through tube replacement) by retubing 6 number of bundles. Annual savings of 30 kt of steam energy.
- xii. Performance improvement of live steam heaters in Digestion unit. Annual savings of 40 kt of steam energy.
- xiii. Steam savings by replacement of steam traps in Digestion, Evaporation and CGPP units. Annual Savings of 3 kt of steam.

**Lanjigarh – CGPP**

- i. Replacement of Cooling Tower fills in CGPP. Annual savings of 2.6 lakhs units of electrical energy.
- ii. Air pre-Heater replacement in Boiler 1 and Boiler 3. Savings of 23,400 tonnes of coal per annum.
- iii. Successful firing of 358 T Biomass in Boilers in FY 2023-24.

**(B) Additional investments and proposals, if any, being implemented for reduction of consumption of energy****OIL & GAS BUSINESS:****Rajasthan Operations**

- i. Renewable Energy Sourcing of another 47 MW RTC power is under discussion with renewable energy players.
- ii. Conversion of 2 more steam driven pumps to motor driven pumps at Mangala Processing Terminal for emission reduction & energy efficiency. Annual GHG emission reduction potential is ~1,30,000 tCO<sub>2</sub>e.
- iii. Installation of Microturbine (2\*0.8 MW) at Mangala Processing Terminal. Annual GHG reduction potential of 11,400 tCO<sub>2</sub>e.
- iv. Replacement of Conventional Lights with Solar & LED at MBA and Midstream operations.
- v. Installation of Air conditioners with non-Ozone Depleting substance refrigerant and energy saving Inverter in MBA and midstream operations.
- vi. Commissioning of 59 kWh SRP Solar Rooftop plant.
- vii. Flare gas recovery using Gas compression Package and Pipeline from Tukaram to RGT/RDG. Annual GHG emission reduction potential up to 85,000 tCO<sub>2</sub>e.
- viii. Installation of Gas Engine Generator at Tukaram-1Z.

**Ravva Operations**

- i. Replacement of Conventional Lights with LED at Ravva.
- ii. Conversion of Diesel driven compressor with Motor driven (Blasting & Painting compressor).

**COPPER BUSINESS:**

- i. Installation of Biomass fired Boiler.
- ii. VFD installation for RCW Pumps in 35TPH CCR – Project.
- iii. 100% RE power project.

- iv. VFD installation for standby cooling tower pump and HF blower (Estimated energy saving – 47,232 kWh/year) – Copper Fujairah.
- v. Energy efficient Air compressor (Estimated energy saving – 54,000 kWh/year) – Copper Fujairah.

**SESA GOA BUSINESS:****VAB**

- i. Installation of solar power plant ~100 KW capacity at admin and parking area of VAB.
- ii. Installation of EV charging stations for employees and community.

**IOK**

- i. 2.5 MW Solar RE PPA.

**IOO**

- i. Conversion of power source of 250KW BICO Mine dewatering pump from DG supply to grid supply has resulted in reduction of diesel consumption by 151.2 KL in FY 2023-24 (commissioning date 11 November 2023). Furthermore, the motor is running with a VFD resulting in additional energy saving of 5,38,740 kWh per annum.
- ii. Conversion of power source of Crusher in BICO mine from DG supply to grid supply has resulted in reduction of diesel consumption by 292.5 KL in FY 2023-24.

**POWER BUSINESS:****2,400 MW Jharsuguda Proposals**

- i. NDCT fills replacement and condenser chemical cleaning of Unit 3.
- ii. Flue gas duct leakage correction of Unit 3.
- iii. Air preheater seals and basket replacement of unit 3.
- iv. Flue gas duct replacement of Unit 2.
- v. NDCT fills replacement & condenser chemical cleaning of Unit 2.
- vi. APH basket cleaning & seal replacement of Unit 2.

**1,215 MW Jharsuguda Proposals**

- i. Double layer bucket strainer installation for 5 units.
- ii. Air preheater Basket replacement for 1 unit.
- iii. Mill grinding media replacement for 6 Mills.
- iv. Additional cooling tower installation for 1 unit.
- v. ESP bag filter replacement for 1 unit.
- vi. Seal trough bottom hopper replacement for 2 units.

**ALUMINIUM BUSINESS:****Smelter Plant-1 (Jharsuguda)**

- i. 100% Graphitised cathode implementation in smelting pots.
- ii. Replacement of old motors with Energy efficient motor.
- iii. Replacement of conventional lights with LED lights.
- iv. Vedanta Lining Design implementation in smelting pots.
- v. RUC copper inserted collector bar for pot cathode.

**Smelter Plant-2 (Jharsuguda)**

- i. 100% Graphitised cathode implementation in smelting pots.
- ii. Vedanta Lining Design implementation.
- iii. Vedanta pot controller and Pot technology upgradation.
- iv. Replacement of conventional lights with LED lights.
- v. Replacement of old motors with Energy efficient motor.

**(C) Impact of above measures in (A) and (B) for reduction of energy consumption and consequent impact of cost of production of goods****OIL AND GAS BUSINESS:****Rajasthan Operations**

- i. Conversion of steam driven power fluid pump to motor driven pump at Mangala Processing Terminal leading to emission reduction & energy efficiency. Annual energy saving of ~14,40,000 GJ.
- ii. Renewable energy generation from solar rooftop (15 KW) on 16 AGIs of pipeline: ~2,52,400 kWh/annum.
- iii. Renewable energy generation from 126KWp at Raag gas WPs: ~1,25,700 kWh/annum.
- iv. Energy Conservation by conversion of induction motor to Permanent Magnetic motor (PMM) has resulted in energy saving of ~7,750 GJ in FY 2023-24.
- v. Replacement of R-22 based HVACs to Inverter based HVACs with ODS free & less GWP refrigerants at RJ South resulted in annual energy saving of ~385 GJ.
- vi. Installation of airtron energy saver in 100 no. of split ACs in RJ South resulting in annual energy conservation of 480 GJ.

**Ravva Operations**

- i. Conversion of Diesel compressor with electric motor driven compressor reduced 61.55 tCO<sub>2</sub>e emissions and reduction in energy consumption by 198.4 GJ/Year.
- ii. Replaced Conventional Lights with LED at Ravva resulting 89 MWH savings for the year.

**Cambay Operations**

- i. Installed and commissioned 40 kWp resulting in energy saving of 31,500 kWh.
- ii. Replaced total 94 no. conventional lights with LED resulting in energy saving of 33,500 kWh.

**SESA GOA BUSINESS:****VAB**

- i. The energy conservation measures undertaken in various areas in FY 2023-24 have an annual saving potential of 403 MWH of electricity per annum for VAB.

**IOO**

- i. In FY 2023-24, by converting the remaining dewatering pumping from diesel to electricity, 443.7 KL diesel was saved and by using LED lights and Variable Frequency Drives ("VFDs"), 841.463 MWH power was saved.

**POWER BUSINESS:****2,400 MW Jharsuguda**

- i. Estimated reduction of Auxiliary Power Consumption ("APC") by 0.55% from FY 2022-23 to FY 2023-24 with increase in net generation by 115 million units.
- ii. Estimated Specific Coal Consumption ("SCC") reduction by 23 Gms/kWh from FY 2022-23 to FY 2023-24 with Coal Saving of 4.3 LMT.
- iii. Estimated forced outage reduction by 0.8% from FY 2022-23 to FY 2023-24 with increase in availability by 280 Hrs.
- iv. Estimated Plant Load Factor ("PLF") increased by 13% from FY 2022-23 to FY 2023-24 with generation increase by 2,733 million units.
- v. Estimated increase of availability by 6% from FY 2022-23 to FY 2023-24 with increase in available time by 1,800 Hrs.

**1,215 MW Jharsuguda**

- i. PLF increased by 4.09% Y-o-Y.
- ii. Station utilisation increased by 4.62% since FY 2022-23.
- iii. SCC reduction by 5.01 Gms/kWh.
- iv. APC reduction by 0.15% Y-o-Y.
- v. Forced outage reduction by 0.93% Y-o-Y.

**ALUMINIUM BUSINESS:****Smelter Plant-1 and 2 (Jharsuguda)**

- i. Specific energy consumption reduction by 55 kWh/tonne.

**(D) The steps taken by the Company for utilising alternate sources of energy****COPPER BUSINESS:**

- i. Initiated 825 KW Solar power Project.
- ii. Planning to setup Renewable Energy ("RE") hybrid power through Group Captive Power Purchase ("GCPP") model.

**SESA GOA BUSINESS:****IOK**

- i. 2.5 MW Hybrid RE PPA.

**Met Coke Vazare**

- i. Solar hybrid lights for main gate to junction.

**VAB**

- i. 100 KW solar power plant installation in progress.
- ii. EV charging station setup.

**IOO**

- i. Planning for installation of 100 KW Solar Plant.

**FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENT (R&D)****Specific areas in which R&D carried out by the Company****POWER BUSINESS:****2,400 MW Jharsuguda**

- i. Coal Quality tracker developed to analyze coal quality coming from different mines through different transporters for day ahead planning of generation & gap analysis.
- ii. Online startup monitoring program developed for effective monitoring of parameters during unit startup for deviations capturing & mitigation at the same time to reduce startup time & oil consumption.
- iii. Online vibration monitoring system developed for enhancing the reliability of mills through which we can online monitor the healthiness of different parts of mills so that outage losses can be minimised and deviations can be corrected within short frame.
- iv. Acoustic leak detection system ("ASLD") to be installed in Unit#3 for early detection of boiler failure & minimised shutdown time.
- v. Separated overfire damper ("SOFA") installed in Unit#3 for better control over boiler tube metal temperatures and enhancing combustion.
- vi. Economiser tubes changed from fin type to bare type in Unit#3 for enhancing reliability.

## Technology Absorption, Adaptation, and Innovation

## Benefits derived as a result of above efforts in brief made towards technology absorption, adaptation, and innovation

## OIL &amp; GAS BUSINESS:

## Rajasthan Operations

## Operations

- Advance Process Control ("APC") implemented in CPP to improve boiler efficiency further by optimisation of excess O<sub>2</sub>, automation of ACC fan operation and in steam turbine generators ("STGs") for maximising power generations.
- New motor driven PF pump installed to optimise inhouse power generation by reducing stem venting loss.
- Automation on intermittent producing wells at RJ South for increasing uptime of cyclic wells.
- Online inspection of Storage tanks at RJ South with Robotic Crawler.
- Reduction in Trucking from SSF field at RJ South by installation and commissioning of Oil export pipeline.

## Petroleum Engineering

- Artificial lift optimisation in Bhagyam field leading to improved MTBF (~40%) and resulted in additional volume of ~1,500 BOPD.
- Implementation of Inhouse developed digital solutions (Metador & PCP Connect) to optimise wells and artificial lift across MBA fields that not only helped to run wells at their technical limits but also increased well uptime.
- Development of in-house downhole gas separator and screen for unconventional ABH wells with rod lift for better pump performance and run life.
- Implementation of hydraulic fracturing technology as an alternate solution for productivity improvement in high permeable MBA field.
- Innovated lean well test system and H2S scrubber for routine well services activity for improved turnaround time ("TAT").
- Optimisation of well services and workover chemical recipes with Thumbli water & detailed fluid chemistry study.
- "Waste to Wealth generation" in Bhagyam PCP wells by novel completion design by using ESP pulled out sensors (in-house design and modification in existing equipment).
- Revival of (almost) abandoned wells using new-generation customised fishing & milling tools.

- Velocity string installation for low producing wells at RJ South to increase production by preventing water loading in wells.
- Upgradation of Static and Dynamic Model from Version 4.1 to 5 for increasing accuracy of reserve estimation and business planning.

## HSE

- AI based surveillance was adapted in MPT and Well pads, capable of detecting both unsafe act and unsafe conditions.
- Virtual Reality ("VR") based training was provided to employees and business partners.
- Presence of Spark arrestor in vehicle is now being captured through cameras.
- Tanker digitalisation Mobile Application for pre-unloading inspection of crude oil tanker.
- Dashboard for tracking key metrics, trend analysis and gaining insights into historical data for Unloading tankers.
- HSE Passport digitalisation.

## Digital

**Asset Performance Management ("APM")** – APM solution from GE Digital's Meridium is implemented across MBA fields. Key Advantages of implementing this solution –

- Predictive Maintenance: Provides advanced analytics and predictive modelling to anticipate equipment failures before they occur. By analysing historical data, monitoring real-time performance metrics, and identifying early warning signs of potential issues.
- Improved Asset Reliability: By monitoring asset health and performance in real-time, it helps to optimise asset reliability and uptime.
- Increased Operational Efficiency: This will help in optimising asset performance and operational efficiency by providing actionable insights into asset health, reliability, and maintenance needs. By streamlining maintenance processes, reducing equipment downtime, and maximising asset utilisation, it can improve productivity, reduce operating costs, and enhance overall profitability.



## Benefits derived as a result of above efforts in brief made towards technology absorption, adaptation, and innovation

- Implementation of Industrial Internet of Things ("IIoT") at RJ South for health monitoring & predictive analysis of critical equipment.
- Digital Twin implementation at RJ South for process optimisation by online dynamic modelling simulation.

## Energy Consumption

Efforts were made to reduce energy consumption and minimise energy losses by implementing –

- **HVAC Digitalisation** system in four sections within the Mangla Processing Terminal and Raageshwari Gas Terminal by using IIOT devices to collect key performance parameters in real time in the cloud infrastructure. Providing key benefits like - Centralised remote monitoring, access, and control of HVACs. Also improving equipment efficiency, energy saving and reducing carbon footprint, predicting equipment failures and shifting from preventive maintenance to Condition-based Maintenance.
- **Steam Trap Monitoring** using IoT Devices has enabled real time monitoring and AI based automated analysis of trap health via proprietary detection algorithm to detect the state of the steam traps. This initiative utilises IoT-enabled temperature sensor to monitor and alert about the steam trap failures.

## Plant Automation

- Remote monitoring of Aishwarya Barmer Hills ("ABH") field SRP wells using dyna card for well monitoring and production optimisation.
- Remote Equipment health monitoring for vital equipment using Internet of Things technology was carried in MPT as part of POC for real time monitoring of parameters and triggering and notifying the faults to users.
- Central control room concept for SSF and RDG for better monitoring initiated.

## Ravva Operations

- Development of automated virtual metering tool (daily automated well rate estimation). The tool utilises powerful algorithm and visualisation tools. This tool was developed internally, and user acceptance testing is in progress.

## Cambay Operations

- Installed one of its kind gas engine driven horizontal pump system (2 no.) on LB Platform.
- Retrofit gas lift arrangement using Jet pump was done in LA-07 well where no GLM was present in the upper completion.
- Special 2½" size tractor was designed from the business partner due to complex well trajectory and intervention challenges. Wireline was conveyed along with tractor to perforate GA-07 well to yield incremental gas production.
- Through tubing perforation in the middle completion and application of straddle patch system to unlock target zone behind the tubing & casing. Patch installation facilitated to divert gas through GLM for controlled flow in LB-11.
- Successful mechanical water shut off job conducted in LA-10.
- Deterministic and stochastic seismic inversion study carried out for Babaguru and Tarkeshwar intervals.

## SESA GOA BUSINESS:

## VAB

- Turbine upgradation in power plant to increase the generation of PP-2 from 30 MW to 35 MW.
- Replacing old motors with super premium efficiency motors (IE4).
- Using variable frequency drive for speed control and hence increasing efficiency.

## IOO

- Replacing old dewatering circuits with single 315 KW pump-motor increased flow rate from 779 to 900 cubic metres per hour.
- Replacing old motors with higher efficiency motors (IE3).
- Using variable frequency drive for speed control and hence increasing efficiency.
- Installing LED lights in all places.

## ALUMINIUM BUSINESS:

## Smelter Plant-1 and 2 (Jharsuguda)

- Vedanta Lining Design implementation in smelting pots.
- RUC copper inserted collector bar for pot cathode.
- Replacement of Diesel operated forklift with Battery operated forklift.

## Benefits derived as a result of above efforts e.g., product improvement, cost reduction, product development, import substitution

**OIL AND GAS BUSINESS:****Rajasthan Operations****Operations**

- APC implemented in CPP to improve Boiler efficiency further by optimisation of excess O<sub>2</sub>, automation of ACC fan operation and in steam turbine generators (STGs) for maximising power generations.
- New motor driven PF pump installed to optimise inhouse power generation by reducing stem venting loss.

**PE and Drilling**

- Artificial lift optimisation in Bhagyam field resulted in additional volume of ~1,500 BOPD.
- Development of in-house downhole gas separator and screen for unconventional ABH wells with rod lift improved pump performance and added volume of ~1,000 BOPD and increased MTBF.
- Implementation of hydraulic fracturing technology as an alternate solution for productivity improvement in high permeable MBA field resulted in ~5,000 BOPD.
- Innovation of lean well test system and H2S scrubber for routine well services activity, improved TAT and reduced cost, leading to saving of ~1 MMUSD annually.
- Optimisation of well services and workover chemical recipes with Thumbli water resulted in cost saving of 1 MMUSD annually.
- "Waste to Wealth generation" in Bhagyam PCP wells by novel completion design by using ESP pulled out sensors (in-house design and modification in existing equipment) which resulted in cost saving of ~500k USD.
- Revival of (almost) abandoned wells using new-generation customised fishing & milling tools added volume of ~700 BOPD.

**HSE**

- Proactive detection of unsafe act and unsafe condition has helped in reducing the number of HSE incidents.
- VR (Virtual Reality) based training has eliminated even the slightest of risk that existed during actual training.
- Tanker digitalisation, HSE passport digitalisation and HSE dashboards have helped in gaining the insights on number of unsafe acts, unsafe conditions, reasons for safety breaches and performing root cause analysis of incidents.

**Digital**

- **HVAC Digitalisation:** Energy saving of 572 kWh was achieved during the PoC which resulted saving of 15 lakhs and reduced carbon footprint of 140 tonne of CO<sub>2</sub>e.
- **Steam trap Monitoring:** Following the successful completion of the PoC, we are in plan to scale up the project and expand the monitoring system to cover a total of 100 steam traps including the 20 traps as part of PoC.
- Potential steam loss saving is around 11 lakhs kg/ annum and reduction in carbon footprint of 180 tonne of CO<sub>2</sub>e and fuel gas consumption reduction by 2.82 MMSCF/year.
- Using APC in ESP and PCP wells resulted in 3% increase in oil production across wells using APC in MBA fields.
- SRP wells performance optimised in ABH fields by having remote monitoring of process parameters.
- IIoT based vibration monitoring system helped in early detection and recommendation saved production losses and equipment downtime in tune of approximately 38k USD.

**Ravva Operations**

- Development of automated virtual metering tool (daily automated well rate estimation) which would help in production accounting based on real time well parameter (well performance) on daily basis.

**Cambay Operations**

- The installation of gas engine driven HPS at LB Platform has enabled artificial lift at the unmanned platform in absence of gas lift and electricity.
- Increased Gas production up to 0.7 MMSCFD in GA-07 after successful tractor conveyed perforation activity with wireline.
- Production Gain of ~500 BOEPD realised after successful mechanical water shutoff activity in LA-10.
- Unlocked zone behind tubing and casing with additional production gain ~1.25 MMSCFD in LB-11.
- Deterministic and stochastic seismic inversion study carried out for Babaguru and Tarkeshwar intervals would help in focusing on better vertical and lateral delineation of the reservoir bodies for improved understanding of reservoir continuity and connectivity.



## Benefits derived as a result of above efforts e.g., product improvement, cost reduction, product development, import substitution

**SESA GOA BUSINESS:****VAB**

- Increase in power generation with same steam consumption.
- Reduction in losses and hence increase efficiency.
- Power saving due to lower speed operation.
- Less failure and reduced power consumption.

**IOO**

- Increase in dewatering flow rate with lesser power consumption.
- Reduction in losses and hence increase efficiency.
- Power saving due to lower speed operation.
- Less failure and reduced power consumption.

**POWER BUSINESS:****2,400 MW Jharsuguda**

- U#3 R&M planned in Q4 FY 2023-24 for Economiser coils replacement from finned tube to bare tube & SOFA (Separated overfired air) damper installation for improved combustion efficiency and better control over metal temperatures.

**1,215 MW Jharsuguda**

- Induced draft Fan drive power reduction by Penthouse air seal.
- Padded insulation installed in Turbine to reduce radiation losses.
- 317 tonnes Biomass pallets induced to comply RPO obligation.

## In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), the following information may be furnished:

Business	Technology imported	Year of import	Has technology been fully absorbed?
<b>Oil and Gas Business</b>	<b>Cambay Operations</b>	• Gas engine driven HPS pumps (2 nos.).	Imported in FY 2023-24 Yes
		• Custom designed 2½" Tractor – Stroker tool.	Imported in FY 2023-24 Yes
<b>Copper Division</b>	No		
<b>Iron Ore - VAB</b>	Turbine upgradation in power plant to increase the generation of PP-2 from 30 MW to 35 MW.	FY 2022-23 [PP]	Yes
<b>Power Business</b>	No		
<b>Aluminium Business</b>	No		

Sd/-

Anil Agarwal  
(Non-Executive Chairman)





# ANNEXURE B

## Annual Report on CSR Activities for FY 2023-24

### 1 Brief outline on CSR Policy of the Company:

#### A. POLICY OBJECTIVE

Vedanta Limited ("VEDL" or "Company") is committed to conduct its business in a socially responsible, ethical and environment friendly manner and to continuously work towards improving quality of life of the communities in and around its operational areas. This Policy provides guidance in achieving the above objective and ensures that the Company operates on a consistent and compliant basis.

#### B. VEDL CSR PHILOSOPHY

"We at Vedanta Limited have a well-established history and commitment to reinvest in the social good of our neighbourhood communities and nation."

#### CSR VISION

"Empowering communities, transforming lives and facilitating nation building through sustainable and inclusive growth."

#### We believe, that

- we can positively impact and contribute to the realisation of integrated and inclusive development of the country, in partnership with National and State Government as well as local, national and international partners;
- sustainable development of our businesses is dependent on sustainable, long lasting and mutually beneficial relationships with our stakeholders, especially the communities we work with;
- partnerships with government, corporates and civil societies/community institutions, offer a strong

multiplier for complementing efforts, resources and for building sustainable solutions;

- our employees have the potential to contribute not just to our business, but also towards building strong communities.

#### C. THEMATIC FOCUS AREAS

Our programs focus on poverty alleviation programs, especially integrated development, which impacts the overall socio-economic growth and empowerment of people, in line with the national and international development agendas. The major thrust areas will be –

- Children's Well-being & Education
- Women's Empowerment
- Health Care
- Drinking Water & Sanitation
- Sustainable Agriculture & Animal Welfare
- Market linked Skilling the Youth
- Environment Protection & Restoration
- Sports & Culture
- Development of Community Infrastructure
- Participate in programs of national importance including but not limited to disaster mitigation, rescue, relief and rehabilitation

The CSR activities are aligned to the specified activities in Schedule VII of the Act. The above may be modified from time to time, as per recommendations of the CSR Committee of the Company.

### 2 Composition of CSR Committee:

Sl.No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Akhilesh Joshi	Chairperson, Independent Director	2	1
2	Priya Agarwal Hebbar	Member, Non-Executive Director	2	2
3	UK Sinha	Member, Independent Director	2	2
4	Padmini Sekhsaria	Member, Independent Director	2	1

### 3 Provide the web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

[www.vedantalimited.com](http://www.vedantalimited.com).



### 4 Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable for FY 2023-24

- Average net profit of the Company as per Section 135(5) (₹ crore): **5,329**
  - Two percent of average net profit of the Company as per Section 135(5) (₹ crore): **107**
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
  - Amount required to be set off for the financial year, if any (₹ crore): **Nil**
  - Total CSR obligation for the financial year (5b+5c-5d) (₹ crore): **107**
- Amount spent on CSR projects (both ongoing projects and other than ongoing projects) (₹ crore): **127**
  - Amount spent in Administrative Overheads (₹ crore): **4**
  - Amount spent on Impact Assessment, if applicable (₹ crore): **Nil**
  - Total amount spent for the financial year (6a+6b+6c) (₹ crore): **131**
  - CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (₹ crore)	Amount Unspent (₹ crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
131	-	NA	NA	NA	NA

- Excess amount for set off, if any (₹ crore):

Sl.No	Particular	Amount (in ₹ crore)
(i)	Two percent of average net profit of the Company as per Section 135(5)	107.00
(ii)	Total amount spent for the financial year	131.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	24.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	24.00

### 7 Details of Unspent CSR amount for the preceding three financial years: Nil

### 8 Whether any capital assets have been created or acquired through CSR amount spent in the financial year: No

### 9 Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): NA

Sd/-  
Arun Misra  
Executive Director (Whole-Time Director)

Sd/-  
Akhilesh Joshi  
Non-Executive Independent Director  
(Chairman - CSR Committee)

# ANNEXURE C

## Disclosure in Board's Report as per provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2019

Sr.No.	Requirement	Disclosure																					
1	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	<table border="1"> <thead> <tr> <th>Name of the Director</th> <th>Category</th> <th>Ratio</th> </tr> </thead> <tbody> <tr> <td>Navin Agarwal <sup>(1)</sup></td> <td>Executive Vice-Chairman</td> <td>228.48</td> </tr> <tr> <td>Sunil Duggal <sup>(2)</sup></td> <td>Whole-Time Director &amp; Chief Executive Officer</td> <td>56.32</td> </tr> <tr> <td>Arun Misra <sup>(3)</sup></td> <td>Executive Director</td> <td>127.18</td> </tr> </tbody> </table>	Name of the Director	Category	Ratio	Navin Agarwal <sup>(1)</sup>	Executive Vice-Chairman	228.48	Sunil Duggal <sup>(2)</sup>	Whole-Time Director & Chief Executive Officer	56.32	Arun Misra <sup>(3)</sup>	Executive Director	127.18									
		Name of the Director	Category	Ratio																			
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Sunil Duggal <sup>(2)</sup>	Whole-Time Director & Chief Executive Officer	56.32																					
Arun Misra <sup>(3)</sup>	Executive Director	127.18																					
Ratio of the Fee for attending board/committee Meetings & Commission of each director to the median remuneration of the employees of the Company for the financial year	<table border="1"> <tbody> <tr> <td>Anil Agarwal</td> <td>Non-Executive Chairman</td> <td>1.51</td> </tr> <tr> <td>UK Sinha</td> <td>Independent Director</td> <td>10.67</td> </tr> <tr> <td>Dindayal Jalan</td> <td>Independent Director</td> <td>10.46</td> </tr> <tr> <td>Akhilesh Joshi</td> <td>Independent Director</td> <td>10.16</td> </tr> <tr> <td>Padmini Sekhsaria</td> <td>Independent Director</td> <td>8.55</td> </tr> <tr> <td>Priya Agarwal Hebbbar</td> <td>Non-Executive Director</td> <td>16.10</td> </tr> </tbody> </table>	Anil Agarwal	Non-Executive Chairman	1.51	UK Sinha	Independent Director	10.67	Dindayal Jalan	Independent Director	10.46	Akhilesh Joshi	Independent Director	10.16	Padmini Sekhsaria	Independent Director	8.55	Priya Agarwal Hebbbar	Non-Executive Director	16.10				
Anil Agarwal	Non-Executive Chairman	1.51																					
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Padmini Sekhsaria	Independent Director	8.55																					
Priya Agarwal Hebbbar	Non-Executive Director	16.10																					
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<table border="1"> <thead> <tr> <th>Name</th> <th>Category</th> <th>Increment Percentage</th> </tr> </thead> <tbody> <tr> <td>Navin Agarwal</td> <td>Executive Vice-Chairman</td> <td>6%</td> </tr> <tr> <td>Sunil Duggal <sup>(2)</sup></td> <td>Whole-Time Director &amp; Chief Executive Officer</td> <td>NA</td> </tr> <tr> <td>Arun Misra <sup>(3)</sup></td> <td>Executive Director</td> <td>NA</td> </tr> <tr> <td>Ajay Goel <sup>(4)</sup></td> <td>Chief Financial Officer</td> <td>NA</td> </tr> <tr> <td>Sonal Shrivastava <sup>(5)</sup></td> <td>Chief Financial Officer</td> <td>NA</td> </tr> <tr> <td>Prerna Halwasiya</td> <td>Company Secretary &amp; Compliance Officer</td> <td>5%</td> </tr> </tbody> </table>	Name	Category	Increment Percentage	Navin Agarwal	Executive Vice-Chairman	6%	Sunil Duggal <sup>(2)</sup>	Whole-Time Director & Chief Executive Officer	NA	Arun Misra <sup>(3)</sup>	Executive Director	NA	Ajay Goel <sup>(4)</sup>	Chief Financial Officer	NA	Sonal Shrivastava <sup>(5)</sup>	Chief Financial Officer	NA	Prerna Halwasiya	Company Secretary & Compliance Officer	5%
		Name	Category	Increment Percentage																			
		Navin Agarwal	Executive Vice-Chairman	6%																			
		Sunil Duggal <sup>(2)</sup>	Whole-Time Director & Chief Executive Officer	NA																			
		Arun Misra <sup>(3)</sup>	Executive Director	NA																			
		Ajay Goel <sup>(4)</sup>	Chief Financial Officer	NA																			
		Sonal Shrivastava <sup>(5)</sup>	Chief Financial Officer	NA																			
Prerna Halwasiya	Company Secretary & Compliance Officer	5%																					
3	Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 5.95%*																					
4	Number of permanent employees on the rolls of Company	There were 7,493 employees of Vedanta Limited as on 31 March 2024.																					
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increment in FY 2023-24 for Managerial Personnel (M4 and Above): 8.1%																					
		Average Increment in FY 2023-24 for non Managerial Personnel (M5 and Below): 11.10%																					
		No exceptional increase given in the managerial remuneration.																					
6	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes																					

\*Median calculated is against employees active throughout the full financial year in FY 2023-24.

### Notes:

- For Mr. Navin Agarwal, the ratio inclusive of remuneration received from Vedanta Resources Limited, UK, the Holding Company, is 335.54.
- Mr. Sunil Duggal superannuated on completion of his tenure as the Whole-Time Director & CEO effective close of business hours on 31 July 2023.
- Mr. Arun Misra was inducted as the Executive Director of the Company with effect from 01 August 2023.
- Mr. Ajay Goel served as Acting CFO of the Company from 23 October 2021 till close of business hours on 09 April 2023. Further, as part of Company's structured re-hiring program called "Gharwapsi", Mr. Ajay Goel was appointed as the CFO of the Company with effect from 30 October 2023.
- Ms. Sonal Shrivastava was appointed as the CFO of the Company with effect from 01 June 2023 and further tendered her resignation from the position of CFO with effect from close of business hours on 24 October 2023.

Sd/-

Anil Agarwal  
(Non-Executive Chairman)



# ANNEXURE D

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

To,  
The Members  
**Vedanta Limited**  
1<sup>st</sup> Floor, 'C' wing,  
Unit 103, Corporate Avenue Atul Projects,  
Chakala, Andheri (East) Mumbai,  
Maharashtra – 400 093

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Vedanta Limited (hereinafter called the "Company" or "VEDL") for the financial year ended 31 March 2024 ("Audit Report"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31 March 2024 ("Period under review"), according to the provisions of:

- The Companies Act, 2013 (the "Act") and the rules made thereunder including re-enactment(s) thereof;
- The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to the extent of the Companies Act and dealing with client to the extent of securities issued;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review.**
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review.**
  - The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company).
- The Management has identified and confirmed the following laws as being specifically applicable to the Company:
  - The Mines and Minerals (Development and Regulation) Act, 2015 and the rules and regulations made thereunder.
  - Indian Boilers Act, 1923 and rules and regulations made thereunder.
  - Manufacture, Storage, and Import of Hazardous Chemical Rule, 1989.

We have also examined compliance with the applicable clauses and regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as mentioned below:

- i. Securities and Exchange Board of India ("SEBI") vide its adjudication order dated 30 June 2023, imposed a penalty of ₹ 30 Lakhs upon the Company for violation of the provisions of Regulation 4(1)(C), Regulation 30(11) read with 30(12) and Regulation 46(3) of the Listing Regulations.
- ii. Pursuant to the provisions of Regulation 30 of the Listing Regulations, the Company is required to submit the schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of intimation and the date of the meet). However, the Company has submitted the schedule of investor meet dated 29 September 2023, on the same day of meet. We have been informed by the management that the Company couldn't submit the required disclosure due to the sensitivity of the transaction.
- iii. The Company had delayed submission of intimation under Regulation 29(2) of Listing Regulations with each of the Stock Exchange(s) about the meeting of the Board of Directors held on 04 November 2023, to consider the financial results of the Company for Quarter ended 30 September 2023, and a fine of ₹ 11,800/- (inclusive of GST @ 18%) has been imposed by each of the stock exchange(s). As confirmed by the management of the Company, the same has been paid within the prescribed timeline. Further, the Company has not submitted the schedule of investor meet dated 04 November 2023, within the prescribed timeline.
- iv. In accordance with the provisions of Regulation 39 of the Listing Regulations, filings in respect of Loss of Share Certificate should have been made by the Company within two days of getting information. However, for one request, the Company has not made the submission to the stock exchange(s). We have been informed by the management of the Company that the same was due to non-receipt of information from the RTA of the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent atleast seven days in advance (except in cases where meetings were convened at shorter notice for which necessary approvals were obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at meetings of the Board and Committees are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees thereof, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- (i) 5,90,000 Secured, Unrated, Unlisted, Redeemable, Non-Convertible Debentures, each of nominal value of ₹ 1,00,000 (Rupees One Lakh) aggregating up to ₹ 5,90 crore (Rupees Five Thousand and Nine Hundred Crore) have been issued and allotted on private placement basis.
- (ii) The Committee of Directors has issued and allotted 7,200 Equity Shares of ₹ 1/- each as fully paid-up from the abeyance category.
- (iii) The Board of Directors of the Company has approved the Scheme of Arrangement between Vedanta Limited ("Demerged Company" or "Company") and Resulting Companies and their respective shareholders and creditors under Section 230-232 and other applicable provisions of the Companies Act, 2013 for the demerger of the:
  - a. Aluminum Undertaking (as defined in the Scheme) of the Company to Resulting Company 1;
  - b. Merchant Power Undertaking (as defined in the Scheme) of the Company to Resulting Company 2;



- c. Oil and Gas Undertaking (as defined in the Scheme) of the Company to Resulting Company 3;
- d. Base Metals Undertaking (as defined in the Scheme) of the Company to Resulting Company 4; and
- e. Iron Ore Undertaking (as defined in the Scheme) of the Company to Resulting Company 5.

- (iv) Redemption of Debentures and Commercial Papers:

**NCDs:**

ISIN	Maturity Date	Face Value	No. of instrument
INE205A08012	15 March 2024	10,00,000	8,000

Notes:

- i. This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.
- ii. We conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers, and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.

**CPs:**

ISIN	Maturity Date	Face Value	No. of instrument
INE205A14WR8	17 July 2023	5,00,000	10,000

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No:4186/2023

**Dr. S Chandrasekaran**

Senior Partner

Membership No. F1644

Certificate of Practice No. 715

UDIN: F001644F000215616

Date: 24 April 2024

Place: Delhi

## Annexure-A to the Secretarial Audit Report

To,  
The Members  
**Vedanta Limited**  
1<sup>st</sup> Floor, 'C' wing,  
Unit 103, Corporate Avenue Atul Projects,  
Chakala, Andheri (East) Mumbai,  
Maharashtra- 400 093

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No:4186/2023

**Dr. S Chandrasekaran**

Senior Partner

Membership No. F1644

Certificate of Practice No. 715

UDIN: F001644F000215616

Date: 24 April 2024

Place: Delhi

# ANNEXURE D-1

## Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

### SECRETARIAL AUDIT REPORT

For the financial year ended 31 March 2024

To,  
The Members,  
**BHARAT ALUMINIUM CO LTD**  
Aluminium Sadan Core -6 scope Office Complex 7,  
Lodhi Road, New Delhi, Delhi, 110003

CIN: U74899DL1965PLC004518  
Authorised Capital: ₹ 5,00,00,00,000/-  
Paid up Capital: ₹ 2,20,62,45,000/-

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BHARAT ALUMINIUM CO LTD (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Further this report of even date is to be read along with '**Annexure-A**' attached with this report.

Based on my verification of the BHARAT ALUMINIUM CO LTD books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2024 according to the provisions of:

- The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder, *Provisions of this act are not applicable to the Company.*
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment

and External Commercial Borrowings. *Provisions of this act are not applicable to the Company.*

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") were not applicable to the Company
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

- The management has identified and confirm the following law as specifically applicable to the Company:

- Employees State Insurance Act, 1948

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by the Institute of Company Secretaries of India.
- The Listing Agreements ("**LODR**") entered into by the Company with Stock Exchange, said *provisions are not applicable to the Company.*

During the period under review and as per the explanations and clarifications given to us and the representation made by management, the Company has generally complied with the provision of the Act, Rules, Regulations, Guidelines,



Standards, etc. mentioned above. We further report that compliance of applicable financial laws including Direct & Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by Statutory Auditors and other designated Professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013. Further, it was found that during the FY 2023-24 the re-appointment of two Independent Directors i.e. Mr. Anoop Kumar Mittal and Mr. Dindayal Jalan was approved through Nomination and Remuneration Committee and Board of Directors and is yet to be approved by the Members by passing Special Resolution as per Section 149(10) of the Companies Act, 2013.

As per the information and explanation provided, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the meetings convened at shorter notice with due compliance of Act and Secretarial Standards, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the

dissenting Members' views, if any are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances of:

- Public/Rights/Preferential issue of shares/sweat equity.
- Buy-back of securities.
- Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- Merger/amalgamation/reconstruction etc.
- Foreign technical collaborations.

For, **Nitin Agrawal & Co.**  
CP No. 11931

**Nitin Agrawal**  
(Proprietor)

**M No:** F-9684

Date: 12 April 2024 **Peer Review Certificate No:** 2989/2023  
Place: Raipur (C.G.) **UDIN:** F009684F000104262

## Annexure-A to the Secretarial Audit Report

To  
The Members,  
**BHARAT ALUMINIUM CO LTD**  
Aluminium Sadan Core -6scope Office Complex 7,  
Lodhi Road, New Delhi, Delhi, India - 110 003

Our report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Nitin Agrawal & Co.**  
CP No. 11931

**Nitin Agrawal**  
(Proprietor)

**M No:** F-9684

Date: 12 April 2024 **Peer Review Certificate No:** 2989/2023  
Place: Raipur (C.G.) **UDIN:** F009684F000104262